PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

3 May 2001

(extract from Book 4)

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

By authority of the Victorian Government Printer

The Governor

JOHN LANDY, MBE

The Lieutenant-Governor

Lady SOUTHEY, AM

The Ministry

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

Legislative Assembly Committees

Privileges Committee — Mr Cooper, Mr Holding, Mr Hulls, Mr Loney, Mr Maclellan, Mr Maughan, Mr Nardella, Mr Plowman and Mr Thwaites.

Standing Orders Committee — Mr Speaker, Mr Jasper, Mr Langdon, Mr Lenders, Mr McArthur, Mrs Maddigan and Mr Perton.

Joint Committees

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

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

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

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

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

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

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

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

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

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

Heads of Parliamentary Departments

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

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

Hansard — Chief Reporter: Ms C. J. Williams

Library — Librarian: Mr B. J. Davidson

Parliamentary Services — Manager: Mr M. L. Bromley

MEMBERS OF THE LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT — FIRST SESSION

Speaker: The Hon. ALEX ANDRIANOPOULOS

Deputy Speaker and Chairman of Committees: Mrs J. M. MADDIGAN

Temporary Chairmen of Committees: Ms Barker, Ms Davies, Mr Jasper, Mr Kilgour, Mr Loney, Mr Lupton, Mr Nardella, Mrs Peulich, Mr Phillips, Mr Plowman, Mr Richardson, Mr Savage, Mr Seitz

Leader of the Parliamentary Labor Party and Premier:
The Hon. S. P. BRACKS

Deputy Leader of the Parliamentary Labor Party and Deputy Premier:
The Hon. J. W. THWAITES

Leader of the Parliamentary Liberal Party and Leader of the Opposition:
The Hon. D. V. NAPTHINE

Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:
The Hon. LOUISE ASHER

Leader of the Parliamentary National Party:
Mr P. J. RYAN

Deputy Leader of the Parliamentary National Party:
Mr B. E. H. STEGGALL

Member	District	Party	Member	District	Party
Allan, Ms Jacinta Marie	Bendigo East	ALP	Leighton, Mr Michael Andrew	Preston	ALP
Allen, Ms Denise Margret [4]	Benalla	ALP	Lenders, Mr John Johannes Joseph	Dandenong North	ALP
Andrianopoulos, Mr Alex	Mill Park	ALP	Lim, Mr Hong Muy	Clayton	ALP
Asher, Ms Louise	Brighton	LP	Lindell, Ms Jennifer Margaret	Carrum	ALP
Ashley, Mr Gordon Wetzel	Bayswater	LP	Loney, Mr Peter James	Geelong North	ALP
Baillieu, Mr Edward Norman	Hawthorn	LP	Lupton, Mr Hurtle Reginald, OAM, JP	Knox	LP
Barker, Ms Ann Patricia	Oakleigh	ALP	McArthur, Mr Stephen James	Monbulk	LP
Batchelor, Mr Peter	Thomastown	ALP	McCall, Ms Andrea Lea	Frankston	LP
Beattie, Ms Elizabeth Jean	Tullamarine	ALP	McIntosh, Mr Andrew John	Kew	LP
Bracks, Mr Stephen Phillip	Williamstown	ALP	Maclellan, Mr Robert Roy Cameron	Pakenham	LP
Brumby, Mr John Mansfield	Broadmeadows	ALP	McNamara, Mr Patrick John [3]	Benalla	NP
Burke, Ms Leonie Therese	Prahran	LP	Maddigan, Mrs Judith Marilyn	Essendon	ALP
Cameron, Mr Robert Graham	Bendigo West	ALP	Maughan, Mr Noel John	Rodney	NP
Campbell, Ms Christine Mary	Pascoe Vale	ALP	Maxfield, Mr Ian John	Narracan	ALP
Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
Clark, Mr Robert William	Box Hill	LP	Mulder, Mr Terence Wynn	Polwarth	LP
Cooper, Mr Robert Fitzgerald	Mornington	LP	Napthine, Dr Denis Vincent	Portland	LP
Davies, Ms Susan Margaret	Gippsland West	Ind	Nardella, Mr Donato Antonio	Melton	ALP
Dean, Dr Robert Logan	Berwick	LP	Overington, Ms Karen Marie	Ballarat West	ALP
Delahunty, Mr Hugh Francis	Wimmera	NP	Pandazopoulos, Mr John	Dandenong	ALP
Delahunty, Ms Mary Elizabeth	Northcote	ALP	Paterson, Mr Alister Irvine	South Barwon	LP
Dixon, Mr Martin Francis	Dromana	LP	Perton, Mr Victor John	Doncaster	LP
Doyle, Robert Keith Bennett	Malvern	LP	Peulich, Mrs Inga	Bentleigh	LP
Duncan, Ms Joanne Therese	Gisborne	ALP	Phillips, Mr Wayne	Eltham	LP
Elliott, Mrs Lorraine Clare	Mooroolbark	LP	Pike, Ms Bronwyn Jane	Melbourne	ALP
Fyffe, Mrs Christine Ann	Evelyn	LP	Plowman, Mr Antony Fulton	Benambra	LP
Garbutt, Ms Sherryl Maree	Bundoora	ALP	Richardson, Mr John Ingles	Forest Hill	LP
Gillett, Ms Mary Jane	Werribee	ALP	Robinson, Mr Anthony Gerard Peter	Mitcham	ALP
Haermeyer, Mr André	Yan Yean	ALP	Rowe, Mr Gary James	Cranbourne	LP
Hamilton, Mr Keith Graeme	Morwell	ALP	Ryan, Mr Peter Julian	Gippsland South	NP
Hardman, Mr Benedict Paul	Seymour	ALP	Savage, Mr Russell Irwin	Mildura	Ind
Helper, Mr Jochen	Ripon	ALP	Seitz, Mr George	Keilor	ALP
Holding, Mr Timothy James	Springvale	ALP	Shardey, Mrs Helen Jean	Caulfield	LP
Honeywood, Mr Phillip Neville	Warrandyte	LP	Smith, Mr Ernest Ross	Glen Waverley	LP
Howard, Mr Geoffrey Kemp	Ballarat East	ALP	Spry, Mr Garry Howard	Bellarine	LP
Hulls, Mr Rob Justin	Niddrie	ALP	Steggall, Mr Barry Edward Hector	Swan Hill	NP
Ingram, Mr Craig	Gippsland East	Ind	Stensholt, Mr Robert Einar [2]	Burwood	ALP
Jasper, Mr Kenneth Stephen	Murray Valley	NP	Thompson, Mr Murray Hamilton	Sandringham	LP
Kennett, Mr Jeffrey Gibb [1]	Burwood	LP	Thwaites, Mr Johnstone William	Albert Park	ALP
Kilgour, Mr Donald	Shepparton	NP	Trezise, Mr Ian Douglas	Geelong	ALP
Kosky, Ms Lynne Janice	Altona	ALP	Viney, Mr Matthew Shaw	Frankston East	ALP
Kotsiras, Mr Nicholas	Bulleen	LP	Vogels, Mr John Adrian	Warrnambool	LP
Langdon, Mr Craig Anthony Cuffe	Ivanhoe	ALP	Wells, Mr Kimberley Arthur	Wantirna	LP
Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

[1] Resigned 3 November 1999
[2] Elected 11 December 1999
[3] Resigned 12 April 2000
[4] Elected 13 May 2000

CONTENTS

THURSDAY, 3 MAY 2001

CONTENTS

QUESTIONS ON NOTICE

TUESDAY, 1 MAY 2000

WEDNESDAY, 2 MAY 2001

Thursday, 3 May 2001

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 9.37 a.m. and read the prayer.

CENTENARY OF FEDERATION

Parking and access arrangements

The SPEAKER — On Thursday, 10 May 2001, the Parliament of the Commonwealth of Australia — that is, the Senate and the House of Representatives — will hold commemorative sittings for the centenary of Federation in the Legislative Council and the Legislative Assembly chambers of the Victorian Parliament.

As I am sure honourable members are aware, this will be the first time since 1927 that the federal Parliament has met outside Canberra and back here in Melbourne and is a result of the invitation issued by the Victorian Parliament on 10 May 2000.

I wish to draw to the attention of all members important organisational matters.

On Thursday, for a number of security and logistical reasons, car parking in the parliamentary reserve will be restricted. Members and parliamentary staff are asked to park at the Museum of Victoria car park at Rathdowne Street, Carlton. Car parking will be available from 6.00 a.m. Members will need to show their entree cards and staff their centenary of Federation security passes to obtain free parking. Shuttle buses will run from the museum car park to Spring Street, Melbourne, from 6.00 a.m. to 9.30 a.m.

It is requested that all members of this Parliament enter Parliament House through the front or Spring Street doors. Members should further note that access to normal facilities — that is, strangers corridor, dining room and other meeting rooms — will be restricted until after 12.15 p.m. that day.

Following the commemorative sittings these restrictions will cease to apply and car parking will be available to members on the parliamentary reserve from 2.00 p.m. that day. The shuttle bus service will resume from Parliament House to the museum between 2.00 p.m. and 2.30 p.m.

The Presiding Officers seek the support of all members and staff in this regard.

PETITIONS

The Clerk — I have received the following petitions for presentation to Parliament:

Corryong Consolidated School

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the Corryong Consolidated School Parents Association and people of the Corryong district sheweth that the NATHERS formula used to decide entitlement to funded air conditioning for schools, discriminates against alpine schools. This does not take into account that we have very cold winters and very hot summers.

Your petitioners therefore pray that the members of the Legislative Assembly will support our wish for funding for replacement and repair of air conditioners in our school.

And your petitioners, as in duty bound, will ever pray.

By Mr PLOWMAN (Benambra) (262 signatures)

Keysborough: green wedge

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of Victoria showeth that the Mordialloc main drain flood plain is a major feature of the Keysborough green wedge. And, that the introduction of urban residential 1 zoning within this flood plain area will facilitate a major urban conversion that is in conflict with the principal finding of the south-eastern non-urban study that the concept of the green wedge is supported and be maintained.

Your petitioners therefore pray that the policy of confining urban development to growth areas, separated from each other by permanent green wedges of open country will be retained as the basis for future development.

And your petitioners, as in duty bound, will ever pray.

By Ms LINDELL (Carrum) (117 signatures)

Mornington Peninsula: council amalgamations

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of the state of Victoria and being citizens of the Mornington Peninsula Shire Council sheweth the council amalgamations to have a detrimental effect on residents of the old Flinders Shire Council. Your petitioners therefore pray that the current shire be divided into two new shires.

And your petitioners, as in duty bound, will ever pray.

By Mr DIXON (Dromana) (1986 signatures)

Police: Lara station

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of Lara in the state of Victoria, sheweth that the Lara police station be staffed for seven days each week. Week days — normal business hours; and weekends (Friday evening to Monday morning) — 24 hours.

Your petitioners therefore pray that the upgrade of staffing hours at the Lara police station, will be an urgent priority with the appropriate minister.

And your petitioners, as in duty bound, will ever pray.

By Mr LONEY (Geelong North) (2116 signatures)

Terang–Framlingham Road and Occupation Lane intersection: safety

To the Honourable the Speaker and members of the Legislative Assembly in Parliament assembled:

The humble petition of the undersigned citizens of the state of Victoria sheweth that Parliament request the Moyne shire to immediately address the question of road safety at the intersection of the Terang–Framlingham Road and Occupation Lane following a number of serious collisions in the last five years culminating in a fatal accident on the 3 April 2001. This intersection is also a bus route for the Terang schools.

Your petitioners therefore pray that:

Immediately improve warning signs on both roads, alerting drivers to a black spot intersection.

Commence work to offset Occupation Lane at this intersection.

And your petitioners, as in duty bound, will ever pray.

By Mr VOGELS (Warrnambool) (633 signatures)

Laid on table.

Ordered that petition presented by honourable member for Benambra be considered next day on motion of Mr PLOWMAN (Benambra).

Ordered that petition presented by honourable member for Warrnambool be considered next day on motion of Mr VOGELS (Warrnambool).

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget outcomes

Mr LONEY (Geelong North) presented report for 1999–2000, together with appendix.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Prince Henry's Institute of Medical Research — Report for the year 2000.

Statutory Rules under the following Acts:

Conservation, Forests and Lands Act 1987 — SR No 36

County Court Act 1958 — SR Nos 34, 35

Supreme Court Act 1986 — SR Nos 32, 33

Subordinate Legislation Act 1994:

Minister's exception certificates in relation to Statutory Rule Nos 32, 33, 34, 35

Minister's exemption certificate in relation to Statutory Rule No 36.

AUDITOR-GENERAL'S OFFICE

Financial audit

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That pursuant to section 17 of the Audit Act 1994:

1. Mr Christopher Lewis of KPMG be appointed to conduct the financial audit of the Victorian Auditor-General's Office for the 2000–01 financial year in accordance with the conditions of appointment and remuneration contained in the report of the Public Accounts and Estimates Committee on the appointment of independent auditors to conduct financial and performance audits of the Victorian Auditor-General's Office (parliamentary paper no. 77, session 1999–2001);

2. The level of remuneration for the financial audit be $19 800, inclusive of GST; and

3. Mr Lewis be appointed for three years, subject to negotiation with the Public Accounts and Estimates Committee, of a suitable level of remuneration for future financial audits.

Motion agreed to.

Ordered that message be sent to Council seeking concurrence with resolution.

Performance audit

Mr BATCHELOR (Minister for Transport) — By leave, I move:

That pursuant to section 19 of the Audit Act 1994:

1. Mr Stuart Alford of Ernst and Young conduct the performance audit of the Victorian Auditor-General's Office in accordance with the conditions of appointment and remuneration contained in the report of the Public Accounts and Estimates Committee on the appointment

of independent auditors to conduct financial and performance audits of the Victorian Auditor-General's Office (parliamentary paper no. 77, session 1999–2001); and

2. The level of remuneration for the performance audit be $220 000 inclusive of GST.

Motion agreed to.

Ordered that message be sent to Council seeking concurrence with resolution.

TOBACCO (FURTHER AMENDMENT) BILL

Instruction to committee

Ms DAVIES (Gippsland West) — By leave, I move:

That it be an instruction to the committee that they have power to consider amendments and new clauses to the Tobacco (Further Amendment) Bill to provide for the prohibition of smoking in areas where gaming machines are played, penalties for contravention and requirements to display no smoking signs in such areas.

Motion agreed to.

BUSINESS OF THE HOUSE

Adjournment

Mr BATCHELOR (Minister for Transport) — I move:

That the house at its rising, adjourn until Tuesday, 15 May.

Motion agreed to.

MEMBERS STATEMENTS

Minister for Police and Emergency Services: conduct

Mrs PEULICH (Bentleigh) — Mr Speaker, strange and furtive happenings were observed in the corridors of Parliament House last night, and before you say it is just another parliamentary sitting day, let me place on the record my observations.

I saw two persons, one holding an empty pillow case — perhaps an unusual occurrence — and the other carrying a matching pillow case concealing an object which was carried into the stairwell leading to the second-floor dining room. On surveying the scene I noted the absence of Sir Rupert Hamer's bust from its stand. I approached the two concerned and repeatedly urged them to return the item, but they did not. I enlisted the assistance of the honourable member for Mordialloc, who reported the incident to protective services officers at 9.25 p.m.

Was this an act intended to permanently deprive or a silly prank which would not be tolerated in the community? Given that one of those involved was the Minister for Police and Emergency Services, who later referred to having 'fun', I now call on the Premier to investigate whether police action is required. Perhaps the Minister for Police and Emergency Services needs counselling so he may spend his time more productively addressing serious law and order issues and making the crime rate, rather than valuable works of art, disappear.

Chinese kite-flying festival

Mr LEIGHTON (Preston) — On Sunday, 8 April, I had the pleasure of attending the annual Chinese kite flying festival at Bundoora Park. The festival commenced some five years ago in fairly modest circumstances but has gone on to become a major cultural event in the area. A number of organisations and individuals sponsored and supported the festival, including Latrobe University and the City of Darebin. However, the organisation I particularly wish to single out as the driving force behind the event is the North East Melbourne Chinese Association and its president, Dr Stanley Chiang. The association represents the growing local Chinese community. In Darebin some 3500 people speak Chinese at home. While the association has had a strong cultural role, it is now attempting to develop a welfare role as well.

The kite festival is the association's major activity and now draws thousands of people to each event. It is not just a case of the Chinese community celebrating their own culture because in doing so it draws in the broader community. That is the essence of multiculturalism. For the record, I got my kite off the ground on my first attempt — that was the easy part! But in a strong wind the challenge was getting the kite down again.

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

Rural Victoria: patient transport

Mr MAUGHAN (Rodney) — I bring to the attention of the house the difficulties caused for some families because the Victorian Patient Transport Assistance Scheme is currently under ministerial review. The VPTAS assists eligible families who have

a need to transport family members who require medical treatment to Melbourne or other centres. The current rebate rate of 11 cents per kilometre is insufficient to cover out-of-pocket expenses of country people who are required to travel to Melbourne for medical treatment, particularly when the government-imposed quota has been exceeded. This is a gross injustice for country people, who are entitled to equal access to medical treatment but who are currently being disadvantaged because they are unable to afford the difference between the cost of transport and the rebate allowed.

I am aware of a case where the treatment of a six-year-old child who suffers from cancer may be compromised because the parents are unable to afford the cost of the two-weekly 180-kilometre round trip to a Melbourne hospital for treatment.

Country people do matter. Again the government has failed to deliver on its rhetoric of an even better deal for country Victoria. I ask the Minister for Health to immediately take the appropriate action to ensure that country children are not discriminated against in this totally unacceptable way.

PAEC: budget outcomes

Mr LONEY (Geelong North) — Earlier this morning, I delivered on behalf of the Public Accounts and Estimates Committee its report on the budget outcomes for the 1999–2000 budget. The report is a first in the 105-year history of the Victorian committee, and is another significant step forward in the public accountability process, following on from the expanded estimates process commenced by the committee after last year's budget.

The budget outcomes report represents a milestone for parliamentary scrutiny of the government's financial management of the state, and keeps the Victorian accountability process at the forefront of world best practice. I recommend the report to members of Parliament and to the public in general, and I place on record my thanks to committee members and staff for their contributions to it.

The report will be presented annually as Parliament moves forward in looking at how governments spend their money, and how effectively and efficiently — —

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

FOI: delays

Ms ASHER (Brighton) — I refer to the Attorney-General's memorandum of 2 February 2000, which states:

> FOI laws should now be interpreted by departments and agencies in a manner that reflects a willingness to disclose information.

This is not happening at the moment. On 25 January I submitted an FOI request for a consultant's report on government purchasing and contracting. The due date was 16 March but I have still not received that report. However, I have had a phone call from a departmental officer asking whether I would mind waiting for my FOI application, because the minister wanted to choose the release date.

On 31 January I put in a further FOI application seeking the remuneration of the Infrastructure Planning Council, on which a number of Labor hacks sit. A letter from the department seeking clarification was sent to a Mr Asher at a Malvern address I occupied when I was a member for Monash Province in the other place. I responded, and the information was due on 11 April. I have still not received that information relating to remuneration for the Infrastructure Planning Council.

I have grave concerns about the way FOI is being conducted in the state. There is a consistent pattern — —

An honourable member interjected.

Ms ASHER — We do not have FOI in this state. There has been a consistent pattern of refusing FOI requests and of breaching the 45-day rule. There has been a consistent pattern of making opposition members — —

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

Arnott's Biscuits: plant closure

Mr STENSHOLT (Burwood) — I offer my strong support for the workers at the Arnott's Biscuits plant in Burwood. It is an outrageous decision by Campbell's to close what is its most productive plant in Australia. Some 600 workers out there have consistently turned in the best performance of any Arnott's factory in Australia.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. I ask the honourable member for Bennettswood to cease interjecting.

Mr STENSHOLT — The factory, which was formerly Brockhoffs, has been in Burwood since 1948. Many workers have been there for 20 or 30 years. What a slap in the face for the workers at that factory, who have been contributing — —

Honourable members interjecting.

The SPEAKER — Order! I ask the honourable member for Bellarine to cease interjecting, and I warn the honourable member for Bennettswood.

Mr STENSHOLT — What a slap in the face for the workers in Burwood. One day they are told they are the best, and yesterday they were told that the factory would be closed.

I join with the views expressed by the Treasurer and Leigh Hubbard, the secretary of the Trades Hall Council — that is, if Arnott's thinks it can thumb its nose at the Victorian public it should think again. Many Victorians are already having a big think about Arnott's biscuits. I urge all members and Victorians to support the workers at the Burwood site.

FOI: delays

Mr WELLS (Wantirna) — I bring to the attention of the house an example of the Bracks Labor government's appalling hypocrisy in relation to its election promise to be open, transparent and accountable. For more than six months the Minister for Police and Emergency Services, Mr Haermeyer — who would probably be the first applicant for home detention! — and the Department of Justice have been deliberately stalling the release of documents detailing last year's events leading up to and the subsequent termination of the contract with the private operators of the then Metropolitan Women's Correctional Centre at Deer Park.

I first made an application under the Freedom of Information Act (FOI) on 6 October 2000 requesting any documents or details of meetings between the Office of the Correctional Services Commissioner, the Department of Justice, Minister Haermeyer and Corrections Corporation Australia in relation to Deer Park prison and its contractual obligations. On 3 November I made a further FOI application regarding the termination of the contract with Corrections Corporation to manage the prison. Since then the department has continued through bureaucratic stonewalling to frustrate my attempts to access the relevant documents.

Although my requests were specific in requesting details of correspondence and meetings, the department asserted that huge amounts of documentation were required and that before processing my application I would have to narrow down my request. How would the department know this if it had not completed the search? To date the FOI requests are apparently 'in process', and it is becoming blatantly obvious that the minister and the department are now deliberately preventing me from accessing the documents.

This is further evidence of the minister's total disregard for the promise of open and transparent government.

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

Minister for Police and Emergency Services: conduct

Mr HAERMEYER (Minister for Police and Emergency Services) — On numerous occasions in this house the bust of Sir Rupert Hamer has found itself in different locations. I recall on one occasion last year it spent an evening on the bar in the members dining room.

Last night Sir Rupert's bust found itself — —

Mr Ryan — On a point of order, Mr Speaker, I simply ask whether this is a 90-second statement or a personal explanation.

The SPEAKER — Order! There is no point of order.

Mr HAERMEYER — Last night Sir Rupert's bust found itself some 10 feet away from where it originally was, and certainly there was a bit of levity about the situation, which was appreciated by most members opposite. Some members ought to take themselves a little less seriously. Certainly no offence was intended to anybody and I am sorry if anyone took it in any spirit other than which was intended.

FOI: delays

Mr PERTON (Doncaster) — Yesterday the Minister for State and Regional Development made the extraordinary claim during the adjournment debate that this government was open and transparent. There are two matters in terms of my responsibilities where I have found the government's performance to be totally inconsistent with its promises and that of the charter.

Responses from the Department of Natural Resources and Environment to freedom of information requests are consistently overdue. The problem is not the fault of the freedom of information officers; the problem is the directive by the minister and her staff that freedom of information applications must be vetted by her own officers before they are released to members of the opposition. This has led to continual lateness in respect of responses to FOI requests. More importantly, the government is acting in a way which constantly frustrates the operation of the Freedom of Information Act.

In almost every case, despite clarity of description, a call for clarification comes from the department about 40 days after the original request is made. On making that clarification, almost inevitably 40 days later there is a claim that the request is voluminous, although in some cases I am talking about only 2 or 3 documents. Then almost invariably the documents are delivered late.

Minister Brumby is responsible for the Department of State and Regional Development, and almost inevitably every FOI request involves a claim that the documents — —

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

Frankston: health initiatives

Mr VINEY (Frankston East) — The children in the gallery today will probably learn by looking at the members opposite and their behaviour what happens if you do not concentrate at school!

Last week I participated in the launch of two projects in Frankston that were the result of cooperative work by many community leaders, businesses, health and community services to deal with drug and alcohol issues in Frankston. The first was the Frankston drug and alcohol plan, which was launched by the City of Frankston, and the second was the Koori Wise Kit for Koori health.

At the launch of the drug and alcohol plan I was pleased to announce on behalf of the government a $60 000 grant for the employment of a drug and alcohol coordinator to support the implementation of the plan.

The SPEAKER — Order! The honourable member's time has expired, as has the time for members statements.

Mr Leigh — On a point of order, Mr Speaker, last night at 9.25 p.m. I reported to the police the theft of a valuable and historic art object belonging to this building — the bust of Sir Rupert Hamer.

An Honourable Member — This isn't a point of order!

Mr Leigh — Yes it is, and it is addressed to the Speaker, who is in charge of the building. That object would no doubt be worth many thousands of dollars, and therefore I reported the matter to the police.

I would like you, Mr Speaker, to investigate the outcome of the report I made to the police and, if you think it fitting, take up with the Premier the behaviour of one of his ministers, particularly as the minister involved is responsible for dealing with criminals in this state. It is worrying that one of the men in charge of justice in this state could behave in such an irresponsible way, and I seek from you, Sir, an explanation as to what has occurred and the value of the bust to this Parliament.

The SPEAKER — Order! The matter was reported last evening to me as Speaker by the head of security of this Parliament — namely the Serjeant-at-Arms. The matter was satisfactorily resolved within 3 minutes.

Ms McCall — On a further point of order, Mr Speaker, I am not aware of whether the honourable member for Mordialloc heard it, but I certainly took offence at a remark made by the honourable member for Narracan, who accused the honourable member for Mordialloc of being a liar and a cheat. Even if the honourable member for Mordialloc is not offended, I would like him to withdraw those comments.

The SPEAKER — Order! The honourable member for Narracan has been accused of unparliamentary language, and I ask him to withdraw.

Mr Maxfield — I withdraw.

STATE OWNED ENTERPRISES (AMENDMENT) BILL

Second reading

Debate resumed from Thursday, 22 March; motion of Mr BRUMBY (Treasurer).

Ms ASHER (Brighton) — I apologise to the house for my laryngitis, and will be very brief in my contribution.

The opposition does not oppose the State Owned Enterprises (Amendment) Bill but notes that when this government drafts legislation it likes to leave a little bit

of room to move. The purpose of the bill is for Victoria to honour its commitments under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations. That agreement required Victoria to set up a national tax equivalent regime. Clause 24 of the agreement, which all states and the commonwealth have signed, provides that:

> It is the intention of the parties to this agreement that a National Tax Equivalent Regime (NTER) for income tax will be operational for state and territory government business enterprises from 1 July 2000. It is also intended that the reciprocal application of other Commonwealth, State and Territory taxes will be subsequently implemented as soon as practicable.

That was the agreement the commonwealth and the states signed up to.

Previously in Victoria under the State Owned Enterprises Act of 1992 most of our state-owned enterprises (SOEs) paid a tax equivalent to the state government. Section 88 of the State Owned Enterprises Act clearly sets out the process whereby state-owned enterprises make those tax-equivalent payments to the Victorian government. The bill sets out a more rigorous regime within which the Australian Taxation Office (ATO) will act as the collector.

This small bill contains three broad principles, and the first concerns direction: it gives the Treasurer the power to direct an SOE to either enter into or withdraw from the national tax equivalent regime.

The second principle is delegation: the bill gives the Treasurer a very broad power of delegation to enable the Australian Taxation Office to collect the national tax equivalents from state-owned enterprises. Being a former member of the Scrutiny of Acts and Regulations Committee, I was surprised to find in *Alert Digest* No. 3 of 3 April that the committee accepts that the delegation provision is appropriate to give effect to the purposes of the act. I guess that is not complete SARC approval of the breadth of the delegation power, and I understand the point that if the ATO is going to act for the Treasurer the delegation power needs to be broader than any powers honourable members would normally be comfortable with.

The third element of the bill is the review component. The bill removes the Treasurer's power of review of national tax equivalents. Currently there is provision in the act for the Treasurer to review the amount of tax being paid if an SOE feels that the amount is too high. The new system allows the review systems of the Australian Taxation Office to come into play. That seems clear and logical, because it is considered undesirable for the Treasurer to review ATO decisions.

On a personal note, however, I wish Victoria's state-owned enterprises well in their dealings with the ATO. They will find out how difficult it is to get an ATO review. Nevertheless, the removal of the Treasurer's review capacity is a logical step.

The bill removes all reference to sales tax in the State Owned Enterprises Act and fulfils Victoria's obligations under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations signed by the previous government and honoured by the present government.

Fifteen Victorian entities will be subject to the national tax equivalent regime from 1 July 2001, as follows: Melbourne Water Corporation; City West Water Limited; South East Water Limited; Yarra Valley Water Limited; the Transport Accident Commission; the Urban Land Corporation; the Rural Finance Corporation of Victoria; State Trustees Limited; STL Financial Services Limited; Melbourne Port Corporation; Victorian Channels Authority; Victorian Workcover Authority; Victorian Funds Management Corporation; Victorian Rail Track; and Overseas Projects Corporation of Victoria.

I have been advised by officers of the Department of Treasury and Finance that City West Water may well have significant transitional and cash flow issues. I urge the Treasurer to ensure that, if my information is correct, those transitional issues are eased.

The Liberal Party places on record its concern about the application of the bill to the Transport Accident Commission. I request that the Treasurer and the minister with responsibility for the Transport Accident Commission pay some attention to what may well be an effect on the TAC further down the track. Perhaps the parliamentary secretary is aware of the issue and is in a position to advise the house of what may be occurring to ease what might turn out to be a large burden on the TAC if attention is not paid to it.

The issue is that the TAC will, of course, lodge its annual tax returns with the ATO by 1 December each year, but the form and content of the new return will be more onerous than the state tax equivalent regime return. That is probably true across the board. Nevertheless, most of the other organisations with which I have spoken accept that having the formal structure whereby the ATO collects the tax is a step in the right direction.

That is not the main issue of concern to the TAC. Rather, the TAC is principally concerned about its foreign-sourced income. That foreign-sourced income

will continue to be exempt from tax under the grandfather rules until 30 June 2003. What will kick in on 30 June 2003 is some significant uncertainty regarding the taxation treatment of the TAC's foreign-sourced income. Concern exists that the Transport Accident Commission may be required to pay tax equivalents, the estimates of which are somewhat alarming. Assuming an 8 per cent return on foreign investments, we are talking figures of the order of $30 million plus. It is of concern to the Liberal Party and, I should imagine, to people who pay premiums to the TAC if the commission must pay that additional taxation.

The opposition hopes the government does not see this as an opportunity to grab an additional $30 million from the TAC without going through the formal process of having it declare a dividend to the government. I urge the government, and seek advice from the Treasurer, to determine how the issue of foreign-sourced income derived by the TAC will be treated post-30 June 2003. The TAC provides revenues for governments of both persuasions, and the opposition believes it is one of those extraordinary bodies in the Victorian community that enjoys a great degree of public support. It is important that this issue is resolved in advance and not left to fester until 2003.

The bill will not alter the tax impact of state-owned enterprises. As I said, those enterprises are currently paying taxation equivalents to the state government. The bill simply sets up a formal structure. Timing and transitional issues are involved in many of the bodies. Again, I urge the Treasurer to ensure that those issues do not place undue burdens on the SOEs, notwithstanding that the government is honouring the commonwealth–state agreement on financial relations.

Currently the tax equivalents are noted in the annual reports of the affected entities. I am verbally advised that that process will continue. Again, I seek an assurance from the Treasurer that the process of clearly noting tax equivalents in the annual reports recording those for the Victorian taxpayer will continue so there will be openness and transparency as part of this new regime.

With those few words, and my failing voice, I wish the bill a speedy passage.

Mr RYAN (Leader of the National Party) — On behalf of the National Party, and with perhaps a leap of faith, I indicate that the party supports the bill. It was reported to our rooms by the Honourable Roger Hallam of Western Province in another place, in whom I have great faith and to whose judgment I invariably adhere. Based on his judgment, I advise the house that the National Party supports the bill.

The bill is an extension of a process that is fundamental in its function but not clearly understood by the public at large. The process is sensible because its bottom line is the fact that the state-owned enterprises are required to pay a tax to the government of the day equivalent to that paid by private enterprises to the government of the day at a federal level.

Appropriate capacity exists for competition across communities as a whole, while also ensuring that taxpayers receive an appropriate return upon the measure of investment made in various enterprises that are determined to be state-owned enterprises under the legislation. The Victorian process is simple and sensitive and is applied under the State Owned Enterprises Act.

The current bill means that under the national tax equivalent regime set up through the National Taxation Reform (Consequential Provisions) Act which, in turn, has within its pages the intergovernmental agreement (IGA) that was supported by governments of all persuasions, we will now see an extension of that principle into a national regime. As a result of that somewhat convoluted process the National Party sees the bill as a sensible extension of a position already in place and supports it.

The bill is a direct product of reform of the commonwealth–state relations as recorded in the intergovernmental agreement. I will read into *Hansard* the provisions of section 24 of the National Taxation Reform (Consequential Provisions) Act:

> It is the intention of the Parties to this Agreement —

that is the IGA —

> that a National Tax Equivalent Regime (NTER) for income tax will be operational for State and Territory government business enterprises from 1 July 2000. It is also intended that the reciprocal application of other Commonwealth, State and Territory taxes will be subsequently implemented as soon as practicable.

The legislation is the practical outcome of what is contained in that provision. The bill puts in place the structure whereby the provisions of section 24 of the federal act are honoured. Governments of all colours supported the intergovernmental agreement when it was signed.

Even to this day that issue is often discussed in this chamber. A personal fascination of mine is to hear the Treasurer on his podium forever speaking about the

supposed weaknesses of arrangements and his complaints about associated issues of horizontal fiscal equalisation and the like. That happens whether state governments are Labor, Liberal or coalition. The reality is that everybody came to the table and supported the intergovernmental agreement because it was recognised by people of all political persuasions that the change was imperative in the national interest.

Eighteen months after becoming part of the current government the Treasurer is still talking about the apparent difficulties associated with the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations. He should give it a miss. It is even reflected in the second-reading speech, which states:

> Whilst the Bracks government is opposed to the commonwealth government's GST the Victorian government is committed to honouring its obligations under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations, agreed by the previous government.

It is a complete contradiction in terms because taken in its totality the intergovernmental agreement obviously contemplated that the GST — which this government keeps moaning about — was part of the whole arrangement.

Ms Asher interjected.

Mr RYAN — As the shadow Treasurer points out — and even Labor members cannot keep a straight face over this — the Labor government will grab all the benefits flowing to the state resulting from these very necessary changes to taxation. It of course decries anything it sees as a downside, which involves a balancing of the whole process. Such is the lot of Labor governments.

A great result of the process is the end of the begging-bowl approach that used to apply to governments of all persuasions. Before the intergovernmental agreement was signed and before the changes to the taxation regime, we were faced with the unedifying spectacle of treasurers from all jurisdictions trotting up to Canberra annually to go through the charade of trying to get an appropriate split of resources from federal governments of whatever colour. The only throwback to that was the spectacle of the discussion with regard to the horizontal fiscal equalisation issues earlier this year.

At the time I was fascinated by the fact that while there was plenty of bleating from the Victorian Treasurer about Victoria not getting an appropriate return, I do not recall hearing a concrete suggestion from him as to how it might be resolved. Certainly he was unable to get any resolution by way of agreement from the treasurers from other Labor states. Rather than complaining about life at large it would be marvellous if he were able to advance a solution and obtain the support of his Labor colleagues in other jurisdictions, because it is recognised by all parties in Victoria as being a difficulty for the state.

The legislation fulfils the direct commitment contained in the IGA, and through section 24 of the National Taxation Reform (Consequential Provisions) Act delivers on reciprocal taxation, which is an important principle that establishes taxation arrangements across jurisdictions and all levels of government. It makes things predictable, consistent and transparent. I will be pleased to see some transparency in the operations of the government, because it is sadly lacking in some areas.

This morning honourable members heard about the experience of the shadow minister for conservation and environment and the treatment of his FOI requests to the Department of State and Regional Development. It was a complete charade. That has been my experience, as well. Indeed, when I asked for the details of the allocation of funds out of the Regional Infrastructure Development Fund I eventually received six press releases from the minister. It will be good to see an element of transparency in the operations of this government, even though such transparency has been imposed on it. It will be pleasing to see the government at least comply with that in this case.

As I have already observed, the bill will be fair to external contractors, and I am sure they will be happy to see the provisions of the bill applied.

It should be noted that the bill applies only to income tax. However, the intention under the IGA is that the application of the principle will be extended beyond simply income tax. Section 25 of the National Taxation Reform (Consequential Provisions) Act refers to local government. Over time it will be interesting to see how local government is affected through the application of the principle set out in the bill.

Recently, the National Party referred to the notion of the application of local government rates to public land. It is worth exploring whether that principle can be adopted in Victoria. Many country regions have within their borders areas of Crown land, state parks or national parks, where in some way, shape or form and to greater and lesser degrees, local government has to provide services, particularly roads. They are unable to receive any form of income from those tracts of land.

In the National Party's recently issued discussion paper on local government, input has been sought from not only the local government entities but from communities at large about the concept of taxpayers having to fund local government by returning to it some sort of rated income for those tracts of land that are presently outside the rating system. For example, in the electorate of the honourable member for Gippsland East the vast proportion of the second-largest or third-largest geographic area of local government in Victoria is defined as public land, yet the municipality is unable to derive any income out of it. Tracking that back to the principles that underlie the legislation, it will be interesting to see how the application of this principle evolves in terms of local government and whether that will be an element incorporated in the operation of section 25 of the National Taxation Reform Consequential Provisions Act.

In practical terms the legislation will have no effect on the operation of Victorian government business enterprises because they are already subject to a tax equivalent regime. It is appropriate to ask how the bill will function from a practical perspective. Each jurisdiction will have to determine which government enterprise is to be the subject of the national tax equivalent regime.

I noted that in her competent contribution this morning the shadow Treasurer, labouring under the difficulty of suffering from laryngitis, referred to a list of various entities that will be subject to the process. I was interested in the way other jurisdictions around Australia will come to grips with this legislation, because in most other jurisdictions the major government enterprises that provide services essential to communities are still in the hands of government, whereas in Victoria most of them have been privatised. The water industry in Victoria has not been privatised, and certainly under the former coalition government it was never intended that it be privatised. I venture to suggest that the current Labor government is not minded to privatise the water industry.

However, by comparison the other jurisdictions around Australia will have to do an enormous amount of work in areas such as the power industry in all its forms, the gas industry and the rail industry; in water and, to a degree, in ports to achieve the outcome required by this legislation.

I show my ignorance and admit that I am not sure of the structures in those other jurisdictions that currently apply tax equivalent regimes; nevertheless, for the purposes of compliance with the legislation it is inevitable that much more work will have to be done in other state jurisdictions than in Victoria, as difficult and substantial as the work needed to be done within this state will be.

The commonwealth income tax law is to be applied in theory on the basis that the government is regarded as being the owner of these enterprises, so a tax equivalent regime will apply across all the different jurisdictions. The legislation will be administered by the Australian Taxation Office on a cost-recovery basis, and it will apply from 1 July 2001. I note that in the intergovernmental agreement and within section 24 of the National Taxation Reform (Consequential Provisions) Act the date referred to is 1 July 2000. I seek clarification from the Treasurer or the Parliamentary Secretary for Treasury and Finance of how those dates of application came to differ. Presumably some agreement has been reached or some legislative change has been made to vary the date to accommodate the application of the legislation in Victoria.

Another important issue that needs to be addressed is the discipline by which government business enterprises in other jurisdictions are to be brought within the ambit of the proposed Victorian legislation. The bill on its face does not make any specific provision for how that discipline is to be applied to the other states, and I seek clarification on how that will be achieved to ensure a fair outcome for all participants. I have already raised the question of the future application of the proposed legislation to local government.

I concur with the concerns expressed by the shadow Treasurer about the prospective impact of the proposed legislation upon the Transport Accident Commission. The bill is a banner leader not only in Australia but also internationally for what it will achieve. Albeit that I have been critical of it in terms of the administration of claims and the capacity of those concerned to access the benefits offered under its terms, there can be no argument about the fact that the TAC does fantastic work on behalf of Victorians in the prevention of accidents and the provision of medical treatment to those who have had the misfortune to suffer injury as a result of motor vehicle accidents.

As the shadow Treasurer has observed, governments of all persuasions have been able to derive significant income over the years pursuant to the principles set out in legislation of this kind. It would be a shame if another $30 million were to be taken from the TAC because of the matters the shadow Treasurer referred to, particularly the issue of foreign-sourced currency. I share her concern and look forward to clarification of

the point by the Treasurer or the parliamentary secretary.

With those brief comments, and in the absence of laryngitis, I am pleased to conclude my contribution to the debate on this important bill.

Mr LENDERS (Dandenong North) — I support the State Owned Enterprises (Amendment) Bill. As both spokespeople for the Liberal and National parties said, the proposed legislation is a logical conclusion and extension of the intergovernmental agreement that came into place following the changes to the tax system last year.

This is probably not the time or place to go through that tax system, so instead I will deal with what is a fairly simple and straightforward piece of legislation to implement that intergovernmental agreement. I will endeavour to go through the general themes behind the bill and to clarify some of the issues raised by both spokespeople in their contributions to the debate.

Firstly, the bill endeavours to legislate as simply and succinctly as possible for an equivalent tax regime so that all state-owned enterprises that are out there competing in the market are treated exactly the same as other corporations would be for tax purposes. The whole principle behind the bill is to establish a level playing field.

Some of the issues raised by the honourable members for Brighton and Gippsland South are dealt with by the bill. For example, in relation to the foreign-sourced income issue, the bill simply endeavours to treat the Transport Accident Commission, the Victorian Funds Management Corporation, the Victorian Workcover Authority and other such bodies exactly the same as if they were privately owned commercial operations. I will certainly refer the policy issues raised by those honourable members to the Treasurer, but that is a separate issue from that of the effect of the bill.

The annual reports of all 15 listed organisations currently list the dividend paid in lieu of sales tax under the old regime, and those disclosures will continue to be made. That is prudent government policy, given that this government is committed to transparency. However, my understanding is that the Financial Management Act, the State Owned Enterprises Act and the accounting standards would require that in any case, so I am confident it will continue.

Under the current regime the timing of payments of dividends is subject to direction from the Treasurer, and clearly if there are cash-flow issues such as those raised by the Deputy Leader of the Liberal Party, the Treasurer has a discretion to vary that timing. I understand that at the moment interim and final dividends are being paid. I imagine that if any of those state-owned enterprises raised such an issue with the Treasurer they would certainly get a hearing.

In relation to the timing issue raised by the Leader of the National Party, the ministerial council by agreement across all jurisdictions moved the timing forward to 2001, which was one year beyond the original proposal. That date is uniform and agreed.

In relation to what goes in and what goes out, the legislation tries to bring the portfolios of energy, water and ports together under the one regime across the country. In the end, each individual state treasurer needs to make a determination about what goes in and what goes out. However, the understanding is that the overall regime will cover all those monopoly utility areas we have been talking about.

Finally, the shadow Treasurer outlined in a faltering voice — I dispute what the Leader of the National Party said: she was not labouring under it, she was struggling; ‘Labor’ is a term of honour, not to be used to describe someone in strife! — the 15 listed organisations, and stole my thunder in the process. Given that the Leader of the National Party was reflecting on the past, I must lament that the SECV, the Gas and Fuel Corporation and a few other former instrumentalities in Victoria are no longer on this list. That is probably a lost debate now, so I will not venture too far down that path.

Opposition members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Brighton! I thought she had laryngitis; I suggest she take a Strepsil! The honourable member for Dandenong North, without added interruption.

Mr LENDERS — The bill is logical legislation that extends from the intergovernmental agreement. It is one of a series of many pieces of legislation needed to implement the system and settle it down. Regardless of all the policy disputes we have had across the chamber on the GST, clearly something as major as that will continue to require small pieces of legislation like this to deal with adjustments. Ultimately it is about putting into place mechanisms to ensure that government-owned enterprises receive the same treatment in the marketplace as private enterprises in what is meant to be a level playing field.

This is necessary legislation. I welcome the support from the other side of the chamber and wish the bill a speedy passage.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

HEALTH SERVICES (HEALTH PURCHASING VICTORIA) BILL

Second reading

Debate resumed from 5 April; motion of Mr THWAITES (Minister for Health).

Government amendments circulated by Mr PANDAZOPOULOS (Minister for Gaming) pursuant to sessional orders.

Mr DOYLE (Malvern) — Although it is not a necessity that the opposition be advised that there are amendments to a particular piece of legislation, it is normally a reasonable courtesy to at least inform the opposition that there will be amendments. However, I do not intend to dwell on that issue.

Albeit that from a cursory glance it appears that a couple of the amendments are just machinery changes and another is an elaboration of one portion of clause 8, the principle remains the same. These are apparently minor amendments, but that might not have been the case. If instead of four small amendments to one clause we had been confronted with, say, a few pages of amendments, the opposition would quite naturally reserve its right to change its mind about the bill. Where possible those courtesies should be observed and the opposition should be apprised at briefing stages or before the bill comes into the house that there are amendments to be proposed to a particular piece of legislation.

The Health Services (Health Purchasing Victoria) Bill poses some interesting intellectual decisions when one considers its intent. It did not arise out of an election commitment. Rather, it arose out of recommendations from a review commissioned by the government once it was in office.

In looking at what we would do with this bill my decision rested on how I saw the entirety of the legislation and what it did. My conclusion was that this is a kind of management decision because the bill is a way of managing purchasing in the health sector.

However, just as the government did not have the courtesy to inform the opposition that amendments were to be introduced to the bill, I would consider an advertisement that was placed in the daily newspapers a week and a half ago to be an even greater discourtesy, because it was a discourtesy to this Parliament.

It is now a matter of record that a couple of weeks ago the government placed an advertisement in the newspapers headed ‘Expressions of interest for appointment to Health Purchasing Victoria’. That advertisement sets out that the minister is seeking expressions of interest for an appointment to a board to be set up by this legislation.

It may well be that the government presumed the opposition would not oppose the bill. Perhaps the government thought it was perfectly appropriate to advertise for membership to a board not yet created by a legislative instrument yet to be debated in the Parliament. I would have thought it was a gross discourtesy to this Parliament to presume the outcome of debate on this bill.

Interestingly, the closing date for applications in response to the advertisement was 1 May. Not only was the advertisement placed, the closing date printed in the advertisement was two days before debate on the legislation commenced in this house.

As I say, that may just be the carelessness or arrogance of the government, but it is not a salutary start to the discussion of the bill that we not only have an advertisement calling for appointees to the board but also amendments circulated about which the opposition was not informed. Both are examples of arrogance or oversight by the government.

It is an interesting piece of legislation. Its genesis was the ministerial review of the health care networks conducted by Professor Stephen Duckett in May 2000. That review made four recommendations which led to considerable work being done on the model. Those recommendations are contained in the original ministerial review, but I will quote from the document *Future Procurement Arrangements In Victoria*, the report of the hospital’s procurement reference group, a government document that is so widely circulated as to be a public document.

I will read the four recommendations because they are the starting point for the legislation and the vehicle for purchasing. The document sets out recommendation 29 which states:

> That the government should mandate that all hospitals will purchase a specified range of pharmaceuticals and general medical supplies according to approved contracts from the 1 July 2001. This should be predicated on the establishment of mechanisms to ensure that the purchasing contracts reflect

> the needs of the field and that the purchasing agency/agencies meet agreed performance standards with respect to price and responsiveness.

The next is recommendation 30:

> That the Department of Human Services should establish a task force with the industry to examine the best possible model for establishing centralised purchasing for the health sector and to make implementation recommendations to achieve the 1 July 2001 start-up date.

Recommendation 31 is:

> That the Department of Human Services should review the opportunities available to build on existing structures and centres of proven performance in developing the Victorian centralised purchasing framework.

Recommendation 32 is:

> Section 42 of the Health Services Act 1988 should be amended to authorise the making of statutory directions with respect to centralised purchasing arrangements.

The government responded to that report, accepted those recommendations and added equipment to the scope of the report. The background to the future procurements arrangements document describes how this model got the nod from the government. It points out that hospitals and health services in Victoria purchase equipment, goods and services in excess of $750 million a year and that they are supplied by more than 2500 individual vendors and cover in excess of 30 000 items. I quote directly from the document:

> Most hospitals tender, contract and purchase items independently, although most metropolitan health services have rationalised these arrangements to some extent and there are also some regional supply arrangements in a number of rural areas.

The report goes on to refer to the New South Wales Peak Purchasing Council which I understand to be the model on which the legislation is built.

The fact that there are 2500 individual vendors and in excess of 30 000 items could be seen as a reason for centralising purchasing, to streamline it and make it more efficient. That would be one way of reading the statistics about purchasing and health in Victoria. The other way to read it is: does it mean that many small and medium businesses throughout Victoria who currently provide one or more of those 30 000 items will be the losers because of the creation of Health Purchasing Victoria?

As a result of centralisation, some of the vendors will no longer sell to the government as many of the items will be gathered together to be sold. In the implementation of the legislation that is what members need to bear in mind and look at carefully.

Honourable members are told that New South Wales estimates that approximately 5 per cent — that is $9.5 million per annum — has been saved through their central purchasing arrangements. If centralisation is based on the New South Wales Peak Purchasing Council model it is interesting to consider not the government rhetoric about the council but the reality — that is, what the practitioners on the ground say about the council. What has been the experience of hospitals and chief executive officers (CEOs) in New South Wales given that they have had a similar system since the mid-1990s?

That raises the central point I wish to make in the debate today — that is, one would have thought that such a large entity would have been carefully evaluated, but it is extraordinarily difficult to get even an annual report from the purchasing council. In doing a quick scan of Auditor-General reports going all the way back to the genesis of the New South Wales Peak Purchasing Council, I cannot find any evaluation by that state's Auditor-General equivalent of the savings of the council. You would expect a lot of the council to be reflected in the New South Wales annual health reports. However, looking at a couple of those reports the council gets only the most cursory mention. The New South Wales model has a distinct lack of key performance indicators.

Although there is a lot of rhetoric in the second-reading speech about how central purchasing will save money and streamline the way health services are bought in Victoria, there is nowhere a discussion of what those key performance indicators might be, how they might be measured and how the performance of such a body might stack up against the expectations that the government has set out in the second-reading speech. If savings in health are to be made thought must be given to how we are going to measure the savings because, as we know, year-by-year, prices and salaries go up and the body will purchase in a climate of escalating costs.

How do you measure the savings it makes year by year without those key performance indicators? If it is not done properly, my fear is that this body will result in the industry squeezing itself. They will say, 'You have saved $15 million this year, so we can take that off the top and you can still continue to operate'. Each time central agencies identify a tranche of savings made by Health Purchasing Victoria, they may simply say to the industry that they will take that amount out of the health budget and hospitals will have to do without it — and that could continue year after year. That may or may

not be the case, but I fear it will be the overall effect — not that I would ever be mistrustful of central agencies! However, more about the Department of Treasury and Finance later.

It is particularly interesting that the body has a Department of Treasury and Finance representative. I suspect they will say, 'If you have saved $10 million, it will come off the top of the health budget'. I am sure honourable members understand there is a large difference between real savings and what hospitals get. That happens not just in the health sector but in all sectors. It is all very well to spout the rhetoric, but without those key performance indicators this may have the effect of reducing the health budget year by year as the industry continues to squeeze itself.

Let's look at what happens on the ground in New South Wales. I wonder whether the government talked to the chief executive officers in New South Wales who have been operating under this system. It should not talk to its colleagues in government, because they will not say, 'By the way, there has been a signal failure in this area for the past eight or nine years'. Instead they will say it is a raving success. But if the government talks to the New South Wales CEOs about the peak purchasing council, a different picture will emerge. They will not say it publicly or have it published, but it is nevertheless real. Anyone who has talked to them knows there is an understanding that an omerta operates in New South Wales. That is because they see the peak purchasing council as an inflexible and unresponsive body that often cuts right across exactly what CEOs are expected to do. What do they do in response to an inflexible and unresponsive body that sits over them?

Mr Perton interjected.

Mr DOYLE — I thank the honourable member for Doncaster for his helpful suggestion. They bend their energies to doing everything possible to get around it. The CEOs in New South Wales spend an enormous amount of time, energy and resources classifying items outside the mandated requirements of the peak purchasing council. They do not wish to be bound by the central inflexibility of the New South Wales peak purchasing council, so they spend much of their time defining product outside the mandated scope so they can continue purchasing in a way that best suits their hospitals. One CEO said their favourite game is getting around the peak purchasing council's requirements.

A more serious aspect of the CEOs' resentment of the peak purchasing council model is that it cuts across their governance functions. That is because it mandates supply functions, and I will return to that point later. A metropolitan health care network has a hierarchical structure that extends all the way from its patients up to its board, and there is a clearly understood and delineated line of responsibility from the smallest health centre in rural and regional New South Wales or Victoria all the way to the largest health care network. The peak purchasing council, Health Purchasing Victoria, should have another level that cuts across it — one that has no such responsibility in that line of hierarchy. I will return to that point later as well.

I note that a few different models were postulated in the government's discussion paper entitled 'Future procurement arrangements in Victoria', the report of the hospitals' Procurement Reference Group of February 2001. But realistically there was no other model but the one proposed to the government and the one now in the legislation. That is the model that was clearly in mind, and that is the model to which it worked. I do not criticise that group, because one encouraging aspect of the document is that there is a shared vision, particularly by the big players, the metropolitan health care networks, on how it can work and why it may be good for their purchasing.

I was heartened and optimistic about that aspect of the document. However, I would argue it could have looked at a couple of other models. Why not, for instance, have an opt-in system? If the model is so good and hospitals will benefit from it by getting things more cheaply and more efficiently, they would want to sign up for such a deal. The argument may well be that they cannot do that because they lack critical mass in purchasing. That is probably right; they would not get that first quick fix. There will be quick returns, which I will refer to later, but the more sustainable long-term result may be for hospitals to sign up to it.

It was interesting that in the time allocated for members statements this morning government members, half in jest and half seriously, held themselves up as being part of a consultative model of government. But behind the mantra, what does 'consultation' mean? It means talking to people to work through problems or issues so all can ascribe to the solution. Consultation is an opt-in system of choice, but that is not what the government has done. It did not look at an opt-in model, I suspect because it wanted quick returns, which I believe will be there. However, I wonder whether it will have a deleterious effect in the long term.

In addition, the State Supply Service model is different, and might have been considered. In a facile way the State Supply Service sends out a catalogue containing the products and their prices, and a hospital can sign up to it. That system can be used or a hospital can go out

and purchase independently, if it so chooses. I am not suggesting that a catalogue sent to the major hospitals is the way to deal with complex purchasing in health, but it is a model that might have been looked at. It would have had the benefit of there being side by side two systems which provided one key performance indicator. If a hospital reckoned it could do better than Health Purchasing Victoria (HPV), then the information would be in the State Supply Service catalogue; and if the hospital could not better that, it should buy from the catalogue, unless there were a good reason for not doing so. Without such a key performance indicator — —

Mr Leighton interjected.

Mr DOYLE — I would be keen to take up that interjection but I am not sure I heard it. I am sure it was a helpful one.

Mr Leighton — Would you privatise this as well?

Mr DOYLE — That is what the government is doing.

The ACTING SPEAKER (Mr Plowman) — Order! The honourable member for Malvern should not incite interjections across the table.

Mr DOYLE — Quite so, and I thank you Mr Acting Speaker for your wisdom and guidance. I will give an example of why this might not work if it were mandated, particularly for country hospitals — and many of my rural and regional colleagues will want to speak on this issue.

Mr Steggall — Too right!

Mr DOYLE — Let me say something about the reality of small country hospitals and their purchasing. At the moment, through the existing model of the area health service arrangements, all purchase orders are packaged up and delivered on one pallet to a hospital. The hospital knows when it will arrive and all the materials purchased are delivered in one delivery. That might not seem much, but it is an important service for small rural or regional hospitals. Does the fact that under Health Purchasing Victoria a number of the contracts will be mandated mean that small rural hospitals might have not one pallet delivered at a designated time of day but five or six, because there are five or six different contracts with different suppliers for different products?

That might not seem like much of a problem for the Southern Health network, which has sophisticated supply and receipt arrangements with a huge internal infrastructure, but it would be for small country hospitals. Small rural hospitals are telling the Liberal Party that it suits them to get all their deliveries bundled up at once and on one pallet. There is no guarantee that will happen under the new system.

The largest area of purported savings postulated in the procurement arrangements document is in information technology. It says it will not happen immediately, but if IT is used 29 per cent of the postulated savings will come from reforms to the supply chain. That is entirely reasonable, but I would point out there is not even a coherent IT strategy for health itself.

Mr Perton — Have we got a Luddite government?

Mr DOYLE — Quite right! How are you going to have a coherent IT strategy to reform the supply chain in Health Purchasing Victoria when there is not such a thing in health itself?

Interestingly, if the 29 per cent savings are to be made, I would have expected to see clear documentation of the investment to be made in IT so that the supply chain reform can be rolled out. There is no such commitment to investment in the document — there is not even a planned rollout for how IT might work. If the savings are to be gained the first thing the government needs to explain is what investment it will make in IT to reform the supply chain.

Another matter of real concern is that the procurement arrangements document spells out that HPV itself will cost Victoria about $1 million a year but does not spell out — and it is a real bone of contention for New South Wales hospitals — what the costs will be in each of the individual hospitals or networks. The government cannot identify the only cost of HPV as being what that body will cost itself — the 10 or so staff and the premises. It must identify the infrastructure that is provided for HPV in every hospital in Victoria and add that to the total cost of the body, otherwise it is not being fair dinkum about the real costs. I will bet the government will not do that; it will talk about HPV as a discreet and autonomous entity.

Mr Wynne interjected.

Mr DOYLE — But you are not going to remove that bureaucracy. You will make it work with HPV — the functions will be duplicated — but you will not count those people as part of the costs of HPV.

I am not suggesting that purchasing by HPV is not done now, but even the government's own document says that at very best, and only after a few years, HPV will still purchase only 20 per cent. Hospitals will need

purchasing functions of their own because 80 per cent of the purchasing is still going to be done at an individual level. I do not wish to cavil about centralising a part of it. I am pointing out that the real cost of HPV cannot be identified just by saying, 'There is HPV', and that the government must look at what contribution infrastructure makes to the functions of HPV as part of the cost of the entity. I suggest that unless that is done the real cost of the entity will not be shown.

An honourable member interjected.

Mr DOYLE — That is a good point, and it is a helpful interjection. What is the enhancement? My view would be that unless the key performance indicators are in place, we will not know what that is. I hope this works, but although key performance indicators are necessary none is spelt out.

That has never been looked at by the Auditor-General. It would be useful if they were clearly spelt out and made transparent. However, as we know, the New South Wales peak purchasing council has an infrastructure that has not been lessened but rather increased at the hospital level. It is important that we be on our guard to ensure that the same thing does not happen in Victoria.

I will turn to two issues about in-principle concerns and concerns about implementation, which I will illustrate by way of example. I pick up a point I touched on earlier, which is a serious in-principle concern about Health Purchasing Victoria that is not considered anywhere in the government documents that have come forward.

The business of public hospitals is to care for Victorians who are there as public patients. We must therefore ask who is responsible for the wellbeing and care of those public patients? The answer is that in a clearly defined chain the people who are responsible for public patients in Victoria are the board members of the individual entity, whether it be the smallest public hospital in rural or regional Victoria or a big hospital in the largest network, the Southern Health Care Network.

I repeat: in a chain of responsibility that is clearly understood, through the management structure of each entity all the way to its governance arrangements, board members are ultimately responsible for those patients. What happens if HPV decisions cut across those lines of responsibility? I do not offer this example by way of a catastrophe scenario but by way of a illustrating a situation that does not seem to have been thought about in the genesis of HPV. What would happen if, for example, HPV designates that only a limited type of suture can be purchased from a supplier and that the hospitals must use those sutures? What if, for example, a patient's health is for some reason compromised because of the sutures? I am not trying to posit an example that is watertight in its application; I am using it simply to illustrate the principle.

The principle is about HPV making a decision which the hospital is mandated to follow and which cuts across the governance procedures that have led board members to be responsible for the wellbeing of patients. I hope the situation never arises, and I trust that the government will take this on board and HPV will therefore not look to do that. However, it is disturbing that nowhere has that principle been discussed in any government considerations. It appears to me to be a misunderstanding of the responsibility that board members are given when they are appointed by the Governor in Council, which goes all the way back down through the chain to the individual patients cared for in those institutions. It is important to think carefully about that principle, because HPV will cut across those lines of responsibility.

Secondly, I offer two examples of how HPV might work, about which I have concerns. It is suggested in the bill, and it seems reasonable on its face, that our hospitals already have a fair bit of intellectual grunt. It is also suggested that we can tap into and use that to get a result, and then hand over the contract for it to HPV. I take as an example the use of stents, which are expensive items that have been used extensively over the past decades to save lives. The issue could be something that is looked at carefully in order to achieve savings through HPV. However, in doing that you might consider who has expertise in the area. If I were considering the issue I would choose Bayside, because the Alfred has considerable expertise in this sort of purchasing. Bayside could be charged with the responsibility of running the purchasing of items such as stents, after which the contract would be handed over to HPV to manage. That is one scenario that could arise under the legislation, which seems okay on the face of it.

Mr Pandazopoulos interjected.

Mr DOYLE — It is wishful thinking, because I have not yet got to the specifics of the legislation. If the minister had not annoyed me by bringing in amendments without telling me, I might have been brief, but he has lost his chance. That is a different issue, which I will turn to shortly.

The expertise required for a network like Bayside to purchase stents lies with the Alfred. But do we know whether that expertise can be predicated to a contract or to a product that will be used all over Victoria? It may be that there is an answer to that and that there is no need to be concerned about that model of purchasing expensive product. I wonder whether that has been thought through. I also wonder about the relationship between HPV and the intellectual grunt that exists in our hospitals, which HPV will tap into and then come along to manage the contract, simply because what hospitals do for themselves — and at the moment do very well — may not be able to be extrapolated to a whole-of-Victoria contract.

I turn to a matter that I will deal with briefly, because I know that my colleague the honourable member for Caulfield, in her capacity as the shadow minister for aged care and housing, wishes to refer to the matter more extensively. The bill specifically mandates that public hospitals are in. Other health agencies can opt in and then be bound by HPV, but it is only public hospitals that are in. That is too neat a view of what happens in the field. However, if you look at group D and E hospitals — which contain 35 of the smallest hospitals in the state — you will often find that nursing homes or hostels are attached to those hospitals and that their administration is inextricably bound up with them. You cannot unbundle a hospital from a nursing home or hostel.

What does that mean for a hostel or nursing home? Is it in because it is inextricably bound up with a hospital, or is it out? I am sure there is an answer, but this is an area where the legislation does not consider what happens in the field. Things are not so neat when it comes to small rural and regional hospitals and their ancillary health services to enable you to simply say, 'That is a hospital, that is a hostel — that is in, that is out', because that is not how things work on the ground. That point does not seem to have been thought through. The answer may be, 'We will be sensitive to that and we will work through the issues'. That is terrific, but it does not help you much if you are running one of those D and E hospitals, thinking, 'Am I in or am I out?'.

I turn to the bill, one of the interesting things in which is the first definition. Clause 4 states that goods and services will include facilities, equipment and supplies. However, if you consider that clause carefully, it might be reasonable to assume that HPV is there to buy pharmaceuticals and those things that can be bought in volume to help with price, reliability and quality of product. However, I put it to government members that that also covers staff. Is there an intention to undermine an individual hospital's autonomy in selecting either bank or agency nursing staff or primary health staff because they are services purchased by hospitals individually? I believe it would be wrong for that type of purchasing function to be centralised. I believe it should be open to each individual institution to decide who its staff should be, and those arrangements should not be entered into centrally. I do not know whether staff are in or out, but on my reading of the legislation they could be in, and that must be clarified.

The second issue is one I have previously raised in the house. One of the blessings and the curses of this place is that you can read what you said in government when in opposition. Sometimes it is worse and you can read what you said in opposition when you are in government. The honourable member for Albert Park, now the Minister for Health, railed in bill after bill against the minister being given powers in legislation because it was evil. He said that to give the minister powers would lead to the downfall of health and Victorian culture as we know it.

Mr Leighton interjected.

Mr DOYLE — I see. The honourable member for Preston is saying that it is okay when they do it but it is not okay when we do it. I am delighted with that interjection because I have suspected for some time that that was the thinking — it is okay for us but we do not trust you lot!

Clause 7 deals with the power of the minister, but it is not the only clause dealing with that issue, because it is also echoed in powers under proposed section 134C, which is headed 'Disallowance of purchasing policies'. Interestingly the powers given to the minister are even greater than those given to Health Purchasing Victoria, which are wide indeed. Proposed section 134C states:

> The minister may at any time, by notice in writing given to HPV and published in the *Government Gazette*, disallow a purchasing policy or part of a purchasing policy.

In other words, the minister has the right to override anything that HPV does. If the opposition, when in government, had included such a clause in any piece of legislation it would have been accused yet again of being the Evil Empire, and that clause would have been seen to have been included only for the nefarious future purposes the former government would no doubt put it to. From the high moral ground the honourable member for Albert Park occupied at the time, he said that on principle that was something that should never be done. What a difference an election makes in many ways!

Now that the honourable member is the minister, the minister is being given the widest powers of

intervention and overrule I have ever seen. Of real concern to me is a power given to the minister in proposed section 134L(1), which states:

> The minister may give directions in writing to HPV in relation to any of its functions or powers.

Of course its functions and powers are to purchase nearly 20 per cent of the goods and services in the health system. Proposed section 134L(5) states:

> HPV must comply with each direction of the Minister or Secretary.

Do honourable members opposite realise that what they are putting in black-letter law is the ability for the minister of the day to involve himself in purchasing 20 per cent of products in the Victorian health system? It seems incredible to grant a power for the minister to intervene.

Let me put the shoe on the other foot for one moment. Does that mean that this minister might direct HPV that only certain union-affiliated companies can be called upon to supply products? Does this mean that the Labor Party has in its mind a certain agenda which it wishes to express through giving the minister this quite extraordinary power that I have never seen before in any piece of legislation — the power to determine purchasing? I cannot really imagine that is so, but I just raise it as one of those passing interests. It was anathema to present government members when they were on this side of the house, but apparently it is normal practice now that they are on the other side of the house.

The functions of HPV are interesting. Proposed section 131(c) talks about the management and disposal of goods by health or related services other than public hospitals. I will not run through all of the clauses, but it means public hospitals are in and that other health services can also be brought in, even those that may be inextricably bound up. It means it can be insisted that those services use HPV products and not their own. I said earlier that I wondered whether this covered staff. One has only to go to proposed section 131(b) to see the problem. It states:

> In relation to the supply of goods and services to public hospitals and the management and disposal of goods by public hospitals …

In my view that would include staff. That surely also means HPV can direct a hospital to sell off assets and dispose of its goods. It can direct a hospital or a health service under its aegis to sell off assets. That seems to be a dangerous precedent to set for a central agency, and although it was criticised by the government when it was in opposition apparently it is now perfectly permissible for that to be government policy.

I understand that the functions and powers of HPV are based on the Victorian Government Purchasing Board, which was a model developed by the previous government. It is a model to which the opposition ascribes. Interestingly, it was a model that was railed against by the government when it was in opposition.

It is interesting, and indicative of the curious drafting here, that regarding the functions of HPV, proposed section 131(f) states:

> To establish and maintain a database of purchasing data of public hospitals and supply markets for access by public hospitals.

That makes sense, but why would you have an operating procedure written into black-letter law? Does the government presume that HPV will not do it unless it is mandated through legislation? It would seem to be a perfectly normal operating procedure, and it strikes me as curious. However, the next clause strikes me as unfortunate. It states:

> HPV is to ensure that probity is maintained in purchasing, tendering and contracting activities in public hospitals.

That seems reasonable. Again, that would be caught by the laws of the land in any case — both legislative and common law. I hope the clause it is not meant to be read — I am sure it is not — as meaning that somehow that was not so in the past and that public hospitals in purchasing, tendering and contracting did not ensure that probity was maintained. However, there is an unfortunate implication in that, because of course they did ensure probity.

I turn now to the powers of HPV, which are very extensive. It will be an extremely powerful body indeed. Proposed section 132(1) states:

> HPV has all the powers necessary to perform its functions.

It can therefore dictate to hospitals on matters that have hitherto been matters for local decision making.

In connection with the issue taken up by the honourable member for Richmond of infrastructure in hospitals, and whether or not that would be counted in the cost of HPV to the people of Victoria, this is the provision that shows that there will be an add-on cost to the infrastructure costs in existing hospitals.

If one looks at the requirements of the chief executive officer of a public hospital, they have to audit in compliance with purchasing policies in HPV directions

and provide audit reports to HPV. Proposed section 132(4) states:

> The chief executive officer of a public hospital must provide to HPV on request within 28 days or any longer period specified in the request —
>
> (a) audit reports referred to in sub-section (2)(d);
>
> (b) information and data referred to in subsection (2)(e).

So there will be a direct cost to hospital infrastructure as a result of the introduction of HPV, and one would expect that because the entity will talk to and work with hospitals. That seems reasonable. My earlier point was not about the probity or appropriateness of that but to say that if you are to count the cost of this to Victorians you need to count the cost that is in hospital infrastructure already and what will be added to hospital infrastructure.

The overall power is given at proposed section 132(3). It states:

> A public hospital must comply with an HPV direction that applies to it …

That allows public hospitals to carry out the terms of contracts they enter into before the direction is given by HPV, and there is a cut-off date beyond which contracts cannot be entered into without the oversight of HPV. However, the central point remains that the powers of this body to direct public hospitals are wide indeed.

I turn to proposed section 133, to which the government proposes amendments. Although I will not deal with those now because they will be dealt with in the committee stage, it seems they are machinery changes in two cases and simple insertions in respect of two subclauses. That the government left out of the bill proposed subsection (f), which provides that HPV must have regard to local employment growth or retention, makes me wonder whether it was something it came to only late in its discussions. I would have thought that was something they should have been considering right from the start. The amendment inserts into proposed section 133 in clause 8 the following words:

> (c) the price, quality and accessibility of goods and services supplied or proposed to be supplied to health or related services …

If that was not considered right from the start what on earth was the government thinking about? Has this set of amendments been generated simply by sloppiness, clumsiness and oversight, or was the whole thought process flawed from the start and such things not considered?

Why is this clause so important? It is because it is the catch-all on which the government will rely. The government knows there is great unease in rural and regional Victoria about Health Purchasing Victoria. Country people know HPV does not have the enthusiastic support of the whole range of rural and regional hospitals, so some soothing balm is needed; a nice, warm and fuzzy provision that says, 'Don't worry, fellas, it's not going to hurt'. That is the purpose of clause 8.

The government does not have to give notice to the opposition of amendments, of course, but such action is simple courtesy. However, it is particularly curious to me that the only amendments delivered without prior notice to the house at the start of the debate concern the proposed new section to which the government will turn to offer comfort in the face of the criticisms it will now suffer. There is scepticism about how the bill will affect local hospitals, local economies and local towns.

I will not go on and on about that point because many of my colleagues have real concerns about their areas and they can speak much more movingly than I about the importance of the local hospitals to their local economies and what that means. They can talk about why — although clause 8 is in the bill to try to offer some comfort to people — there are fears that HPV may well cut across local issues.

I will indulge myself in one small example that was told to me. It may seem like nothing, but it is part of the fabric of smaller towns. The point was made to me that when gardening hardware was delivered to a very small regional hospital the local hardware man making the delivery picked up on the way the two gas cylinders the hospital needed — not because he had to; not because he was being paid to; but because that is the kind of thing they do in small country towns.

The fear of people in such places — I hope it is to be unrealised — is that those highly informal but necessary arrangements which happen a long way away from 555 Collins Street, where the health bureaucracy is centred, and which are important to the life of a particular hospital are not factored in to what HPV will do. It might easily be said, 'Well, we won't be purchasing in that area', or 'Don't worry, we're going to have regard to local employment growth or retention', or 'Don't worry, we're going to look at the viability of small to medium-sized businesses'. This is not about that; it is about the fabric of small rural and regional hospitals and what actually happens on the ground.

I have concerns about the membership of HPV, particularly about potential conflicts of interest, and I will outline those concerns in some detail. HPV will be made up of a chairperson who, in the opinion of the minister, has expertise in the health care industry — one would hope that the minister's opinion is in accord with that of the rest of Victoria; three people from a metropolitan health service, one of whom will be a CEO; two from a schedule 1 hospital — that is, a rural or regional hospital — one of whom will be a CEO; one from the Department of Human Services; one from the Department of Treasury and Finance — although I would never be mistrustful of the central agencies, beware of that department's imperative to say, 'You have made $10 million in savings, which will now come off the top of your budget'; and two people who in the minister's opinion have expertise relevant to the functions of HPV.

On the face of it, that seems to be a strange conflict. If I were the CEO of a metropolitan health care network and another CEO was on that body I would be a little sceptical. Different hospitals and, in their short existence, different networks have developed cultures of their own and their own ways of doing things. It may be easy to criticise that from outside, but it suits certain areas.

The honourable member for Frankston, who will shortly make a contribution to this debate, as erudite as usual I am sure, can speak about the small health network in her area. It may be a small network but it has a particular culture of its own that may not be recognised or may even be demeaned by a different culture. It is okay to have a CEO of a rural or regional hospital on HPV, but CEOs are not all alike, and there is a fierce but healthy rivalry between them, and that is just between hospitals. The membership of HPV seems very curious indeed. However, the interesting part of that comes a little later.

This is sophistry of the worst and most sloppy, intellectual kind. If you were to look at such a purchasing body and saw that one of its members was a CEO of a metropolitan health care network, the immediate question would be: is that not a direct conflict of interest? Here is a person who is on the board of this purchasing body and he is also the CEO of one of the networks that will be a beneficiary — I use the word advisedly — of purchasing policy. His own network will be affected, adversely or benignly, and all of the other networks will be affected, adversely or benignly, and he is actually sitting at that board table making decisions that will be implemented in the field in his hospital and network and other hospitals and networks from now on. On the face of it that is a conflict of interest.

How does the government get around that obvious and blatant conflict of interest? It does so very simply. Proposed section 134I(5) states:

> For the purposes of this section, a member is not to be regarded as having a pecuniary interest in a contract or arrangement only because that contract or arrangement may benefit —
>
> (a) a public hospital in which the member is employed; or
>
> (b) a company or other body in which the member has a beneficial interest that does not exceed 1% of the total nominal value of beneficial interests in that company or body.

Paragraph (b) is perfectly logical and reasonable, but what does (a) do? If you read it down, it says that that person does not have a conflict of interest because we define out conflict of interest. In other words, it is not a conflict of interest because the government says it is not a conflict of interest, which is sophistry. The bill does not tackle the issue. In black-letter law all you do is say, 'It is not a conflict of interest'. That does not make sense.

The opposition will watch that closely. The key to it lies in whether those essential performance indicators are developed, carefully measured and accurately reported on. Honourable members are being asked to consider the government's reason for moving in this direction, which is that the system works in New South Wales, although chief executive officers (CEOs) in that state will tell you it does not work.

I refer to an article in the *Daily Telegraph* of 17 December 1999, which the New South Wales parliamentary library was kind enough to supply. It sets out what has happened in New South Wales as a result of the relationship between area health services — in New South Wales they are termed 'area services' — and their peak purchasing council, the central bureaucracy and individual hospital.

What happens when they are all thrown into the pot? The answer is contained in this brief article. Under the heading 'Auditor slams health services' the article states:

> The New South Wales health department has been criticised by the Auditor-General for a litany of management failures, including unauthorised loans, unpaid bills and salary overpayments.

Those practices were highlighted in the 1999 state Auditor-General's report. Only one area health service

out of 18 was given a positive report. The article continues:

> It found many services undertook loans within the department without receiving approval from the Treasurer.

That is an interesting way of operating. The Auditor-General said:

> … the services were struggling to pay off debts in time —

this is the interesting part about what is happening in New South Wales —

> with many small businesses such as greengrocers and drug suppliers waiting more than the required 45 days for money owed.
>
> The report also found some health services obtained bank overdrafts totalling —

millions of dollars —

> And it says the Northern Sydney Area Health Service made salary overpayments …

I think it was around $800 000 during 1998–99, less than half of which was recovered. That may not happen in Victoria. The house is being asked to consider the adoption of the New South Wales model. The article sets out the result of that in New South Wales, partly, I suspect, because CEOs in that state will do anything to walk around the peak purchasing council because they do not trust it. They believe it is inflexible and unresponsive to their needs.

I hope that will not be the case in Victoria. Despite what the government may think about the opposition, we do not wish legislation such as this to fail. I am sure that quick returns will result in the short term because of price volumes and accumulating tenders. However, for such a body to sustain returns in the longer term, the key performance indicators must be clearly delineated and reported on. It will need to be sensitive in dealing with public hospitals, particularly smaller and regional ones. It will have to carefully examine the way it gears up to 20 per cent or more of purchasing, because it will start on a more modest scale.

The opposition hopes it succeeds. It does not wish to see the health system brought into disarray, as has so obviously happened in New South Wales under a Labor government. It is the job of honourable members on this side to point out the potential pitfalls. We do not do that in a carping or critical way but in a responsible way, saying, 'If you have not looked at those things, please do. If you have not developed those indicators, let's work together to do so and have them reported on to the Parliament'. If those things are carried out they could be of great benefit to Victoria's health system. If they are not, the fabric of the system and the communities the system services could be damaged.

Mr MAUGHAN (Rodney) — I am pleased to speak on the Health Services (Health Purchasing Victoria) Bill — and again it gives me pleasure to follow the honourable member for Malvern. The National Party will not be opposing the legislation, but I will point out some of the concerns expressed to it by hospital managements throughout country Victoria, as well as some of the potential flaws in the legislation.

Clause 1 sets out the purpose of the bill, which is to amend the Health Services Act in relation to the supply of goods and services to health or related services, including public hospitals, and to establish Health Purchasing Victoria. Those are worthy objectives and, on the surface, have much to commend them. However, as I go through the bill I will express the concerns of the National Party about how it could affect country Victoria.

The legislation changes the way public hospitals will purchase goods and services so that best value is obtained from the use of public funds. That is a worthy objective that honourable members on both sides will have no difficulty in supporting. The National Party has no difficulty in supporting the bill as it affects the purchase of pharmaceuticals and specialised medical equipment. It is concerned about any interference with the longstanding arrangements between country hospitals and local suppliers, which are important to both of them. As you would know, Mr Acting Speaker, country hospitals depend heavily on the support of their communities, and in return they must support those communities.

Late last year the minister was present to open stage 2 of the redevelopment of the Kyabram Hospital. He is aware that of the $6.5 million for the redevelopment, only $1.2 million was provided by the government. Essentially the rest of that funding was provided by the local community, which is a very generous one. Kyabram is typical of many other country hospitals. Echuca Regional Health, for example, received tremendous support from generous benefactors in both New South Wales and Victoria. The locally based board of management of that hospital feels obliged and honour bound to support many of those people who support it. I hope the bill will not cut across that relationship between the management of country hospitals and the communities on which they rely for support.

Cohuna hospital is another outstanding example of a hospital that receives excellent support from the

community. Its redevelopment cost was $1.4 million, and $800 000 of that was raised locally. Cohuna is a more isolated community than the two I previously mentioned, and there is a close working relationship between the management of the hospital, suppliers within the town and the community generally. I emphasise that National Party members do not want to see the relationship between the management of local hospitals and the communities that support them destroyed.

The honourable member for Malvern pointed out the potential for Health Purchasing Victoria (HPV) to become another layer of bureaucracy between a hospital board of management and the community it serves and so take away some of those decision-making powers that are now entirely those of the local board of management.

The legislation has its genesis in the ministerial review of health care networks, which was chaired by Professor Stephen Duckett. That review was primarily about the future configuration of health care networks, their governance and their management. In my judgment it was primarily about the metropolitan health networks. Some would say that it was change for change's sake to overturn arrangements that were put into place by the previous government, irrespective of whether they were working or not. It was a matter of the government throwing out what was put in by the previous government and saying, 'Let's rejig it, reconfigure it, and put our own stamp on it'.

The review committee made a number of sensible and logical recommendations about the more efficient purchasing of goods and services used by hospitals. In essence, it said that all public hospitals should purchase centrally an approved range of pharmaceuticals and medical supplies as from 1 July 2001.

Following that, a procurement reference group was set up and chaired by Jennifer Williams, who is the chief executive officer of the Austin and Repatriation Medical Centre. That was a wide-ranging committee with representatives from all the central health services and experts in supply and logistics, but there was not much representation from country Victoria. In a group of about 30, there were probably two people from country Victoria.

Mr Delahunty interjected.

Mr MAUGHAN — There were representatives from Ballarat and Geelong, but they are hardly representative of real country Victoria, the area that the National Party in this house represents.

The group identified options for central purchasing. They related largely to pharmaceuticals, and I can see the logic of that because there are benefits in purchasing pharmaceuticals in bulk. There are certainly benefits in purchasing specialised medical supplies and hospital equipment in bulk, and I have no problem with that. However, I do have a problem if the purchase of pharmaceuticals in country Victoria is removed from the local community. In many cases those pharmaceuticals are procured either locally or through the central purchasing network that is run by the country hospitals association.

This is the government that said country Victoria had missed out. Prior to the election it certainly gave people the impression that it would do an even better job for country Victoria and that if elected it would improve the lot of country Victorians. I suggest that moving purchases out of those small country towns into a centralised bureaucracy located in Melbourne, with all its flow-on effects, will certainly not assist smaller country towns. In fact, it will have a negative effect on country towns if it is not watched carefully.

Mr Delahunty interjected.

Mr MAUGHAN — As the honourable member for Wimmera points out, hospitals in country towns rely heavily on the support of local traders. Obviously that support will evaporate if that purchasing goes out of those local towns and the local traders do not get that trade because it goes to Melbourne and creates further employment and bureaucracy in the metropolitan area. That has the potential of being in conflict with the government's stated objective of looking after country Victoria. The present Treasurer, when in opposition, went around country Victoria telling country Victorians that they had missed out and how terrible the former government was. This government is taking steps that potentially could be adverse to country Victoria.

To be fair, there is an exception process. Clause 8 inserts proposed section 133, which states:

> ***Factors to which HPV must have regard in performing functions and exercising powers***
>
> In performing functions and exercising powers under this Act, HPV must have regard to each of the following matters —
>
> …
>
> (c) the individual conditions and requirements of health or related services;
>
> (d) the effect of tendering and contracting processes on the viability of small and medium-sized businesses;

I am pleased to note that the government is introducing amendments to strengthen that by inserting proposed subsection (f), which states that HPV must take note of:

> local employment growth or retention.

The first the National Party heard about this amendment was when I came into the house this morning. Nonetheless, I welcome it because it gives Health Purchasing Victoria the opportunity to exempt small country hospitals from those provisions.

The minister stated in his second-reading speech that:

> The bill provides for an exception process to ensure that where the application of a particular purchasing policy is inappropriate for clinical or other reasons, such as the locality of the hospital, then Health Purchasing Victoria can exempt it from the application of the whole, or part, of that policy.

I hope the minister sticks to that and that Health Purchasing Victoria does exercise the powers that it is given by the legislation.

Clause 8 sets out the powers, functions and membership of this new body called Health Purchasing Victoria. The functions include developing, implementing and reviewing policies, practices, et cetera, and promoting best value and probity.

I have no problem with that at all. That is what any worthwhile health service is already doing. Other functions are to provide advice, staff training and consultancy services. The prime function is:

> … to supply or facilitate access to the supply of goods and services to public hospitals …

As the honourable member for Malvern said, Health Purchasing Victoria will have wide-ranging powers. For example, proposed section 132(1) states that:

> HPV has all the powers necessary to perform its functions.

They are wide-ranging powers indeed. Subsection (3) of proposed section 132 states:

> A public hospital must comply with an HPV direction that applies to it, except to the extent that the direction is inconsistent with the terms of any contract that was entered into by the public hospital before the direction was given to the hospital by HPV.

It will have extensive powers.

The membership of Health Purchasing Victoria will consist of a chairperson who has expertise in the health care industry; three people employed by metropolitan health services; two people employed by a hospital listed in schedule 1 — in other words, the smaller hospitals; one person employed by the department, nominated by the secretary; one person employed by the Department of Treasury and Finance; and up to two other people who, in the minister's opinion, have expertise relevant to the functions of HPV.

That board is already weighted heavily against the interests of those in country Victoria. There is the potential to change the balance even further, depending on whether those extra two people referred to in proposed section 134(2)(f) are appointed — and if they are, where they come from. If they come from the metropolitan health networks, for example, or from the Department of Treasury and Finance, that could completely change the balance of the HPV board.

It is expected that some 20 per cent of all hospital purchases will initially be provided through HPV, and the task of prioritising those lies ahead. I understand some 30 000 different items are involved. As I have already said, I have no difficulty with some of those items being purchased centrally, because that will clearly benefit the state of Victoria and the hospitals concerned. However, I will have a difficulty if that concept extends too far and adversely affects the viability of small businesses in country Victoria.

I understand the annual running costs of Health Purchasing Victoria will be of the order of $900 000 to $1 million per annum and that it will produce potential savings — the figures are a little rubbery — of the order of $9 million to $10 million per annum. I note in passing that the purchase of goods and services from our hospitals throughout the state is worth about $750 million.

I express concern about Victoria's tending to follow the New South Wales model. It works well theoretically, but having spoken to a number of chief executive officers in country New South Wales the picture one gets from the people who are intimately involved in the health care industry is not as rosy as the picture one gets from the New South Wales government or from this government, which is promoting the model.

To sum up, I will list my concerns: only two representatives from country Victoria will be on the board of Health Purchasing Victoria; the ability to appoint an additional two members of the board of HPV could tip the balance away from hospitals and away from country Victoria; and another layer of bureaucracy may be set up between hospital management at board level and their clients. I am also concerned about the lack of representation of smaller rural hospitals in the process that resulted in the bill. Hospitals such as those at Rochester, Cohuna, Kyabram, St Arnaud, Kerang and Edenhope were not

adequately represented on the study group chaired by Jennifer Williams that had input into the process.

The Victorian Hospitals Association is not represented, the reason given being that there would be a conflict of interest. I cannot see how it could be argued that a chief executive officer of a metropolitan hospital who is also a member of the board will not have a conflict of interest but that there could be a conflict of interest for a representative of the Victorian Hospitals Association, which represents all the smaller Victorian hospitals. Logically the two arguments do not stack up. If no conflict of interest arises in having a CEO of a large metropolitan hospital on the board of HPV, there can be no conflict of interest in having the Victorian Hospitals Association represented on the board. So much for consultation and for taking account of the views of the people of country Victoria.

I am also concerned that the bill does not provide for performance indicators that measure on an ongoing basis, year by year, what HPV is achieving. Where are the indicators? What are they? How will the public and the government monitor the performance of HPV to determine whether it is continuing to provide real savings for the hospitals on whose behalf it is purchasing?

What has been learnt from the New South Wales experience? It seems we are blithely rushing into applying the New South Wales model to the Victorian situation without consulting with the people who are working in that system and without evaluating the strengths and weaknesses of the system and trying to learn from them.

What will the bill do to Hospital Supplies of Australia, which organises bulk purchases for a group of hospitals and supplies the items concerned? I would be very concerned if Hospital Services of Australia were in any way weakened by the proposed legislation.

In conclusion, I acknowledge that potentially the bill will provide real benefits to the state and to hospitals, particularly those in the larger networks. However, the benefits are not as clear for country hospitals, and I fear there could be some real disbenefits for country hospitals. I am concerned, as I said, about another layer of bureaucracy being introduced, and I am concerned that there will be no effective monitoring.

I advise the house that the National Party has consulted widely on this issue. National Party members hope the legislation works, and although we have the concerns I have mentioned, we will not be opposing the legislation.

Mr VINEY (Frankston East) — I am pleased to support the bill. It reinforces the Labor government's commitment to implementing an innovative approach to managing our public hospitals — an approach that over the longer term will achieve sound financial management for our hospital system.

Mr Delahunty interjected.

Mr VINEY — 'I hope so', says the honourable member for Wimmera. He was not here during the previous administration.

Mr Wilson — Nor were you!

Mr VINEY — That is right — and nor were you! The honourable member for Bennettswood was advising the then Minister for Health as his chief of staff, so he is responsible — as is the honourable member for Malvern, the then parliamentary secretary — for part of the problem we have inherited. The Bracks government inherited a bankrupt system.

Opposition members interjecting.

Mr VINEY — They are laughing about this, but the review of finances ordered in November 1999 and conducted by Professor Duckett, the architect of the casemix system, found that the entire hospital system was technically bankrupt and that that was hidden by dodgy accounting techniques such as the use of donations for hospitals' operating costs.

The review found that the financial position of networks was at best precarious and at worse destitute. The surplus recorded in 1998–99 was due largely to the commonwealth injection of cash provided for year 2000 (Y2K) equipment and had been achieved only through the use of donations, income from business units and specific-purpose funds together with one-off cash injections for Y2K capital purposes.

The net current assets in the hospital system went from $76 million in 1992–93, when the former Kennett government came into office, to minus $12.5 million at December 1999 — a turnaround of some $88.5 million! When the Labor Party came to office it recognised this technical insolvency and injected $88 million worth of funds just to get the system viable again.

The Bracks government identified the previous administration's failures to implement a decent management system amid the creation of an excessive bureaucratic network. This led the government to consider a review of the health service networks' purchasing arrangements. One of the recommendations

from the review was to introduce a centralised purchasing system.

The bill establishes Health Purchasing Victoria as a new public statutory body. HPV will be responsible for coordinating central tenders and contracts for Victorian public hospitals. It will facilitate improvements in hospital purchasing practices. The bill, therefore, changes the methods used by public hospitals and health services to purchase goods and services in Victoria so that best value supplies are purchased with public funds.

It is clear that the current method by which hospitals and health services purchase equipment, services and goods is financially irresponsible. It is estimated that hospitals currently tender, contract and purchase in excess of 30 000 items from more than 2500 suppliers. Expenditure by hospitals and health services is estimated at $750 million a year spread over 12 metropolitan health services and 74 rural services.

The ministerial review of health care networks to improve health care delivery in metropolitan Melbourne, chaired by health policy expert Professor Stephen Duckett, found that there were opportunities open to significantly improve the purchasing of goods and services by public hospitals. The review considered that considerable savings could be generated through centralised purchasing.

There has been some discussion about performance indicators from the honourable members for Malvern and Rodney, but this review estimated that $5 million to $6 million could be generated after 12 to 18 months; further savings of up to $20 million could be achieved in the longer term. These are the sorts of performance indicators that we are quite happy with.

The review recommended that all hospitals be required to purchase a specified range of pharmaceuticals and general medical supplies according to approved contracts after 1 July 2001. All the states except Victoria already have in place some form of centralised purchasing arrangements.

Interestingly, in his address the honourable member for Malvern decided to give the government a lecture on two issues, the first being the process of consultation. The consultation process in the development of this legislation has been extensive. It involved the establishment of a procurement reference group with representation from metropolitan health services, rural hospitals, the Department of Treasury and Finance, the Department of Human Services, pharmacists and clinicians as well as experts with backgrounds in supply chain management.

The group examined a number of options and conducted further consultations with all public hospitals, organisations such as the Victorian Trades Hall Council, industry associations and suppliers, and peak bodies including the Victorian Health Care Association, the Australian Medical Association and the Association of Hospital Supply and Purchasing Officers. As a result, the group recommended that a new council be established to coordinate and manage purchasing arrangements for public hospitals and health services. The proposed council would develop and implement centralised purchasing arrangements and other strategies to ensure that best value is obtained in the purchasing of services, equipment and goods in Victorian public hospitals. The lecture the government received on the consultation process misfired, because the government undertook a comprehensive process in the development of this legislation.

The second key area of criticism from the honourable member for Malvern was on the issue of conflict of interest. One has to admire someone who can bounce back from a damning report of the royal commission into conflicts of interest — —

An opposition member interjected.

Mr VINEY — ‘Nothing in it’, they say — and they come back a day later and lecture the government about conflicts of interest matters!

The honourable member for Malvern has said — I think the honourable member for Bennettswood is saying the same thing — that we did not need the royal commission because when he was parliamentary secretary he already knew about it.

Mrs Shardey — On a point of order, Mr Acting Speaker, the honourable member is not referring to the bill. It is obvious he is intent on discussing other issues which have nothing to do with it. I ask you, Mr Acting Speaker, to bring him back to the bill at hand.

The ACTING SPEAKER (Mr Richardson) — Order! The standing order to which the honourable member refers is standing order 126. So far I do not believe the honourable gentleman has transgressed sufficiently for me to rebuke him.

Mr VINEY — I appreciate the advice that comes with the generosity of your ruling, Mr Acting Speaker. I am merely saying that I have had to sit in the chamber for an hour or so listening to the honourable member for Malvern lecturing us about conflicts of interest. I

think it is reasonable, given that he raised the matter, for me to say that his lecturing us about conflict of interest the day after the royal commission findings is breathtaking hypocrisy.

The purpose of the legislation in establishing Health Purchasing Victoria is to ensure there is a properly constituted authority in public hands to look after the public health system, not a privatised system, as was the approach of members on the other side.

Health Purchasing Victoria will comprise 8 to 10 persons appointed by the Governor in Council at the nomination of the minister: 3 employees of the metropolitan health services, 1 of whom must be a chief executive officer; 2 employees of rural public hospitals, 1 of whom must be a chief executive officer; 1 employee of the Department of Human Services nominated by the secretary; 1 employee of the Department of Treasury and Finance; a chairperson with experience in the health care industry; and up to 2 additional people with expertise relevant to the functions of Health Purchasing Victoria.

The bill will enable Health Purchasing Victoria to enter into contracts as an agent for our public hospitals. It will target two areas for savings. Firstly, it will obtain the best prices for goods and services through the aggregation of volumes and the identification of pricing benchmarks within Victoria, interstate and overseas. Secondly, it will develop and implement a best-practice supply chain of management arrangements, including the appropriate use of e-commerce for the use of purchasing systems and electronic trading, and establish and maintain a database containing purchasing data for public hospitals and supply markets for access by public hospitals.

The procurement reference group estimated savings of the order of $5 million to $10 million per annum will be generated through the coordination of purchasing under Health Purchasing Victoria. Already $6 million in estimated savings has been harvested for the implementation of central purchasing arrangements.

It has also been estimated that further savings of between $35 million and $70 million could be possible through the appropriate utilisation of e-commerce.

Mr Wynne — How much?

Mr VINEY — Between $35 million and $70 million. Moreover, significant purchasing efficiencies will be achieved through the removal of the duplication of activities in hospitals. Of course, there is a cost in the establishment of Health Purchasing Victoria of $950 000 per annum, but compared to the savings outlined this is a great reform for the Victorian health system.

It is expected that most if not all of the $950 000 will be offset by the removal of the duplication of functions and activities in our public hospitals. We are getting close to seeing potential savings of up to $10 million a year, and over the long term there will be net savings of between $35 million and $70 million because some of the costs will be offset by other factors.

The bill requires Health Purchasing Victoria to have regard to a number of important considerations in exercising these functions and powers, some of which were raised by the honourable member for Rodney, such as ensuring that local circumstances are taken into account in purchasing decisions. The government recognises its responsibility in ensuring there is no disadvantage to rural and regional businesses or to small and medium-sized businesses. These protections are included in the bill and require Health Purchasing Victoria to have regard to such things as the clinical requirements of patients, the individual requirements and conditions of hospitals and the ability of suppliers to supply goods and services.

The government has circulated two amendments that cover the price, quality and accessibility of the goods and services proposed to be supplied to health or related services, and local employment growth and retention. These provisions are consistent with some of the best-value principles in the Local Government Act and are consistent with the government's policy of ensuring the growth of the whole state, not just part of it, as was the policy of the previous government. One of the key principles of this government is ensuring the protection of those interests.

I take the opportunity to thank the three Independent members, who worked with the government to identify ways of strengthening the bill. It is a pleasure to work with members who want to work constructively to improve and enhance legislation.

Mr Vogels — Sign them up!

Mr VINEY — This is the criticism that others make of the Independent members, suggesting that they are not independent. They will not learn; they do not understand what took place at the last election. The government is happy for them to keep doing that. They do not understand that Victorians rejected the negative politics of the other side: the approach of vilifying people who have a different view from theirs.

The Labor government has seriously considered the impact of centralised purchasing on small, medium and

rural businesses and has developed strategies to counter the effects. I thank the Independent members for working with the government on that aspect.

It is proposed that Health Purchasing Victoria will work with the Victorian Government Purchasing Board to encourage Victorian businesses to participate in government tenders. It is considered unlikely that there will be a negative effect on regional and rural businesses, but the government is happy to ensure there is some protection. Small and medium enterprises will also be encouraged to tender for contracts. Notwithstanding that approach, the proposed amendments require Health Purchasing Victoria to take account of the possible effect of any central tenders on small and medium enterprises in determining whether it is appropriate to tender centrally.

It is a pleasure to play a part in another piece of reforming legislation by the Bracks Labor government for Victoria's health system to ensure there is a viable, efficient and well-managed public health system — one that is viable not just because of management efficiencies like reducing the bureaucratic networks but also because of the great injection of funds into the public hospital system under this government.

The establishment of Health Purchasing Victoria under the bill will benefit Victoria's health system in a number of significant ways in accordance with the direction of the government. It will achieve best-value pricing for goods and services purchased by Victorian hospitals; it will effectively remove duplication of functions and multiple tenders and contracts for the sale of products; it will assist collaboration and improve information sharing between hospitals, including information about the rationalisation of product evaluation arrangements and the facilitation of inter-hospital benchmarking.

It is a great day for Victoria's hospitals and its public health system. It is a great time to be involved with the public health system in Victoria, as it has been for the past 18 months, because there is a government protecting and enhancing the system, investing in capital infrastructure and ensuring viability by putting in more beds and nurses and ensuring that emergency demands are met. I commend the bill to the house for its consistency of approach and for the further reforms it makes to the system.

The ACTING SPEAKER (Mr Richardson) — Order! Before calling the next speaker I wish to make a correction to the advice I offered to the honourable member for Caulfield a short time ago. The standing order relating to digression during debate is standing order 99, not the standing order I mentioned. I am suitably rebuked by myself.

Ms McCALL (Frankston) — I thank you for your guidance, Mr Acting Speaker. I am at the high spot of my week, because I now have the opportunity to follow the honourable member for Frankston East in the debate. I have been dying to do that. As the Parliamentary Secretary to the Minister for Health, he is the man who ran the most vitriolic and systematic assassination — he is the Grim Reaper of Frankston East — of the Peninsula Health Care Network. He did his level best to reduce the morale of anyone who worked for or was connected with that hospital.

I have never criticised the Frankston Hospital or the Peninsula Health Care Network; in fact, I have defended the hospital and continue to do so. The honourable member's comments are a bit rich given that the review by Professor Stephen Duckett which we are now discussing put the Peninsula Health Care Network up as the benchmark. It found it was the best network within the metropolitan structure and commended it. Regardless of whether the honourable member for Frankston East wants to fiddle the figures or pretend someone else did, that hospital managed itself and its books exceptionally well. I place on the record that the community of Frankston and the Mornington Peninsula is grateful for its network. I remind the honourable member for Frankston East that his campaign to try to destroy it did not work.

The Health Services (Health Purchasing Victoria) Bill is about increasing bureaucracy rather than reducing it. I am told there will be a new bureaucracy that could cost up to $1 million. It will probably employ 10 to 12 staff, but we are looking at about 20 per cent input from this central purchasing arrangement within the hospital networks.

My colleagues who spoke before me, the honourable member for Malvern and the National Party member for Rodney, have talked about the issues relating to the impact on the local community. I am a community member of Parliament; I live and shop in my electorate and am very visible there. One of the things that concerns me about the setting up of a central purchasing network — I am never happy about centralisation of any sort — is that it has the potential to remove the rights of members of the local community to be the suppliers of their own hospital.

Like most of us in this place, I studied economics at university. We all understand the principles of economies of scale, but we also understand the principle of the law of diminishing returns. The law of

diminishing returns does not refer only to money or quantities; it also refers to the diminishing return to the community — in this case, the community providing supplies for that hospital. Local community suppliers of meals or pharmaceutical products or the local servicers of laundry will be concerned about what impact central purchasing will have on them, particularly on the Mornington Peninsula where the Peninsula Health Care Network is the major employer, behind BHP and the shire councils.

I am not reassured that that would be addressed by anything the honourable member for Frankston East said. That is probably because I am getting old and cynical and have been a member of Parliament for five years, but I do not believe him. He has accused the opposition of hypocrisy, but I defy him to say there is not real concern at the community level about how the issue will be addressed.

I am concerned that the part-time — I emphasise the term 'part-time' — health minister is being given another duty, which is the responsibility for Health Purchasing Victoria (HPV). He is already overloaded and is having trouble responding to letters on his planning portfolio as well as on his part-time health portfolio. Goodness only knows what will happen when he is involved with HPV as well!

The honourable member for Malvern emphasised the conflicts of interest that arise. The Kennett government was lambasted by the then shadow Attorney-General and a number of other people — —

An Opposition Member — How is he travelling?

Ms McCALL — How is he travelling? Who knows? He was in the hospital system recently. One only hopes that he received good treatment.

The previous government was lambasted about jobs for the mates and conflicts of interest, including contracts and consultancies that potentially could have gone to people who were in some way connected with the government. I am not convinced that this legislation does not take the government down the same track, as was clearly stated by the honourable members for Malvern and Rodney. For example, the chief executive officer of a major hospital or network who also sits on the board of HPV might have a degree of self-interest in a purchase. The honourable member for Rodney suggested that if there is no CEO of a rural or regional hospital on the board of HPV, there will be a skewing away from rural and regional Victoria towards the city.

I am conscious of the time, because I know that many of my colleagues wish to contribute to the debate, particularly those with rural and regional hospitals in their electorates. If the system is efficient, I have no difficulty in not opposing it. However, the devil is always in the detail. I am not convinced that another level of bureaucracy is not being created to set up a centralised purchasing system and that instead of bringing economies of scale it will reinforce the law of diminishing returns. Communities may not benefit from this.

I remind the honourable member for Frankston East that Frankston has one of the best hospitals and networks in the state — and long may they remain!

Mr LEIGHTON (Preston) — I am pleased to support the Health Services (Health Purchasing Victoria) Bill. I bring a different perspective to the debate as somebody who has worked in hospitals, albeit some time ago, and who has more recently sat on a public hospital board.

The central thrust of the bill is to establish Health Purchasing Victoria, which will allow for the central tendering for and ordering of supplies. Several consequences can flow from central ordering. Firstly, a critical mass can be produced so savings can be achieved through tenders, and secondly, there is the potential to eliminate the duplication that can occur when a number of services go through the same process.

The bill will enable HPV to establish product reference groups. I am pleased to note the provision that allows members of those groups to be drawn directly from hospitals, particularly clinicians such as doctors and nurses. Once HPV is established I would urge it to look to people from backgrounds such as domestic cleaning and catering, because it is often the people at the coalface who appreciate which goods and services are effective, which are not and where waste occurs.

The honourable member for Rodney had the decency to say that the National Party would not oppose the bill. I had some trouble understanding what position the honourable member for Malvern — Dr Gloom — was taking on the bill. There are a number of issues on which I cannot agree with him. He tried to liken HPV to the State Supply Office, when we all know it has been privatised. In response to an interjection from me he tried to say that the bill was about privatisation. That is nonsense. The report of the reference group specifically concluded that it would not be appropriate to have a private organisation like the Victorian Healthcare Association undertaking centralised purchasing, particularly in accord with government policies.

This is the opposite of privatisation. I would like the honourable member for Malvern to give a commitment that if his party were ever to get back into government it would not attempt to privatise HPV as well.

The honourable member for Malvern pooh-poohed the provisions relating to conflicts of interest. That is interesting, because the bill strengthens those provisions. Proposed section 134I(1) states:

> A member of HPV who has a direct or indirect pecuniary interest in a matter being considered or about to be considered by HPV must, as soon as practicable after the relevant facts have come to his or her knowledge, declare the nature of the interest at a meeting of HPV.

Further provisions require members of HPV not to participate in decision making. That was not always the case with public hospitals. I recall one public hospital where the chief pharmacist was also the president of an international pharmacists association.

There might be a few longer serving members on the other side who can remember it as well, because that gentleman had been endorsed by the Liberal Party for a safe seat in the Victorian Parliament until he ended up facing criminal charges. When he placed purchasing orders for pharmaceuticals for his hospital there were kickbacks to the International Association of Pharmacists for conferences. Unfortunately for him it all came to a head a few months before the 1985 state election, when he was convicted and forced to resign his Liberal Party preselection for the Legislative Council.

An honourable member interjected.

Mr LEIGHTON — I have not named him because he has another career now. If the honourable member wants me to name him, I will, because the case was public at the time. I believe that having a centralised authority governed by legislation will ensure the integrity of the tendering process, which has not always existed in the past.

I turn to touch on another point of general principle regarding pharmaceuticals. I believe the entire health system must be more aggressive with drug companies and that people should not necessarily go only for brand names but should be prepared to consider generic products. One of the unfortunate things for Australia and Victoria is that although traditionally Melbourne has been the centre of medical and health research of international standing, often the results of that research are lost to overseas companies and Australia simply purchases pharmaceuticals from elsewhere.

The honourable member for Malvern pooh-poohed the capacity of the minister to issue directions. If honourable members accept literally what the honourable member for Malvern was arguing, they would have visions of the Minister for Health sitting at his desk swamped with purchase orders. That is nonsense. The provision will ensure that Health Purchasing Victoria is responsive to government policies, such as the Victorian industry purchasing policy. The government is doing far more than the previous government to promote Victorian industry, which is why that reference is included.

I mentioned that I once sat on the board of the former Preston and Northcote Community Hospital. When Labor was previously in government PANCH was the most financially sound of Victoria's public hospitals and one of the few never to operate in deficit. As the local member I was never faced with the situation that other honourable members faced of public hospitals screaming at the end of the financial year because they were bankrupt.

PANCH was replaced with the Northern Hospital and the North Western Health Care Network when the now opposition was in government — and the hospital was bankrupt. The opposition's idea of contracting was exemplified by the arrangements it entered into with the Northern Hospital, where as part of the capital construction the hospital was locked into a private maintenance contract that has continued to cost it an additional $250 000 per year. No wonder it was bankrupt.

I will conclude now because I know other honourable members wish to speak on the bill. The Bracks government gave a commitment to remove waste and inefficiencies from Victoria's public hospital system. To that end it established the ministerial review of health networks, which led to the reference group and ultimately to the bill. I believe it demonstrates the commitment of the Bracks Labor government to the public health system.

Mr WILSON (Bennettswood) — I am pleased to make a brief contribution to the debate. I start with some of the ridiculous comments made by the honourable member for Frankston East, especially his comments on the state of Victoria's hospitals when the Bracks government came to power. If one reflects on the period around October 1992, when the Kennett government came to power, not only were Victoria's hospitals and its health system in total crises, the entire state of Victoria was in crisis. Honourable members will recall that the Kennett government inherited a debt of $32 billion.

Mr Wynne interjected.

Mr WILSON — The honourable member for Richmond is muttering. I believe he was an adviser in those glorious Cain–Kirner years and made a marvellous contribution to bankrupting Victoria during that period.

In his final comments, the honourable member for Preston talked about the closure of the former Preston and Northcote Community Hospital, or PANCH. I remind the honourable members for Preston and Frankston East, and indeed the minister, who is absent from the chamber, that Labor is now in government. If they believe that PANCH is a goer, why don't they reopen it? They should put their money where their mouths are and reopen or redevelop it!

The other point is that Victoria now has a fantastic hospital on that side of town, which was referred to by the honourable member for Preston — the Northern Hospital. It is one of the great Melbourne hospitals and will go down as another part of the great legacy of the administration of health during the Kennett years.

My contribution will be brief because the house has heard outstanding contributions from the honourable members for Malvern and Rodney. However, I offer a warning to the government. I noted in the second-reading speech that the government has relied on advice from senior bureaucrats in the New South Wales health department. I warn the government not to do that. As an exercise, each morning government members should read the Sydney newspapers to gain an appreciation and understanding of what a parlous situation the New South Wales health system is in. It is in crisis. The government should not rely on advice from New South Wales in the implementation or delivery of health services.

Mr Vogels interjected.

Mr WILSON — Or, as the honourable member for Warrnambool correctly says, advice on anything! The New South Wales government does not provide the goods. The health system in New South Wales is a state and national disgrace.

The establishment of Health Purchasing Victoria has resulted from the Duckett review of the metropolitan health networks. It is meant to be a cost-saving exercise, and honourable members have heard that to develop this plan a reference group was established under the chairmanship of Jennifer Williams, the current chief executive officer of the Austin and Repatriation Medical Centre.

Mr Acting Speaker, when I hear about bureaucrats being recycled, I often wonder whether the government ever bothers to ask them what they really think about the current government's policies. I cannot recall Jennifer Williams ever being an advocate of this policy. I might be wrong, and she might like to write to me to tell me I have misinterpreted her views, but I cannot believe she was ever an advocate of this type of policy, so I am interested that she was able to chair this reference group and come up with these recommendations.

On the issue of bureaucrats operating in the current Victorian health system, another chief executive officer of a network was an advocate of closing St Vincent's, or at least shifting it to Knox. I wonder if he still holds that view. Perhaps it is the view of current government members, and that is why it does not upset them too much.

The new statutory authority will be a costly exercise for Victorian taxpayers. Opposition members have heard that the annual cost of the operation will be $1 million and when reading about who will comprise it have noted that it will have a chairperson. Honourable members should have no doubt that a Labor Party hack will be appointed to this position. All the issues about conflicts of interest concerning chief executive officers of metropolitan and rural hospitals will come to the fore and have been previously canvassed. This purchasing unit will come back to bite the government in a very special way.

As the member for Rodney correctly pointed out in his excellent contribution, it will especially come back to bite the government in rural Victoria, where it is very, very, sensitive.

Mr WYNNE (Richmond) — I am pleased to follow the honourable member for Bennettswood, who in a former life was the adviser — chief of staff, in fact — to the Honourable Rob Knowles, then the Minister for Health. By any measure you would have to say Minister Knowles was a decent person, but quite frankly he oversaw the decimation of the public health system in this state.

This government was elected on a range of platforms. One of them was to rebuild the public hospital system, which was left in absolute decay by the former government. As my colleague the honourable member for Frankston East has already indicated in his contribution, we should not forget the massive task before this government — to rebuild the public hospital system. An amount of $88 million had to be put back into the system to return it even to a basic level,

because you left it in ashes. You lot left it demoralised, and you wonder why this government was elected!

The Bracks government stands for a decent public hospital system, and under the leadership of the Minister for Health and with the excellent support of his parliamentary secretary we are rebuilding the public hospital system for Victoria because that is what people expect from the Labor government. They expect a decent public hospital system, and that is what we are going to deliver over this four years of government.

The honourable member for Bennettswood was crowing about being one of the public hospital system's architects, when in fact he was one of the architects of its demolition. But now we are rebuilding that public hospital system. Hospital networks with fat bureaucracies have been abolished.

One area in which I have a keen interest — the community health sector — was absolutely decimated under the former Kennett government, and with regard to the accusation of appointing cronies to boards, — just have a look at the community health sector! It is an absolutely disgraceful performance by the former government.

The bill concerns changes to the way the public hospital system purchases goods and supplies so that best value is obtained for our public funds. I would have thought that was a fairly reasonable proposition supported by both sides of the house.

Obviously the public hospital system is a major purchaser of goods and services, amounting to billions of dollars, and if we can achieve economies of scale by centrally purchasing and ensuring that we get a more cost-effective response in the public hospital sector, I would have thought both sides of the house would applaud that proposition. It is no different from the way many different purchasing arrangements are made.

Obviously the government purchases vehicles on a collective basis to ensure that, through the purchasing power available to it, it gets the best possible deals for the public at the end of the day, and bulk purchasing is the way we should be going forward.

The initial review of the system was undertaken by Professor Stephen Duckett, who by any measure is regarded both nationally and internationally as one of the best bureaucrats in this country. He is clearly a leader in health policy and has worked at both the federal and state levels, and he brought to the review the considerable vigour for which he is known. He has provided excellent guidance to the government and to the department on how we should proceed.

Jennifer Williams, chief executive officer of the Austin and Repatriation Medical Centre, chaired the reference group, which included representatives from each metropolitan health service and rural public hospitals. Experts in supply and logistics, pharmacy and clinical areas and a representative of the Victorian government purchasing board were also included in the membership.

There was wide consultation on the proposal and, as my colleague the Parliamentary Secretary for Health indicated, it is a hallmark of the government that we consult key stakeholders. One of those key stakeholders is the union movement: it is a supplier, and of course there are others supplying and delivering services, and it is essential that we are informed about the correct way to proceed. Is that not a reasonable response to take and a responsible way of going forward — to go out with some options, and consult and draw together those with expertise in developing a proposal that is soundly based?

The reference group considered that the most appropriate method for undertaking central purchasing would be to establish a small body to coordinate and manage the human process, with tenders and contracts management generally undertaken by third parties such as public hospitals.

As my colleague the honourable member for Frankston East indicated, this will be a very modest proposal because Health Purchasing Victoria will comprise the following appointments, which are important: a chairperson with expertise in the health care industry — obviously that is reasonable; three people currently employed in metropolitan health services, one of whom will be a chief executive officer of a metropolitan health service; two people currently employed by a rural hospital, one of whom will be a chief executive officer from a rural public hospital; and finally an officer of the Department of Human Services and an officer from the Department of Treasury and Finance.

So we are seeking to ensure that we achieve the appropriate balance between a large metropolitan health system which of course is a major purchaser, and the needs of our rural communities and rural hospitals. That is a hallmark of the way the Bracks government seeks to go forward.

Gone are the days of the Kennett government, which was basically Melbourne centric — if it did not happen around Melbourne, it did not have any real bearing on the way Victoria was governed. We govern for all of Victoria so that we strike the appropriate balance

between the needs of major metropolitan hospitals and rural communities as well.

The amendment to the bill that has been tabled by the government today further strengthens that aim: to ensure that, particularly with rural and regional communities, the incredibly negative effects that we saw in compulsory competitive tendering (CCT) in local government in the Kennett government days are not repeated.

I am delighted to see that we have here at the table today the Minister for Local Government, who understood that cry from rural communities and saw the decimation of jobs and business in rural communities through compulsory competitive tendering, and one of his first moves as Minister for Local Government was to abolish CCT and move to a system of best value. This bill again reflects those principles of best value.

In the first government amendment we seek to ensure through these purchasing arrangements that rural communities are protected. The amendment talks about the price, quality and accessibility of goods and services supplied or proposed to be supplied to health or related services.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.01 p.m. until 2.04 p.m.

QUESTIONS WITHOUT NOTICE

Arnott's Biscuits: plant closure

Dr NAPTHINE (Leader of the Opposition) — I refer to the claim of the Minister for State and Regional Development that the decision to close the Burwood plant of Arnott's Biscuits was made without prior notice or consultation and to the fact that the minister now admits he was warned by Arnott's executives in August last year, and I ask: how many times did the minister personally meet with Arnott's executives from August last year until the closure of the Burwood plant in order to keep the 600 jobs here in Victoria?

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Doncaster!

Mr BRUMBY (Minister for State and Regional Development) — Isn't it amazing? Here you have a company that makes a board decision on a Tuesday to close a factory employing 600 people and communicates it to the government on a Wednesday, and whose side does the opposition take? It backs the company!

Honourable members interjecting.

The SPEAKER — Order! I ask the honourable member for Doncaster to cease interjecting.

Mr Perton interjected.

The SPEAKER — Order! I warn the honourable member for Doncaster!

Mr BRUMBY — Settle down, Victor. Tell us all about the earthquake!

If it is a choice between backing a company that has put off 600 people and taking a course of action that will see additional investment created in this state, we are about creating that additional investment.

As for the question of process raised by the Leader of the Opposition, last night I spoke to the managing director — —

Honourable members interjecting.

Mr BRUMBY — You will realise just how wrong you are.

The SPEAKER — Order! I ask the house to come to order. Question time cannot proceed while the noise level is so high.

Mr BRUMBY — Last night — —

An honourable member interjected.

Mr BRUMBY — You want to be careful where you're going here. You're a dill!

Honourable members interjecting.

The SPEAKER — Order! I ask the minister to address the Chair.

Mr BRUMBY — Last night when I spoke to the managing director of the company he apologised to me and to the government for the way the decision was handled.

Honourable members interjecting.

Mr Savage — On a point of order, Mr Speaker, I seek your indulgence. I am having difficulty hearing the minister's answer, which is important to the house.

The SPEAKER — Order! On several occasions the Chair has asked for the cooperation of the house to

ensure that honourable members may hear the minister's answer. I shall not ask again but will commence using the powers provided by sessional order 10 to bring order to the house.

Mr BRUMBY — As I said yesterday, the opposition appears to have developed the unfortunate disposition of gloating every time a Victorian business closes its doors. It is doing it again today.

Dr Napthine — On a point of order, Mr Speaker, the question was specific: how many times has the minister met with the company since he was warned in August last year — —

Honourable members interjecting.

The SPEAKER — Order! I have asked the Leader of the Opposition on many occasions not to repeat his question when he raises a point of order. I am not prepared to uphold his point of order at this time. With the noisy interruptions the Chair has had difficulty hearing the minister's answer. I remind the Minister for State and Regional Development of his obligation not to debate the question but to answer it.

Mr BRUMBY — As all honourable members would be aware, over the past 12 months Victoria has achieved the highest level of investment ever in the food industry — far higher than ever achieved in any year by the former Kennett government. More than $500 million of new investment has come into Victoria. Despite that investment environment, and despite new investment almost every week in this industry, this particular company took a decision at board level to close its factory, which it then communicated to the state government.

The government has made its position clear — that is, the company is thumbing its nose at the Victorian people.

Honourable members interjecting.

Mr BRUMBY — You are badly out of touch on this.

The SPEAKER — Order! I have asked the minister to address the Chair.

Mr BRUMBY — As I made clear to the house yesterday, the government will work closely with other players in the food industry, other investors and other biscuit manufacturers such as Lanes Biscuits, George Weston Foods and others to ensure increased investment in this state. I have had telephone discussions with those companies today and will formally meet with them next week. I believe the outlook for increased investment is positive.

Mr McArthur — On a point of order, Mr Speaker, the minister's answer has continued for some 8 minutes. As you pointed out, Sir, there have been interruptions, but you have already cautioned the minister about debating the question. He has done nothing but debate the question since he started. The question had nothing to do with employment programs or jobs growth but simply related to the number of times the minister has met with the company since he admitted discussing matters with them last August. I ask that you remind him to answer the question and not debate it.

The SPEAKER — Order! The Chair has done precisely that on a number of occasions. However, numerous interjections and interventions by the Chair to bring the house to order have lengthened the time taken to answer this question. I have asked the minister on two occasions to return to answering the question. I ask him to conclude his answer.

The minister has indicated he has concluded.

Arnott's Biscuits: plant closure

Mr RYAN (Leader of the National Party) — I ask the Minister for State and Regional Development to explain to the house and to the 230 Arnott's and Campbell's Soup employees at Shepparton the likely impact, in his view, on their job security after his vitriolic call yesterday and again today for all Victorians to boycott the products produced by those employees?

Mr BRUMBY (Minister for State and Regional Development) — Members on the other side always get a bit excited about circumstances such as this. They love talking down the Victorian economy; they love gloating and will not take a side. If the choice is between whether you want new investment in this state or whether you want to back a company which, without notice, puts off 600 people, you back the company.

Mr Ryan — On a point of order, Mr Speaker, on the question of relevance, the issue related to Shepparton employees and I ask you to direct the minister to address his answer to those people.

The SPEAKER — Order! I am not prepared to uphold the point of order at this time. However, I again remind the minister of his obligation to answer the question, as I remind him to address his remarks through the Chair and not across the table.

Mr BRUMBY — I am not aware of any soups that are marketed under the Arnott's brand, are you?

Mr Ryan — Campbell's.

Mr BRUMBY — Is anyone attacking Campbell's for closing Arnott's?

Honourable members interjecting.

The SPEAKER — Order! I ask the minister to address his remarks through the Chair and not to the Leader of the National Party.

Mr BRUMBY — The company concerned made clear in its press statements yesterday and the radio and media interviews last night that Victoria provided an excellent investment environment, and so it does. The government obviously wants to see new investment in this state. It wants to see existing investment strengthened. There is no issue with the Shepparton plant. Again I say to the opposition, how badly are you going when the only run you can get is to gloat over the closure of a company that employed 600 people?

The SPEAKER — Order! I have asked for the cooperation of the minister to address his remarks through the Chair and not across the table. If he persists in that vein, I will no longer hear him.

Centenary of Federation: celebrations

Mr HOWARD (Ballarat East) — I ask the Premier to inform the house of the details of celebrations to mark the centenary of Federation.

Mr McArthur — On a point of order, Mr Speaker, I am sure that you are well aware, as the Premier should be, that a question that asks for or seeks information that is publicly available is out of order.

The SPEAKER — Order! I do not uphold the point of order.

Mr BRACKS (Premier) — I thank the honourable member for Ballarat East for his question. Next week will be a great week celebrating the centenary of Federation. It will be a great week because Australian federal and state parliaments will be here to celebrate the formation of the nation 100 years ago. Certainly people on this side are celebrating it, and I hope that those on most sides of all parliaments in the country will also celebrate the centenary of Federation.

Recently I returned from a visit to a school at Clifton Hill in the electorate of the honourable member for Richmond. That school, among many schools in Victoria, has been discussing the issue and doing project work in preparation for the centenary of Federation celebrations in Victoria. Today I was proud to be among other premiers and the Prime Minister in presenting — —

Mr Honeywood interjected.

Mr BRACKS — It should be known that the honourable member for Warrandyte is actually opposed to discussing in this house the centenary of Federation celebrations. He keeps interjecting and does not want to discuss the centenary celebrations, but I inform him as shadow Minister for Education that the schools in Victoria are doing a fantastic job in their project work and discussions of a once-in-a-lifetime event.

Mr Cooper interjected.

The SPEAKER — Order! The honourable member for Mornington!

Mr BRACKS — Unbelievable. I guess if there is no leadership this will happen.

I refer in particular to a ceremony that was held by the Prime Minister and premiers of all states today presenting centenary of Federation medallions. I was proud today to present medallions to the student representative council. On 9 May a commemoration medallion will be presented to all primary school students in Australia. The inscription on the medallion says, 'Australia — it's what we make it', which is one of the themes of the centenary of Federation.

As well as the parade on Sunday, which will be a significant celebration commemorating the formation of the nation some 100 years ago, two new Federation cups will be established in this state long term: one for the first time, the Federation Cup for Netball, which is an appropriate recognition of that sport's contribution to the nation and the contribution of women's sports to the nation; and the other to be presented after the Federation Cup match on Sunday afternoon between Collingwood and Carlton — the re-creation of a match that was played 100 years ago and will in the future be known as the Federation Cup match. They will be two fitting starts to the celebrations of the centenary of Federation.

The big events will start on Monday, when we recognise the contribution of Australian women to the formation of the nation, and there will be a re-presentation of the petition that acknowledges and recognises that contribution.

A Sense of Place on Monday involves the multicultural community and its contribution to the tolerant nation

we have built up over the past 100 years. It is the longest continuing democracy in the world and we should be proud of that as a nation. We are certainly proud of that in Victoria.

The largest event will be held at the Royal Exhibition Building on 9 May, the Nation United celebration of our democracy. I am pleased that as a result of competitions that were held throughout Victoria more than 700 members of the public have been invited to attend the re-creation of the first sitting of Parliament in Australia at the Royal Exhibition Building.

There will be other Federation events and other sporting events. Significantly, I pay tribute to the organisers of the Deakin lectures, which are unique. International speakers are coming to Victoria to participate in the Deakin lectures. Record crowds have booked out these events and they will be a fantastic celebration of not only the last 100 years but also the next 100 years, and that is what the centenary of Federation celebrations are about.

I welcome the invitation issued by you, Mr Speaker, for the federal Parliament to sit here next week. It will be an outstanding week and I am proud that Victoria is the host of those celebrations. I think all honourable members would join me in wishing well the organiser of the centenary of Federation celebrations, David Pitchford, who has done a fantastic job. It will be a good event from Sunday right through to Wednesday and Thursday next week.

Employment: government policy

Dr NAPTHINE (Leader of the Opposition) — Given that Victoria has unfortunately lost Virgin Airlines and now Arnott's jobs to Queensland, is the Minister for State and Regional Development aware that another company — —

Mr Thwaites interjected.

The SPEAKER — Order! The Deputy Premier!

Honourable members interjecting.

The SPEAKER — Order! I once again ask the house to come to order.

Dr NAPTHINE — Given that Victoria has already lost Virgin Airlines and Arnott's jobs to Queensland, is the minister now aware that another company, the British multinational Smiths Aerospace, has recently made a decision to relocate its Asia–Pacific regional headquarters from Melbourne to Brisbane?

Mr BRUMBY (Minister for State and Regional Development) — Here we go again: a lacklustre opposition with no leadership, no policies, no vision and no program. The only time opposition members ever get up with any enthusiasm to ask a question is when they are talking down the Victorian economy!

As all honourable members are well aware, an examination of the job performance figures for all the Australian states over the past 12 months reveals there is one stand-out state. Do you know what that state is? It is Victoria. You hate it because we are succeeding!

Honourable members interjecting.

Mr BRUMBY — Of the 124 000 jobs that have been generated nationally in the past 12 months, more than 64 000 have been generated in Victoria. Fifty-five per cent of all new jobs generated in Australia have been generated in Victoria.

Dr Napthine — On a point of order, Mr Speaker, the minister is debating the question rather than addressing the question. When will this minister get off his backside and keep some jobs in this state?

The SPEAKER — Order! The latter comments of the Leader of the Opposition are clearly not a point of order. I ask the Minister for State and Regional Development to come back to answering the question.

Mr BRUMBY — Of the Australian states, Victoria has generated 55 per cent of all new jobs. Our employment growth over the past year exceeds 3 per cent, which is way beyond that of any other state, including Queensland!

Dr Napthine — On a further point of order, Mr Speaker, the minister is continuing to debate the question and is not addressing it. It seems clear that he does not know that Smiths Aerospace has relocated jobs from Melbourne to Brisbane.

The SPEAKER — Order! I do not uphold the point of order raised by the Leader of the Opposition. I ask the minister to come back to answering the question.

Mr BRUMBY — I am not sure about the veracity of the question asked by the Leader of the Opposition. However, I do know that some weeks ago he made an attack on radio on a company called Ausco. I do know that he was wrong, and I do know that the company — —

Dr Napthine — On a further point of order, Mr Speaker, again the minister is debating the question rather than addressing it.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. Question time cannot continue with that level of interjection. I am now of the opinion that the Minister for State and Regional Development is debating the question. I ask him to come back to answering it.

Mr BRUMBY — I have not been provided with any information by the Leader of the Opposition. Perhaps he might provide it. What I do know is that of the dozens and dozens of new investments in this state — I have a list of them here, and I could go right through them, starting with AAPT — —

Dr Napthine — On a further point of order, Mr Speaker, the minister is debating the question. If he does not know about Smiths Aerospace relocating from Melbourne to Brisbane, he ought to sit down.

The SPEAKER — Order! I do not uphold the point of order raised by the Leader of the Opposition. The Chair cannot direct a minister on how to answer a question. So long as the minister is being relevant and does not debate the question, I will continue to hear him. I have already asked him to stop debating the question and to conclude his answer.

Mr BRUMBY — I am certainly answering the question, Mr Speaker. It is amazing that despite the record new employment growth and the record investment, we never hear anything from the opposition about new investment coming to this state or about Victoria setting records by generating the highest rate of job growth in Australia. All we hear are unfounded assertions and the opposition using opportunity after opportunity to talk the Victorian economy down!

Dr Napthine — On a further point of order, Mr Speaker, again the minister is debating the question. I have a statement from the Premier of Queensland skiting about the fact that it has grabbed more jobs from Victoria!

The SPEAKER — Order! That is clearly not a point of order. The minister has concluded his answer.

Better Business Taxes package

Mr TREZISE (Geelong) — I ask the Treasurer to inform the house of the impact of the government's taxation reforms on Victorian businesses.

Honourable members interjecting.

The SPEAKER — Order! The house will come to order. I ask opposition benches to come to order.

Mr BRUMBY (Treasurer) — As the opposition has apparently not noticed, the major employer and industry groups in this state, including the Victorian Employers Chamber of Commerce and Industry and the Australian Industry Group, have all praised the government's Better Business Taxes package. They have made it clear that in their view Better Business Taxes provides more reform and a better business investment environment in this state than was ever the case under the Kennett government. There has been more reform under the Bracks government than we ever saw during the Kennett years.

As a result of the Better Business Taxes package there will be real benefits for the vast majority of businesses in Victoria, and I will give the house an example. If a warehouse operator in Bendigo who is currently paying $14 000 per year in rent signs a new three-year lease, which is the typical lease in that sort of industry, they will save $252 in stamp duty on their non-residential lease.

Mortgage holders who take out mortgages of $250 000 currently attract stamp duty of $964. When mortgage stamp duty is abolished those people, many of them small business owners, will save $964! A metropolitan firm currently paying payroll tax of $240 000 and lease duty of $800 will save more than $5000 a year in state taxes from 1 July 2001, and more than $11 000 a year from 1 July 2003.

Whatever aspect of business you look at, whether it is small, medium or large, under the Bracks government's Better Business Taxes package businesses across the state will benefit with bigger tax cuts and fewer taxes than they ever had during the seven years of the Kennett government.

I am pleased to advise the house that today I wrote to the Australian Competition and Consumer Commission with a request that it monitor the passing through of tax savings from Better Business Taxes. I also asked the ACCC to monitor the passing through of tax savings that come under the intergovernmental agreement — that is, the abolition from 1 July 2001 of financial institutions duty and stamp duty on quoted marketable securities.

The reason I have done so is that, particularly in relation to financial institutions duty, which is being abolished from 1 July 2001, if the banks under the guise of fees and charges were to recoup the benefit of that tax being abolished, there would be no pass-through benefit to business or consumers.

Ms Asher interjected.

Mr BRUMBY — The federal government has not done that. On this issue the state government, as it did with the first home owners scheme and as it has done with Better Business Taxes, is providing national leadership. We are writing to the ACCC asking it to monitor the taxation arrangements — that is, the three taxes we are abolishing plus the two under the intergovernmental agreement, which amounts to five taxes in total and will lead to a reduction in business taxation by 2004 of 13 per cent, the biggest reduction in our history — to make sure that businesses and consumers get the full benefit of the flow through from tax abolition. This will make Victoria more competitive.

The Bracks government is providing national leadership, and it will ensure that businesses and consumers receive the full benefit of the tax reductions.

Arnott's Biscuits: plant closure

Dr NAPTHINE (Leader of the Opposition) — I refer the Minister for State and Regional Development to the Queensland Premier, Peter Beattie, personally contacting Arnott's executives to win Arnott's jobs for Queensland.

Is it not a fact that the minister cared so little about 600 jobs that he did not even pick up the telephone to try to save them, even after he was warned that the jobs were at risk in August last year?

Mr BRUMBY (Minister for State and Regional Development) — The only time I ever see any life in you is when you are gloating over 600 job losses!

Honourable members interjecting.

The SPEAKER — Order! The house will come to order! I have asked the Minister for State and Regional Development on a number of occasions to address the Chair, not members of the opposition.

Mr BRUMBY — I recall in the period of the Kennett government, when the unemployment rate in Portland hit 18 per cent and the town's population shrank by 3000 — —

Honourable members interjecting.

The SPEAKER — Order! I ask for cooperation from both sides of the house in not interjecting in that vein.

Mr BRUMBY — We can all remember just how many times the honourable member for Portland was on his feet protesting about jobs.

Dr Napthine — On a point of order, Mr Speaker, the minister is debating the question. What we want him to remember is how many times he picked up the phone to ring the Arnott's executives to try to save these jobs!

The SPEAKER — Order! Similarly, there have been a number of times today when I have asked the Leader of the Opposition not to repeat the question. I do not uphold the point of order.

Mr BRUMBY — It is apparent from question time today that there is only one job in Victoria that the Leader of the Opposition is interested in looking after, and that is his own — and you are not doing much of a job of it, are you?

The SPEAKER — Order! I have asked the minister to address his remarks not to the Leader of the Opposition but through the Chair. The Chair will cease hearing him if he persists in doing that.

Mr BRUMBY — As I said, the Leader of the Opposition is happy today because he is gloating over job losses. It is the only time that I have seen him happy in the house — gloating over 600 job losses. It does not matter what comparisons you make with other states — with Queensland, New South Wales, Western Australia or South Australia — on all the economic indicators such as employment, investment and balanced budgets, Victoria is beating them hands down and will continue to do so in the future.

Gaming: machine clocks

Mr LANGDON (Ivanhoe) — Will the Minister for Gaming inform the house of the details concerning the government's commitment to put clocks on all Victorian electronic gaming machines?

Honourable members interjecting.

The SPEAKER — Order! The Chair had difficulty in hearing the honourable member. I ask him to repeat the question.

Mr LANGDON — Gladly, Honourable Speaker. If the opposition benches quieten down the house might hear me.

Honourable members interjecting.

The SPEAKER — Order! Government benches will come to order!

Mr LANGDON — Will the Minister for Gaming inform the house of the details concerning the

government's commitment to put clocks on all Victorian electronic gaming machines?

Mr PANDAZOPOULOS (Minister for Gaming) — I thank the honourable member for Ivanhoe for his ongoing concern about effective gambling regulation reform.

I am pleased to advise the house that this afternoon I will release the regulatory impact statement on the placement of clocks on all gaming machines in Victoria. The community has 28 days from today to consider the proposed regulations before they are proclaimed. From this afternoon they will be available for community input on the Victorian Casino and Gaming Authority web site.

The Parliament would be aware that in opposition the Labor Party said it would develop a code of conduct requiring the industry to have clocks in gaming venues. However, on considering the introduction of a voluntary code of conduct it was decided that regulating was a more effective measure.

It is not unreasonable for the gambling industry to place clocks in gaming venues. Beyond that, rather than having a clock on every wall, the government decided it was best to have a clock on every single gaming machine in Victoria — 30 000 gaming machines. So the regulations are out there at the moment.

This is only one of many initiatives the government has undertaken to promote responsible gambling. Others include implementing regional caps; introducing social and economic benefit tests in the assessment of gaming machine applications; and introducing responsible gaming practices. Recently the government was successful in having the federal government admit its responsibility in regulating availability of credit card use, EFTPOS and ATM facilities at venues.

I wanted to know what the coalition did about responsible gambling while it was in government and a document was made available to me. It was an extensive document and it showed that after seven and a half years of government it did nothing on responsible gambling; it took not one responsible gambling measure. Opposition members feign concern about the impacts on communities, but where were they on the impact of gambling on problem gamblers when they were in government? Why weren't they regulating? These people are not interested in reducing problem gambling; they never were. The government is.

Honourable members interjecting.

Mr PANDAZOPOULOS — They are complaining again. They cannot hide the fact that this is the only government that is about responsible gambling, introducing regulation reform and pushing the federal government to accept its responsibilities.

Employment: government policy

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to recent decisions by such high profile companies as Arnott's, Email-Chef, Heinz, and Virgin to relocate their investments and thousands of jobs outside Victoria and I ask: will he now appoint a full-time and effective industry minister to keep jobs here in Victoria?

Mr BRACKS (Premier) — I will deal with both parts of the question. In looking at companies which are restructuring, changing or reducing their work forces in Victoria we also need to look at those which are expanding in aggregate. I think the Leader of the Opposition was talking about a comparison of Victoria and Queensland and if you look at Virgin in particular that must be the case. I pick up one slight error in the question by the Leader of the Opposition: Virgin was not an established business and I think his question referred to established businesses. If you compare in aggregate jobs lost and gained in Victoria in the past two years there is no question that Victoria has gained considerable employment. In fact, it now has the second lowest unemployment rate in the country at 6.9 per cent. When the Labor Party came to government the rate was about the second highest, but it has been steadily reducing. In the past 12 months Victoria has been the stand-out economy in job growth in the country.

The Minister for State and Regional Development referred to AAPT which has made a new investment in a new call centre in the regional centre of Bendigo. Recently I had much pleasure in opening the facility which created 600 new jobs and, I tell you what, the looks on the faces of those people who work there in Bendigo were exceptional because they had gained new employment in skilled areas.

I had the same experience when turning the turf recently with the head of General Motors Holden, Peter Hanenberger — —

Honourable members interjecting.

Mr BRACKS — Recently I had much pleasure attending the great ceremony to mark the construction of the new V6 engine plant at Fishermans Bend with the federal industry minister Senator the Honourable Nick Minchin who worked with us on the project

gaining new investment, new export earnings and new jobs for the state. I am talking about thousands and thousands of new long-term jobs for the community.

The economy and manufacturing industries have been restructuring for a long time. There are new manufacturing industries in information and communication technology, biotechnology and in some of the new start-up companies. The evidence is there; the Australian Bureau of Statistics figures are there. Victoria is a net job gainer; it has gained jobs. Over the past 18 months there have been 80 000 plus new jobs, and because Victoria has the second lowest unemployment rate in the country — the state with the highest is Queensland — it has a lot to be proud of. It is a job gainer; the economy has grown. All the indicators show that, whether it be Access Economics, BIS Shrapnel or any of the others. Commentators have said that Victoria is the stand-out economy in Australia, and that is still the case.

Prisoners: DNA tests

Mr WYNNE (Richmond) — I refer the Attorney-General to the Victorian Supreme Court decision that raised doubts about the legality of thousands of DNA tests conducted on Victorian prisoners and I ask: what action is the government taking to overcome this problem?

Mr HULLS (Attorney-General) — In this sessional period the Bracks government will introduce legislation that will remove all doubt about the legality of the DNA tests already taken. The Crimes Act provides that DNA samples can be taken from prisoners and convicted offenders. As honourable members know, DNA samples provide information that has proved to be useful in investigating crimes and in confirming the involvement of suspects in offences or eliminating people from suspicion. The Crimes Act sets out a procedure by which the police can apply to the Magistrates Court for an order allowing them to take a forensic sample from a convicted offender. To process the large volume of applications, magistrates have heard applications in chambers.

A legal challenge to the procedure for hearing applications in chambers was brought before the Supreme Court in December 2000 in the case of *Lednar and Ors v. The Magistrates Court and Anor*. In that case the Supreme Court ruled that the hearing of those matters in chambers was unlawful and that all proceedings should be heard in open court. As a result, it could be argued by convicted offenders that the orders made by magistrates in chambers are invalid.

The government will act to remove any doubt about the validity of orders made in chambers. It will do that by introducing amendments to the Crimes Act to validate the orders made by magistrates in chambers prior to the decision of the Supreme Court. The proposed legislation will affect some 1064 orders which were made and executed and 1384 orders which were made but which have not yet been executed. It will mean that prisoners who have already provided a forensic sample, which can be an intrusive process, will not need to provide another one.

The courts will continue to comply with the Supreme Court decision and, as has happened since the Lednar case, hear all such applications in open court. The proposed amendments to the Crimes Act will bring certainty to important forensic procedures in the criminal justice system.

Disability services: rural access

Ms ALLAN (Bendigo East) — Will the Minister for Community Services inform the house of the latest action the government has taken to build strong rural and regional communities for people with disabilities and their families?

Ms CAMPBELL (Minister for Community Services) — The Bracks government is absolutely committed to building and enriching the community for people with disabilities.

The launch of the One Community vision last September has been welcomed widely throughout Victoria. The government is putting a particular emphasis on rural communities to ensure that people with disabilities, whether they are living in Bendigo, Ballarat or elsewhere in rural Victoria, are vibrant members of their local communities.

Rural access is a new and exciting initiative that commenced as a demonstration project in the Grampians region in September 2000. Four key demonstration mainstream community organisations have been engaged to auspice rural access. They include the City of Ballarat, the Rural City of Horsham, Hepburn Health Services and the East Grampians Health Service.

The initial implementation of rural access was in the Grampians region. It has resulted in spectacular achievements, which the governments wants to see throughout rural Victoria. I will give some examples. The first is the engagement of key local mainstream agencies to deliver services. Advocates for people with disabilities in rural Victoria are saying they have been able to achieve in a matter of months what they have

attempted to achieve in their advocacy roles for many years — because they are based in local government or community health centres they are making a difference.

The second example is a range of planning and program activities undertaken by rural access workers in responding to identified community needs. In the Wimmera the government, through the worker based at Horsham, has worked with Wimmera Volunteers, Access for All Abilities and Wimmera Jobs to develop a disability training package to address the barriers to people with disabilities becoming volunteers. As a result of that work, next week, which is Volunteers Week, many people with disabilities will be delivering Meals on Wheels in their own communities.

The third example is the development of a framework for local community planning partnerships in collaboration. I refer to some of the work of the wonderful worker in Wimmera, who has been engaged with four local councils to ensure that disability audits are undertaken in those four areas, that action plans are put in place to ensure that people with disabilities not only have access in their local areas but are also involved in councils, and that council workers have a culture of inclusion. It is heartening that as a result of that work in only the last few months some people with disabilities have considered having a more active involvement in local government by standing for election as councillors.

The fourth example is the development of a stronger commitment to supporting people with disabilities as active members in their local communities. A good example is local communities in rural areas involving people with disabilities in their local footy and sports clubs.

As a result of the success in the Grampians region I am pleased to advise the house that I have allocated on a recurrent basis $2.277 million for rural access across every region, and an additional 25 rural access workers will now be employed. I look forward to the results of their work in providing greater participation to people with disabilities.

HEALTH SERVICES (HEALTH PURCHASING VICTORIA) BILL

Second reading

Debate resumed.

Mr WYNNE (Richmond) — Prior to the break I was referring to the circulated amendments, which will ensure accessibility and local employment. The amendments will ensure a balance in the purchasing arrangements between metropolitan and regional hospitals. If a regional hospital has entered into, for example, computer purchasing arrangements with a local provider it would be silly not to maintain that relationship rather than having inconvenient purchasing arrangements hundreds of kilometres away in Melbourne, for instance, where servicing, support, maintenance and so forth would not be on hand.

The legislation seeks to strike a balance to ensure economies of scale in purchasing arrangements, and there are significant gains to be made from the proposal. It comes at a cost of $950 000, which is modest when compared to the potential savings available through the collective purchasing scheme. As indicated by the honourable member for Frankston East, in the first year the savings are estimated to be in the vicinity of between $6 million and $10 million with ongoing savings of more than $20 million in the following years. A saving of $20 million per annum is a significant sum that will be ploughed back into further enhancements to the public hospital system. This is an important initiative and these are excellent ongoing savings. They will provide tangible benefits to the public health system.

Another important matter is that real opportunities will arise from the further implementation of e-commerce. Because there will be a centralised purchasing arrangement, the opportunities through e-commerce and the efficiencies that derive from it over time will see not just a $20 million saving in group purchasing but significantly tens of millions of dollars more. It is clearly the way of the future. In his ongoing commitment to e-commerce the Treasurer has indicated the very real savings that can occur through e-commerce and it will further enhance this package.

This is a great initiative that further builds on the excellent work done by the Minister for Health with the great support of his parliamentary secretary. Both sides of the house should support the bill. The joint purchasing arrangement provides real savings in the health system which will be ploughed back into the public hospital system. I support the bill and wish it a speedy passage.

Mr COOPER (Mornington) — In general terms the establishment of any new bureaucracy needs to be addressed with caution, and some concerns should be expressed about this bill because of that. As the honourable member for Richmond said, it will provide savings to hospitals of between $6 million and $10 million, and that is very supportable as a general

aim. However that is only one side of the equation, and I want to address the other side.

The government needs to provide some responses to the second-reading debate — perhaps during any committee stage that might follow — to assure honourable members that the potential savings of $6 million to $10 million will not be outweighed by the costs of the bureaucracy set up to achieve those savings. In past years there have been well-publicised instances of situations where government bureaucracies got out of control and by the time the Auditor-General provided a report to the Parliament outlining some of the sins of those bureaucracies many millions of dollars of taxpayers money had been flushed down the drain and government had to go into reverse gear in order to try to save the situation.

I have no doubt that a central purchasing authority will make savings; that is a reasonable assumption. But honourable members need to be assured about the size of the bureaucracy. I asked the honourable member for Malvern whether during any of the briefings he had been given any assurances by the government with regard to keeping the cost of the bureaucracy down to a manageable level and whether management processes would be put in place to ensure that it remained that way. He said he did not receive those assurances and that while answering the question one of the bureaucrats at the briefing was silenced by a staff member of the minister. I find that worrying and therefore bring it to the attention of the house. I believe it needs to be addressed by the government.

The other issue that needs to be addressed is the question of staff duplication, because a central purchasing bureaucracy will replace the purchasing that is currently undertaken by a range of health institutions around Victoria. Those institutions already have staff in place. Will the staff be laid off or will they be kept on, which will lead to an expansion in the public sector, both in hospitals and at the Department of Human Services? These costs need to be taken into account when considering the overall savings that the honourable member for Richmond has been boasting about.

The other issue of importance to my part of Victoria is the effect that a central purchasing bureaucracy will have on local suppliers. The Peninsula Health Care Network provides business for many local firms in Frankston and on the Mornington Peninsula because it includes a major hospital at Frankston and another one at Rosebud. The network does a great deal of local purchasing. Will the central purchasing authority take business away from businesses on the Mornington Peninsula and elsewhere around the state? If that results from the establishment of this authority, it will have a bad effect on the area I represent and on areas represented by many other members on both sides of the chamber. I do not believe we will get any pats on the back if local businesses suffer because a central authority has taken over the purchasing for local health networks.

One way of ensuring that the effectiveness of the bill is assessed would be to insert a sunset clause. After five years of the legislation being in place, we could see, with the assistance of the Auditor-General, whether the savings and the economies of scale referred to by the honourable member for Richmond have been entirely eaten up by the cost of implementing this new bureaucracy. I would like to be assured of that, and I believe every reasonable person would.

In the past there have been many examples of a government setting up a new bureaucracy only for it to be found, to people's horror — after the Auditor-General has conducted a review — that it has run amuck. It is then a difficult job for the government of the day to address the problems it has created.

I would like to hear the minister respond to a concern I have about the impact of the bill on the smaller health service providers covered by the bill. For example, I am concerned about a health service provider in Mornington called Peninsula Support Services. The service looks after 250 mentally ill people who reside on the Mornington Peninsula, extending as far south as Chelsea. Client numbers have doubled over the past three years, and it is unfortunately a well-held expectation that numbers will continue to grow over the next few years. The service has outgrown its present location in Mornington, and it needs to find new premises urgently because the Mornington Peninsula Shire Council has told the staff to vacate the premises they currently occupy.

An investigation has found that currently there are no suitable premises available in Mornington. Discussions have been held with a developer, who is prepared to build custom-designed premises on a rental basis. The sticking point is that a guaranteed five-year occupancy agreement is required from the Department of Human Services, which has refused to provide it.

When a central bureaucracy handles these sorts of issues, including staff matters, it becomes distant from local people. My concern has been vindicated by the problems faced by Peninsula Support Services, which includes the distance between Collins Street and Mornington. Now it is proposed to create a further level

of bureaucracy, which will again weaken the ability of local health service providers — in my case, the Peninsula Health Care Network — to access local suppliers. These issues are of concern to members of my community, who live beyond the end of the tram tracks. They want assurances from the government, as do the health service providers, that the creation of this bureaucracy, while it may make savings for government, does not increase the overall cost to the community and does not push local people further away from the health services being provided to them at present.

I put those genuine concerns to the house today, and I trust they will be addressed by the minister in his response. If they are not — it is now approaching 4 o'clock, when debate on the bill will be guillotined — I hope the minister provides that information to his representative in the other place, where they can be responded to.

Mr SAVAGE (Mildura) — I support the bill because I believe it is the sort of legislation that will enhance Victoria's hospital system. The bill, which is an outcome of the Duckett review, will make it obligatory for some country hospitals to use centrally purchased items.

Most country hospitals are very much part of their communities and receive significant funding from local people. I speak from experience of the former Mildura Base Hospital, which over many years received millions of dollars. It is important for these hospitals to maintain close links to their communities.

Those close links involve, where possible, purchasing items of equipment and general materials locally, and there is a good reason for that. Prior to its privatisation the Mildura Base Hospital was the biggest employer in my community. The Hopetoun and Ouyen hospitals are also significant employers in their communities. If those hospitals had a compulsory central purchasing function it would harm the fabric of the local economy. They rely heavily on taking a cooperative approach to this type of legislation and do not necessarily take the cheapest option. They look at the global picture and say, 'Does sourcing it locally benefit this community as against having it sourced centrally?'.

The amendment that relates to local employment growth or retention is appropriate. I thank the honourable member for Frankston East and the Minister for Health for giving consideration to the issue and congratulate them on including the amendment in the legislation. We must ensure that we get the best possible outcomes from central purchasing, but we must also be mindful of the needs of local communities and local hospitals.

I understand that the new privatised hospital in Mildura, which is the only one left in Victoria, will have the same opportunity to purchase but that that will not be compulsory, so it will gain significant benefit from that.

I support the way the bill has been drafted to ensure that we do not have a situation where the centralised purchase of items endangers the viability of small rural communities. I commend the bill to the house.

Dr NAPTHINE (Leader of the Opposition) — The Liberal Party is not opposing the bill. However, I raise a number of concerns with respect to its administration that could have adverse effects on rural communities.

I am proud to represent the rural electorate of Portland, in south-west Victoria. Within that electorate there are hospitals in Portland, Coleraine, Casterton and Heywood, as well as the Western District Health Service, which has campuses at both Hamilton — the Hamilton Base Hospital — and Penshurst. We also have a hospital at Willaura, which is part of the East Grampians Health Service, as well as the Macarthur outreach service, which is part of Southwest Health Services, based around the Warrnambool Base Hospital. On the edge of the electorate there are hospitals at Edenhope and Port Fairy. So my constituents are served by a significant number of hospitals.

I am concerned to ensure that Health Purchasing Victoria does not adversely affect either the operation of those hospitals or the communities who rely on and generously support them. In particular, I am apprehensive about the impact this may have on local purchasing, local decision making and flexibility, local jobs and the local economy. I would be concerned if any of those impacts were adverse. I point out that the Liberal Party will be monitoring the operation of Health Purchasing Victoria to ensure that it does not have any adverse impacts.

As outlined in the bill, the purpose of Health Purchasing Victoria is to supply and facilitate access to the supply of goods and services to public hospitals and other health-related services on best-value terms. The interpretation of 'best-value terms' can lead to some difficulties, because many of the local hospitals I talked about make a significant number of their purchases locally, which supports local businesses and the local economy, which in turn provide an excellent range of quality services to those health services.

I was apprehensive when I heard the honourable member for Preston, a long-serving and senior member of the government who is influential in decision making on health, saying that Health Purchasing Victoria would be used in such areas as domestic cleaning and catering.

That raises serious issues. I would not like to see the day when Health Purchasing Victoria enters a Victoria-wide contract with a major supermarket such as Woolworths or Safeway to supply goods and services to hospitals right across Victoria, to the disadvantage of the local butcher, the local fruit and vegetable shop or the local supermarket in towns such as Heywood, Casterton or Coleraine. That is the spectre the honourable member for Preston raises when he suggests that catering ought to be one of the areas covered by Health Purchasing Victoria.

Mr Nardella interjected.

Dr NAPTHINE — The honourable member for Melton interjects, but his colleague raised this in the debate.

I am concerned that the powers of Health Purchasing Victoria will enable it to give written directions to hospitals on the purchase of goods and services. For example, Health Purchasing Victoria may make a decision on the statewide purchase of telecommunications services, even though local hospitals feel they can get a better, more flexible, more responsive and more appropriate service through a local telecommunications provider. Organisations such as Southwest Health Services may well be able to obtain a better service by grouping together.

On the issue of office supplies, local hospitals often have good relationships with local office supply companies. It is important that they maintain those relationships, not only because they get good, prompt and flexible service but also because in country Victoria they often go knocking on the doors of local businesses for donations. It would be disappointing if Health Purchasing Victoria took away their ability to make purchases from local businesses that have supported them.

One of the other issues involves local jobs within the administration of the local health services. If a significant portion of the purchasing is centralised under Health Purchasing Victoria — which will lead to a restructuring of the administration of those hospitals because a large portion of their purchasing will be relocated by this Melbourne-centric government — will local jobs in Hamilton, Portland and Casterton be lost or put at risk?

An examination of the constitution of Health Purchasing Victoria raises those sorts of concerns, because its membership is very Melbourne centric, which I am worried about as a member representing a rural area.

The board in part comprises three people from metropolitan services and only two people from regional and rural services. It also includes somebody from the department, nominated by the secretary — and I bet my bottom dollar that person will be from the Melbourne office. Finally, it will include one person from the Department of Treasury and Finance, and again I bet my bottom dollar that person will be from the Melbourne office of the department. Certainly Treasury and Finance does not have an office in Hamilton, Portland or Warrnambool. There is a clear Melbourne-based bias in the constitution of the board. There is also the risk, as there is with any centralised purchasing agency, of the creation of a monstrous bureaucracy that will defeat the purpose of the exercise.

I understand the overall theory is that through centralised purchasing some savings will be made and that those savings will be returned to health services across the state. As I said, one of the risks with centralised purchasing is that you create a bureaucracy that costs more to administer and employs people in Melbourne at the expense of people in regional and rural Victoria.

Portland's regional hospitals have good community support and provide excellent health services as well as employment opportunities in their communities. I am concerned that this provision will remove local decision making and local purchasing, undermine the flexibility of local hospitals, put at risk local jobs, both in the health service and in the broader community, and damage the local economy.

I place on the record the fact that I will be monitoring Health Purchasing Victoria to ensure that it delivers positive outcomes for health services in this state and does not work to the detriment of the local communities that I represent. These views are not mine alone. They have been expressed to me by a number of people in my electorate who are on the boards of local health services. They are concerned about the Melbourne-centric, top-down approach being imposed by the minister and the government without proper consultation with local councils, local people and local communities.

Mr NARDELLA (Melton) — I feel the need to respond to the words of the Leader of the Opposition. After seven years of closing hospitals and schools in the

country and of ripping services out of country areas he now bleats that the bill is going to destroy the country. Where were he and his mates during those seven years when the government was ripping out service after service, and closing hospitals and schools time and again? He was nowhere to be found; but he cheered on his leader, Mr Kennett, and tried to make sure Kennett and his mates closed more schools and hospitals as time went on. He was leader of the cheer squad making sure that country Victorians were disadvantaged by his government.

Now he has the gall to claim he is concerned about country hospitals and about the legislation. So he should be. It is excellent legislation that will generate in its first few years a net saving — not a gross saving; this scaremongering is endemic among opposition members — of between $6 million and $10 million, increasing to about $20 million. Yes, there will be a bureaucracy; there will be public servants. Why put down public servants? The Leader of the Opposition harks back to the good old days when he was in office putting down public servants. He takes the lead from his former leader by putting down good, hardworking public servants and others within the bureaucracy.

The opposition terminology is crook. We heard from the honourable member for Dromana that we cannot employ people to save $20 million a year. For country Victorians $20 million represents the cost of a country hospital or the redevelopment of a regional hospital. The redevelopment of the Kyneton District Health Service, for example, came at a cost of about $18 million. It is savings of that magnitude that the legislation will provide each year.

If the Leader of the Opposition had read the bill and the proposed amendments negotiated with the Independents he would realise that the Independents are at the moment playing the role of the opposition. They are thinking about the legislation and asking for safeguards for country and rural hospitals so that smaller institutions will be able to negotiate with HPV, keep their contacts and make sure that good relationships built up with country businesses can be kept. The government cares about country businesses.

The Labor Party has more country seats in both houses of Parliament than the National Party and the Liberal Party put together because the government understands country businesses and country people — unlike the Leader of the Opposition, who just weeps crocodile tears in the house. If the Leader of the Opposition and other honourable members had read proposed new section 131(g) inserted by clause 8 they would notice that the bill contains accountability measures and checks and balances. For example, if a concern is expressed, the matter can be referred to the Auditor-General, who should have access to the board once it is formed.

Sure, only two of the board members will be country people and all the rest will probably come from the city. I tell you what, though: there will be two more country people on the board than the previous government would have appointed if they had had charge of this legislation, because they did not care about country Victoria or about the health system. This government had to put $80 million extra into the health system to allow technically bankrupt hospitals to remain solvent. The bill is part of that process.

Members of the opposition say they are concerned about job losses. On the one hand they are predicting a massive HPV bureaucracy and on the other they are talking of jobs being lost to the system through redundancy. That is a nonsense. In the new arrangement nurses and doctors will have an influence on purchasing officers and therefore on the purchasing of materials, so the influence will still be in the hands of the hospitals. What will be different is that the new body will, because of additional size, have the critical mass and the negotiating power to purchase materials and goods such as pharmaceuticals at lower prices. That is what it is about. The legislation is not about getting rid of people but about getting products and services at a lower price.

In the region that includes my electorate, the sheer size of Western Health, which includes the Footscray and Sunshine hospitals, means that the partnering relationship that Bacchus Marsh and Melton campuses — which the government cares about and promotes — will build up with that large institution will allow it to buy things much more cheaply than is possible at the moment. As I said, the bill is about saving $20 million a year.

And yet the opposition says it is concerned. Why hasn't it put up any amendments, then? Because it is an extremely lazy opposition. The Independents are now the real opposition, because they are getting involved in decisions and talking to the government members about their genuine concerns, and generally the government has picked up those concerns. The proposed amendments are there as a result. The Leader of the Opposition and the honourable member for Dromana bleat about problems that have already been fixed.

The Health Services (Health Purchasing Victoria) Bill is good and responsible legislation that will ensure

Victorian health services work together in a positive way.

I turn briefly to some of the issues raised in the debate. The sale of the former Preston and Northcote Community Hospital has caused problems. The promise of the former Minister for Health, the Honourable Rob Knowles, that medical facilities would be retained on the site was not kept, and the Bracks government has decided to put those facilities back on to the site.

The bill contains best-value principles, and I support it on that basis. I urge all honourable members who plan to speak on the bill to read it and the amendments before doing so. It is a sad indictment of the leadership of the Leader of the Opposition and on his party that when he was making his contribution only three members of his backbench were in the chamber.

Mr PLOWMAN (Benambra) — I am pleased to speak on the Health Services (Health Purchasing Victoria) Bill on behalf of rural hospitals. The honourable member for Rodney spoke well on behalf of country hospitals, and I support his comments.

In my electorate of Benambra there is one major country hospital which treats some 20 000 cases a year and which has an obstetric unit where 1400 or 1500 babies are born each year. There are two smaller hospitals at about D or E level; two multipurpose health service deliverers, one with three campuses and one working on a collaborative basis with a bush nursing hospital; and three bush nursing hospitals. Across the board probably no other electorate has a broader spectrum of health services, ranging from large services through medium-sized facilities down to the smaller bush nursing hospitals. The smaller hospitals recognise that they are the lifeblood of small country towns, not only because of the employment they offer but also because of their purchasing power. They are the major purchasers of products and the lines they purchase make a big difference to the viability of the deliverers of those products.

The hospitals all use Health Supplies Australia where appropriate and where the cost is justified. Their biggest problem is pack sizes. A small hospital may require 200 syringes but the smallest pack size contains 2000. Perishable products remain in the precincts of the hospital, but consumable supplies that are not perishable are purchased from local traders, and that makes a big difference to the viability of those businesses. The bill is not clear about whether smaller hospitals are mandated to purchase through the new purchasing body or whether they have the option of buying locally. Small issues such as local printing, stationery and the supply of wheelchairs and such can make an enormous difference to a local supplier.

Returning to the issue of pack sizes, some of the larger hospitals purchase the large pack sizes and split them up to supply the smaller hospitals. That is a workable situation which suits not only the smaller hospitals but also the larger ones, which act as distributors. The larger hospitals tend to purchase externally to a greater extent and they are concerned that a centralised system will be slow and cumbersome, and will restrict their choice. They are concerned that if a doctor has a specific requirement or preference they may be unable to meet that request. Even a hospital the size of Wodonga hospital may not be big enough to use the large pack sizes, and that hospital is concerned it will lose the option of splitting pack sizes for distribution.

Some players are concerned they will be driven from the market. One chief executive officer (CEO) with experience in New South Wales said the impact of centralisation had a real impact on local communities. He said that because the central supply became totally non-competitive and slower, it had a disastrous effect on local communities. Another CEO previously worked with the IT section of the Department of Human Services, which is specialised area. He advised that that section backed away from the centralised system because it interfered with the marketplace and had the capacity to reduce the number of software producers in the health services area. The centralised system resulted in a monopoly and local firms being driven offshore. He asked the question, ‘Why would you duplicate the government purchasing board in delivery of those services?’.

I ask whether in introducing the centralised buying system the government has given real consideration to small country towns and the suppliers in those towns.

Ms ALLAN (Bendigo East) — I am pleased to support the Health Services (Health Purchasing Victoria) Bill. As earlier speakers have said, the bill is particularly important for health services in country Victoria.

As has been outlined, the bill will provide for savings in our hospital system. That is important, particularly as the Bracks Labor government is working hard at turning around the effects of the seven years of Kennett government cuts on our health and hospital system. Those cuts were felt deepest in country Victoria.

It has been pleasing to work with the Minister for Health in my electorate of Bendigo East, where there is

an important provider, the Bendigo Health Care Group. It does a marvellous job in providing health services not just for Bendigo people but for people throughout the Loddon–Mallee region.

Through a number of government initiatives we have already seen nearly 100 new nurses go back into the Bendigo hospital system. Increased funding has been provided for cleaning hospitals, which was an important issue during the election. When I was doorknocking during the campaign people told me time and again how disappointed they were that under the former government the cleanliness of the hospital system had declined dramatically. It is great that this government, through the Minister for Health, has increased the funding available to the Bendigo Health Care Group for cleaning.

The Bendigo Health Care Group has also been given increased funding for equipment, and I refer to two important areas. Ten million dollars has been committed for a new radiotherapy unit in Bendigo that will provide vital services for which country people currently have to travel to Melbourne. The construction of the radiotherapy unit will be greatly welcomed by many people in my region. Recently the Minister for Health also announced that $3 million will be expended on an air ambulance service which will be up in the skies in the second half of this year.

As honourable members can see, the government is clearly committed to improving our health system, particularly in country Victoria. It is working hard to turn around the seven bleak years that the country health system had to put up with under the former government. The bill is another component of the government's rebuilding of public health.

It is interesting to note the composition of Health Purchasing Victoria, to which honourable members have already referred. There will be employees from metropolitan health services, officers from the Department of Human Services and the Department of Treasury and Finance, and people with experience in the health care industry. But the most important people at that table will be the two employees of rural public hospitals, one of whom must be a CEO. That is certainly a contrast to previous years, when country people were not given a place at many tables by the former government. It is fantastic that we will hear the voice of country Victorians on HPV.

Another important component of Health Purchasing Victoria is the requirement that it achieve efficiencies of up to 20 per cent through centralised purchasing, and there will be a focus on the effect that may have on country suppliers. Health Purchasing Victoria has to take into account the potential effect of central purchasing on small rural businesses. Not only will we have two people sitting at the Health Purchasing Victoria table, but under its charter the group will be required to keep an eye on what is happening in country Victoria. As a country member of Parliament I welcome that and congratulate the minister on including it in the bill.

This is a strong bill that will encourage country Victorian businesses to participate in government tenders in the health industry. The bill is designed to improve the efficiency of our health system. It is a great bill and one that I, as a country member of Parliament, am pleased to support. I commend it to the house.

Mr VOGELS (Warrnambool) — The bill will:

> … amend the Health Services Act in relation to the supply of goods and services to health or related services, including public hospitals, to establish Health Purchasing Victoria and for other purposes.

It is the 'other purposes' that worry me. I sat on a rural hospital board for 10 to 12 years, and I understand how difficult it is for rural hospitals to have a voice in public health. I will spend some time voicing my concerns about the establishment of yet another bureaucracy at 555 Collins Street. I am apprehensive about the make-up of the authority, which will make binding decisions on behalf of rural health services and small rural hospitals even though it will have little understanding of how they operate.

Having a centralised public authority that purchases goods and services might make a lot of sense to the Royal Melbourne Hospital or the Monash Medical Centre. However, that does not mean it will be economical or ideal for rural Victoria.

In his second-reading speech the minister said that the government will require all public hospitals to purchase a specified range of pharmaceuticals and general medical supplies according to contracts entered into by Health Purchasing Victoria. The bill empowers the secretary to direct a public hospital or health service to appoint this same organisation as its sole agent for obtaining specified goods and services. It does not elaborate on or specify what those goods and services are.

When the government was in opposition it criticised compulsory competitive tendering up hill and down dale, especially because of the effect it was having on rural Victoria. Something similar is now happening to our hospital system. This centralised buying authority,

run by the government, has the potential to impact heavily on rural health services, especially as the years go by. Rural services will lose purchasing autonomy, and buying in goods and services will no longer be a board decision. I am not so concerned about pharmaceuticals, as most health services in rural Victoria purchase them through Hospital Supplies Australia. Having said that, there is no doubt it will still have some impact on the chemists shops in our towns.

In the Western District, around Warrnambool, there is a central linen service that is part of a business unit of Southwest Healthcare. It employs many people and provides a great service to all our Western District hospitals. Will that come under threat?

Most of our rural health services use local office suppliers for their stationery, food services and domestic supplies. We now have multipurpose health services that provide a range of services in the community, such as community transport, taxi services and home maintenance. Will this central purchasing authority one day be signing up contracts for agency staff or doing deals with a nurses bank?

Honourable members are wanting me to wind up, but before I finish I will quote from the plan Labor took to the last election:

> A Bracks Labor government believes in the benefits of strong competition — but competition which is fair, rather than stacked in favour of big players and those with political clout. Labor is committed to evening up the odds for small and medium businesses.
>
> Small business is where Victoria's best prospects for future jobs and prosperity lie. Labor understands that, and is keen to back them all the way.

I believe the bill has the potential to do a lot of damage to rural Victorian health services.

Mr LENDERS (Dandenong North) — It is always a delight to follow the honourable member for Warrnambool. Not only do we share an interest in country matters, we are among the few people in this place who have milked cows as a previous occupation — or as a current occupation, in the case of the honourable member for Warrnambool. We also share a Dutch heritage.

Mr Viney interjected.

Mr LENDERS — The honourable member for Frankston East is also a former dairy farmer.

Where the honourable member for Warrnambool and I probably disagree is on some of the analyses he has made. Obviously I share the general sentiment, but there is something inconsistent in an argument that says it is okay to centralise linen services for the whole of Warrnambool but not okay to apply it on a bigger scale.

The bill and the amendments make it clear that country and rural areas have the scope to be flexible. This is about trying to put some balance into the health system through centralised purchasing that frees up a lot more taxpayers' dollars so health services can be extended. That has to be the bottom line in such an arrangement.

The establishment of the purchasing authority and all the issues behind it are about the need for governments in the 21st century to be constantly vigilant and to find ways of better using the taxpayer's dollar so that services can be extended to rural communities and communities such as mine in Dandenong North. The Dandenong hospital is one of the largest hospitals in metropolitan Melbourne. Like all other hospitals in this state, especially during the seven dark years of the Kennett government, it was in great need of extra resources. This is one way of making the health dollar go further.

I will also comment on the contribution by the honourable member for Mornington, although I am not the first government member to do so. The honourable member for Melton gave a succinct dissertation on that honourable member's contribution.

There were some amazing inconsistencies in the contribution of the honourable member for Mornington. We on this side of the chamber are very supportive of the Victorian Government Purchasing Board, which was established during the life of the previous government. That board tries to get a central agency's view of how to get the best efficiencies and best value for the Victorian taxpayer, and no-one in this day and age can afford to ignore those things. Taking that view and applying that discipline to the process is essential to good government today.

That sort of information gives government the opportunity and scope to make the savings we are talking of, instead of having a blinkered ideological view, like that of the previous government on compulsory competitive tendering and other issues, that does not provide any flexibility.

The bill is good legislation that introduces a good initiative to bring efficiencies and savings into the health system, while in the overview it will not affect small businesses and small country communities. The overall purpose of the bill, particularly through the amendments, is to try to guarantee those things.

As the honourable member for Bendigo East so eloquently said, Health Purchasing Victoria will have a good level of regional representation, which is remarkably novel in Victoria, where in previous years the former government has been centred on the central business district of Melbourne.

I commend the legislation to the house. It is a good bill, it is a good Bracks government initiative, and I welcome it.

Mr DELAHUNTY (Wimmera) — This Health Services (Health Purchasing Victoria) Bill establishes Health Purchasing Victoria. I represent the Wimmera electorate, which has five major health services based at Horsham, Stawell, Warracknabeal, Nhill and Edenhope. I will talk briefly about changes made during the term of the previous government to provide a greater range of health services.

During the election campaign I was doorknocking at Goroke, which is a very small town. Most people would not even know where it is in the western part of Victoria. A lady said to me, 'Mr Delahunty, I want to talk to you about health services. I compliment you, because we now have a greater range of health services here than we ever had before, greater than I ever thought I would see happen'. She went on to say, 'But I want to talk to you about a problem my sister has in Melbourne'. I said, 'Good, there is a problem down there and not in the country'.

However, I am worried that the bill may take away the flexibility we have now. Compulsory competitive tendering was there for a purpose, and it gave the councils the right to say in their annual reports why they did not always take the lowest price. I am worried that the bill has gone even further than that. It restricts rural and regional services and the businesses that sponsor fundraising events for the local hospital.

I believe the bill will take away the enormous support in country Victoria for local hospitals. You cannot get that support for the councils, but you can get it for the health services.

I know many other members want to speak on this bill, so in conclusion I call on the minister to guarantee there will be no interference with arrangements between local hospitals and local suppliers.

Mr HOLDING (Springvale) — It gives me a great deal of pleasure to contribute to the debate on the Health Services (Health Purchasing Victoria) Bill, which is a good opportunity to reflect on the origins of the bill. Other honourable members, including the Parliamentary Secretary for Human Services — the honourable member for Frankston East — have gone into some detail on these issues, but it is worth acknowledging the origins of the bill and the context in which it is being debated today.

Honourable members know that the legislation arose out of the recommendations made by the Ministerial Review of Health Care Networks chaired by Professor Stephen Duckett. That ministerial review was established by the government upon coming to office, and it is worth remembering that as well as recommending this very important vehicle for improving the efficiency of our hospital system and the allocation of resources and ensuring that the dollar is maximised and spent as effectively and efficiently as possible, it also condemned roundly the record of the previous administration in the operation of Victoria's public health system.

That review concluded, among other things, that the public hospital system in Victoria was technically insolvent, and it condemned many of the dodgy accounting techniques that some of the health networks had been forced to use — I know the minister and the parliamentary secretary have already dealt with these issues — such as using donations to fund the operating costs of hospitals.

The review also found that a lot of the health networks were about to keel over. If it were not for the injection by this government of $88 million to improve the viability of the health networks in Victoria we would be in a very sorry state today.

Members of the opposition have a great deal of trouble admitting to the carnage they wrought on our public hospital system during the seven years they were in government. Many of the recommendations that came out of that ministerial review are now being implemented, and it gives me a great deal of pleasure to contribute to the debate today and to see that one of those recommendations has now come to fruition through the Health Services (Health Purchasing Victoria) Bill, which will establish a much more efficient system of asset purchasing in the hospital system. I commend the bill to the house.

Mr KOTSIRAS (Bulleen) — It is a pleasure to speak on the Health Services (Health Purchasing Victoria) Bill. I listened to the honourable member for Springvale talk about the Kennett years. He forgot about the Cain–Kirner years, when the hospitals had no money, no nurses and no future. That is called selective amnesia.

The purpose of the bill is to amend the Health Services Act in relation to the supply of goods and services to health care services, including public hospitals, and to establish Health Purchasing Victoria.

While I believe it is a good idea and I support any legislation that attempts to achieve long-term responsible financial management in hospitals, for a number of reasons I cannot trust this Labor government. The first reason is that it put an advertisement in the newspaper asking for people to apply for positions at Health Purchasing Victoria long before the bill was introduced. It then had the audacity to bring amendments into the house 2 seconds before the shadow Minister for Health was to commence his contribution. That is a sign of arrogance and it shows that the government does not think much of this Parliament.

The bill also gives more power to the minister by amending section 58 of the act to permit the minister to exercise the powers in that section in relation to a public hospital if it fails to comply with an HPV direction or a purchasing policy. We will have the minister sitting by his desk, day by day, involved in purchasing. He is a part-time minister as it is, given his planning portfolio, but this will make it worse. I will be watching Health Purchasing Victoria very carefully.

Mr BAILLIEU (Hawthorn) — I will speak on the Health Services (Health Purchasing Victoria) Bill from the perspective that the opposition is not opposing the bill. However, I wish to raise some concerns and to note some of the things other members have not noted.

I am, of course, the member for Hawthorn, and Hawthorn does not have the luxury of a public hospital, having only a private hospital in lieu. However, there are a number of hospitals in the vicinity.

The question of central purchasing is an interesting one, which will no doubt engage people in debate for some time to come. There is merit in central systems where they run to common systems, but the question is whether it is a common system or central action. When one gets into central action rather than common systems, there is always room for error, and greater risk in the event of failure.

I also express some concern about the opportunity the changes being made may provide for considerable union direction of health purchasing in this state. I note, too, that the issue of monitoring in this bill is almost non-existent. Yes, proposed section 131 talks about monitoring, but it is monitoring of the compliance of policies, not of the product.

In the same vein, until the amendment was lobbed on the debate this morning, the word ‘quality’ was missing from the bill entirely. There is now at least the mention of the word ‘quality’, but the mention is made in clause 8, which suggests that a fitness-for-purpose monitoring is not involved, and that is an important issue.

I wish to raise two other issues, and they relate to clause 4 and the definition of goods and services, which includes the word ‘facilities’. The inclusion of the word ‘facilities’ in the definition introduces the notion that the health purchasing process can apply to infrastructure and, of course, to buildings. When that is coupled with proposed section 132(2), which is the direction power of Health Purchasing Victoria, and the even more interesting power which the honourable member for Malvern mentioned earlier under proposed section 134C — that is, the ministerial direction — there is the prospect of the minister directing the construction of facilities. In the same breath, proposed section 134N gives the minister the option of preventing unreasonably the novation of contracts that might otherwise have been novated.

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Ms Barker) — Order! The time for consideration of bills has expired.

Motion agreed to.

Read second time.

Circulated amendments

Circulated government amendments as follows agreed to:

1. Clause 8, page 8, line 11, after this line insert —

   “(c) the price, quality and accessibility of goods and services supplied or proposed to be supplied to health or related services;”.

2. Clause 8, page 8, line 12, omit “(c)” and insert “(d)”.

3. Clause 8, page 8, line 15, omit “(d)” and insert “(e)”.

4. Clause 8, page 8, lines 18 to 20, omit paragraph (e) and insert —

   “(f) local employment growth or retention.”.

Remaining stages

Passed remaining stages.

ROAD SAFETY (ALCOHOL AND DRUGS ENFORCEMENT MEASURES) BILL

Second reading

Debate resumed from 5 April; motion of Mr BATCHELOR (Minister for Transport).

The SPEAKER — Order! As the required statement of intent has been made pursuant to section 85(5)(c) of the Constitution Act 1975, I am of the opinion that the second and third readings require to be passed by an absolute majority. As there are fewer than 45 members present, I ask the clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time.

Circulated amendments

Circulated government amendments as follows agreed to by absolute majority:

1. Clause 2, line 6, omit "17, 24, 25 and 26" and insert "16, 23, 24 and 25".

2. Clause 10, omit this clause.

3. Clause 16, line 22, omit "11" and insert "10".

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

HEALTH (AMENDMENT) BILL

Second reading

Mr THWAITES (Minister for Health) — I move:

That this bill be now read a second time.

The Health Act 1958 is the principal legislation aimed at protecting and promoting public health in Victoria. The Health Act governs an extremely diverse range of matters from the control of infectious diseases to nuisance to the regulation of pest control activities.

The main purpose of this bill is to update the Health Act to ensure compliance with competition policy principles.

The bill has been developed with considerable input from industry, local government and the community, initially through submissions to a discussion paper regarding a review of the Health Act which was released in 1998, and more recently through targeted consultation with key stakeholders.

This bill represents an ongoing commitment by the government to making improvements to the Health Act that will contribute to its effectiveness.

There is a longstanding partnership between state and local government in the administration of the Health Act. Environmental health officers play an important role in assisting local councils to achieve their functions under the Health Act, that is, to prevent disease, prolong life and promote public health through organised programs.

Whilst there is a net public health benefit from the employment of appropriately qualified environmental health officers by local councils, it is no longer considered necessary for the act to specify any particular organisation to which officers should belong.

The bill will require environmental health officers to have a qualification nominated by the Secretary to the Department of Human Services.

A list of matters to be considered by the secretary in deciding those qualifications will be developed in consultation with key stakeholders.

The bill removes unnecessary restrictions on the pest management industry and the potential for duplication and overlap in the controls over that industry as between the two licensing systems under the Health Act and the Agricultural and Veterinary Chemicals (Control of Use) Act 1992.

At the same time the act will continue to protect the public and the environment against the dangers of unsafe application of pesticides.

Control of pest management activities in the Health Act will now be done solely through reliance on the system of licensing of individual pest management technicians established under that act. There will no longer be a requirement for pest control businesses to also be registered.

The public will continue to be protected from the misapplication of pesticides because individuals who

apply pesticides in the course of a business against insects and rodents and against vermin in and around buildings used for domestic and commercial purposes will still be required to have a licence under the Health Act. It is this application of pesticides which represents the greatest public health risk.

The regulation of businesses which control weeds and vermin will now be the responsibility of the Department of Natural Resources and Environment under the Agricultural and Veterinary Chemicals (Control of Use) Act.

The bill provides for an exemption from the requirement for businesses to hold a chemical control operators licence under the Agricultural and Veterinary Chemicals (Control of Use) Act where the business operator ensures that the person who applies the relevant pesticide is licensed to use that product under the Health Act.

The bill strengthens the pest control occupational licensing system in the Health Act by making provision for the issuing of trainee licences. These licences will only be able to be granted to people who are undergoing appropriate training and will be subject to the condition that they are supervised by a fully licensed person.

In this way, the public can continue to be protected from the risk of misapplication of pesticides by inexperienced people.

The bill amends the act by providing that licences expire on the third anniversary of the date on which they are issued, or the first anniversary in the case of trainee licences, rather than on 31 December in the year in which they are issued.

The bill repeals the provision which allows for regulations to be made which control the use of pesticides which are prescribed as a regulated pesticide. There is currently no pesticide prescribed under this provision. The provision has been superseded by the national system for the registration of chemical products and approval of container labels which is established under the commonwealth's Agricultural and Veterinary Chemicals Code Act 1994.

The bill repeals the requirement for pest control technicians to submit to an annual medical examination as and when prescribed in the regulations. Only one of the pesticides prescribed in the regulations as involving the need for a medical examination is still in use in Victoria, and production and use of that chemical is being phased out. Moreover, the objective of this provision is more appropriately dealt with by specific requirements in occupational health and safety legislation.

The bill repeals the part of the act dealing with drugs, articles and substances. A comprehensive and sufficient means for achieving the objectives of this part is provided by legislation relating to:

therapeutic goods;

agricultural and veterinary chemicals;

drugs, poisons and controlled substances;

the professional practice of health care providers;

food; and

fair trading and consumer protection.

The bill repeals the sections of the Health Act which deal with the sale of prohibited meat for human consumption. The controls provided by the Meat Industry Act 1993 and the Food Act 1984 provide a comprehensive and adequate means of achieving the objectives of these provisions.

The bill benefits industry, regulatory bodies, consumers and the community generally by removing unnecessary restrictions on competition, whilst still providing adequate protection against the public health risks associated with the relevant activities.

I would like to thank the many people who have contributed to the development of this bill, in particular the many individuals who made submissions to the Health Act review. In addition, the professional associations in their respective areas have also been most helpful and constructive in the preparation of these amendments.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 17 May.

BUILDING (SINGLE DWELLINGS) BILL

Second reading

Mr THWAITES (Minister for Planning) — I move:

That this bill be now read a second time.

The main purpose of this bill is to amend the Building Act 1993 in relation to the siting and design of single dwellings.

The proposed amendments to the Building Act will form part of the package implementing the government's new residential code for Victoria, known as Rescode.

The government's pre-election policy made two important commitments in respect to residential planning:

that communities should be provided with a choice of well-designed housing; and

that at the same time, the character of Victoria's streets, suburbs and towns should be protected.

On 13 December 1999, the *State Planning Agenda — A Sensible Balance* was launched outlining the details of the actions for the government's vision of a fairer planning system that produces better, more efficient and more reliable results. The agenda showed that the government was moving immediately to restore a sensible balance to planning in Victoria. A key action outlined within the agenda was the production of a new comprehensive residential code for Victoria.

Since coming into office, the government has already honoured pre-election commitments by:

setting in place the consultative process for and producing a draft of the proposed new comprehensive residential code;

making neighbourhood character a key consideration for medium-density housing applications;

introducing an interim measure enabling councils to remove the 7-kilometre radius concessions provided by the *Good Design Guide*;

introducing an interim measure enabling councils to require planning permits for single dwellings on lots less than 500 square metres;

introducing height limit controls around the bay;

introducing a requirement for restrictive covenants to be considered in planning decisions;

improving and clarifying requirements for consistency between building permits and the planning scheme and planning permits;

introducing an improved process for the approval of building permits for demolition;

introducing tougher penalties for breaches of planning law.

The new comprehensive residential code will replace the previous government's residential development controls, the *Good Design Guide for Medium-Density Housing* and the *Victorian Code for Residential Development — Subdivision and Single Dwellings* (Viccode 1), and will make neighbourhood character the mandatory starting point for assessment of development applications. The new code will fulfil the government's pre-election policy commitments in respect to providing a choice of well-designed housing and protecting the character of Victoria's streets, suburbs and towns.

A consultation draft of the new residential code, known as Rescode was released by the government in June 2000. This consultation draft was preceded by preliminary consultation workshops with stakeholders in March and April 2000. After the release of the consultation draft information sessions were held prior to the closing date for submissions on the consultation draft code. An advisory committee considered and held hearings in respect to the submissions received. The report of the advisory committee was publicly released in January of this year and road testing of the advisory committee's model for the new residential code was held in the first quarter of this year. The proposed new residential code and the associated statutory implementation tools are being developed taking into consideration this extensive consultation.

The road-testing consultations identified that a simple approval process was needed to implement the advisory committee's recommendation for single dwellings to be subject to additional controls to protect amenity, character and the environment. The building regulations were strongly supported as the appropriate location for such additional controls.

This bill is an important component of the proposed new comprehensive residential code, and is one of the key steps in implementing the new code. The bill will enable improved residential provisions to be applied to single dwellings that do not require a planning permit through the existing building permit application system. The improved residential provisions will address the protection of the amenity of dwellings and will enable regard to neighbourhood character to be given where applicable.

In introducing the bill, the government is demonstrating its commitment to implementing a new comprehensive residential code and to continually improve the planning and building systems.

This bill will amend the Building Act 1993 to provide:

that the minister may issue guidelines relating to the siting and design of single dwellings;

that the guidelines may provide for the matters that a responsible authority is required to consider as a reporting authority in reporting on or considering to consent to an application to vary a siting and design standard for a building permit for the construction of a single dwelling;

the range of matters that the guidelines may include;

that the decision or report of the relevant reporting authority on an application to vary a siting and design standard forms part of the decision under appeal where there is an appeal against the refusal of a building permit or the imposition of a condition on a building permit on the basis of the guidelines;

additional regulation-making powers;

that where a reporting authority is required to provide a report and consent it must have regard to the guidelines, and undertake procedures in considering such matters;

a right of appeal to the Building Appeals Board against the failure of a responsible authority as the reporting authority to consent or refuse to consent to an application within the prescribed time.

I commend the bill to the house.

Debate adjourned on motion of Mr CLARK (Box Hill).

Debate adjourned until Thursday, 17 May.

URBAN LAND CORPORATION (AMENDMENT) BILL

Second reading

Mr THWAITES (Minister for Planning) — I move:

That this bill be now read a second time.

Before its election, the government proposed a broader focus for the Urban Land Corporation, particularly by bolstering the corporation's functions in urban and regional centres. It also proposed to ensure that corporation projects had close links to transport services and contributed to improvements in affordable housing in Victoria.

The corporation is a major holder of land. It currently holds in excess of 1000 hectares and has over 12 500 potential residential lots in 12 projects around the Melbourne metropolitan area. It brings approximately 1500 — 2000 lots on to the housing market per year, generally in the price range $55 000 — $200 000. Its current operations represent approximately 12 per cent of the housing land market in Melbourne. For the financial year ending 30 June 2000 it has produced an after-tax profit of $20.4 million reflecting a return on equity of 11.6 per cent.

The current focus of the corporation is too narrow. Its legislated functions do not facilitate integrated development, combining residential and non-residential elements, in urban or regional contexts. Its functions do not reflect the desirability of including a component of affordable housing, or providing links with transport services or meeting other broader urban policy objectives. The bill amends the corporation's charter so that it can function with a much broader focus.

The corporation needs to be able to assemble land in both metropolitan and regional areas for development. This is provided for in proposed section 6(1)(a). It also needs a new name to reflect a growing role in regional Victoria. The bill renames the corporation as the Urban and Regional Land Corporation.

The corporation also needs to be able to act flexibly as either a sole developer, as a partner, or by agreeing with others to develop the land. This is provided for in proposed section 6(1)(b).

It needs to be able to develop land for mixed use or integrated purposes, and not just residential purposes. It needs to help provide a competitive market for that land. This is provided for in proposed section 6(1)(c).

It needs to be able to pursue best practice in urban and community design, having regard to links to transport services and innovations in sustainable development. This is provided for in proposed section 6(1)(d).

It needs to contribute to improvements in housing affordability. This is provided for in proposed section 6(1)(e).

It needs to be able to continue to provide consultancy services in relation to the development of land. This is provided for in proposed section 6(1)(f).

I wish to inform the house of the government's views, in a little more detail, about two of these functions — the corporation's development function and its role in relation to affordable housing.

Although the corporation will be able to facilitate integrated development, the government does not propose that the corporation will become a construction company or housing developer. It can, nevertheless,

influence construction on its land by various means for overall public benefit.

One way is to demonstrate new ideas and methods. The corporation has successfully done this with smaller lot subdivisions, greater diversity of lot size and orientation in estates, greater recycling of waste water, and better solar orientation of lots as part of improved energy efficiency and environmental sustainability. The government will be encouraging more innovation of this type by the corporation.

In relation to the corporation's role in improving housing affordability, the government does not propose that the corporation be a landlord for public housing developed by the corporation.

However, the corporation is able to contribute to achieving improving housing affordability. It might, for example, produce more affordable lots in some estates. It might also sell land to developers of long-term affordable rental housing. It can also improve overall affordability simply by competing effectively in the retail land market. These possibilities will be worked through as part of the government's proposed affordable housing framework.

I commend the bill to the house

Debate adjourned on motion of Mr CLARK (Box Hill).

Debate adjourned until Thursday, 17 May.

AGRICULTURE LEGISLATION (AMENDMENT) BILL

Second reading

Mr HAMILTON (Minister for Agriculture) — I move:

That this bill be now read a second time.

The bill provides for a number of amendments to the Meat Industry Act 1993 in response to a recent review of the act and also provides for the repeal of three acts which are spent.

An independent review of the Meat Industry Act was undertaken as part of the government's obligations under national competition policy. The review found that most of the restrictions imposed under the act were justified to maintain high standards for food safety. However, several amendments were recommended which have been agreed to by this government and are reflected in the bill.

The spent acts which the bill will repeal are the Margarine (Repeal) Act 1994, the Quarantine Officers (Transfer) Act 1990 and the Tobacco Leaf (Deregulation) Act 1994.

I turn now to the particulars of the bill.

Clause 3 of the bill amends the ministerial exemption powers under the Meat Industry Act. This limits the ability of the minister to provide exemptions from the act to individual businesses. It does this by restricting exemptions to classes of licensees or classes of meat processing facilities.

The current provisions of the act potentially allow for the minister to discriminate between similar types of businesses. The government believes that similar types of businesses should face the same regulatory constraints.

It is important to note that recently these exemption powers have been used appropriately to enable the government to act swiftly to allow the industry to capture market opportunities. This year the government had cause to grant an exemption to certain branding requirements for classes of meat processing facilities so that they could continue to export lamb to Middle Eastern markets. At the same time the food safety standards required of all facilities were maintained.

In line with this government's policy to increase transparency and accountability of government, and government agencies, clause 4 of the bill amends the Victorian Meat Authority's power to impose restrictions on who may conduct an audit. Currently, the authority's power is unlimited. This provides the potential for the authority to place restrictions on a person which are not necessarily related to their suitability to conduct an audit. The amendment limits the capacity for such inappropriate restrictions by specifying that such restrictions must relate to the suitability of a person to conduct a required audit.

Increased transparency and accountability are again the themes behind clause 5 of the bill, which provides rights of appeal to the Victorian Civil and Administrative Tribunal. Persons who may now appeal are those who have been refused approval as an inspection service and those who are restricted on the grounds of suitability from conducting a required audit. The Meat Industry Act already includes a number of rights of appeal to the Victorian Civil and Administrative Tribunal. The additional appeal rights complement those that currently exist within the act.

Clause 6 of the bill repeals the specific ban on the slaughter and sale for consumption of horses and donkeys. The current provision potentially restricts

consumer choice and is inconsistent with the treatment of other consumable animals which, if their slaughter were to be prohibited, would be prohibited by regulation under the act. As there is strong community sentiment regarding the slaughter of horses and donkeys, the government intends to maintain the prohibition by using the regulation making powers of the act, subject to a regulatory impact statement process.

Clause 7 of the bill provides for greater accountability and transparency of the minister's decision to direct the authority. This increased public accountability and transparency will require ministerial directions to be in writing and the authority will be required to publish the direction in the *Government Gazette* and in its annual report.

The Victorian Meat Authority and the Victorian meat industry continue to work together to ensure that the hygiene status of Victorian meat products is the equal of world best practice. The amendments to this act build on this partnership, increasing the accountability and transparency of the operations under the act.

Clauses 8, 9 and 10 of the bill repeal the Margarine (Repeal) Act 1994, the Quarantine Officers (Transfer) Act 1990 and the Tobacco Leaf (Deregulation) Act 1994. These acts have all served the purpose for which they were intended. Repeal of the Quarantine Officers (Transfer) Act 1990 will not affect the rights of the officers who, at the time, were transferred from the commonwealth to the Victorian public service. Similarly, the repeal of the Tobacco Leaf (Deregulation) Act 1994 will not affect the transfer of the former Tobacco Leaf Marketing Board's property, rights and liabilities to the Tobacco Co-operative of Victoria Limited. The Margarine (Repeal) Act 1994 ended a former outdated licensing scheme for the manufacture of margarine.

I commend the bill to the house.

Debate adjourned on motion of Mr McARTHUR (Monbulk).

Debate adjourned until Thursday, 17 May.

GAS INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Mr HAMILTON (Minister for Agriculture) — I move:

That this bill be now read a second time.

There are presently two bills before the house. This bill is the bill for the Gas Industry Legislation (Miscellaneous Amendments) Act 2001. The second bill, which is the bill for the Gas Industry Act 2001, is the bill for the act that contains the provisions required for ongoing regulation of the gas industry. These two bills represent conjoint or cognate legislation.

The existing Gas Industry Act 1994 will be amended by the Gas Industry Legislation (Miscellaneous Amendments) Act 2001 to remove from it the regulatory provisions transferred to the Gas Industry Act 2001. Additionally, the Gas Industry Act 1994 will be renamed as the Gas Industry (Residual Provisions) Act 1994.

The model for this legislative reform is consistent with that adopted last year for the electricity industry. In particular, the outcome of the reform will be that there will be the Gas Industry Act 2001 that contains the regulatory provisions and the Gas Industry (Residual Provisions) Act 1994 that contains provisions that were, for the most part, used by the previous government to restructure the gas industry in Victoria.

The Gas Industry Legislation (Miscellaneous Amendments) Act 2001 contains the detailed miscellaneous amendments required for the restructuring of the legislation. They are contained in this separate act to avoid the Gas Industry Act 2001 being cluttered with those provisions. Again, this approach is consistent with that adopted for the electricity legislation reform last year.

There are significant advantages to this reform of legislation. As was said in the context of the electricity legislation (and which is equally applicable to gas), the restructuring sends a clear message to industry and other interested parties that Victoria has moved to the stage of oversight of a private industry — one that provides an essential service. It is also consistent with the implementation of full retail competition in Victoria and the focus that places on the regulation of the gas industry for the benefit of all Victorians.

I will now briefly address the amendments contained in the Gas Industry Legislation (Miscellaneous Amendments) Act 2001.

The amendments in the bill divide into two groups.

First, there are amendments which are transitional or consequential on the restructuring of the legislation and the separation out into the Gas Industry Act 2001 of the ongoing regulatory provisions.

These amendments mostly involve either repeal of regulatory provisions that are henceforth to be

contained in the Gas Industry Act 2001 or the amendment of references in various acts so that either 'Gas Industry Act 2001' or 'Gas Industry (Residual Provisions) Act 1994' is substituted for 'Gas Industry Act 1994'. Additionally, the opportunity has been taken to update definitions to be consistent with what now appears in the Gas Industry Act 2001. There has also been the substitution of a new simple regulation-making power in the Gas Industry Act 1994 as many of the previous regulatory heads of power more accurately related to Gas Safety Act matters and have since been dealt with under that act.

Furthermore, section 24 of the bill introduces a new schedule 5 into the Gas Industry Act 1994, which contains savings and transitional provisions. This schedule includes a table of re-enacted provisions which enable a comparison between what was the former regulatory provision of the Gas Industry Act 1994 and its successor provision in the Gas Industry Act 2001.

In addition, a new division 2B is inserted in the Gas Industry Act 1994. Those provisions provide for the facilitation of gas full retail competition, in particular the development and approval of retail gas market rules. This division replicates the provisions contained in division 2 of part 4 of the Gas Industry Act 2001 to provide for their earlier operation given it is intended that the bulk of the Gas Industry Act 2001 not commence until 1 September 2001. Division 2B will be repealed on 1 September 2001, along with the rest of part 4A of the Gas Industry Act 1994.

The second group of amendments are not related to the restructuring of the legislation, and there are only two of any real significance. The first is an amendment to the Gas Pipelines Access (Victoria) Act 1998 so as to allow certain saved provisions of the Victorian third-party access code for natural gas pipeline systems to be updated to match developments in the national code. These saved provisions are transitional in nature and were introduced as part of the transition from the Victorian code to the national code. However, a need has arisen for their updating as they continue to apply until the end of 2002 for certain access arrangements. The second involves miscellaneous amendments to the Electricity Industry Act 2000 to conform certain provisions in that act to improved drafting in similar provisions in the Gas Industry Act 2001.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 17 May.

GAS INDUSTRY BILL

Second reading

Mr BRUMBY (Minister for State and Regional Development) — I move:

That this bill be now read a second time.

This bill represents a further step in the government's commitment to introduce competition in the sale of gas to domestic and small business customers, thus creating a fully competitive retail market in the Victorian gas industry for the benefit of all Victorians. To that end, in the last session provisions were enacted that introduced a comprehensive consumer safety net comprising mandatory standing offers for gas supply, deemed contracts to protect customers who choose to take no action, provision of minimum terms and conditions for inclusion in customer contracts and delivery of community service obligations. Additionally a reserve power for the government to regulate retail prices was then created, consistent with the model already applying to the electricity industry in Victoria. This bill contains further provisions to facilitate the introduction of competition, being for the most part provisions that provide for the processes, procedures, systems and other matters required so that customers may elect to purchase gas from different retailers and also to allow settlement of trades on the Victorian wholesale gas spot market.

Additionally, and consistent with what was done last year for the electricity industry, this government has carried out a review of the legislative framework that governs the gas industry. This framework was inherited from the previous government. As a result of that review it has been determined that it is appropriate to separate out into a new act the regulatory provisions required for ongoing regulation of the gas industry.

There are thus two bills before the house. This bill, which is the bill for the Gas Industry Act 2001, is the act that contains the provisions required for ongoing regulation of the gas industry. The second bill is the bill for the Gas Industry Legislation (Miscellaneous Amendments) Act 2001. These two bills represent conjoint or cognate legislation.

The existing Gas Industry Act 1994 will be amended by the Gas Industry Legislation (Miscellaneous Amendments) Act 2001 to remove from it the regulatory provisions transferred to the Gas Industry Act 2001. Additionally, the Gas Industry Act 1994 will be renamed as the Gas Industry (Residual Provisions) Act 1994.

As you will appreciate from what I have just said, the model for this legislative reform is consistent with that adopted last year for the electricity industry. In particular, the outcome of the reform will be that there will be the Gas Industry Act 2001 that contains the regulatory provisions and the Gas Industry (Residual Provisions) Act 1994 that contains provisions that were, for the most part, used by the previous government to restructure the gas industry in Victoria.

The Gas Industry Legislation (Miscellaneous Amendments) Act 2001 contains the detailed miscellaneous amendments required for the restructuring of the legislation. They are contained in this separate act to avoid the Gas Industry Act 2001 being cluttered with those provisions. Again this approach is consistent with that adopted for the electricity legislation reform last year.

There are significant advantages to this reform of legislation. As was said in the context of the electricity legislation (and which is equally applicable to gas), the restructuring sends a clear message to industry and other interested parties that Victoria has moved to the stage of oversight of a private industry — one that provides an essential service. It is also consistent with the implementation of full retail competition in Victoria and the focus that places on the regulation of the gas industry for the benefit of all Victorians.

Because much of the Gas Industry Act 2001 represents a re-enactment of regulatory provisions that were previously contained in the Gas Industry Act 1994, I do not propose to address this house in detail on those re-enacted provisions. However, honourable members may wish to note that in the explanatory memorandum to the bill for the Gas Industry Act 2001 a note has been made of whether a particular provision is a re-enactment. This is in addition to section 24 of the Gas Industry Legislation (Miscellaneous Amendments) Act 2001 which enacts a schedule of re-enacted provisions. The explanatory memorandum also attempts to draw attention to any material differences between a re-enacted provision and its predecessor in the Gas Industry Act 1994.

Insofar as the Gas Industry Act 2001 contains provisions that are new in the sense that they were not previously in the Gas Industry Act 1994 those provisions fall into two principal groups.

Firstly, as I mentioned earlier, there are provisions facilitating further the implementation of gas full retail competition in Victoria. Those appear in division 2 of part 4 of the Gas Industry Act 2001 and, for the most part, provide for the development and approval of retail gas market rules. These rules will provide for the processes, procedures, systems and other matters required so that customers may elect to purchase gas from different retailers and also to allow settlement of the wholesale gas market. The retail gas market rules must be consistent with high level principles which are to be set by Order in Council. The act also provides a mechanism for cost recovery on the part of industry in relation to the implementation and operation of the retail gas market rules. Overall, the provisions put in place a statutory framework within which industry, government and the Office of the Regulator-General can develop and implement the systems and processes required for gas full retail competition.

Secondly, there are certain miscellaneous provisions, many of which are consequential or incidental to the implementation of full gas retail competition which appear in division 2 of part 3 of the Gas Industry Act 2001. These include a provision that allows for the grant of limited exclusive gas franchises consistently with the franchising principles contained in the natural gas pipelines access agreement of 1997 between the states and territories and the commonwealth. In addition there is a provision contained in division 4 of part 3 of the act that echoes a similar provision in the bill for the Electricity Industry Acts (Further Amendment) Bill 2001 and which provides for deemed contracts between customers and their gas distributors.

Apart from the above amendments there are certain other miscellaneous amendments contained in the Gas Industry Act 2001. As I said before, the explanatory memorandum attempts to provide a road map to those amendments particularly where they represent a difference from what was in the Gas Industry Act 1994. Of these, I would draw to honourable members' attention the fact that certain amendments — mostly of a technical nature — are being made to the significant producer provisions contained in part 5 of the bill. These amendments arise from experience of the working of that part over time and, among other things, seek to better provide for interested parties to make submissions on competition notices and proposed orders to be made by the Office of the Regulator-General under that part. They also clarify the operation of the competition rule in the part so that it applies both to discrimination by significant producers between gas retailers as well as against those retailers.

Additionally — and again consistently with what was done last year for the Electricity Industry Act 2000 — the cross-ownership provisions in part 6 of the Gas Industry Act 2001 are being amended. Part 6 enforces the separation of gas production, transmission, distribution and retailing in Victoria by imposing a set

of cross-ownership prohibitions. As with the model formerly applying in the electricity, the model for gas set up by the previous government is such that both the Office of the Regulator-General and the Australian Competition and Consumer Commission could adjudicate on whether there should be exemptions from the prohibitions in that part. But both regulators would be applying the same test so effectively one has two regulators doing the same job.

The amendments made to this part remove this regulatory duplication for the same reason as it was removed in electricity, and provide that if a person obtains from the Australian Competition and Consumer Commission the necessary approval for an acquisition or merger, that suffices as an exemption from the prohibitions in the part. However, the exemption power does not come into force until 1 July 2002, this date being unchanged.

Statement under section 85(5) of the Constitution Act

I wish to make a statement pursuant to section 85(5) of the Constitution Act 1975 of the reason for altering or varying that section by the bill.

Section 235 of the bill states that it is the intention of sections 54, 84, 113, 188, 189 and 213 to alter or vary section 85 of the Constitution Act 1975.

Section 54 provides that a person may not bring civil proceedings in respect of a matter arising under division 1 of part 4 of the Gas Industry Act 2001 except in accordance with that division. Division 1 provides for the market and system operation rules that govern the Victorian gas wholesale market. Section 54 distinguishes between civil penalty provisions in the rules that are classified as such by the Gas Industry (MSO Rules) Regulations 1999 and conduct provisions in the rules. Only the Australian Competition and Consumer Commission may bring civil proceedings in respect of a civil penalty provision to recover the penalty amount specified in the regulations. However, anyone can bring civil proceedings in respect of conduct provisions in the rules. Section 54 further provides that it does not limit the bringing of civil proceedings if the cause of action arises, or relief or remedy is sought, on grounds that do not rely on the division.

The first reason for limiting the jurisdiction of the Supreme Court with respect to this section is to ensure that it is only the commission that can enforce the civil penalty provisions which are provisions that, if breached, result in the imposition of pecuniary penalties. The second reason for so limiting the jurisdiction of the Supreme Court is to ensure that actions for breach of the conduct provisions are brought in accordance with the scheme established by the other provisions of the division and not otherwise. Those other provisions provide for injunctions, damages and declaratory relief in the Supreme Court and other courts.

Section 84 provides that no administrative law review, either under the Administrative Law Act 1978 or at common law, may occur, or relief be granted by the Supreme Court, in respect of a decision or process leading to a decision by the Regulator-General with respect to a competition notice. Section 113 provides that no proceedings may be brought in respect of a decision or determination of the Regulator-General, or of an appeal tribunal, or in respect of any process leading to a decision or determination, except as provided under part 5 of the Gas Industry Act 2001.

The reason for limiting the jurisdiction of the Supreme Court in the manner referred to in sections 84 and 113 is that the bill provides for a specialist appeals tribunal to hear appeals in certain matters arising under part 5. The commercial nature of the industries to be regulated requires that appeals be heard and decided as quickly as possible. It is considered that this specialist appeals mechanism would satisfy the requirements for appellants to be given a fair hearing and for a considered decision on any appeals to be made. An aggrieved party may apply to the Supreme Court for a review of a decision of the appeal panel on certain limited grounds.

Sections 188 and 189 are provisions that confer immunity from suit in respect of directions given by Vencorp both for those giving the directions, including Vencorp, and those acting pursuant to them. Vencorp may, under division 4 of part 8, give such directions to facilitate reliability of gas supply in the interests of public safety or to facilitate the security of the gas transmission or distribution systems. Section 213 provides for immunity from suit for any person acting in good faith in the execution of part 9 of the Gas Industry Act 2001 or any proclamation, direction, prohibition or requisition under that part. Part 9 contains the gas supply emergency provisions.

The reason for limiting the jurisdiction of the Supreme Court by these three sections is to ensure that persons acting under both parts in emergency situations are immune from suit. These people are acting in the public interest. It is vital that those charged with the responsibility for preserving system security have the confidence to respond to any emergency free from the

risk of personal or corporate liability. This immunity provision is founded directly in the public interest and in the need to ensure that the relevant person or corporation and third parties involved have confidence to protect the public interest.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 17 May.

JUDICIAL AND OTHER PENSIONS LEGISLATION (AMENDMENT) BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

The Attorney-General and Solicitor-General Act 1972, the Constitution Act 1975, the County Court Act 1958, the Magistrates Court Act 1989, the Public Prosecutions Act 1994 and the Supreme Court Act 1986 provide for payment of pensions out of consolidated revenue to the Governor, judges and masters of the Supreme and County Court, the Solicitor-General, the Chief Magistrate, the Director of Public Prosecutions, the Chief Crown Prosecutor and senior crown prosecutors. The schemes also provide for payment of reduced pensions to their spouses or eligible children if the member dies.

These constitutionally protected pensions are a significant part of the package that the government relies on to attract suitably qualified persons to take up these important positions. It is well known that senior lawyers take a significant pay cut when they accept appointment as a judge. Whilst the government cannot match the moneys earned in the private sector, the entitlement to a pension after 10 years service is attractive to potential appointees.

Commonwealth legislation imposes a lump sum surcharge on these pension entitlements. This surcharge, which can be as much as $330 000, is payable within three months of receipt of a notice from the tax office.

The Supreme Court in its 1999 annual report said of this legislation:

> It will drastically affect the capacity to recruit suitable talent to the superior courts in this state.

The Victorian Bar Council chairman Mark Derham, QC, went even further in the August 2000 edition of *In Brief*, warning his members against accepting judicial appointments. Under the title 'Watch out if you're offered a judicial post', he said:

> The operation of the commonwealth legislation subjecting members of constitutionally protected superannuation funds to the superannuation contributions tax carries many disturbing consequences. Most importantly, it will affect the ability of the state to recruit judicial officers and other public officers who are most suitably qualified. It will also affect the ability of the state to retain the services of judges and other public officers once their superannuation entitlements begin to reduce.

The Supreme Court has also raised the likely impact of the surcharge on the recruitment of women as judges. This government has worked hard to ensure that candidates reflect a diversity of legal backgrounds and bring a wide range of skills and experiences to the bench. The improvement in the number of women candidates being considered for appointment to the Magistrates Court is due to the advertising process undertaken last year, which attracted 40 per cent female applicants, compared with previous figures of 25 per cent.

The commonwealth's surcharge legislation could also mean that people without independent wealth, or those whose legal practice is in areas that are less well paid — such as criminal lawyers whose practice is primarily in legal aid matters — will be less willing to consider a position on the bench. We want the bench to be more representative of the wider community, not less so.

Under the commonwealth's surcharge legislation, members of constitutionally protected pension schemes are required to pay a lump sum superannuation contributions surcharge of up to 15 per cent when they retire.

Actuarial advice suggests that this lump sum liability could be as much as $330 000. The effect of the commonwealth legislation is that a person who retires will receive a surcharge notice requiring them to pay a significant amount of money within three months. This surcharge is a tax on that person's future pension entitlements. Honourable members will appreciate the problem this raises. The person will have to pay a lump sum tax to the commonwealth in respect of money they have not yet received. Indeed, because the surcharge assessment is based on actuarial calculations, the person may never receive sufficient pension to pay the surcharge. If a member dies a week after retiring, the pension ceases. There is no benefit that is transferred to the person's estate. Although a member's spouse and/or dependent child are entitled to a reduced pension, there

is no provision in the commonwealth legislation to reassess the surcharge or refund part of it.

The commonwealth legislation was designed to reduce certain taxation benefits available to employees and self-employed people who made contributions to a superannuation scheme. But as I have already mentioned these constitutionally protected pensions are paid out of consolidated revenue. The government and the members do not make contributions to a superannuation scheme. Members cannot convert their pensions into lump sums, and they do not receive any income tax benefits. When a pension is paid, it is fully assessable to tax as income of the member.

Quite simply, the commonwealth surcharge should not apply to these pension entitlements. Unfortunately, the commonwealth government has so far refused to reconsider this matter, and so this bill is necessary to provide some relief.

Parliament has already legislated to address the surcharge tax in respect of other public sector superannuation schemes, including the Parliamentary Contributory Superannuation Fund, under the Superannuation Acts (Amendment) Act 2000.

Other states, including South Australia, New South Wales and Queensland, have moved to reduce the impact of the commonwealth's superannuation surcharge on judicial and other public office-holders. The Victorian bill builds and improves on that legislation.

This bill makes amendments to the relevant acts that govern pension entitlements to enable persons to commute part of their pensions to pay the lump sum superannuation surcharge liability. In broad terms, members will be able to elect to reduce their future pension entitlements and authorise the government to pay the surcharge to the tax office on their behalf. A spouse or eligible child, who is entitled to a reduced pension, will also be able to make an election in respect of a member who has died.

Although a representative action challenging the commonwealth legislation may be commenced by the Judicial Conference of Australia, this government considers it appropriate to act to protect the interests of office-holders and the state as soon as possible.

Members will have two opportunities to make an election. Firstly, they will be able to elect within two months of receiving an assessment notice from the commonwealth. The relevant minister will then arrange for an actuarial calculation of the amount by which the pension should be reduced. The bill will specify that in line with the commonwealth surcharge legislation, that reduction will not be more than 15 per cent of the member's entire pension entitlement. The member will have the protection of being able to rescind their election after receipt of the actuary's calculation. In making the election, the member will authorise the payment of the surcharge direct to the Australian Taxation Office, to avoid any possibility of a separate tax liability arising for the member. On payment of the surcharge liability, the pension will be reduced in line with the actuary's advice.

The bill also provides members with the opportunity to make an election to commute whilst in service. This avoids the inequitable situation that could arise if a member dies after retirement, but before making an election. In that case, the surcharge debt would still remain, but there would be no pension to commute. If a member makes an election whilst in service, the actuary will calculate a pension reduction to take effect on retirement. Any necessary adjustments will then be made after receipt of the formal tax office assessment.

This bill will provide equity to members of constitutionally protected schemes by allowing them to pay their surcharge liability through a reduction in their future pension entitlements. In addition, the proposed legislation will ensure the government can continue to attract the best possible candidates for these important roles.

I commend the bill to the house.

Debate adjourned on motion of Dr DEAN (Berwick).

Debate adjourned until Thursday, 17 May.

CITY OF MELBOURNE BILL

Council's amendments

Returned from Council with message relating to following amendments:

1. Clause 15, line 31, after "once:" insert "or"
2. Clause 28, omit this clause.
3. Clause 33, lines 12 to 16, omit sub-clause (2).
4. Clause 33, line 21, omit "29" and insert "28".

The SPEAKER — Order! Before calling the minister, I inform the house that the second and third readings of the bill were passed with an absolute majority. I am therefore of the opinion that the adoption of these amendments require to be passed with an absolute majority of the house.

Mr CAMERON (Minister for Local Government) — I move:

That amendment 1 be agreed to.

This is a simple grammatical matter where the word 'or' needs to be inserted.

The SPEAKER — Order! As there is not an absolute majority of the members of the house present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Mr CAMERON (Minister for Local Government) — I move:

That amendment 2 be agreed to.

Amendment 2 seeks to remove clause 28, as it is redundant. It is the old section 136A of the Local Government Act, and it is no longer required. I discussed this matter with the shadow minister prior to the debate, and I put it to her that if we could ascertain that no orders had been made under that section we would in all probability seek to remove it in the upper house. That is what has occurred.

Ms BURKE (Prahran) — Clause 28 was a clause local government was concerned about. I thank the minister for working with me to remove it. Section 136A was inserted during the transition of the City of Melbourne with its new boundaries, and it is no longer needed. I am happy to see it omitted.

Ms DAVIES (Gippsland West) — I also congratulate the government on removing clause 28. It was one of those elements that I found disturbing when the bill was passed by the house. I appreciate the government's consideration and its willingness to consider this issue, even though it was originally passed by the lower house.

Motion agreed to by absolute majority.

Mr CAMERON (Minister for Local Government) — I move:

That amendment 3 be agreed to.

This paragraph is redundant.

Ms BURKE (Prahran) — I am also happy with this amendment. Clause 33 relates to the orders that were part of old section 136A. I am glad to see it removed.

Motion agreed to by absolute majority.

Mr CAMERON (Minister for Local Government) — I move:

That amendment 4 be agreed to.

This is simply procedural.

Motion agreed to by absolute majority.

JUDICIAL COLLEGE OF VICTORIA BILL

Second reading

Mr HULLS (Attorney-General) — I move:

That this bill be now read a second time.

In July 2000 the government convened a judicial education working party to advise on the best way to address the ongoing education needs of Victoria's judicial officers. This working party was chaired by the Chief Justice and included the heads of Victoria's courts and VCAT. The working party delivered its report in February 2001, with clear recommendations for the establishment of a formal judicial education structure in Victoria. The government thanks the Chief Justice and the other members of the working party for their participation and contribution.

In developing the most appropriate model for Victoria, the working party examined judicial education bodies in New South Wales, the United Kingdom, Canada and New Zealand. Each of these jurisdictions has long-established judicial education structures for the delivery of judicial education and training.

This bill implements the recommendations of the working party by establishing a Judicial College of Victoria to deliver planned, coordinated and integrated judicial education and professional development services to judicial officers.

The importance of continuing education is now recognised in many professions and areas of life. The increased emphasis on judicial education in recent years is a product of the changing nature of society, the law, and community expectations. At the same time, there is an ever-increasing range of demands being placed on the judiciary.

The government believes that effective judicial education enhances the independence, professionalism, stature and performance of the judiciary. In delivering judicial education and training programs to the judiciary in a number of diverse areas, the judicial

college will engender greater community confidence in the justice system. Educational and professional development courses provided by the judicial college could include awareness of issues affecting the indigenous community, developments in technology and matters associated with sentencing.

The bill respects and promotes the principle of judicial independence in a number of ways. Firstly, the judicial college will be established as an independent statutory corporation. Secondly, the bill provides that each of the courts and VCAT must be represented on the governing body of the judicial college. This will ensure that the judiciary has significant input into the design and content of courses and programs provided by the judicial college. It will also enable the judicial college to respond to the education and training needs of each court and VCAT. Finally, the bill reflects the government's intention that participation by judicial officers in the education programs provided by the judicial college should be voluntary. It is the government's hope that all judicial officers will participate in the activities of the judicial college, thereby availing themselves of the benefits of programs offered by the college.

Functions and powers of the judicial college

Part 2 of the bill sets out the functions and powers of the judicial college.

The principal functions of the judicial college are to:

assist in the professional development of judicial officers;

provide continuing education and training for judicial officers; and

produce relevant publications.

The bill gives the judicial college the power to do all things necessary to perform its functions. The judicial college will have the power to engage consultants with suitable qualifications and experience to assist it with the development of judicial education courses.

Structure of the judicial college

Part 3 of the bill deals with the structure and procedure of the judicial college.

The governing body of the judicial college will be a board consisting of six directors. The judicial directors of the board will be the Chief Justice, the president of VCAT, the Chief Judge and the Chief Magistrate, or their nominees. The Chief Justice, or his or her nominee, will chair the board of the judicial college.

The two remaining directors will be nominees of the Attorney-General, appointed by the Governor in Council for a period of up to five years. These directors will be eligible for reappointment. One nominee of the Attorney-General will have an academic background to assist in designing courses which are academically sound. The other will have broad experience in community issues affecting the courts.

This balanced membership will facilitate judicial, academic and community input into the activities of the judicial college. Importantly, the composition of the board will ensure that the programs developed by the judicial college are relevant to the educational needs of judicial officers.

The judicial college will have a chief executive officer and staff to enable the college to perform its functions.

Accountability

While it is critical that the judicial college be independent, like all modern statutory corporations it must also be subject to appropriate levels of accountability. Accordingly the bill contains a number of mechanisms to ensure the accountability of the judicial college in relation to its operations and expenditure.

The government is committed to providing improved justice services to the Victorian community. The establishment of the Judicial College of Victoria is a significant and exciting step towards delivering this commitment.

I commend the bill to the house.

Debate adjourned on motion of Dr DEAN (Berwick).

Debate adjourned until Thursday, 17 May.

RACING (RACING VICTORIA LTD) BILL

Second reading

Mr HULLS (Minister for Racing) — I move:

That this bill be now read a second time.

This bill amends the Racing Act 1958 and other acts in order to recognise a new governing body for the thoroughbred racing code in Victoria.

This is an historic moment — not only for the Victorian racing industry but for all Victorians.

Racing is a fundamental and important part of this state's identity.

It is important, not only because of the glamour and spectacle associated with the big events, such as the Melbourne Cup and the rest of the Spring Racing Carnival but because of the enormous economic, cultural and employment benefits thoroughbred racing brings to this state.

It is important because it injects $1.2 billion into the Victorian economy each year, directly creates over 16 000 jobs — two-thirds of which are in country Victoria — and attracts more than 100 000 tourists each year to carnival events.

And above all, it is important because it is the lifeblood of so many rural and regional communities spread throughout country Victoria.

It is for all of these reasons that it is essential that the body vested with the powers to govern racing in Victoria should be independent; accountable; willing to listen to the people who keep the industry ticking; and totally committed to the task of developing, encouraging, promoting and managing the conduct of thoroughbred racing in this state.

While the Victoria Racing Club (VRC) has very successfully governed racing for over 100 years, it has commendably acknowledged that its club-based structure is not the ideal model for advancing the long-term future prosperity of the industry.

It is now time for the VRC to hand over the industry governance reins to a new not-for-profit company to be known as Racing Victoria Ltd. This bill facilitates that process.

This bill ensures that Racing Victoria Ltd will be a truly independent body with the expertise to carry the racing industry galloping into the 21st century.

This bill ensures that there is proper consultation with the people who drive the industry: the trainers, the jockeys, the owners, the breeders, the stablehands and the bookmakers.

This bill ensures that the voices of country racing are heard.

This bill ensures that women and young people are encouraged to participate in the racing industry.

This bill ensures that the integrity of the Victorian racing industry is maintained by recognising that the governing body is not for sale.

The establishment of Racing Victoria Ltd is the culmination of an extensive consultation process undertaken by this government since it came to office.

It is the result of a process which formally commenced in October 1999, when the VRC announced its intention to transfer its industry governance function to a new body.

In May 2000 the VRC presented to the government its preferred model for the new governance structure. This model was subsequently reviewed by a jointly appointed government and industry advisory panel.

The advisory panel, comprising Michael Duffy, Ron Beazley, Kate McAllister-Joel, Rod Fitzroy, Kevin Hayes and George Corones, was established to advise both the government and the industry and to make recommendations with respect to the preferred governance structure for the thoroughbred racing industry.

Part of the advisory panel's task was to consult with the industry, including its stakeholders and industry bodies, and the general public. The panel also reviewed the structures in place in other jurisdictions, both in Australia and overseas, and obtained expert advice where necessary from the legal, business and wider sporting communities.

After four months of rigorous debate, after considering 78 written submissions from interested parties, and after widespread consultation, the advisory panel presented its report on 29 November 2000.

The report was unanimous in recommending the establishment of Racing Victoria Ltd but provided two options with respect to the foundation constitution of the new body.

The members of the advisory panel are to be commended for their hard work, their foresight and their creativity in recommending a governance structure which will ensure the long-term success of the thoroughbred racing industry.

In January this year the government and the industry agreed on the preferred option for the founding constitution, and the results of that agreement are contained in this innovative piece of legislation.

The bill has two main purposes.

Firstly, it provides as a precondition to Racing Victoria Ltd being granted statutory recognition as the governing body of thoroughbred racing in this state that the company's constitution must meet the requirements specified in the schedule to the bill. It also sets out the process which must be followed for changes to be made to the constitution. All proposed changes will be subject to parliamentary scrutiny, with both houses having the power to disapprove any changes.

Secondly, subject to the foundation constitution meeting the requirements in the schedule, the bill grants the statutory recognition and legislative powers and functions currently held by the VRC in respect of the governance of the Victorian thoroughbred racing industry to the new body.

The requirements for the constitution of Racing Victoria Ltd identified in the schedule include:

Status

Racing Victoria Ltd is to be incorporated under the Corporations Law as a company limited by guarantee. Racing Victoria Ltd will be subject to all of the legal, reporting and probity obligations applicable to public companies under the Corporations Law. This includes reporting to Australia's corporate watchdog, the Australian Securities and Investments Commission, in a manner which ensures appropriate public disclosure and accountability.

Members

The members of Racing Victoria Ltd will be the Victoria Racing Club, Victoria Amateur Turf Club, Moonee Valley Racing Club and the Victorian Country Racing Council.

Objectives

The object of the company will be to develop, encourage, promote and manage the conduct of thoroughbred racing in Victoria. This will be achieved by:

promoting Victoria as a centre of excellence for thoroughbred racing;

promoting probity in the conduct of thoroughbred racing;

providing effective and efficient management of the industry's business performance and customer service;

promoting the widest possible participation in thoroughbred racing, particularly participation by women and young people;

promoting the provision of economic benefits to the state, including industry participants, stakeholders and communities;

promoting the success of Victorian country thoroughbred racing;

encouraging all participants in the thoroughbred racing industry to be socially responsible by promoting responsible wagering and gaming practices;

promoting employment; and

promoting independence and ensuring that the governing body is free from any improper external commercial influence particularly in respect to sponsorship agreements and activities.

Powers and functions

Racing Victoria Ltd will have the same powers and functions currently vested in the VRC by the Racing Act 1958 and under the Australian rules of racing. It will also act as the representative of the Victorian thoroughbred racing industry in respect of its relationship with entities such as Tabcorp and the Australian Racing Board. Racing Victoria Ltd will be responsible for the continued marketing of Victorian thoroughbred racing nationally and internationally.

Board of directors

The board will comprise 11 directors, being:

five directors appointed by a specially created appointment panel

one director nominated by the Victoria Racing Club

one director nominated by the Victoria Amateur Turf Club

one director nominated by the Moonee Valley Racing Club

two directors nominated by the Victorian Country Racing Council

a chief executive appointed by the board.

The chairperson and the deputy chairperson will be appointed from amongst the five directors appointed by the appointment panel.

The board will have the power to appoint, from time to time, an additional director for a period of not more than three years, being a person who the board considers has expertise relevant to the functions exercisable by the board.

Appointment panel

For the purposes of appointing the initial directors of Racing Victoria Ltd, the appointment panel will comprise:

three joint nominees of the Victoria Racing Club, Victoria Amateur Turf Club, Moonee Valley Racing Club and Victorian Country Racing Council

one nominee of racing industry stakeholder bodies

one nominee of the minister.

The appointment panel is another innovative feature of the new company, devised by the advisory panel as a means of ensuring that all sectors of the thoroughbred racing industry are involved in the appointment of independent people who will be responsible for governing the industry.

Of particular significance is the role which the appointment panel affords to the racing industry stakeholder bodies, by providing them with a nominee to the appointment panel.

For the first time in Victorian thoroughbred racing history, the industry participants — such as the jockeys, trainers, owners, breeders, bookmakers, bookmakers' clerks, tote operators, stable hands, track workers — will have a role in the make-up of the governing body.

The chairperson of the initial appointment panel will be elected by the members of the appointment panel and decisions will be made on a basis of not less than 4 votes to 1.

For subsequent appointments to the board, the appointment panel will be joined by the chairperson and deputy chairperson of Racing Victoria Ltd, or their alternates when their positions are being considered.

All decisions of subsequent appointment panels will be made on a basis of not less than 5 votes to 2.

Directors not to hold other offices in the racing industry

Directors of the company must be independent and free from any real, perceived or potential conflict of interest.

However, in the interests of providing continuity during the transition period, the VRC, MVRC, VATC and VCRC may nominate a serving office holder of a racing club to occupy the position of director for the first year. At the first annual general meeting, any such person must elect to resign from the position they hold with their nominating club or step down from the new body.

This requirement is essential if the governing body is to fulfil its commitment to independence.

Selection of directors

In order to ensure that the board comprises the highest calibre of people, all directors must be knowledgeable or experienced in business, finance, marketing, technology, administration or the horse racing industry. They must also have the capacity to ensure best practice in the industry's management.

Regard must also be given to ensuring that the board has a collective diversity of skills and expertise.

Consultation

The new company will be required to establish proper procedures for consulting with racing industry stakeholder bodies and the board's annual general meeting will be open to the public. These requirements are further ways of ensuring that the governing body is open, transparent and responsive.

The industry stakeholder bodies who Racing Victoria Ltd will be required to consult have been identified in the bill as follows:

Australian Jumping Racing Association

Australian Services Union (Victorian Branch)

Australian Trainers Association (Victorian Branch)

Australian Workers Union (Victorian Branch)

Media and Entertainment Arts Alliance

Thoroughbred Breeders Victoria

Thoroughbred Racehorse Owners Association

Victorian Bookmakers Association

Victorian Jockeys' Association

There will be capacity for other industry bodies to be added to this list.

Subject to the passage of the bill, it is intended that Racing Victoria Ltd will assume its control of the thoroughbred racing industry at the start of the new racing season on 1 August 2001. In order to meet this deadline, the process for selecting the company's board of directors will be commencing in the near future.

This bill fulfils the government's commitment to ensure that thoroughbred racing is governed by an independent body, which is responsive to the needs of country racing and to the industry participants without whose efforts the Victorian thoroughbred racing industry would not exist.

Racing Victoria Ltd will be assuming the weighty responsibility of governing a great Victorian asset. While it will be incumbent on the government to closely monitor and review Racing Victoria's performance, the extensive consultation process which has been undertaken and the preparedness of the industry to embrace the change, provides the government and the industry with every confidence that the new company will successfully rise to the challenges that lie ahead.

I commend the bill to the house.

Debate adjourned on motion of Mr MULDER (Polwarth).

Debate adjourned until Thursday, 17 May.

VICTORIAN MANAGED INSURANCE AUTHORITY (AMENDMENT) BILL

Second reading

Ms KOSKY (Minister for Finance) — I move:

That this bill be now read a second time.

This bill can best be described as a machinery bill. It makes a number of amendments to the Victorian Managed Insurance Authority Act 1996, and inserts a new provision in the Financial Management Act 1994. While these amendments will be of benefit to both the authority and its client bodies, and therefore indirectly of benefit to the public through improving the efficiency and effectiveness of public administration, I would be exaggerating if I said that they were of a nature to excite the passions of the population at large.

The Victorian Managed Insurance Authority (VMIA) was established by the passage of the VMIA act in 1996 as a public financial enterprise to provide insurance and risk management services to departments and other budget sector bodies, and to the state. The VMIA act also enables VMIA to provide indemnities to directors and officers of public sector bodies, even if those bodies are not VMIA clients. VMIA took over the assets and liabilities of the managed insurance fund that was previously maintained within the Department of Treasury and Finance (DTF).

Since its establishment, VMIA's client list has grown to around 130 departments and participating bodies. VMIA has established considerable expertise in managing the risks faced by government departments and bodies in modern society, including the complex interactions between social, environmental and economic issues.

The VMIA act has not been substantially reviewed since its passage, although minor consequential amendments have been made. While the VMIA act is generally working well, VMIA and DTF have, over time, identified some desirable changes, and these changes have formed the basis for this bill.

I now turn to the specific proposals in the bill:

Coverage of parliamentary departments

The Victorian Government Solicitor has advised VMIA that parliamentary departments were not covered by the definitions of 'department' and 'participating body' in section 3 of the VMIA act, and so VMIA was not able to provide insurance and risk management services to the Parliament, even though commercial insurance does not fully meet the Parliament's requirements.

The bill enables me, as Minister for Finance, to declare the departments of the Parliament to be participating bodies, subject to the agreement of the Presiding Officers.

Coverage of participating bodies

Sections 23 and 24 of the VMIA act require departments and participating bodies to maintain asset registers and risk management strategies, and provide these to VMIA, and to arrange their insurance with VMIA, unless exempted by me as Minister for Finance. There is no discretion in relation to departments being covered by VMIA. However, any other public sector entity only becomes a participating body once I as minister declare it to be one in a notice published in the *Government Gazette*.

In order for me to make such a declaration, either the public sector entity must be part of the budget sector — that is, it receives more than 50 per cent of its annual funding from the consolidated fund — or, after consultation with the VMIA board and the entity's

board, I am satisfied that it is expedient for the entity to be declared a participating body. For a non-budget sector body, this decision is usually based on advice that the entity's activities represent a significant potential financial risk to the state, or that the entity is unable to obtain commercial insurance cover.

This method of declaration by notice published in the *Government Gazette* is cumbersome and inefficient. It has required the preparation of such notices covering a large number of similar bodies, such as water catchment authorities and alpine management committees. In some cases, entities appear to have been unaware that they have been gazetted, and so have not complied with the requirements of the VMIA act.

The bill provides that all statutory authorities or bodies corporate that are controlled by the government and receive more than 50 per cent of their funding from the consolidated fund are participating bodies. The bill also provides that I may declare, by notice published in the *Government Gazette*, that a participating body has ceased to be a participating body.

Importantly, the bill also formalises umbrella insurance arrangements, whereby some smaller bodies are insured through arrangement between VMIA and a department or a parent body. For example, VMIA currently provides insurance cover to public hospitals through an agreement with the Department of Human Services (DHS), whereby DHS indemnifies the hospitals and VMIA insures DHS.

The bill provides that the consultation and publication requirements already in the act are retained in respect of all of these new arrangements.

Categories of insurance to be provided by VMIA

A literal interpretation of section 24(1) of the act is that it requires departments and participating bodies to arrange all forms of insurance with VMIA. However, certain categories of insurance, such as workers compensation and compulsory transport accident third-party personal injury, are not provided by VMIA but by Workcover and the Transport Accident Commission (TAC) respectively.

The bill amends the act to make it clear that VMIA does not provide workers compensation or compulsory transport accident third-party personal injury insurance. The bill also provides explicitly that the minister may direct VMIA not to provide some categories to certain of its clients. For example, this power would be available if the government entered into an external insurance arrangement for a certain class of property.

Asset registers and risk management strategies

Implementing and maintaining asset registers and risk management strategies are fundamental aspects of effective financial management and sound corporate governance. At present these requirements are included in the VMIA act, and so apply to departments and participating bodies. However, they should be required of all public sector entities. As well, including these requirements in the VMIA act has been seen by some bodies as implying that VMIA, rather than its clients, has primary responsibility for ensuring that these documents are prepared.

The bill therefore inserts these requirements in the Financial Management Act 1994 (FMA), making asset registers and risk management strategies mandatory for all bodies that report under the FMA. At the same time, the requirements are retained in the VMIA act for any participating bodies that are not to be subject to the FMA.

Extending these requirements to all public bodies covered by the FMA will not impose any undue burden on public sector bodies. Modern corporate governance practice, in the private as well as the public sector, is that the board of a corporation should be held accountable for active and effective management of all risks.

The bill requires each department and participating body to provide to VMIA either a copy of its asset register and its risk management strategy, or an extract of information from these documents in a form determined by VMIA. The bill also allows VMIA to determine the frequency with which these documents must be provided.

At present the act requires bodies to provide these documents to VMIA, but doesn't require VMIA to do anything with them. VMIA would be complying with the current terms of the act if it were to lodge the documents in its archives without even reading them. Of course, that is not what VMIA does. VMIA reviews these documents and advises the department or participating body concerned, and the Minister for Finance, of their adequacy as soon as practicable after they are received. The bill explicitly establishes this current practice as a requirement in the act.

Provision of indemnities to members of statutory boards

The act states that VMIA may provide an indemnity to an officer, or former officer, of a state company or statutory authority against liabilities that by law may attach to him or her. 'Officer' means a director or other

senior person who takes part in the management of the company or authority. A similar power is provided to the Treasurer in the FMA.

However, neither act provides for indemnities to be provided to persons who are members of boards or panels established under statute, but do not have any directorial or management responsibilities. Some such persons have statutory immunities, but government policy is that statutory immunities should only be provided in exceptional circumstances.

The Treasurer has occasionally used his common-law powers to provide an indemnity to such members of boards or panels who do not have statutory immunities.

Given VMIA's established expertise in assessing the risk inherent in the provision of indemnities, VMIA is well placed to assess, provide and monitor indemnities for members of statutory boards and panels, and alleviate the need for the Treasurer to do this. The bill therefore extends VMIA's powers to provide indemnities to include members of boards or panels established under statute where those members are not directors or taking part in management responsibilities.

Correction of minor inconsistencies

The bill makes the following minor statutory revisions to the VMIA act to correct omissions or anomalies:

in section 5(3), inserting 'official' before 'seal', making this section consistent with 5(2)(b) and 5(4);

in section 18(3)(a) deleting 'of directors' after 'board', since 'board' is defined in section 3 of the VMIA act as meaning the board of directors of VMIA;

in section 19, inserting the heading 'corporate plans' and substituting 'corporate' for 'strategic' in the body of the section, to be consistent with section 20 and with terminology in general use in the public sector.

Honourable members should note that the existing heading 'strategic plans' is not formally part of the VMIA act and therefore does not need to be explicitly deleted, but as a consequence of changes to the Interpretation of Legislation Act 1984 the new heading will be formally part of the act; and

Section 27(3) of the VMIA act requires the payment by VMIA, from its operating surplus in the previous financial year, into the consolidated fund of a guarantee fee determined by the Treasurer in consultation with the 'corporation', a term that is not defined in the act. The bill replaces 'corporation' with 'authority'.

As I said at the start of this speech these amendments may not grip the imaginations of honourable members or their constituents. They will, however, enable the valuable role that the Victorian Managed Insurance Authority plays in covering the state's insurable risks and monitoring and advising on other risks to be carried out more effectively within a properly established framework, and so provide a greater level of comfort to all citizens of Victoria that their interests in the state's assets are being protected.

I commend the bill to the house.

Debate adjourned on motion of Ms ASHER (Brighton).

Debate adjourned until Thursday, 17 May.

POST COMPULSORY EDUCATION ACTS (AMENDMENT) BILL

Second reading

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — I move:

That this bill be now read a second time.

The main purpose of this bill is to introduce measures to improve the quality of higher education in Victoria consistent with the nationally agreed framework for quality assurance in higher education.

Universities play an important role in providing educational pathways for Victorians to many worthwhile and valuable occupations.

Our universities are internationally recognised for their contribution in many research fields, particularly medical and agricultural research and in the rapidly expanding field of information and communications technology.

As Victoria moves to maximise the opportunities in the emerging industries such as the information and communications technology industries we look to our universities as the major source of skilled workers, and for leadership in research and development.

Victoria has eight publicly funded universities as well as a campus of the national Australian Catholic University.

These nine universities have approximately 147 000 students studying for almost 870 different

undergraduate awards. In addition, there are over 40 860 postgraduate students, some of whom will be involved in high-level research.

In 2000 there were almost 31 700 students from overseas enrolled in our universities. This was an increase of 14.8 per cent over the previous year. These students from overseas studying in our universities represented 33.1 per cent of all such students undertaking higher education studies in Australia.

In addition, Victoria has 23 private providers of higher education including Melbourne University Private and the long-established Melbourne College of Divinity, offering 96 awards.

Many students from overseas are attracted to study with these private providers.

Victorians hold their higher education system in high regard and for good reason. Our universities have excellent reputations — here, nationally and overseas. It is also clear that Victorians have a significant personal and financial investment in higher education.

This bill puts in place the necessary safeguards to ensure that our higher education institutions continue to enjoy their well-earned reputations in the rapidly changing world of higher education.

Higher education is a joint responsibility of state and commonwealth governments under which the states and territories regulate the delivery of higher education courses by universities and by private providers.

States and mainland territories have mechanisms for the accreditation and approval of courses offered by non-university private providers, and for the approval of universities.

In 1997 there was a national cooperative approach between the states, mainland territories and the commonwealth towards the establishment of a quality assurance framework for higher education.

In March 2000 this work culminated in the Ministerial Council on Education, Employment, Training and Youth Affairs agreeing to a national quality assurance framework which includes a set of five national protocols for higher education approval processes.

At the same time, ministers gave a commitment to work towards the implementation of these new arrangements by 1 July 2001. These protocols were developed following extensive consultation at state and national levels, and provide for national consistency in the higher education approval processes.

This bill enables the commitment to be met here in Victoria.

Last year, I established a committee to advise on Victoria's policies on approval of universities. The committee supported continuation of Victoria's policy to approve private universities, provided standards are maintained, and recommended a number of changes to ensure the capacity to maintain quality and ensure consistency with the national protocols.

As a result, the procedures for the approval of new universities and for overseas universities have been clarified and strengthened.

New universities will be required to show a commitment to research and scholarship and the systematic advancement of knowledge. When deciding on a new university, national policies and agreements by ministers responsible for higher education on university governance and characteristics will be taken into account.

This bill provides that the responsible minister will have the power, after review and consideration, to establish or deny approval to an overseas university to operate in Victoria.

Universities established by other state and territory legislation are recognised as being able to operate here in Victoria. However, the minister will have the power to review the Victorian operations of another state or territory university and if necessary place conditions on the continuing operation of such a university or suspend or revoke the approval to operate in Victoria.

Development of new forms of educational delivery and recognition mean that from time to time legislation needs to be reviewed. This bill provides for an increased recognition of the importance of maintaining a visible mechanism for quality assurance, both for community confidence within Australia, and internationally.

The bill enables the government to address the many issues arising out of the different arrangements universities are putting into place to deliver their courses. These include an increased use of franchising, licensing or agency arrangements by higher education institutions for delivery of higher education programs across state boundaries, in many cases involving other organisations as delivery agents.

The definition of a recognised university has been restricted to those established by states and mainland territories, all of which have supported the March 2000

MCEETYA agreement on quality assurance in higher education.

The time scale for the initial review of approval for a new university has been amended to five years from commencement of operations and for continuing approval of the approved university provided required standards are being maintained. This will enable any new university to establish itself and to build a solid record in teaching and research before its approval to operate is reviewed. Should something go wrong before that time, there is provision for the minister to review the situation.

Until now the minister has had limited powers to collect data to enable reporting of key characteristics of private providers.

It has been quite unclear as to the minister's power to conduct an investigation of a higher education institution to ensure that conditions of approval are being met, that processes set out in proposals are being implemented, and that if they occur, occasional problems can be investigated. This bill clarifies these powers and provides protection to private providers if the minister needs to exercise such powers.

The bill also complements the work to be undertaken in the publicly funded universities by the new Australian Universities Quality Agency. All universities, private or publicly funded will be accountable for the provision of high-quality education.

Amendments to the Tertiary Education Act 1993 implement the national agreement by ministers to a set of protocols for approval and accreditation of private providers and their higher education courses. The three forms of approval under that act are retained. Accreditation of a course ensures that it is of a suitable standard at least equivalent to similar or like courses in universities.

Authorisation to conduct a course of study is given to a provider who is able to demonstrate the capacity to deliver the accredited course over a sustained period of time.

The third form of approval is endorsement of a course of study for the enrolment of students from overseas. To gain this, a provider must demonstrate support systems and structures to assist students from overseas to settle into Australia and to achieve their full potential as students.

This bill will allow the minister to conduct an investigation in relation to the continuing endorsement of a course for overseas students or the continuing accreditation or authorisation of a course offered by a non-university provider. Should the minister need to review a provider's operations there are clear procedures to be followed that protect the rights of students and the provider.

The definition of higher education courses has been extended to include diploma or advanced diploma courses that can be classified as higher education in the Australian qualifications framework. This addresses an anomaly in recognition of such courses and at the same time will allow students of these courses to be eligible for commonwealth benefits.

Inclusion of the reference to a course of study offered in or from Victoria clarifies that courses delivered through the Internet from Victoria will now also be covered by the act.

Changing the term for endorsement of a course of study from three years to up to five years means that providers will need to apply less often and brings the term of endorsement into line with the terms of approvals provided for in the act.

The criteria for assessment of submissions from private providers to conduct higher education courses have been simplified consistent with the nationally agreed quality assurance framework.

This will enable the consideration process of new applications to be streamlined and so reduce the time taken to reach a decision.

Finally, the bill also makes minor amendments to the Deakin University Act and the Victorian Qualifications Act.

A strong, vigorous and high-quality higher education sector is pivotal to the personal and professional growth of Victorians and to the growth of our Victorian and Australian economies. The bill will assist in ensuring we meet those aims.

I commend the bill to the house.

Debate adjourned on motion of Mr BAILLIEU (Hawthorn).

Debate adjourned until Thursday, 17 May.

COMMUNITY VISITORS LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Ms CAMPBELL (Minister for Community Services) — I move:

That this bill be now read a second time.

Purpose of the bill

The purpose of the Community Visitors Legislation (Miscellaneous Amendments) Bill 2001 is to make various amendments to the four statutes that provide the legislative mandate for the community visitors programs and the statute that establishes the Office of the Public Advocate. These are the:

Intellectually Disabled Persons Services Act 1986;

Mental Health Act 1986;

Health Services Act 1988;

Disability Services (Amendment) Act 2000; and

Guardianship and Administration Act 1986.

Background

Community visitors programs were established in 1986 as part of a package of reforms to address the needs of people with disabilities. The Office of the Public Advocate was established under the same package of reforms.

The community visitors programs, managed by the Office of the Public Advocate, provide coverage of a wide number of services and offer safeguards and access for individual issues not available elsewhere in the service system.

The primary functions of these programs are to visit and enquire into:

The adequacy of residential services governed by the acts, including:

the appropriateness and standard of facilities for the accommodation, physical wellbeing and welfare of residents;

the adequacy of opportunities and facilities for the recreation, occupation, education, training or rehabilitation of persons receiving treatment and care;

any failure to comply with the provisions of the acts; and

complaints from residents.

The government introduced last year an amendment to the Disability Services Act 1991 (DSA) to ensure that community visitors are able to visit and inspect residential services funded under the DSA to ensure these protections for the wider disability sector.

Aims of the bill

The Public Advocate has requested amendments to the legislative frameworks for the community visitors programs and to clarify his powers.

The intention of the bill is to maintain the policy basis of community visitors programs where local volunteers visit local services within their community. This bill introduces machinery amendments that provide consistency across the legislative frameworks, gives the Public Advocate powers to meet urgent needs and provides flexibility in the appointment of community visitors.

The Public Advocate

Currently the Public Advocate does not have powers that mirror those of the community visitors to enter registered premises and inspect documents.

Therefore this bill contains an amendment to the Guardianship and Administration Act 1986 to give the Public Advocate the same powers as community visitors. This would enable the Public Advocate and appropriate staff from his or her office to apply resources where there are insufficient community visitors to meet urgent needs.

The other policy objectives of the bill are to:

Remove the requirement that a community visitor must reside in the region of appointment to promote flexibility in the administration of the programs and enable more efficient use of resources where there is a need for special investigations and there are insufficient appropriately skilled visitors available in a region.

Insert a common definition of ‘region’ in each act.

Insert a common ‘secrecy’ provision, including penalty provision, in each act.

The proposed amendments implement the government’s objectives and priorities through the promotion of flexible and responsive service delivery.

An effective and efficient use of resources is proposed while improving service quality within a consistent legislative framework across the disability and health sectors.

I commend the bill to the house.

Debate adjourned on motion of Ms ELLIOTT (Mooroolbark).

Debate adjourned until Thursday, 17 May.

CORRECTIONS AND SENTENCING ACTS (HOME DETENTION) BILL

Second reading

Mr HAERMEYER (Minister for Corrections) — I move:

That this bill be now read a second time.

This bill implements a commitment of the Bracks Labor government to consider the introduction of a home detention option to Victoria. As one element in a range of complementary measures, home detention will extend the options for rehabilitation and diversion currently available. This government believes that imprisonment should be used solely as a last resort and restricted to serious offenders. Victoria has a proud record in this regard, and the introduction of home detention will further enhance this.

Home detention will provide a means by which non-violent, low-risk, low-security offenders can serve a period of imprisonment in the community under highly restrictive and intensively supervised conditions.

Home detention will operate both as a sentencing option and as a prerelease mechanism.

For newly convicted offenders it will provide an alternative restrictive sentencing option which can minimise the disruption to family life and employment that incarceration can sometimes cause.

For selected minimum security prisoners, it will assist in their more successful transition back into the community.

Home detention programs operate at a fraction of the costs of conventional imprisonment. I note, for example, that in NSW the home detention program in 1997–8 cost $65 per offender per day, compared to $120.66 per minimum security prisoner per day. I fully expect that similar savings can be made in Victoria where it currently costs over $140 per day to keep a prisoner in minimum security conditions.

This bill proposes the introduction of home detention as a limited three-year pilot. The pilot status of the program will allow for a considered analysis of impact and effectiveness.

Alongside:

> the development of a 10 year master plan for the prison system (of which the two new prisons for 900 prisoners will be a centrepiece);
>
> the recent review of Community Correctional Services; and
>
> the development of the community transitional units.

this initiative demonstrates the Bracks Labor Government's commitment to restoring the reputation for progressive, sound correctional practice for which Victoria has previously been known.

Home detention schemes are a well-established feature of the correctional landscape internationally and are currently available in all mainland Australian states except Victoria. The experience of other jurisdictions indicates that home detention can be an effective means to enhance the prospects for offender rehabilitation without putting the community at risk. The proposed program has been tempered in the knowledge of this experience and developed with Victorian traditions and expectations in mind. Addressing the dual needs of the community and the offender, the program will reliably and securely monitor low-risk, low-security offenders, while at the same time provide a high level of support in order to promote the objectives of rehabilitation and reintegration.

As I mentioned earlier, the home detention program will take the form of a limited three-year pilot, catering for a maximum of 80 offenders at any one time. The program will aim, at the front end, to divert from custody selected low risk offenders facing terms of imprisonment of 12 months or less. At the back end, it will be a means by which those low risk, minimum security prisoners who are within six months of their release date, may be able to serve a portion of their sentence.

I wish to highlight the decision-making process at the front end, as I believe it directly addresses the risk that offenders who would not otherwise receive a prison sentence would inappropriately be placed on home detention. The proposed legislation will require the court to first impose a period of imprisonment before

then turning to the question of home detention. If the offender meets the eligibility criteria, the court can stay the execution of the order of imprisonment, pending the outcome of an assessment to be undertaken by Community Correctional Services staff. Should that assessment indicate that the offender is a suitable candidate for home detention, then the court can order that the offender serve his or her sentence by way of home detention. Should the assessment indicate that the offender is an unsuitable candidate for home detention, then the court must order that the offender serve his sentence in prison. This mechanism ensures that home detention will only be available to those sentenced to a term of imprisonment and will preclude those for whom a lesser sentence is more appropriate.

This focused approach is reflected in key features of the proposed home detention program which include:

targeted selection;

intensive supervision;

secure and reliable enforcement; and

rigorous evaluation.

Targeted selection

The program will be distinguished by its targeted selection of appropriate candidates. The fundamental principle will be that of ensuring that the protection of the public, in particular that of co-residents, will take precedence over all other objectives. This principle will be expressed throughout all stages of the home detention program. The bill clearly specifies who will be excluded from consideration:

anyone with a history of violence;

anyone with a history of sex offending;

anyone with a history of offences involving firearms or prohibited weapons;

anyone with a history of commercial drug trafficking offences;

anyone with a history of stalking; and

anyone who has breached an intervention order.

This screening process is further enhanced by stringent assessment procedures where the views of a wide range of relevant professionals and especially those of co-residents will be sought and acted upon. Only when co-residents give their consent to the making of the order will an order be made and the currency of that consent will be regularly assessed by supervising officers throughout the lifetime of that order. In addition, appropriate ongoing independent support will be extended to co-residents to ensure that, as far as practicable, this consent is clearly informed and freely given.

Intensive supervision

The program will be supervised 24 hours a day, 7 days a week. It will be delivered by the Department of Justice, utilising the significant skill and expertise that already exists within Community Correctional Services. Specially trained community correctional officers will maintain a high level of contact with the offender, engaging that person in appropriate offence focused interventions. There will be a strong rehabilitative focus in order to better equip offenders to get their lives back on track and keep them there. Where appropriate and necessary, offenders will be required to participate in substance abuse or gambling counselling. There will also be an emphasis in promoting job training and employment readiness.

Secure and reliable enforcement

A central element of the program will be a condition of curfew and this will only be lifted to allow the offender to engage in activities previously investigated and approved by the supervising officer. Those approved activities might include employment, education or training commitments, or attendance upon the type of offence focused interventions I mentioned a few moments ago.

The curfew will be monitored by way of an active system of electronic monitoring. This system consists of a signal-transmitting bracelet worn about the wrist or ankle; a monitoring unit installed in the offender's home; and a central computer which communicates with the supervising officer. Should the offender fail to comply with curfew requirements or attempt to tamper with the bracelet, the supervising officer will be automatically notified, resulting in an immediate action, day or night. Widely used in other jurisdictions, active monitoring systems are well regarded for their dependability in monitoring compliance, without causing undue disruption to the home environment.

Should the offender breach the order, either by way of non-compliance or reoffending, the response will be swift and decisive. The adjudicating body will be the Adult Parole Board, which upon considering the evidence of the breach, will have the ability to send the offender to prison immediately to serve the outstanding balance of the sentence.

Rigorous evaluation

The program will be subject to close scrutiny of its operations and careful evaluation will enable us to ensure that its operation is equitable and appropriately targeted. One of the requirements of this bill is the annual submission to Parliament of a report detailing the implementation and impact of the home detention program. Furthermore, the sunset provisions of this bill will effectively oblige home detention to prove itself to be a worthy addition to the Victorian correctional system.

This bill provides for the prudent and limited introduction of an option that has long been available in other states. The proposed home detention pilot is consistent with existing Victorian traditions of reserving imprisonment for serious and violent criminals. It will be available only to non-violent, low-risk offenders. It will be closely monitored and will offer significant support to promote rehabilitation. This bill represents a responsible, considered and constructive approach to expanding the range of rehabilitative and diversionary options currently available, and I commend it to the house.

Debate adjourned on motion of Mr WELLS (Wantirna).

Debate adjourned until Thursday, 17 May.

CORRECTIONS (CUSTODY) BILL

Second reading

Mr HAERMEYER (Minister for Corrections) — I move:

That this bill be now read a second time.

The Corrections (Custody) Bill provides another example of the Bracks Labor government's commitment to ensuring that the justice system is fair, accessible and understandable.

The bill contains important improvements to the operation of the corrections system in that it clarifies four areas of the Corrections Act, namely:

- the concept of custody;
- the powers and functions of those in charge of prisoners in courts or tribunals and during transport — and to achieve this it establishes a new class of officer, namely escort officer;
- the provisions relating to the transfer of prisoners; and
- some miscellaneous amendments to the act relating to confidentiality issues, prisoners' correspondence, and other technical matters.

The improvement in the provision of correctional services provided by this bill will ensure that the status of individuals in custody will be clear at all points of their incarceration. This will ensure that there will be no doubt about who is responsible for their safe custody and welfare.

The clear and unambiguous allocation of powers and responsibilities within corrections underpins public confidence in the operation of the system. Improving the operation of the corrections system in this way promotes public confidence in the system. Also, importantly, it promotes the confidence of prisoners and prison operators.

The bill will enhance the operation of the corrections legislation in the following areas.

Clarification of the concept of custody

Currently under the Corrections Act, there are two main problems with the concept of custody:

- the meaning of the term is unclear because it is used to describe different concepts and responsibilities in different contexts; and
- section 4 of the act, which deems a person to be in the Secretary to the Department of Justice's custody and is applied in different parts of the act, lacks sufficient precision for operational needs.

This bill addresses both these issues by ensuring that except in so far as references to custody relate to custody of the Chief Commissioner of Police, the term 'custody' will only be used to mean the 'legal custody' of the Secretary to the Department of Justice and therefore the ultimate responsibilities that the Secretary to the Department of Justice has in relation to a prisoner. Other officers will be given specific powers and duties directly, rather than 'legal custody'.

The Secretary to the Department of Justice's custody will begin when there is an order of imprisonment (which is defined in the bill) and an officer of the Department of Justice takes physical custody of the person to whom the order relates. Where an individual is transferred between various institutions in which they may need to spend certain periods of their incarceration, the physical transfer will only occur upon the production of appropriate documentation to the person receiving the individual.

Clarification of the functions and powers of those escorting and supervising prisoners or other individuals before the court

When transporting prisoners between institutions and supervising them at court, prison officers currently exercise their functions and powers as an extension of their powers in prison. This arrangement has been a bandaid approach to a complex problem. This bill ensures that the powers and functions of all escort officers are clear. It ensures appropriate protection for both prisoners and escort officers and in doing so, protects the community. The bill does this by creating a new category of prison officer, to be known as 'escort officer', and provides that category of officer with the specific functions and powers necessary for transporting individuals and supervising them outside prisons.

Transfers

The bill streamlines the transfer provisions. It corrects the technical difficulties that may have arisen in relation to certain transfers. It also removes some of the powers that the Secretary to the Department of Justice had to transfer individuals where those transfers are dealt with in detail in other legislation. It also provides the secretary with important powers to take a person who is accepted into the secretary's custody directly to a hospital or other institution rather than back to prison where necessary.

Confidential information

The bill clarifies the notion of confidential information under the act, so that the reforms introduced by the Freedom of Information Act are specifically adopted, namely that a prisoner's personal affairs will include information:

(a) that identifies any person or discloses their address or location; or

(b) from which any person's identity, address or location can reasonably be determined.

While providing greater clarity in relation to protecting prisoners' rights, the bill also supports the needs of victims of crime in the community by permitting the Secretary to the Department of Justice to release certain confidential information to the victim of an offence for which the prisoner is currently serving his or her sentence, provided that it does not in any way compromise the safe custody and welfare of the prisoners nor the security of the prison. The information that can be released in these circumstances is:

details about the length of the sentence(s) of imprisonment that is being served;

the date when the prisoner is likely to be released for any reason (including on bail, custodial community permit, or parole (with the Adult Parole Board's consent); and

details of any escape.

With this bill, the Bracks Labor government is striving to strike the right balance between the needs of different groups within the community to ensure that everyone has a fair go.

Prisoners' correspondence and rights to confidentiality

In a similar vein, the bill introduces a new regime to deal with prisoners' correspondence to ensure that a prisoner's right to confidential communications is maintained wherever possible, but that in protecting this right, the need to ensure the safe custody and welfare of all prisoners, and the security and good order of the prison is satisfied.

Accordingly, the bill introduces clear protection of the right of a prisoner to communicate confidentially with his or her lawyer and member of Parliament. It also consolidates a range of other legislative rights to confidential communications (including to and from the Ombudsman, Human Rights Commissioner and Health Services Commissioner) to ensure that prisoners and prison officers are clear on prisoners' rights. In this way, the legislation serves a valuable educational purpose.

A range of other technical amendments are also included in the bill.

Disciplinary hearings

Technical difficulties have recently arisen in relation to the operation of disciplinary hearings where a disciplinary officer has 'taken steps to have the matter dealt with under the criminal law' by referring the matter to the Victoria Police.

This poses significant operational difficulties because prison providers need to be able to ensure that they can manage prisoners who commit prison offences, even where these offences are not criminal offences. Accordingly, the bill clarifies the current provisions to ensure that they are consistent with longstanding practices which are necessary for the safe custody and welfare of prisoners.

Section 85 statements

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons why section 55E of the Corrections Act, as inserted by clause 15 of this bill is to alter or vary section 85(5) of the Constitution Act 1975 in relation to the jurisdiction of the Supreme Court.

Clause 20 inserts a new section 111A(4) into the Corrections Act 1986, which provides that it is the intention of the proposed section 55E of the act to alter or vary section 85 of the Constitution Act.

The new section 55E of the Corrections Act states that escort officers will not be liable for the use of reasonable force. In this way, it is intended to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court from entertaining actions against escort officers in those circumstances.

The reasons for limiting the jurisdiction of the Supreme Court are as follows:

The role of escort officers is exceptional, somewhat more akin to the role of police officers than to that of other Crown servants or agents, because of the escort officer's role in protecting the community. Police officers exercising their duties in good faith are not personally liable for anything done in the course of their duty (section 123 of the Police Regulations Act).

Once prisoners are taken outside the prison walls, the community is vulnerable to escapes and undisciplined behaviour. Escort officers are limited in their capacity to compel compliance with their directions and from time to time, the use of reasonable force may be required. Accordingly, escort officers need to be able to respond to emergency situations as they arise in a swift and decisive fashion. The community would be placed in a perilous position if escort officers were carrying out their duties with the constant threat of legal action from prisoners impeding their functioning.

It would be difficult for escort officers to effectively exercise their functions to ensure the safe custody and welfare of prisoners and the protection of the community if they were liable to harassment from vexatious legal actions. Where officers are exercising their functions whilst legal action is being undertaken against them, this would be a matter of particular concern because it would severely challenge the officers' power and authority and could, therefore, threaten the safety of the community and other prisoners.

Under the Corrections Act prison officers operate with the benefit of an immunity where they use force in prison in accordance with the specifications in the act. It would be inconsistent with the current provisions for escort officers not to have the same immunities as those officers working within the prison.

The limited immunity that section 55E provides to the escort officer is limited to the use of reasonable force by the escort officer and does not affect any other avenues of redress that may be available against the Crown or the escort officer in the event that force is used.

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons why section 9CB of the Corrections Act, as amended by this bill is to alter or vary section 85(5) of the Constitution Act 1975 in relation to the jurisdiction of the Supreme Court.

Clause 20 inserts a new section 111A(3) into the Corrections Act, which states that it is the intention of section 9CB as amended by the bill to alter or vary section 85 of the Constitution Act 1975.

Clause 11 of the bill amends section 9CB of the Corrections Act by replacing the reference to section 11(7) with a reference to part 1A.

Section 9CB, among other things, provides that a person authorised under section 9A(1A) or 9A(1B) to exercise a function or power, who uses reasonable force in accordance with the section is not liable for injury caused by that use of force. Clause 8 of the bill amends the powers of persons undertaking transport functions under section 9A(1B). Clause 5 inserts a new part 1A, which among other things, clarifies the scope of the Chief Commissioner of Police's legal custody under the act. The amendments in these clauses are intended to provide consistency in the transport powers of all those undertaking escort functions and to clarify the law in relation to custody. The amendments to section 9A(1B) alter to some extent the scope of the powers of persons undertaking transport functions. The new part 1A, while a clarification, may arguably alter the classes of persons who may be in the legal custody of the Chief Commissioner of Police and in relation to whom the powers referred to in section 9CB may be exercised. As a result, it is necessary to vary the jurisdiction of the Supreme Court to extend the existing limitation provided in respect of section 9CB.

The reasons for this limitation on the jurisdiction of the Supreme Court are as follows:

The provision of transport and custodial supervision services under agreements with the Chief

Commissioner of Police will at times require authorised persons under those agreements to use reasonable force to ensure that their duties are carried out. Persons undertaking transport and supervision duties need to be confident that in acting in accordance with the section they will be protected from proceedings against them when acting properly. This limitation on jurisdiction remains necessary under the terms of section 9CB as affected by the amendment to section 9A(1B) and the insertion of part 1A.

I commend this bill to the house.

Debate adjourned on motion of Mr WELLS (Wantirna).

Debate adjourned until Thursday, 17 May.

LAND SURVEYING BILL

Second reading

Ms GARBUTT (Minister for Environment and Conservation) — I move:

That this bill be now read a second time.

The Victorian economy relies significantly on the land and property market, currently valued at approximately $430 billion. It has an annual turnover of $25 billion and is worth more than three times Victoria's GDP.

It is founded upon the Torrens title system which defines title via the registration of interests in land. The Torrens system of title registration in Victoria provides an authoritative record of ownership in freehold land that is supported by the government guarantee of title.

Land surveying is central to both the freehold and Crown land registration systems, integral components of the Victorian cadastre. Licensed surveyors provide the framework of accurate property boundaries and the link to land title information such as ownership, restrictions, valuation and improvements. Such information, recorded on survey plans lodged with Land Registry, is critical for land parcels and related interests to be identified and recorded with certainty.

The information added to the cadastre by surveyors underpins key elements of the Victorian property market and Victoria's legal and fiscal framework, namely, registration of title, title guarantee and land taxation.

One of the chief mechanisms used by government to manage risks to the cadastre has been through the regulation of land surveyors. Victoria's regulation of land surveyors arose from the 1885 Royal Commission on Land Titles and Surveys. Professional regulation is aimed at minimising risks by ensuring that only competent surveyors are defining land boundaries and lodging survey plans with Land Registry. There are approximately 1000 licensed surveyors in Victoria.

A review of the Surveyors Act 1978 was undertaken in accordance with national competition policy requirements as part of a joint departmental and industry review of surveying regulation. During the review process consultation occurred with a large number of stakeholders. The government, through the Surveyor-General, has worked closely with the Institution of Surveyors Victoria and the Association of Consulting Surveyors Victoria to develop a new regulatory framework for land surveying. I would like to thank all those who contributed so much to the review and in particular these organisations.

The review recommended that professional regulation continue in order to protect the integrity of the cadastre because it underpins the government guarantee of title and therefore provides significant benefits to the community. However, the current regulatory arrangements have become outdated and require modernising to ensure the profession continues to deliver high quality surveying services to the Victorian community.

The major recommendation arising from the review was to replace the current lifetime licensing of land surveyors with annual registration and licence fees. Renewal of registration will be linked to continuing professional development. This will ensure the maintenance of professional competency and the adoption of up-to-date surveying practices. It has also been determined to modernise the disciplinary system in line with current legislative practice with other regulated professions. This will provide a framework that protects the interests of consumers and members of the profession.

I now turn to the particulars of the bill.

The principal purpose of this bill is to protect the public, the cadastre and the land registration systems by providing for the registration of land surveyors and enabling investigations into the professional conduct and fitness to practise of licensed surveyors.

The bill provides for the annual registration of licensed surveyors to perform land surveying in Victoria, establishes the Surveyors Registration Board of Victoria and the Surveyors Registration Board Fund and repeals the current Surveyors Act 1978.

The bill provides for a skills-based eight-member board. My intention is to appoint the Surveyor-General as the chair of this board. Its principal function is the registration of land surveyors and investigation into their professional conduct. This will be through a system of preliminary investigations and formal hearings. Any person whose interests are affected by a decision of the board will be able to have that decision or determination reviewed by the Victorian Civil and Administrative Tribunal.

Another important function of the board will be to advise government, through the minister, on the administration, policies and strategic directions of land surveying and the related survey infrastructure.

The bill provides that it will be an offence to claim or use the title of licensed surveyor, obtain registration as a licensed surveyor by fraud, interfere with survey marks or survey infrastructure, place survey marks if not a licensed surveyor or obstruct a licensed surveyor in the course of his or her work.

A licensed surveyor will continue to have power to enter onto premises on weekdays for the purposes of carrying out a land survey after giving reasonable notice to the occupier. However, the surveyor will not be able to enter a residence unless he or she has obtained the written consent of the occupier of the residence. The surveyor will also be liable for any damage that may occur during the course of carrying out the survey.

The bill provides for all existing licensed surveyors under the current act to be deemed to be registered under the new arrangements on the payment of the annual licence fee.

The bill also provides for a regulation-making power in the Survey Coordination Act 1958 and through an amendment to the Subdivision Act 1988 to allow for the introduction of a per parcel fee to allow for the priority maintenance of the survey infrastructure. Attrition and insufficient density for development demand in Victoria's growth areas is steadily diminishing the effectiveness of the infrastructure. However, the fee will not be introduced until negotiations between government, the development industry and the surveying profession have taken place and the regulatory impact statement process is undertaken.

The introduction of this bill will support the adoption of professional best practice in the land surveying profession, support guarantee of title and ensure that the community can continue to have absolute confidence in Victoria's land and property market.

I commend the bill to the house.

Debate adjourned on motion of Mr PERTON (Doncaster).

Debate adjourned until Thursday, 17 May.

TRANSFER OF LAND (AMENDMENT) BILL

Second reading

Ms GARBUTT (Minister for Environment and Conservation) — I move:

That this bill be now read a second time.

The Transfer of Land Act 1958 was significantly amended in 1989 to enable land titles information to be kept in electronic form. Since that earlier recognition of the potential of electronic service, virtually all of Victoria's 3.8 million titles and many associated documents have been automated. Automation has a number of benefits. In particular, it makes online delivery of that information possible. Online service increases the speed of processing for property trading and property-related legal matters requiring titles information. It also increases the ease and speed of access in metropolitan Melbourne and regional Victoria to titles information.

The bill makes amendments to facilitate dealings with Land Registry and administration by the Registrar of Titles, particularly in the light of increasing electronic service. The bill enables the making of fees regulations for online service. The current legislative and fee structure is based on providing information in paper form by way of over-the-counter service. However, many information requests are now made and responded to online. The bill also enables the Registrar of Titles to respond to requests by Land Registry customers to save out-of-date paper certificates of title from destruction, of particular interest with the conversion of titles to electronic form. Further, the bill allows for the immediate conversion of original Crown grants to electronic form.

I turn now to the particulars of the bill.

Clauses 4 and 8 of the bill deal with the present requirement in the act that when a Crown grant of land is made a duplicate must be created. The purpose of the amendment is to do away with the duplicate document for a freehold Crown grant and enable the Registrar of

Titles to immediately convert such a Crown grant to electronic form, in accordance with the manner in which the bulk of land titles and related information is now held.

Clause 5 of the bill deals with the current requirement in the act for the Registrar of Titles to always create a copy or extract of the original title information held by the registrar. This requirement is very cumbersome and serves no purpose when the new title has been created but is cancelled immediately within Land Registry. This can happen, for example, when land is quickly resold so that two sequential transfers are lodged for registration. The amendment will allow the registrar to omit creating a copy or extract in the limited circumstances where the original is immediately cancelled. The original will still be created in accordance with the Transfer of Land Act 1958 so that the sequence of registration can be tracked.

Clauses 6 and 7 of the bill mean that the destruction of old or historic certificates of title is no longer necessary and allow the registrar to save out-of-date certificates of title so long as the certificate of title is altered so that it is clear that it can no longer be used to support land transactions. The destruction of out-of-date certificates of title, as required by the act, has been a cause of complaint by customers of Land Registry, as old or historic certificates might be destroyed. This amendment means destruction is no longer necessary.

Clause 10 allows statutory fees to be set for online services. The amendment is enabling only; actual costs and any new fees will be considered through the regulatory impact statement process.

I commend the bill to the house.

Debate adjourned on motion of Mr PERTON (Doncaster).

Debate adjourned until Thursday, 17 May.

Remaining business postponed on motion of Ms GARBUTT (Minister for Environment and Conservation).

ADJOURNMENT

Ms GARBUTT (Minister for Environment and Conservation) — I move:

That the house do now adjourn.

Forests: Otway Ranges

Mr MULDER (Polwarth) — I call on the Minister for Environment and Conservation to take action and inform the Victorian public of the implications of her action in continually adding further contentious logging coupes to areas not to be logged in the Otway Ranges. Have the minister's actions undermined the sustainability of logging in the Otway Ranges? Surely closing up further areas to logging after the regional forestry agreement, signed by the minister, which guaranteed 27 000 cubic metres to licence-holders, indicates that the minister has embarked on a process of managing an unsustainable timber industry in the Otways.

If there were any doubt as to the inability of the minister to control a sustainable yield of timber in the Otways, one has only to take on board the following quote from the *Colac Herald* of 20 April:

> Ms Garbutt has asked the protesters to name an alternative area where the department could log mountain ash without provoking further protests.

Who is running the show: the minister, the department, or the protesters? They are now dictating to the department and the minister where work can and cannot take place.

After setting up a mediation committee, the minister has now formed another committee in south-west Victoria to deal with the timber industry in the Otway Ranges. That has given her a further brick wall to hide behind. Deputations to my office of owner-drivers and timber workers and discussions I have had with protesters and the timber representatives clearly spell out a continual theme. Each party believes the minister has shifted ground and will now support their cause — that is, until work commences again, at which time this deception will be revealed.

The licence-holders and timber processors are not the logging contractors. The Minister for Environment and Conservation is the logging contractor, and as part of the government of the day each and every member of her government is a shareholder in the logging company. Clearly the Labor government's owned and operated logging company is failing the environmental movement and those who depend on this industry — the timber workers and those who work throughout the Otway Ranges. This whole process is surrounded by environmental and financial mismanagement, and mixed messages are being sent to interest groups involved. One could ask many questions.

Minister, do you intend by inaction to shut down the processors and value-added businesses that depend on a reliable timber supply? Tell the Victorian public now the implications of your actions.

Lake Bolac and District Kindergarten

Mr HELPER (Ripon) — I refer a matter to the Minister for Community Services and thank her for her presence in the chamber. I ask her to provide every possible assistance to the Lake Bolac and District Kindergarten for the relocation of the Lake Bolac kindergarten to Lake Bolac. Honourable members might find it surprising to learn that the Lake Bolac and District Kindergarten has been located at Westmere, some 12 kilometres to the east of Lake Bolac. More surprising is that it has been located at Westmere on a temporary basis for about 28 years. That is longer than the chook shed has been out the back of Parliament House!

The kindergarten community has identified a most suitable site in proximity to the Lake Bolac P–12 school, a site I had the opportunity to inspect recently. A recent community meeting in Lake Bolac was strongly in favour of the relocation project to that site. Benefits identified were greater safety and security within the township of Lake Bolac, as opposed to the relative isolation of Westmere. I understand some sense of loss may be felt by the Westmere community but that an understanding exists that relocation will be of benefit for all.

In urging the minister to take this action, I congratulate the Lake Bolac and District Kindergarten committee on the exemplary way it has set about the intended relocation. It has consulted with all stakeholders, kindergartens in the district, and the community on a wide basis. It has identified a suitable building to relocate to the site next to the P–12 school in Lake Bolac, a site that is also very close to medical facilities in Lake Bolac.

The opportunity for the kindergarten to grow, to develop and to prosper will be greatly enhanced by the relocation. It is a win-win situation not only for the community of Lake Bolac, but also for the district community.

I urge the minister to take every possible action to make this relocation come about. Again, I congratulate the community of Lake Bolac and the kindergarten committee on their fantastic efforts to make it possible for the minister to consider this relocation.

Mirboo North Secondary College

Mr RYAN (Leader of the National Party) — I refer the Minister for Health to the secondary school nursing program. I raise the issue on behalf of the school council of the Mirboo North Secondary College. Mirboo North, atop the Strzelecki Ranges in a beautiful part of the electorate I have the honour to represent, has within its boundaries a secondary college and a primary school. The two campuses comprise some 800 students.

The school council has raised with me the fact that, as a result of a recent announcement concerning rounds of funding, the school has not been funded for the provision of a school nurse. Other nearby schools — namely, Trafalgar Secondary College and Leongatha Secondary College — have also missed out on funding. It is thought the P–12 college at Cann River has also missed out on funding.

By letter of 20 March the school wrote to the minister on the issue. The school council has not received a response so I raise the matter for the minister's consideration.

The complaint, apart from the fact the funding has not been made available, is twofold in that there are flaws in the formula used to determine the allocation of these nursing positions. The first problem is that the formula relates to the health status of the community as determined by reference to the number of deaths occurring in that community. Secondly, there is reference to the student learning needs index, known as the SLN. It is a combination of those two factors that determine the outcome for the funding.

Insofar as the first matter is concerned, because there is no hospital in Mirboo North, although there is a very able health service, the actual number of deaths that occur in the town is lower than might otherwise be the case because people with life-threatening conditions are not in the town anymore but in health services outside Mirboo North.

As to the second matter, there are deficiencies in the student learning needs index for Mirboo North Secondary College because of a series of factors, not the least of which is that this month the town will lose its only locally based general medical practitioner and the district will be serviced by a part-time doctor only. Matters are still to be resolved in that regard.

Other issues include the town's distance from ambulance services and the fact that there is a desperate need in the school for the ongoing provision of a nurse. Over the years a school nurse has been funded by the school, and further funding is now needed. Three

serious events have occurred at the school over the past couple of years which have required the services of a nurse.

I ask that the minister review the situation as a matter of urgency and make the funding available to the Mirboo North Secondary College.

Springvale: bus stop incidents

Mr HOLDING (Springvale) — I direct the attention of the Minister for Police and Emergency Services to the current difficulties being experienced by Grenda's Bus Services drivers using a bus stop on the west side of Springvale Road outside McDonalds in Springvale.

Essentially there are two issues. The first concerns the problems of frequent and regular assaults on bus drivers by passengers and people in the vicinity of the bus stop and also assaults on other bus passengers by members of the public. I will provide for the benefit of the minister a series of bus incident notification reports that have been passed on to Victoria Police, and I ask the minister to ensure that these matters are followed up.

There has been some concern among the bus drivers and Grenda's that some matters have not been properly followed up. Those matters relate to a whole series of incidents, including incidents that occurred on 27 January of this year, 8 December 2000, and 14 December 1999. I will provide those reports for the benefit of the minister when he follows the matter up. The drivers are concerned that they are not able to access the bus stop safely and in a way that enables them to protect both themselves and other users of their buses.

The second issue relates to infringement notices being issued by the City of Greater Dandenong.

Mr McArthur interjected.

Mr HOLDING — It relates to the same issue and it is also a matter for the Minister for Police and Emergency Services. Many infringement notices that the council has issued to vehicles illegally parked in the bus stop area have been unable to be actioned because either the vehicles are stolen or there is insufficient information on their licence plates to be followed up.

The bus drivers are concerned that they cannot access the bus stop and that they cannot provide the safe service they would ordinarily provide in a way that enables them to protect the commuters and users of the bus stop. The bus drivers seek action by Victoria Police. I ask the minister to ensure that they can provide a safe service to members of the public.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member's time has expired.

AWU: funds

Mr McINTOSH (Kew) — In the absence of the Premier I direct to the attention of the Minister for Community Services my request that the Premier immediately call a public inquiry to investigate serious allegations revolving around the use of Australian Workers Union (AWU) moneys in suspicious transactions that occurred here in Victoria.

I raised these matters in the house yesterday. It appears that in the vast majority of cases the source of these funds was ordinary workers' earnings — that is, payments made out of the wage packets of ordinary people to corporations and ultimately to the AWU.

I am sure I speak on behalf all members of this house, who could not fail to see the significance of having the union fees of ordinary union members dispersed through mismanagement, misappropriation or perhaps even fraud. I am sure there are many members of the AWU sitting in this house and in the other place. I understand the Treasurer of Victoria was and probably still is a member of the AWU. I am sure he would be concerned about the allegations I made yesterday. Indeed, an honourable member for Chelsea Province in another place was the state secretary of the AWU at the time these suspicious transactions occurred, and I am sure he, too, would love to see these matters investigated in a full, open, accountable and transparent public inquiry.

As I understand the matter, the Minister for Industrial Relations was asked today in another place whether she would order a public inquiry into these matters. She said she was aware of the matters but indicated that Victoria had no jurisdiction because the transactions involved occurred in New South Wales and were undertaken in a federal jurisdiction.

I assure the house that 10 of the bank accounts I looked at yesterday were held in Victorian banks. The transactions involved the purchase of property in Victoria; the disbursement of cash from Victorian banks; a fashion house in Victoria; and ultimately $185 000 being taken out of a Victorian bank and signed for by four Victorian officials of the AWU.

The Premier must be concerned, I am sure the Treasurer is concerned, and I am sure the honourable member for Chelsea Province in another place is

concerned about this. I am sure I speak on behalf of all members of this house in saying that we must have a full, open and accountable inquiry into these very serious allegations — and we must have it now!

Mordialloc Creek: dredging

Ms LINDELL (Carrum) — I ask the Minister for Environment and Conservation to take action to ensure that the depth of the water at the entrance of Mordialloc Creek is maintained to allow for safe boating activities.

The longstanding practice has been for dredging to be carried out on an annual basis at the entrance of Mordialloc Creek, but I have received reports from local boating enthusiasts that the entrance is not maintaining its depth and that difficulties are being faced by boat operators as they enter the creek. It has been suggested to me that this might have come about following the removal of the scallop boats from Mordialloc Creek, as they used to push out a channel in their daily activities when leaving Mordialloc Creek and coming back in. Since their abolition from Port Phillip Bay, the absence of those scallop boats may be leading to the depth of the river not being maintained.

The situation has become fairly difficult for small boats. Mordialloc Creek has a narrow entrance that can be very dangerous in windy conditions, and the swell can cause boats to broach and surf.

I refer the minister to another matter relating to Mordialloc Creek — that is, the condition of the baffles that are there to stop the wave motion and give some protection to the boats moored in the creek. Those baffles are in disrepair. I ask the minister to attend to both the depth of the water and the baffles.

Land tax: self-funded retirees

Mrs SHARDEY (Caulfield) — I raise for the attention of the Treasurer a matter concerning a constituent who is a self-funded retiree and who has asked me not to give her details in Parliament. However, I would be happy to give the details to the Treasurer at a later time.

In very broad terms, the issue relates to a property owned by my constituent. The property has halved in value since the 1996 valuation, yet this woman is still paying land tax at the rate of the original valuation done in 1996.

To explain the matter in more detail, my constituent has a property in Footscray which was valued at $307 000 in 1996, and land tax has been paid on that value, including the equalising factor. However, on 1 January 2000 my constituent received a letter from the Maribyrnong City Council informing her that the commercial property she owns in Hopkins Street, Footscray, had been reduced in value from $307 000 to $170 000. She now pays reduced rates on that lower valuation.

My constituent has been forced to pay land tax on the property based on the higher rate, which is almost double the current value, both last year and this year, and she will possibly get relief only after the new valuations become effective next year. The equalising factor has meant that her tax this year alone has increased from $618 to $923. The inflated value of her property means she is now also pushed into a new category of payment, which means that she is paying at the rate of 0.5 cents for every dollar rather than 0.2 cents for every dollar.

My constituent has been in touch with the State Revenue Office and the Valuer-General. She feels she has been pushed from pillar to post and that the issue is a demonstration of absolute extortion. I have endeavoured to make representation on her behalf, but I have not received a satisfactory response. I ask the minister to investigate the matter.

TAC: compensation claim

Mr VINEY (Frankston East) — I request the Minister for Workcover to investigate the circumstances surrounding the refusal of the Transport Accident Commission (TAC) to provide assistance to a constituent of mine, Richard Neumann, following his motorcycle accident in January 1990.

Richard's family has outlined in correspondence to me a tragic story that is a sorry saga of woe. Richard suffered a life-threatening motorcycle accident on 4 January 1990. He survived complicated surgery and a 12-day coma and contracted acquired brain injury, which was detected by magnetic resonance imaging. He was provided with physiotherapy and occupational therapy treatment by the TAC and subsequently passed through a short-term phantom recovery period, which I am advised is possible with this kind of injury. As a result of his phantom recovery he was well enough to start work in 1992 as an apprentice linesman in the electricity industry. However, his health deteriorated and he underwent four further operations. By 1995 he was unable to work, sit properly, use his arms effectively or live independently.

On 16 November 1995 Richard's claim for compensation under the Workcover system was rejected on the medical grounds that:

> … he had not sustained an injury from work, but work had merely brought out symptoms from a pre-existing problem that is a legacy from the motorbike accident.

The TAC closed Richard's file after it advised that his condition was most probably not the result of an acquired brain injury sustained after his transport accident. Richard's parents state that the medical report upon which the TAC based its decision did not express or imply such an opinion. They believe the TAC has committed an error of judgment on this matter.

Essentially, two agencies are pointing in the other agency's direction — neither is prepared to accept responsibility and each is saying it is the other's responsibility. Richard's parents are of retirement age, and providing support for him is an enormous burden for them. The situation is placing them under considerable difficulty and stress. I seek the minister's assistance to investigate this matter — —

The ACTING SPEAKER (Mr Savage) — Order! The honourable member's time has expired.

Industrial relations: employee entitlements

Dr NAPTHINE (Leader of the Opposition) — I seek a commitment from the Premier that the Bracks government will contribute on a dollar-for-dollar basis to the commonwealth employee entitlement support scheme to provide some real protection for employee entitlements when employers become insolvent and go into bankruptcy.

Last Friday I was at a meeting in Ararat attended by about 300 members of the Ararat community who were concerned about the future of the 46 jobs at Ararat Weaving, a very good local business. The local member chaired the meeting of these local citizens. The holders of those 46 jobs and their families are at risk because Ararat Weaving is part of the Bradmill Undare group, which has been placed in receivership. The Bradmill Undare group has 900 employees right across Victoria.

In recent weeks two other companies in the textile, clothing and footwear industry have been placed in receivership. They are Supreme 3 Ltd, with 300 employees, and Brush Fabrics, with 90 employees. The jobs of a significant number of Victorians are at risk — and it is even worse when their entitlements are put at risk when the companies are placed in receivership.

Clearly the people of Ararat Weaving, the people of Ararat and the people involved in all those companies want the government to take action to assist the receivers to find new owners for these businesses and to keep the jobs in their local communities by keeping the businesses going.

However, if this fails, the state government has a responsibility to match the commonwealth's initiative. The commonwealth government has put its dollars on the table by establishing an employee entitlement support scheme, but the Bracks Labor government has not matched that funding on a dollar-for-dollar basis, as it should. I am asking the Premier to match the commonwealth's generous offer to protect employee entitlements in Ararat, which is in the seat of Ripon, and a number of other areas across the state.

The Premier should take action to assist the receivers to find new owners for those businesses, to match the commonwealth's employee entitlement scheme, to assist in retraining, to help with relocation expenses and to provide training subsidies for the potential new employers of these people.

I am concerned about Ararat Weaving; I am concerned about the Ararat community; and I am concerned about the employees of companies that go into receivership. I am pleased that the commonwealth government has established a scheme to protect these employees' entitlements.

Aged care: fall prevention

Mr STENSHOLT (Burwood) — I raise with the Minister for Aged Care a matter concerning fall prevention for older people. I request that the minister take action in this regard to benefit members of my electorate. This issue came to my notice recently when some people had to cancel their appointments to see me because they had had falls. They were older people, several of them over 80 years of age. Their apologies said they had had minor falls, but in one case it was not a minor fall because the person broke a hip.

This issue has also come to my attention following the extensive consultation I have been undertaking on community health in the Ashwood, Ashburton and Chadstone areas. It is one of the issues that have arisen as a result of people looking for additional services such as rehabilitation and help after operations. It is difficult to get around after a debilitating procedure such as a hip operation, when physiotherapy and other services become important. The need for such services for the elderly and the need for good aged care programs relating to community health were the main recommendations that came out of my local community health consultation.

There are a number of good aged care programs in my electorate. For example, Montcalm in Canterbury has an outpatient service, and we are wondering what will happen to it in future. The Peter James Centre in East Burwood has a magnificent aged care facility for inpatients and outpatients. St Mark's in Chadstone has an extensive day program that provides activities and other services for aged people and their carers.

Having done a bit of research on this I have found that one in three people over 65 years of age who live in their own homes are likely to experience some kind of fall each year, with 10 per cent having multiple falls and over 30 per cent suffering injuries requiring medical attention.

This is clearly a serious problem for our elderly, and the figure is even higher for older people living in aged care facilities. I know funds have been available for this in the past and are available now, so I ask the minister to advise what action she can take to benefit the fall prevention programs in my electorate.

Cobboboonee State Forest

Mr PERTON (Doncaster) — I raise a matter for the attention of the Minister for Environment and Conservation. In company with a number of other Liberal members and the Liberal Party committee on the environment and conservation I recently visited the Cobboboonee State Forest. We were guided there by the Portland field naturalists and local leaders of the Aboriginal community.

While there we observed the destruction, through ring culling, of old hollow-bearing trees that need to be preserved as habitats for hollow-dependent animals and birds on logged sites. We also observed the destruction of at least two Aboriginal scar trees. An Aboriginal scar tree is a tree from which the bark has been removed by Aboriginals to make canoes, shields or containers.

In 1999 the Liberal government ordered a moratorium on that form of destruction of trees in this forest, but it was only earlier this year that the Minister for Environment and Conservation, Sherryl Garbutt, wrote to the Portland field naturalists to indicate that the suspension would remain in place.

Clearly the suspension did not remain in place, and the minister either failed to keep her word or lost control of the department. While she has advised me that there are two inquiries in place in her department, on behalf of the Portland community and the Portland field naturalists I ask her to make a statement to the parliamentary community on the commitment she will make to protect Aboriginal scar trees and large hollow-bearing trees in the Cobboboonee and other state forests. Having made that commitment, I ask her to give an undertaking to this Parliament and the public that if she fails to keep it she will acknowledge her ministerial responsibility and resign forthwith.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Bulleen has 10 seconds!

Bulleen Road: traffic noise

Mr KOTSIRAS (Bulleen) — The matter I raise for the attention of the Minister for Transport has to do with traffic noise on Bulleen Road.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member's time has expired.

Responses

Ms PIKE (Minister for Aged Care) — The honourable member for Burwood raised with me the matter of preventing falls in the older population. As he has correctly identified, the increase in the percentage of older people in the Victorian population will also mean an increase in the number of people who are at risk of experiencing a fall. We know that falls can be debilitating and can have a detrimental impact on people's activities and sense of confidence. They can also mean an increased dependence on community services and additional costs to the health system. Falls are preventable, and fall prevention clinics can go a long way towards assisting with this.

I am happy to advise the honourable member that funding is now being provided for two new fall prevention programs, which will help reduce the risk of falls for older people. The Peter James Centre in East Burwood, close to the honourable member's electorate, is one of the centres provided with the funding.

The initiative is part of the $1 million state government funding initiative to help older Victorians avoid falls this year. Of that funding $200 000 has been allocated to new fall prevention programs in extended care centres. Certainly these programs will keep older people on their feet and help them avoid injuries.

Ms GARBUTT (Minister for Environment and Conservation) — The honourable member for Polwarth belatedly raised with me — I think he is just grandstanding, because the information is well and truly out there in the public — an issue concerning logging in so-called contentious coupes or no-go zones proclaimed by protesters. Clearly, and I have said this all the time, there was no agreement, there was no agreement, there was no agreement — —

Mr Perton interjected.

Ms GARBUTT — I have said it three times now, and I have said it about fifteen times in public.

Mr Perton interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Doncaster will cease interjecting across the table.

Mr Perton interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Doncaster will cease interjecting across the table.

Mr Perton interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Doncaster — that is three times — will cease interjecting across the table!

Ms GARBUTT — I have said publicly all along that there was no agreement not to log in those so-called contentious coupes or no-go zones. What happened was that last year a mediation group was pulled together and a memorandum of understanding was proposed by the Otway Ranges Environment Network — the protest group — but was rejected by me, the department, industry and the union.

Mr Perton interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Doncaster will cease interjecting across the table.

Ms GARBUTT — So there was no agreement in any shape or form. The honourable member for Polwarth also talked about additions to the contentious coupes. Protest groups have now added to their list of contentious coupes, which I also reject. So there is clearly no agreement between me and any protest groups about what will or will not be logged.

The government is bound by the regional forest agreement. The government is committed to that agreement, which has been signed by the Premier and the Prime Minister, because it provides a balance between protecting the forest and all its values and supporting the timber industry and the jobs it provides. The government is committed to meeting the agreed supply of timber to the industry — in this case, the Colac mill.

The honourable member would know very well that rain has now closed the Otways logging season, probably for the entire winter. He should also know that happens every year.

Mr Mulder interjected.

The ACTING SPEAKER (Mr Savage) — Order! The honourable member for Polwarth will cease interjecting.

Ms GARBUTT — Nobody is allowed to log there over winter because of the risk of mud and landslides affecting water quality. The industry has always worked for approximately 100 days over summer only, and will not work during winter, so the inaction the honourable member refers to is simply the annual winter shutdown.

It is the government's intention that logging should take place in accordance with the regional forest agreement, the Code of Forest Practices and the schedule of logging that is established every year by the Department of Natural Resources and Environment through its wood utilisation planning process, which is a public process.

An Honourable Member — What did you say?

Ms GARBUTT — It is a yearly plan, so it is changed every year!

The honourable member for Doncaster raised with me some culling by ringbarking in the Cobboboonee Forest, which particularly affected a scar tree, among others. I was very angry that the ringbarking took place. It clearly breached a moratorium to which I am committed and which is still in force. The department admitted at the time that it had made a mistake. I demanded an answer as to how that had happened and I have told the department it must not happen again. The moratorium will remain in place and I will ensure that it remains in place until proper management prescriptions are established for that forest.

The honourable member for Carrum raised with me the issue of Mordialloc Creek and the need to dredge the creek mouth. Mordialloc Creek was a responsibility of the former Port of Melbourne Authority, and when the authority was privatised in 1995 under the previous government more than $100 million in beachfront infrastructure and responsibility for ongoing dredging and so on was just dumped on the local councils, the Department of Natural Resources and Environment and Parks Victoria. Each year DNRE funds more than $4 million in dredging works statewide, much of which is undertaken by Parks Victoria.

Last year Parks Victoria finalised a dredging contract for Port Phillip Bay that will result in around $2.5 million in dredging taking place over the next three years. Normally, as the honourable member is well aware, the entrance to Mordialloc Creek is dredged in December each year, and it was dredged last year. Normally that is sufficient to allow the entrance to be safely navigable for boating, for storm events or even for unforeseen coastal events, which have the potential to silt up waterways and create the need for extra dredging.

As the honourable member has raised the issue with me, I will ensure that Parks Victoria reassesses whether Mordialloc Creek is still navigable at the moment or whether extra dredging is required because of storm events or other changes.

It is also important for the community to understand the coastal processes that are involved and to know the causes as well as what the remedial action may be. I am informed that Parks Victoria has invited the honourable member for Carrum to participate in a forum of Mordialloc Creek stakeholders to consider the issues about the management of that precinct. The forum will go further than just discussing dredging — many issues about coastal and beach protection will be discussed, because they have an impact on the navigability of waterways such as Mordialloc Creek.

The government wants to set up a strategic approach rather than just respond after an event. Recently I announced a $100 000 Beaches At Risk study for Port Phillip Bay, which is currently being undertaken by the Department of Natural Resources and Environment. It will provide a long-term framework for beach protection works across the bay.

I congratulate the honourable member for Carrum on her ongoing work with her local community and on being involved with the issue.

Mr THWAITES (Minister for Health) — The Leader of the National Party, in his capacity as the honourable member for Gippsland South, raised an issue concerning Mirboo North Secondary College. The issue relates to its concern about not being allocated a nurse under the secondary school nursing program, which is a new initiative implemented by the Bracks government. The government is placing 100 school nurses in 200 high-need secondary schools across Victoria. That was its commitment. It is a magnificent program that is already showing benefits in the schools that were part of its first round.

The government's commitment to provide nurses in 200 secondary schools means it is unable to provide a school nurse for every secondary school in Victoria, and accordingly it has devised an appropriate arrangement for allocation based on need. The government's commitment is to have school nurses working in areas with the greatest health need and socioeconomic disadvantage.

The system the government set in place has been widely accepted and is the basis of a great deal of consultation to ensure that a whole range of factors are taken into account in determining which schools should be allocated school nurses. It is not limited to just the special learning needs index — that is just one of the many factors taken into account. As well as the special learning needs index, which allows Victorian schools to be rated according to their indicators of disadvantage, health indices included in the Victorian Burden of Disease Study — Mortality and the Survey of Adolescent Risk and Protective Factors undertaken by the Centre for Adolescent Health together with rurality and isolation were considered.

Dr Napthine interjected.

Mr THWAITES — The Leader of the Opposition may be interested to know that rural areas are well overrepresented in the distribution of school nurses in proportion to their population. Every effort is being made to ensure that resources are provided under the program to the Gippsland region, and 17 of the 21 secondary schools in Gippsland will have secondary nurses. Some 86 per cent of schools in Gippsland were allocated a secondary nurse compared with the rural average of 74 per cent, which is well above the Melbourne metropolitan average. Overall, rural regions receive approximately 50 per cent of the school nurses despite the fact that those regions do not represent 50 per cent of the population.

I assure the Leader of the National Party that extensive consultation has taken place between the Department of Human Services and the Department of Employment, Education and Training on the allocation. Last year there were two community consultations on the development of the program in Gippsland. It is clear that everything has been done to get the best possible allocation.

In the letter concern was expressed about mortality rates being used as a key factor in the allocation. That is not correct; they were not a key factor in the allocation. The formula is broader, using the burden of disease and the Centre for Adolescent Health study of risk and protective factors.

It is worth noting that nurses have been allocated to schools throughout Gippsland, including the following secondary colleges: Yarram, South Gippsland, Korumburra, Wonthaggi, Neerim South, Drouin, Warragul, Maffra, Sale, Bairnsdale, Lakes Entrance, Orbost, Swifts Creek, Mallacoota, Traralgon, Kurnai and Lowanna. So there has certainly been a major contribution.

I point out that the positions were not there previously; they are additional positions that the government has committed to. They were not committed to when the Leader of the National Party was in government. Indeed, when he was in government the secondary school nurse program was cut. The facts are that the government is making a huge contribution in the region represented by the Leader of the National Party — and as I said, that contribution is to a program that was cut by the previous government.

Mirboo North Secondary College has allocated its own funds to an existing school nurse position. The government has not cut those funds in any way. Through its formula the government has allocated nurses to schools throughout the state with the highest need, including Gippsland. Unfortunately, under that formula and taking into account comparative needs, Mirboo North did not meet the criteria for allocation. It has not reduced the capacity of Mirboo North to have a nurse — nor has it cut funding to Mirboo North.

The government would welcome the continuation of the positive working relationships among those involved in the secondary school nurse program as well as linking it with the existing program at Mirboo North. Carmel Berger, the manager of specialist children's services in the Gippsland region, is happy to have further discussions on the matter. I cannot offer more than that, because there is a limited number. Only 200 schools around the state can be allocated a school nurse. If it is not Mirboo North, another school will miss out because it does not meet the formula criteria. We have a system that is fair and equitable across the whole state. We are allocating against provisions that are being applied across Victoria.

I assure the Leader of the National Party that I am committed to ensuring that through the program rural areas have the extra support they need because they often do not have access to the same services that exist in the city. In many cases they have the highest need. I am sure that the other schools in his electorate that are benefiting from the system will get real advantages as a result.

Mr HAERMEYER (Minister for Police and Emergency Services) — The honourable member for Springvale raised concerns about safety on a Grenda's Bus Services route in Springvale, particularly in relation to problems with cars blocking the bus stop on the west side of Springvale Road, Springvale. He referred to a number of assaults on bus drivers and passengers, and he has just furnished me with incident reports relating to those assaults.

He also pointed out that cars are frequently parked at the bus stop. It is often not possible to enforce infringement notices because the plates on the vehicles indicate that the cars have been stolen. The honourable member has been proactive in picking up a lot of the unfortunate drug-related issues that rear their head in Springvale. This is just another manifestation of that.

These issues need to be addressed. The honourable member has asked me to make sure that Victoria Police follow them up. I will raise the matter with the Chief Commissioner of Police and make sure these issues are actioned. Sometimes they are not easy issues to resolve because they are drug related and, while the police can often respond and be a deterrent to crime, the sorts of crimes committed by people who are desperate to obtain money for drugs do not fit a normal pattern. The crimes are driven from desperation, and attempts at deterrence often make no difference whatsoever to those sorts of people.

The police have been proactive in the Springvale area. Late last year they did an extensive sweep of the area, but the causal factors of drug problems are difficult to get on top of.

I will draw the incident reports and the concerns of the honourable member to the attention of the Victoria Police, and he will get a response about what action has been taken in relation to his concerns.

Ms CAMPBELL (Minister for Community Services) — The honourable member for Ripon takes very seriously the issue he raised with me. The issue of the Lake Bolac and District Kindergarten is a serious one, particularly given that it is a funded preschool, licensed for 30 children. It is located on the Glenelg Highway at Westmere. One could well ask why the Lake Bolac kinder would be located 12 kilometres out at Westmere when the bulk of the activities for that community centre around Lake Bolac.

I understand the preschool is currently in recess due to low enrolments. An active local committee run by Ms Susan Knight has presented a strong argument for

the need for the regional office and me to seriously consider the relocation of that kinder.

The preschool formed a relocation subcommittee to investigate the possibility of relocating the preschool to Lake Bolac and did a considerable amount of work. It has found a suitable site and a building that has the potential for relocation. When the honourable member for Ripon raised the matter with me, I asked the regional office to follow it up with Ms Knight and her committee.

I understand the transfer has received strong community support, and I am pleased to inform the honourable member for Ripon that, as a result of two representatives of the Lake Bolac relocation subcommittee meeting with the regional director in the Grampians on 29 March and a strong case being put to me by both the honourable member for Ripon and the regional director, I have agreed to allocate $15 000 towards the relocation costs. I congratulate the subcommittee on the detail of its work. It is heartening that the honourable member for Ripon, whose electorate does not cover the Lake Bolac preschool, has been proactive in this regard. It is as a result of his strong representation and the work done by the committee that I have agreed to the allocation of funds towards the relocation costs.

The house may like to know that the preschool is located in the electorate of the honourable member for Portland, but I have not had any representations from him.

Dr Napthine — That's a lie.

Mr Perton — Why don't you withdraw?

The ACTING SPEAKER (Mr Savage) — Order! The Leader of the Opposition and the honourable member for Doncaster will cease interjecting.

Ms CAMPBELL — The honourable member for Kew directed a matter to the attention of the Premier, asking him to consider an inquiry into allegations relating to an Australian Workers Union financial transaction. The matter he raised will be brought to the attention of the Premier for his consideration.

The honourable member for Caulfield raised a matter for the attention of the Treasurer. She asked him to investigate the land tax implications for a Footscray property of one of her constituents, a self-funded retiree. She asked that the Treasurer consider the situation. I will forward that request to the Treasurer.

The honourable member for Frankston East directed to the attention of the Minister for Workcover an issue concerning the Transport Accident Commission. The minister has asked me to say to the honourable member that he will have inquiries made about the two agencies that appear to constantly handpass the concerns of his constituent.

The Leader of the Opposition raised a matter for the attention of the Premier. He asked that Victoria contribute on a dollar-for-dollar basis to the commonwealth employee entitlement support scheme, with particular reference to Ararat Weaving. The honourable member for Ripon had been asked by the company to help organise a public meeting to discuss issues surrounding the future employment prospects of employees.

The Leader of the Opposition should be well aware of the delicacy of the negotiations that are occurring at the moment, yet he asks for Victoria to contribute on a dollar-for-dollar basis. I will forward that request to the Premier.

Motion agreed to.

House adjourned 7.28 p.m. until Tuesday, 15 May.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Assembly.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Tuesday, 1 May 2000

State and Regional Development: single-wire earth return systems

3. **MR WILSON** — To ask the Honourable the Minister for State and Regional Development — (a) what amount of funding will be provided from the Regional Infrastructure Development Fund in 1999–2000, 2000–2001, 2001–2002 and 2002–2003 to address power infrastructure problems relating to single-wire earth return systems in South West Victoria; and (b) how many properties this is expected to assist.

ANSWER:

$3.08 million has been allocated under the RIDF for the upgrades in the South West. $1.4 million and $2.45 million will be made available from the RIDF for upgrades in North Central Victoria and in the North East and Gippsland, respectively. The Government has also set aside an additional $1.07 million from the RIDF as a contingency against which further claims can be made should demand for upgrades exceed that estimated in the RIDF applications submitted by the Power Companies and the VFF.

The annual split of funding for the South West upgrades will be dependent on demand for upgrades and on Powercor's works programs.

Based upon information provided in Powercor's application to the RIDF, approximately 100 Single Wire Earth Return (SWER) systems will be upgraded in the South West from the initial allocation of $3.08 million. Should further upgrades be required in the South West, Powercor will be able to apply for contingent funding set aside for this purpose.

Workcover: premiums

213. **MR WILSON** — To ask the Honourable the Minister for Workcover with reference to Workcover premiums —

1. How many businesses in the postcode areas 3125, 3128, 3130, 3149, and 3152 paid premiums under the Workcover scheme as at 4 August 2000.

2. How many — (a) restaurants; (b) real estate agents; and (c) non-profit community organisations such as disability support services paid Workcover premiums to 4 August 2000, and what was the median percentage premium increase for each following the Government's changes to Workcover.

ANSWER:

I am informed that:

1. The number of businesses with workplaces in the postcodes areas 3125, 3128, 3130, 3149 and 3152 which had premium for 2000/01 calculated as at 4 August 2000 is 6,249.

2. The number of businesses in the listed industries which had premium for 2000/2001 calculated as at 4 August 2000, and the median percentage premium increase in 2000/01 for employers with workplaces classified in the listed industries are:

Industry	Number of Businesses [1.]	Median premium rate increase [3.]
Restaurants	3079	39%
Real Estate Agents	1704	39%
Welfare and Religious Institutions [2.]	2479	39%

Notes:

1. Employers paying minimum premium in either 1999/00 ($100) or 2000/01 ($135) are not included. There are 559 restaurants, 476 real estate agents and 370 welfare and religious institutions in this category.

2. WorkCover does not have an indicator of non-profit community organisations. All organisations providing care and support for the disabled, the aged etc. have been included.

3. The median premium rate increase reflects:-

   - 20% increase due to industry rate increases;

   - 15% increase in average premium rate to cover the Victorian Government's legislative changes to the scheme;

   - 2% flow on effects of Federal Government's New Tax System

   Note — GST not included.

   (Note that these percentage increases are not additive. The 17% increase is applied to the premium after the 20% industry rate increase resulting in a 40% increase in premium rate. The median is slightly lower because not all employers experienced an industry rate increase and the impact of the $15,500 deductible on very small employers.)

Health: marketing services

221. MR WILSON — To ask the Honourable the Minister for Health with reference to the Department of Human Services and each agency within the Minister's portfolio — what are the details of all persons and costs associated with public relations and marketing, as defined in the Auditor-General's Special Report No. 39, *Marketing Government Services — Are You Being Served*?, indicating — (a) how many persons, including those involved in media or public relations, are involved in marketing government services; (b) what was the total cost including salaries for the provision of such marketing services for the period 1 January to 30 June 2000; and (c) what is the anticipated cost including salaries for the provision of such marketing services for 2000–2001.

ANSWER:

(a) As at 30 June 2000 the number of full-time equivalent staff (FTE) in Corporate Communications Branch was 28.2. This includes 2 communications staff transferred into the Division who previously performed communications functions elsewhere in DHS.

(b) The total expenditure under the Corporate Communications Marketing and Communications Services Panel Contract and corporate communication activities including salaries for the provision of marketing services for the period 1 January to 30 June 2000 was $1,364,167.

(c) The cost of marketing services for 2000–2001 will be published after the conclusion of the financial year.

Finance: DTF transactions

279(b). MR WILSON — To ask the Honourable the Finance —

Further to the statement on page 47 of the Department of Treasury and Finance's 1999–2000 Annual Report —

1. How many transactions of $1 million or more, including freehold purchase or sale of buildings, building improvements, fit-outs, grounds development, heritage building restoration or the charging of depreciation took place during 1999–2000 that ultimately led to the Department's assets falling from $778.1 million to $673.4 million during the 1999–2000 year.

2. What was the amount of each transaction.

3. What was the reason for each transaction.

4. To what asset did each transaction relate

5. Will more complete information be provided in the 2000–2001 annual report about this aspect of the Department's operations.

ANSWER:

I am informed that:

Points 1 to 4

Total Departmental Assets decreased from $778.1 million to $673.4 million during the financial year. This decrease was brought about mainly by the following transactions and events: —

- Depreciation and Amortisation of Non-Current Assets for the year. (**$29 million**)

- Disposal of Properties and other Non-Current Assets (e.g. Pentridge Prison). (**$37 million**)

- A reduction in the Leased Motor Vehicle fleet. (**$15 million**)

- A reduction in balances with the State Administration Unit. (**$38 million**)

Net of: —

- Capital additions undertaken during the year. (**$18 million**)

Point 5

The extent of detail currently provided in the Department's Annual Report (including the Financial Statements contained therein) readily satisfies the requirements of the Financial Management Act 1994 and Australian Accounting Standards.

The level of information to be provided, however, is continually subject to review, taking into account matters such as the perceived value to readers and other users of the Annual Report.

Police and Emergency Services: Pakenham police complex

283. MR WELLS — To ask the Honourable the Minister for Police and Emergency Services with reference to the Pakenham police complex — (a) what is the total cost of the relocation, reconnection and renovation of the building, including the expense of crane hire, for the complex; (b) where was the building sourced from; and (c) what is the building to be used for.

ANSWER:

Under the previous Government many police facilities across the State of Victoria were allowed to deteriorate. Pakenham is one such location where police members are working in unacceptable accommodation.

The cramped working conditions at the police station are being alleviated through the provision of additional buildings. These new buildings will provide members with a new ablutions block and change room facilities. More importantly, these works will enable the Cardinia Traffic Management Unit to relocate from Dandenong to Pakenham and into the community it services.

These buildings have become available due to the construction of the new Wonthaggi Police Station.

As the works are still in progress a final cost is not available.

Multicultural Affairs: multicultural initiatives

285. MR KOTSIRAS — To ask the Honourable the Minister for Multicultural Affairs — what new initiatives have been implemented since January 2000 by the Victorian Government to — (a) coordinate a whole of Government approach to multicultural issues; (b) monitor the responsiveness of Government services to cultural diversity; and (c) improve communication and enhance consultations with our multicultural communities.

ANSWER:

I am informed that:

Since January 2000, the State Government has enhanced the commitment to Victoria's culturally and linguistically diverse communities through specific new initiatives across the whole of government. We have tabled or propose to table before parliament such bills as the Fair Employment and the Racial and Religious Tolerance Bills which are designed to directly and indirectly provide fundamental protections to members of Victoria's culturally and linguistically diverse communities. Such legislation would provide real and practical benefits for the whole community and build further upon social cohesion.

There have been significant increases in funding for various multicultural initiatives including from within aged care, housing as well as an increase of the Victorian Multicultural Commission's (VMC) community grants and the new building grants program. Additional commitments range from improved reporting requirements within departments, recruitment drives within the police and emergency services and the appointment of people of culturally and linguistically diverse backgrounds on to various government advisory committees, such as the Community Support Fund and the Victorian Interpreting and Translating Service and to the judiciary.

Two additional rural ECCs have been established through the combined assistance of the VMC and the ECCV, whose funding was also substantially increased. These two rural ECCs, one in Bendigo and the other in Ballarat will have an important effect upon the responsiveness of government services within rural areas. Furthermore, the Victorian Office of Multicultural Affairs (VOMA) is currently examining material from departments that will improve the assessment and reporting arrangements and provide meaningful quantitative and qualitative information.

Under this Government, the monitoring and responsiveness of government services and communication and enhancement through consultations has been improved through the VMC's expanded consultative processes, which has included regional Victoria. This enables specific issues to be brought back to the relevant departmental areas for attention.

This approach has under-pinned the work program of both the VMC and VOMA. Furthermore, the cultural and linguistic diversity of this Government's Cabinet, the highest number of Ministers of non-English speaking backgrounds, means that the issue of addressing multicultural issues is incorporated within the decision-making processes within Cabinet and therefore across all portfolios.

Multicultural Affairs: funding

286. **MR KOTSIRAS** — To ask the Honourable the Minister for Multicultural Affairs with reference to funding for ethnic organisations since July 2000 — (a) which organisations received funding; and (b) what amount of funding was provided to each to enable them to develop a web page.

ANSWER:

I am informed that:

(a) Since July 2000, the Victorian Multicultural Commission (VMC) has finalised funding under its Multicultural Festivals and Events Program. Sixty-two community organisations received funding. To date, the VMC, which allocates funding to culturally and linguistically diverse community organisations under the Multicultural Affairs portfolio, has not finalised funding under its other programs. The following groups have been funded under the program:

Funded Festivals 2000/01

Funding Type	*Organisation Name*
Festivals/Events	3ZZZ
	African Communities Association of Moonee Valley Inc
	African Migrants Community Initiative Inc
	Albury Wodonga Ethnic Communities Council Migrant Resource Centre & Information Centre Inc
	AUSTCARE
	Australian Arabic Council
	Australian Lebanese Association of Victoria
	Australian Multicultural Foundation
	Australian Nadur Association Inc
	Australian Turkish Association Inc
	Banksia Gardens Associated Inc
	Bendigo Easter Fair Inc
	Bendigo Festival of Cultures Inc
	Brimbank City Council
	Central Highlands Asian-Australian Association of Victoria
	Circolo Pensionati Italiani Di Mildura and Sunraysia
	City of Albury
	City of Kingston
	City of Melbourne
	Cosmic Harmony Foundation Inc
	Croatian Senior Citizens Club — Sunshine Inc
	Cyprus Community of Melbourne & Victoria
	Darebin City Council
	Department of Education, Employment and Training
	Ethnic Communities Council of Victoria
	Footscray District Football League
	Geelong Ethnic Communities Council Inc
	Goulburn Valley Chinese Fellowship Association
	Greek Australian Youth Club of Coburg
	Greek Cypriot Parent & Youth Club of Sunshine Inc
	Halkidikeon Association Aristotele the Stageritian
	Hellenic Community of the City of Moorabbin Ltd
	Hungarian Embroiderers Circle & Immigration Museum
	Keysborough Turkish Islamic & Cultural Centre
	Kurdish Association of Victoria

Funding Type	*Organisation Name*
Festivals/Events	
	Madeira Folk Dancing 'Perola Do Atlantico' Inc
	Marrn-Ak Association Inc
	Mildura Arts Festival Inc
	National Celtic Folk Festival
	Ngalvi No Te Kuki Airani
	Ovens Valley International Festival Inc
	Police and Community Multicultural Advisory Committee
	Red Cliffs Folk Festival Committee Inc
	Robe to Bendigo Planning Group
	Rotary Club of Mooroopna Inc
	Rotary Club of Pascoe Vale
	Samoan Advisory Council of Victoria Inc
	SBS Radio Melbourne
	Singh Sabha Sports Club
	Springvale Neighbourhood House
	St. Albans Good Friday Association Inc
	St. Paul's Feast Committee West Sunshine
	The B'nai B'rith Anti-Defamation Commission Inc
	The Boite (Victoria) Inc
	The Melbourne Irish Festival Committee Inc
	The Roxburgh Park Homestead Community Centre
	Tibetan Buddhist Society
	Ukrainian Youth Association of Australia (Melbourne) Inc
	Victorian AIDS Council Inc.
	Vietnamese Community in Australia — Victoria Chapter
	Weerama Festival Committee Inc
	Women's Festival Committee

Summary for 'Funding Type' = Festivals/Events (62 detail records)

(b) Furthermore, the VMC does not provide funding directly to ethnic community organisations to develop a web page. The VMC has set aside funding through VICNET of the State Library of Victoria, to provide training to individuals of various cultural and linguistic backgrounds in developing web sites. VICNET is the Government's community Internet publishing expert and has the resources to deliver efficient Internet training programs.

Multicultural Affairs: Hellenic antiquities museum

287. MR KOTSIRAS — To ask the Honourable the Minister for Multicultural Affairs — what is the — (a) current status of the Hellenic Antiquities Museum; and (b) date of the next Hellenic Antiquities Exhibition.

ANSWER:

I am informed that:

The Hellenic Antiquities Museum (HAM) was opened in November 1998. The opening followed extensive discussions with the Greek Government's Ministry of Culture. A written agreement with the Greek Government did not exist at the time of the Museum's opening. While the previous Government pursued a formal agreement with the Greek Government, the Greek Government arranged to loan the HAM authentic antiquities to facilitate further exhibitions.

Two exhibitions, involving loans from the Hellenic Republic, have taken place, however there have been issues with costs, forward planning, and obtaining agreement on the provision and frequency of exhibitions. In order to

address these issues, it was intended to conclude a Memorandum of Understanding (MOU) between the Greek Government's Ministry of Culture and Museums Board of Victoria.

The Minister for Arts has written to the Greek Minister for Culture indicating this Government's willingness to continue negotiations on the MOU at the Greek Government's convenience.

Premier: employment data

289(a). MR WILSON — To ask the Honourable the Premier with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

I am informed that:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Energy and Resources: employment data

289(d). MR WILSON — To ask the Honourable the Minister for Environment and Conservation representing the Honourable the Minister for Energy and Resources with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

I am informed that:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment scheduled to be tabled in the Spring 2001 Parliamentary Session.

Community Services: employment data

289(f). MR WILSON — To ask the Honourable the Minister for Community Services with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Education: employment data

289(g). MR WILSON — To ask the Honourable the Minister for Education with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Environment and Conservation: employment data

289(h). MR WILSON — To ask the Honourable the Minister for Environment and Conservation with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment scheduled to be tabled in the Spring 2001 Parliamentary Session.

Police and Emergency Services: employment data

289(j). MR WILSON — To ask the Honourable the Minister for Emergency Services with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources, which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Agriculture: employment data

289(k). MR WILSON — To ask the Honourable the Minister for Agriculture with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment scheduled to be tabled in the Spring 2001 Parliamentary Session.

Attorney-General: employment data

289(l). MR WILSON — To ask the Honourable the Attorney-General with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources, which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Post Compulsory Education, Training and Employment: employment data

289(m). MR WILSON — To ask the Honourable the Minister for Post Compulsory Education, Training and Employment with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

I am informed as follows:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Sport and Recreation: employment data

289(n). MR WILSON — To ask the Honourable the Minister for Gaming representing the Honourable the Minister for Sport and Recreation with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner for Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Sittings.

Gaming: employment data

289(o). MR WILSON — To ask the Honourable the Minister for Gaming with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

I am informed that:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Small Business: employment data

289(q). MR WILSON — To ask the Honourable the Minister for Police and Emergency Services representing the Honourable the Minister for Small Business with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner for Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Sittings.

Deputy Premier: employment data

289(r). MR WILSON — To ask the Honourable the Deputy Premier with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

I am informed that:

The question should be directed to the Premier as the position of Deputy Premier carries with it no departmental responsibilities.

Environment and Conservation: Hobsons Bay–Wyndham shellfish

305. MR THOMPSON — To ask the Honourable the Minister for Environment and Conservation with reference to the high level of the reaping of shellfish at the Williamstown back beach, and Altona foreshore

between the Altona Workingman's Club and Millers Road — (a) how many infringement notices have been issued in the last two years; (b) how many prosecutions have been instituted in the last two years; and (c) what plans has the Department developed to stop the illegal gathering of shellfish in the municipalities of Hobsons Bay and Wyndham.

ANSWER:

I am informed that:

(a) 111 penalty infringement notices were issued during 1999 and 2000. 110 penalty infringement notices were issued for the first quarter of 2001.

(b) 48 prosecutions were instituted in 1999 and 2000. Prosecution figures for the first quarter of 2001 are not currently available as many of these matters are still pending.

(c) To target the illegal shellfish gathering in the municipalities of Hobsons Bay and Wyndham the following plans have been developed:

Departmental Fisheries Officers:

- Undertake regular daylight and after dark patrols to coincide with the optimum time that shellfish is harvested.
- Undertake surveillance in unmarked vehicles and plain clothes throughout the area.
- Target known offenders as well as unknown harvesters of illegal shellfish during patrols.
- Target point of sale outlets such as grocery and supermarket stores.

The Department located fisheries officers in new facilities at Kyle Rd, Altona North in March 2000. As a direct result, patrols of the problem area have increased by 25%.

There are signs warning the community against collecting shellfish in the area.

Next summer the Department intends to recommence a community education program aimed at creating greater awareness and understanding of shellfish collection regulations with a focus on Port Phillip Bay region. The program will include a media and advertising campaign, which will involve metropolitan newspapers as well as ethnic media. Currently the Department is liasing with representatives of ethnic communities to seek their cooperation in this program. The Department will soon employ an ethnic liaison officer who will work in the Fishcare Program. This officer will concentrate on training volunteers to inform and educate their own communities.

Environment and Conservation: Mentone beach

309. MR THOMPSON — To ask The Honourable the Minister for Environment and Conservation with reference to the closure of the Mentone Beach in early January 2001 owing to high e-coli levels — (a) what was the source of the pollution; (b) what is the date that the pollution is understood to have first occurred in the Mentone area; (c) what was the date it was first discovered by the Environment Protection Authority; (d) what was the date of notification to the public in the press; and (e) what steps has the Government taken to minimise the re-occurrence of the e-coli.

ANSWER:

I am informed that:

(a) The source of the pollution was traced to a blocked sewer pipe at the Mentone Beach Surf Life Saving Club. All surrounding drains were checked by the EPA and found to be dry or have acceptable levels of e.coli

(b) The first reports of the overflow were received by the City of Kingston on 3 January 2001.

(c) The incident was reported to the EPA by the City of Kingston on 3 January 2001 as soon as they became aware of the problem.

(d) The EPA conducted tests over the following two days (3 and 4 January 2001) to establish whether the incident had affected beach water quality. Conclusions of these tests on 5 January 2001 suggested beach water quality was found to have been affected with high bacterial levels. A media release was immediately issued by the EPA alerting the public to avoid swimming in the Bay waters around the Mentone Life Saving Club until water quality conditions returned to being acceptable.

(e) The EPA worked closely and cooperatively with the City of Kingston to ensure the overflow was repaired. The City of Kingston conducted routine checks of the sewer to confirm the problem was resolved, and liaised closely with the EPA and South East Water throughout the investigation process.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Assembly.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Wednesday, 2 May 2001

Industrial Relations: employment data

289(i). MR WILSON — To ask the Honourable the Minister for Local Government representing the Honourable the Minister for Industrial Relations with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner for Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Sittings.

Housing: employment data

289(p). MR WILSON — To ask the Honourable the Minister for Housing with reference to the annual report of the Commissioner for Public Employment 1999–2000, as at 31 December 2000 —

1. What was the median base salary across the Minister's Department/s for each of the Victorian Public Service (VPS) broadbands of — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 by categories of — (i) gender; and (ii) all employees.

2. How many equivalent full time staff were employed in categories of — (a) gender; and (b) all employees, and what proportion of total equivalent full time staff were employed in the bands — (i) VPS 1; (ii) VPS 2; (iii) VPS 3; (iv) VPS 4; and (v) VPS 5.

3. What was the median length of service in the bands — (a) VPS 1; (b) VPS 2; (c) VPS 3; (d) VPS 4; and (e) VPS 5 for — (i) men; and (ii) women.

4. How many executives were employed who received a total annual remuneration package of — (a) less than $90,000; (b) $90,000–$100,000; (c) $100,000–$110,000; (d) $110,000–$120,000; (e) $120,000–$130,000; (f) $130,00–$140,000; (g) $140,000–$150,000; (h) $150,000–$160,000; (i) $160,000–$170,000; (j) $170,000–$180,000; (k) $180,000–$190,000; (l) $190,000–$200,000; (m) $200,000–$210,000; (n) $210,000–$220,000; (o) $220,000–$230,000; (p) $230,000–$240,000; (q) $240,000–$250,000; (r) $250,000–$260,000; (s) $260,000–$270,000; (t) $270,000–$280,000; (u) $280,000–$290,000; (v) $290,000–$300,000; and (w) $300,001 and above, and how does this compare to figures at 30 June 2000.

ANSWER:

The information requested would require an inordinate amount of time and resources which are not available.

Comprehensive information on the composition of public service employment in Victoria will be contained in the 2000/2001 annual report of the Commissioner of the Public Employment, scheduled to be tabled in the Spring 2001 Parliamentary Session.

Aged Care: Grace McKellar Centre

295(b). MR PATERSON — To ask the Honourable the Minister for Aged Care — what is the —
(a) Government's timetable for the redevelopment of the Grace McKellar Centre in Geelong; and
(b) extent of the financial contribution required from Barwon Health for the project.

ANSWER:

(a) The Government's timetable for the redevelopment of the Grace McKellar Centre in Geelong consists of a 4 stage program spread over an estimated four to five financial years. The current proposal incorporates the construction of new facilities for approximately 460 beds including aged care, sub acute, palliative care, complex care and psychogeriatric.

Stages 1a and 1b consisting of 100 beds on the Grace McKellar site and the development of a 90 bed aged residential facility on a site yet to be determined in South Geelong are subject to consideration for funding in the forthcoming state budget.

The remaining stages ie 2, 3, and 4 involving approximately 270 beds will be the subject of further funding considerations in 2003 to 2006.

(b) The redevelopment project is still under development and details of project costs will be made available once plans have been completed.