

**PARLIAMENT OF VICTORIA**

**PARLIAMENTARY DEBATES  
(HANSARD)**

**LEGISLATIVE ASSEMBLY**

**FIFTY-FOURTH PARLIAMENT**

**FIRST SESSION**

**14 December 1999**

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**FIFTY-FOURTH PARLIAMENT — FIRST SESSION**

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**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. NAPHTHINE

**Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:**

The Hon. LOUISE ASHER

**Leader of the Parliamentary National Party:**

The Hon. P. J. McNAMARA

**Deputy Leader of the Parliamentary National Party:**

Mr. P. J. RYAN

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Ashley, Gordon Wetzel	Bayswater	LP	Lindell, Ms Jennifer Margaret	Carrum	ALP
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Bracks, Stephen Philip	Williamstown	ALP	McIntosh, Andrew John	Kew	LP
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Clark, Robert William	Box Hill	LP	Mildenhall, Bruce Allan	Footscray	ALP
Cooper, Robert Fitzgerald	Mornington	LP	Mulder, Terence Wynn	Polwarth	LP
Davies, Ms Susan Margaret	Gippsland West	Ind	Napthine, Dr Denis Vincent	Portland	LP
Dean, Dr Robert Logan	Berwick	LP	Nardella, Donato Antonio	Melton	ALP
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Helper, Jochen	Ripon	ALP	Savage, Russell Irwin	Mildura	Ind
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Howard, Geoffrey Kemp	Ballarat East	ALP	Smith, Ernest Ross	Glen Waverley	LP
Hulls, Rob Justin	Niddrie	ALP	Spry, Garry Howard	Bellarine	LP
Ingram, Craig	Gippsland East	Ind	Steggall, Barry Edward Hector	Swan Hill	NP
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Languiller, Telmo	Sunshine	ALP	Wilson, Ronald Charles	Bennettswood	LP
Leigh, Geoffrey Graeme	Mordialloc	LP	Wynne, Richard William	Richmond	ALP

<sup>1</sup> Resigned 3 November 1999



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## Tuesday, 14 December 1999

The **SPEAKER** (Hon. Alex Andrianopoulos) took the chair at 2.05 p.m. and read the prayer.

### NEW MEMBER

The **SPEAKER** announced the election of Mr Robert Stensholt as member for the electoral district of Burwood in place of the Honourable Jeffrey Gibb Kennett, resigned, pursuant to the writ issued on 11 November 1999.

Mr Stensholt introduced and sworn.

## QUESTIONS WITHOUT NOTICE

### ALP: fundraising dinner

**Dr NAPHTHINE** (Leader of the Opposition) — I ask the Premier to confirm that he attended a secret meals-for-deals function on Friday where guests were required to pay \$1500 to the Labor Party for access to the Premier and direct influence over government decisions.

**Mr BRACKS** (Premier) — I assume by the question that the Leader of the Opposition has learnt nothing from last Saturday and the absolute routing the Liberal Party received. That is the type of question which was pursued last week and which resulted in the honourable member for Burwood sitting on the government benches.

I assume that the opposition leader is talking about a business lunch I had with representatives of Macquarie Bank. So what? Is that so remarkable? The question is absolutely ridiculous.

Mr Speaker, I'll tell you what I'll do for the Leader of the Opposition, because the government is keen for the current arrangements on the opposition benches to remain in place. I am keen to have regular consultations with the Leader of the Opposition to inform him of my movements, and on some occasions to invite him to participate. No doubt the Leader of the Opposition is suffering from some form of deprivation at not being in touch with the business community. I can help him to get in touch with the business community. I am willing to lend a hand to assist him, any time, any place.

In summary I say to the Leader of the Opposition, if I can have a pledge from him to continue maligning the business community, that suits us down to the ground. Thank you very much!

## Election: ALP commitments

**Ms DUNCAN** (Gisborne) — I refer the Premier to the government's election commitment to open, honest and accountable government that delivers better services to Victorian communities, and I ask what specific action he has taken to fulfil that commitment in the government's first 50 days in office.

**Mr BRACKS** (Premier) — I thank the honourable member for her question and her presence in the house. It is great to have the honourable members for Gisborne and Burwood on the government benches. It shows there has been a sea change in Victoria.

I am proud to inform the house that after only 50 days in office the government has moved in a significant way on its agenda for honest, open and accountable government that delivers not just to part of Victoria but to all of Victoria. We said from the start that we would move swiftly to restore decent services in Victoria, and that is exactly what we have done in our first 50 days.

In the education area, global school budgets will receive an increase in funding at the start of the next school year that will enable \$50 million to flow into the school system and 1000 additional teachers and support staff to be appointed. The government has also stopped the slide towards the privatisation of the state school system and has injected \$10 million into training in the Victorian technical and further education system.

In the area of health, work has already begun to open the first 64 of the 290 new hospital beds the government, when in opposition, committed to opening in its first four-year term of office.

The wasteful, bureaucratic health networks are on the way out, and cleaner hospitals and better patient care are on the way in.

As the Minister for Police and Emergency Services would know, on the issue of community safety, 200 new trainees are currently going through the Police Academy, and 47 police have just graduated.

In regional development the government has also moved swiftly for all Victorians. We said we would grow all Victoria, no matter where people live. The government is about to abolish the unfair catchment management tax in Victoria and is waiting to see whether the opposition parties will let the bill for the \$170 million regional infrastructure fund through to let us rebuild country and regional Victoria.

The government has delivered on its promise to provide financial responsibility and has cut wasteful

expenditure and redirected more than \$100 million into areas to which it gives high priority.

Victoria now has a new Auditor-General with new powers enshrined in the state constitution. The government said it would restore democracy, and it has not wasted a minute in doing that. The Auditor-General is back in business in Victoria. Information is more accessible and can be obtained more cheaply under legislation the government has introduced. The government has also abolished the gag on teachers that was a feature of the previous government.

**Mr McArthur** interjected.

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

**Mr McArthur** interjected.

**The SPEAKER** — Order! I warn the honourable member for Monbulk that the Chair does not need that type of assistance and constant interjection. The Premier was asked to outline the specific action the government has taken, and he has been doing that by way of a list he is providing to the house. He has not been debating the question.

I ask the honourable member for Monbulk to stop trying to influence the Chair by way of interjection. He has been warned.

**Mr Maclellan** — On a point of order, Mr Speaker, I draw your attention to the fact that I was the one guilty of interjecting, not the honourable member for Monbulk.

**The SPEAKER** — Order! I take note of the point of order raised by the honourable member for Pakenham.

**Mr BRACKS** — In summary, Mr Speaker, these are just some of the achievements of the new government in the past 50 days. They are measures that won the overwhelming endorsement of the people of Burwood on Saturday, leading to the entry into this house of the new honourable member for Burwood, who will be sitting on the government benches. It is the first time a Labor member of Parliament has been elected for that area in 45 years. In voting for Labor the people of Burwood have made a commitment to getting on with the job with the new government in Victoria. They have rejected a divided, dispirited opposition, one which stands for nothing and has no policy base for the future.

The government will continue to keep faith with the people of Burwood, and with all Victorians, in the

future. For the next four years the government will continue to stick to the plans it has implemented in the past 50 days.

### Political donations

**Dr NAPHTHINE** (Leader of the Opposition) — I refer the Premier to Labor's policy document entitled 'Integrity in Public Life', which states Labor's belief that when large political parties rely too heavily on large corporate donations it may lead to the purchasing of influence over government decision making. I also refer to the invitation sent to businesses inviting them to join Labor's progressive business forum and influence the decision-making process — that is what they are invited to do, pay their cash and influence the decision-making process. Has the government ditched its policy on integrity, and is it now selling government influence for cash donations to the Labor Party?

**Mr BRACKS** (Premier) — I welcome the question from the Leader of the Opposition and I welcome its implicit endorsement of Labor's policy, in particular the endorsement of the propositions that, now I have heard the Leader of the Opposition, the government will now enshrine in legislation. It is the government's policy to have publicly funded campaigns in Victoria in the future. That goes to the heart of the question asked by the Leader of the Opposition. I am pleased he referred to the fact that there is a better way of funding political parties. I support and endorse that. I welcome the implicit endorsement of the Leader of the Opposition, and having heard his question assure him I will now work to bring in a bill to ensure we have proper funding of elections in the future.

### Schools: self-governance

**Ms ALLAN** (Bendigo East) — Will the Minister for Education inform the house of the progress of negotiations with schools involved in the former government's self-governing schools program?

**Ms DELAHUNTY** (Minister for Education) — I can report progress and I announce to the house that there has been a successful completion of negotiations with each of the 51 former self-governing schools. The government has reached agreement with all the 51 former self-governing schools on transitional funding for the new school year.

The schools acknowledge that the government's policy was to abolish the flawed self-governing schools model of the previous government. The principals and school councils acknowledge that the government had a responsibility to do that and agreed at the outset that

they would work with the government on transitional arrangements. In finalising the arrangement the government has kept the promise that I made to the house when I announced the end of the self-governing schools program. I said the government would honour all legally binding contracts, that there would be no reduction to school services, that no other school would be disadvantaged by any of the transitional funding arrangements agreed to by the government for the 51 self-governing schools, and that a top-level working party would be established to develop a model of enhanced self-management for all schools in Victoria.

I thank the former self-governing schools and, in particular, the principal of Bendigo Senior Secondary College, Mr Ron Lake, who from the beginning said on behalf of the self-governing schools that he wished to work with the government to achieve this outcome, and he has been consistent in that mission throughout the negotiations.

I am delighted to announce that all schools can now plan with certainty to ensure there is no disruption to student services for next year and beyond. Importantly, the government assures the house that the transitional funding for the 51 self-governing schools will not disadvantage any of the nearly 1600 schools in Victoria. The government has pledged to honour all contracts, and it has done that. It has honoured its other commitment — that is, to ensure no students in the schools would be disadvantaged — while fulfilling its election promise of terminating the previous government's flawed self-governing schools process. As from today we leave behind the divisive and unfair former self-governing schools model.

The house will be aware that a working party has been established to work on a model of enhanced self-management for all schools in Victoria because the government believes that every single school in the state — the government will not be playing favourites — should have the opportunity to achieve excellence. The working party will report to the Minister for Education by the end of June next year. It will concentrate on such issues as the provision of student support services, staff selections and the role of school councils. As a result of the \$50 million boost alluded to by the Premier in the house earlier, all state schools will now be able to spend more to provide better programs for their students. The government wants a quality education for all students, not for just a select few.

### Dairy industry: deregulation

**Mr McNAMARA** (Leader of the National Party) — I address my question to the Minister for Agriculture. Given that the minister asked New South Wales dairy farmers to write the no case for the Victorian dairy plebiscite and then gave them a vote, will he confirm that Victorian dairy farmers who are part of the Victorian market milk pool but who supply milk to New South Wales have not been sent ballot papers to vote in their own plebiscite?

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the house to come to order to allow the Minister for Agriculture to answer the question.

**Mr HAMILTON** (Minister for Agriculture) — I shall resist the temptation to make any comment about the position of the honourable member for Benalla, who asked a somewhat convoluted question.

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask opposition benches to come to order and allow the minister the opportunity to answer the question.

**Mr HAMILTON** — The opposition has a real problem in dealing with a democratic process, which was emphasised last weekend. The government does not back away from the fact that it promised and delivered on the promise to give dairy farmers a vote on dairy deregulation. I had assumed the former Minister for Agriculture and Resources would have a reasonable knowledge of the industry and would clearly understand that there was a real urgency to have the ballot completed before Christmas. If nobody else on the other side understands that, at least the former minister would understand it.

In determining the role of voters in the dairy industry ballot the government asked for and was supplied with lists of suppliers to the big dairy manufacturing and processing companies; the lists were supplied in confidence. If anybody on the other side knew anything about commercial confidentiality — —

*Honourable members interjecting.*

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

**Mr HAMILTON** — The government certainly appreciates the cooperation of those companies in giving it their commercially confidential lists. That was

a gracious and important action by them. The government does not deny that ballot papers were sent to the names of suppliers on those lists whose addresses are interstate. That is a fact; the government does not run away from that. That happened, given the urgency with which the government had to act.

*Honourable members interjecting.*

**Mr McNamara** interjected.

**The SPEAKER** — Order! The Leader of the National Party!

**Mr HAMILTON** — More than 9200 voters were on the roll and fewer than 200 ballot papers were sent interstate, some of which were valid given that the properties and businesses were owned and operated in Victoria. The government is confident the result of the ballot has given for the first time country Victorians and businesses an opportunity to have a say in the decision-making process of the government.

**Mr Rowe** interjected.

**The SPEAKER** — Order! The honourable member for Cranbourne!

**Mr HAMILTON** — The government is proud it has delivered on its promise to give people living in country Victoria an opportunity to have a say.

### **Livestock: national identification system**

**Mr HARDMAN** (Seymour) — Will the Minister for Agriculture inform the house of the progress made in guaranteeing Victorian cattle producers access to international markets?

**Mr HAMILTON** (Minister for Agriculture) — I thank the honourable member for Seymour for his question and his interest in both country Victoria and agriculture. In his short time in this place he has demonstrated a genuine interest in what goes on outside Melbourne.

Victoria now has an e-tag system that works — I really mean an ear-tag system. This morning I visited the City of Greater Shepparton and the Shepparton regional saleyards to launch an Australian first — that is, a demonstration of the national livestock identification system that will enable producers to have access to high technology. In the first instance cattle producers will have access to it, but the government hopes it will extend to all other areas of the livestock market. The technology involves a transponder being attached to the animal from the day of its birth to enable the history of

that animal to be followed through its life. It is important because of the clean and green image of Victoria's agriculture, which the government is determined to continue and enhance.

The European Union has a history of problems with importation of beef and beef product given the unfortunate set of circumstances in Britain some years ago. It has demanded that countries exporting meat products to the European Union guarantee that those products are clean and green and are not subject to either disease or chemical contamination.

The marrying of the new high-technology system, together with the use of the Internet and access to a national registration scheme, will mean that cattle can be traced. It is a credit to the Shepparton saleyards.

**Mr McNamara** interjected.

**Mr HAMILTON** — I acknowledge the work done by the previous government. This government does not have a problem in acknowledging that good work, just as the Leader of the National Party does not have a problem in criticising bad work, be it a change of leadership or whatever!

Auditors for the European Union visited the saleyards recently and delivered a clean bill of health. That was the first demonstration that the system works and will gain the approval of the European Union. Victoria is leading Australia, if not the rest of the world, in ensuring the verification of the history of cattle and, I hope, other meat products in the future. It is a great win for Victoria, and the government is proud to be a part of it.

### **Unions: payroll deductions**

**Ms ASHER** (Brighton) — I refer the Premier to his post-election promise that the government would not reintroduce union payroll deduction schemes because it was not part of its election policy and the comments of the Minister for Industrial Relations that the government is now considering reintroducing such a scheme. I further refer the Premier to his statement on 3AW this morning that this matter is now one for individual departments to decide. Will the Premier now advise the house what, if any, policy the Labor government has on this issue?

**Mr BRACKS** (Premier) — I appreciate that the honourable member for Brighton has asked a question that is relevant to government administration. I appreciate her contribution on this matter.

The headline on the front page of today's *Age* apparently refers to an interview conducted several days ago.

**A government member** interjected.

**Mr BRACKS** — No, it was an on-the-record interview. It must be difficult to get new headlines at the moment in Victoria, but I shall come to that later. I give an assurance to the honourable member for Brighton and other members of the house that, as I indicated this morning, the government has no plans to introduce payroll deductions in Victoria for union affiliations.

This matter was raised with the Minister for Industrial Relations several weeks ago and she quite properly said — I am in accord with her — that it would be a matter raised with departments to discuss and consider.

**Ms Asher** interjected.

**Mr BRACKS** — The reality is that the government has no policy to introduce payroll deductions. I make that clear in the house today. The question of whether departments wish to pursue it is a matter for them, but they will have to have that considered by the government in the future.

**Dr Napthine** interjected.

**The SPEAKER** — Order! the Leader of the Opposition should cease interjecting.

**Mr BRACKS** — You're doing very well in your job; I am very pleased with how you are going!

Something that has been put forward as a plan today was an interview with the Minister for Industrial Relations some days ago. The minister said it was not government policy to introduce payroll deductions. The headline in the *Age* was different from the one I am holding up. It must be difficult to find new headlines. As we know, there have been some consistent headlines in the newspaper over the past few days, and the papers are probably looking for fresh headlines.

The *Sunday Herald Sun* carries the headline 'Libs lose'. The *Sunday Age* has the headline 'Liberals stunned' — —

*Honourable members interjecting.*

**The SPEAKER** — Order! The Chair understands that the question from the Deputy Leader of the Opposition referred to a newspaper article, but that does not allow the Premier to canvass every newspaper

headline in recent times. I ask the Premier to return to answering the question.

**Mr BRACKS** — I think I have made my position clear. I will not go into the other headlines that were in the newspapers over the past few days.

### **Rural Victoria: wages**

**Mr HELPER** (Ripon) — Will the Minister for State and Regional Development inform the house of whether a cut to wages for employees in rural and regional Victoria is part of the government's plan for regional development?

**Mr BRUMBY** (Minister for State and Regional Development) — The Bracks government is committed to growing the whole of Victoria through higher investment, more jobs, better paid jobs and the restoration of decent services throughout the state. The Bracks government totally rejects the city-centric approach that characterised the previous seven years of Kennett coalition government in this state.

Our plan to grow the whole of the state involves boosting skill levels by increasing funding for TAFE, improving skill levels and training and apprenticeship opportunities, boosting new investment in companies in regional Victoria and, importantly, boosting infrastructure. If we want to create new jobs and new opportunities in regional Victoria, we need world-class infrastructure.

The Bracks government is committed to its provincial city rail improvement program and to an additional \$120 million for black spot road funding, and totally committed to the introduction of the \$170 million Regional Infrastructure Development Fund, which is necessary if it is to build world-class infrastructure in country Victoria.

It is extraordinary that the opposition parties continue to obstruct and delay the passage of the Regional Infrastructure Development Fund Bill, which would put in place in Victoria world-class infrastructure. The policy of the opposition parties is to have one rule for Melbourne and another rule for country Victoria.

The honourable member asked me about wages policy and whether the Bracks government supports lower wages in country Victoria. That question was prompted by a front-page Melbourne *Age* article headed 'Cut pay plan for jobs in the bush'. The article reports that Peter Costello has suggested a radical way to reduce the number of jobless.

In infrastructure the opposition has one rule for Melbourne and another for the bush — for country Victoria. In wages policy it has one rule for Melbourne — for the capital cities — and another set of rules for country Victoria. It is as though the whole policy program of the opposition parties for regional Victoria involves pruning: the more cuts you make, the more it will grow!

The plan was released on Saturday by the federal Liberal Treasurer. Over the weekend and yesterday every Liberal and National party leader in every eastern seaboard state except Victoria attacked this proposal. I could run through all the comments of prominent Liberal and National party leaders in other states, but instead I will quote one leader, the Queensland National Party leader, Mr Borbidge, who described Mr Costello's plan as creating a Third World sweatbox in regional Australia. That begs the question: why is it that along the eastern seaboard every prominent National and Liberal party leader at state and federal level, including the Deputy Prime Minister, has attacked this appalling proposal, and the only party leaders who have acquiesced, who have given tacit support to cutting wages in regional Victoria, are the Victorian Liberal and National party leaders in this house?

*Honourable members interjecting.*

**The SPEAKER** — Order! I ask the house to come to order to allow the minister to complete his answer. The minister, concluding his answer.

**Mr McArthur** — On a point of order, Mr Speaker, I suggest that the minister is now seriously debating the question rather than providing information to the honourable member who asked for information and that you should ask him to answer the question rather than debating it.

**The SPEAKER** — Order! The Chair has already instructed the minister to conclude his answer. There is no point of order.

**Mr BRUMBY** — I will conclude my answer, but in doing so I state the obvious. The two principal policies from the opposition parties to grow regional Victoria are as follows: the first is to knock back and reject Labor's proposed \$170 million Regional Infrastructure Development Fund; and the second is to support lower wages for workers in regional Victoria. They are the two policies of this discredited Leader of the Opposition.

I conclude on this point. After the Leader of the National Party resigns later this week there will be a

by-election at some future time. The people of Benalla ought to know clearly the two policies for which those parties stand — knocking back infrastructure funding and cutting wages in regional Victoria. We are happy to test them in Benalla.

### **Vocational education and training: registered organisations**

**Mr BAILLIEU** (Hawthorn) — I refer the Minister for Post Compulsory Education, Training and Employment to a contract offer letter dated 1 December received from the Office of Training and Further Education that required the recipient registered training organisation (RTO) to sign the new contract by 3 December. Does the minister now stand by her answer to my question in the house that all RTOs had been given adequate time to assess new contract offers?

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — It is a shame that the honourable member for Hawthorn feels the need to raise the same matter he raised a couple of weeks ago in Parliament. He got nowhere with that. He tried again last week but I noticed he was too far down the list of questions.

I certainly stick by my previous response and indicate to the honourable member for Hawthorn and other honourable members on the other side, if they care to listen, that this was an extension of time. Additional time had been given.

**Mrs Shardey** interjected.

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

**Ms KOSKY** — I suggest to the honourable member for Hawthorn that if he gives it a couple of years he might get on top of the area.

### **Tourism: international visitors**

**Ms OVERINGTON** (Ballarat West) — Will the Minister for Major Projects and Tourism inform the house of the results of the latest international visitor survey?

**Mr PANDAZOPOULOS** (Minister for Major Projects and Tourism) — I thank the honourable member for Ballarat West for her ongoing interest in tourism in Victoria and in particular in regional Victoria. I am pleased to announce to the house good news concerning the latest international visitor survey results from the Bureau of Tourism research. The

figures indicate that Victoria is definitely gaining ground in the quest for the international tourist dollar.

*Honourable members interjecting.*

**The SPEAKER** — Order! The honourable member for Bentleigh has been warned a number of times. I ask her to cease interjecting.

**Mr PANDAZOPOULOS** — Victoria has some great tourist products and more of the world is coming to know about them, but there is still work ahead of us if we are to become more competitive. We have had to face the traditional tourism triangle of the harbour, the reef and the rock — the Sydney–North Queensland–Alice Springs focus of overseas tourists.

The government hopes that as the Australian Tourism Commission starts to feel the pressure from additional international tourists wanting to visit Victoria it will make future promotions of Victorian tourism products overseas more visible.

Victoria has a great and growing reputation in tourism, and I am pleased to announce that it has again improved its market share by outperforming New South Wales and Queensland.

*Honourable members interjecting.*

**Mr PANDAZOPOULOS** — Victoria has recently surpassed the 1 million international visitors mark, and the state's performance will continue to improve. The number of international visitors to Victoria has increased by 5 per cent this year compared to the previous financial year.

*Honourable members interjecting.*

**Mr PANDAZOPOULOS** — By comparison, the total number of visitors to Australia as a whole rose by only 2 per cent, with New South Wales and Queensland both recording a decrease of 1 per cent. Victoria is increasing its market share much faster than the overall Australian growth rate — —

**Dr Napthine** — On a point of order, Mr Speaker, among all the noise in the chamber I seem to have missed the dates on which this survey was done. Obviously the minister gave us the dates, but I seem not to have heard them.

**The SPEAKER** — Order! There is no point of order. However, I do ask the chamber to remain silent for the remaining portion of the minister's answer so we can all hear what he has to say.

**Mr PANDAZOPOULOS** — Isn't it a shame, Mr Speaker, that tourism, which has traditionally been a bipartisan area in Victoria, is not being offered any bipartisan support by the opposition now. The tourism industry wants to continue to grow and be able to compete with its interstate colleagues — —

*Honourable members interjecting.*

**The SPEAKER** — Order! I have just asked the chamber to remain silent while the minister answers the question. The Leader of the National Party is not setting a good example. I ask him to cease interjecting.

*Honourable members interjecting.*

**The SPEAKER** — Order! The Attorney-General is not helping the situation, either.

**Mr PANDAZOPOULOS** — What a shame! We have some good news to talk about, and at a very critical time. Australia's international tourism industry monitors what is happening with tourism across Australia, so we have an opportunity to remind honourable members that tourism is growing and that Victoria is getting more market share, yet the opposition is trying to undermine the good-news story, a story we should all be proud of.

Why do we want more international tourists to visit Victoria? For the obvious economic benefits they bring. The total expenditure by international tourists in Victoria was \$1.7 billion. One of the key aims of the government in the marketing area is to attract tourism into regional Victoria so that regional areas get more overseas tourists staying overnight.

The results of research by the Bureau of Tourism Research represent good news, and the authority has also said a few other interesting things. Victoria is improving its performance inch by inch and gaining a stronger hold in the Australian tourism marketplace. The figures show that recent growth in visitor nights and visitor expenditure has elevated the United Kingdom to the position of largest single source country by expenditure, followed by China and Japan. Even though Japan has been declining because of that country's recent economic problems, it is still in the top three for expenditure per visitor per night. That is great!

Victoria can to continue to increase the number of visitors it receives from the Asian tourist markets if we remain focused and sensitive to their needs. Another way we can improve our performance with Asian tourists is by having more direct flights into Melbourne. The limits on the number of direct flights is affecting Victoria's performance.

Despite the Asian economic crisis the figures show nearly 300 000 Asian arrivals in Victoria, an increase of more than 8 per cent. Visitor numbers out of Singapore also increased by 25 per cent, Malaysia by 14 per cent, Thailand by 77 per cent, Indonesia by 22 per cent and China by 16 per cent. The figures also indicate that China has a huge additional potential to which Victoria can gain access if it gets the mix right, including the appropriate support from the federal government and direct flights into Melbourne.

**Ms Asher interjected.**

**Mr PANDAZOPOULOS** — The former Minister for Tourism continues to interject about what constitutes a good-news story for Victoria.

I recently met with Tourism Victoria's international managers, the managers of our nine overseas offices. I went through each marketplace with them to see what opportunities are available. I am pleased with the information I was given about the strategies in place, including ensuring regional Victoria gets a greater focus. Our figures can only improve with those sorts of strategies.

I am pleased to announce these results to Parliament. The government is totally committed to growing international tourism in the state and particularly in regional Victoria. All it needs now is the support of the opposition, support that is not evident today!

## PAPERS

### Laid on table by Clerk:

Auditor-General — Performance Audit Report No 61 — Road Construction in Victoria: Major Projects Managed by Vicroads — Ordered to be printed

Financial Management Act 1994 — Report from the Minister for Environment and Conservation that she had received the report for the period 30 April 1998 to 31 October 1998 for the Falls Creek Alpine Resort Management Board

Parks Victoria — Report for the year 1998–99

Planning and Environment Act 1987:

Notice of approval of the new Maribymong Planning Scheme

Notices of approval of amendments to the following Planning Schemes:

Ballarat Planning Scheme — No C15

Horsham Planning Scheme — No C1

Hume Planning Scheme — No L65

Public Advocate — Report of the Office for the year 1998–99 — Ordered to be printed

Regulator-General — Report of the Office for the year 1998–99

South Eastern Medical Complex Limited — Report for the year 1998–99

Statutory Rules under the following Acts:

County Court Act 1958 — SR No 128

Domestic Building Contracts Act 1995 — SR No 126

Land Tax Act 1958 — SR No 129

Pharmacists Act 1974 — SR No 130

Subordinate Legislation Act 1994 — SR No 127

Subordinate Legislation Act 1994:

Ministers' exception certificates in relation to Statutory Rule Nos 128, 129, 130

Minister's exemption certificate in relation to Statutory Rule No 126

Victorian Financial Institutions Commission — Report for the period ended 30 September 1999.

## ROYAL ASSENT

### Message read advising royal assent to:

**Audit (Amendment) Bill**

**Federal Courts (State Jurisdiction) Bill**

**Parliamentary Committees (Amendment) Bill**

## PARLIAMENTARY COMMITTEES

### Membership

**Mr BATCHELOR (Minister for Transport)** — *By leave, I move the following motions in relation to the appointment of committees:*

#### House Committee

That Ms Beattie, Mr Leighton, Mr Savage, Ms McCall, Mr Leigh and Mr Kilgour be members of the House Committee; and that the committee have leave to sit on days on which the house does not meet.

#### Library Committee

That Mr Speaker, Ms Duncan, Mr Languiller, Mr Seitz and Mrs Peulich be members of the Library Committee; and that the committee have leave to sit on days on which the house does not meet.

**Printing Committee**

That Mr Speaker, Mr Nardella, Ms Gillett and Mr Richardson be members of the Printing Committee; and that the committee have leave to sit on days on which the house does not meet.

**Privileges Committee**

That a select committee be appointed to inquire into and report upon complaints of breach of privilege referred to it by the house; such committee to consist of Mr Holding, Mr Hulls, Mr Thwaites, Mr Loney, Mr Nardella, Mr Cooper, Mr Plowman, Mr Maclellan and Mr Maughan and that the committee have power to send for persons, papers and records; to sit on days on which the house does not meet and to move from place to place; four to be the quorum.

**Standing Orders Committee**

That a select committee be appointed to consider and report upon the standing orders of the house, such committee to consist of Mr Speaker, Mr Langdon, Mrs Maddigan, Mr Lenders, Mr McArthur, Mr Perton and Mr Jasper and that the committee have leave to sit on days on which the house does not meet; five to be the quorum.

**JOINT INVESTIGATORY COMMITTEES**

That —

**Family and Community Development Committee**

Mr Lim, Mr Hardman, Mr Nardella, Mrs Peulich and Mr Wilson be members of the Family and Community Development Committee.

**Drugs and Crime Prevention Committee**

Mr Mildenhall, Mr Wynne, Mr Wells, Mr Lupton and Mr Jasper be members of the Drugs and Crime Prevention Committee.

**Environment and Natural Resources Committee**

Mr Seitz, Ms Lindell, Ms Duncan, Mr Ingram, Mr Delahunty and Mr Mulder be members of the Environment and Natural Resources Committee.

**Law Reform Committee**

Mr Stensholt, Mr Languiller, Mr Thompson and Mr McIntosh be members of the Law Reform Committee.

**Public Accounts and Estimates Committee**

Mr Loney, Mr Holding, Mrs Maddigan, Ms Barker, Ms Davies and Ms Asher be members of the Public Accounts and Estimates Committee.

**Road Safety Committee**

Mr Langdon, Mr Trezise, Mr Spry, Mr Kilgour and Mr Plowman be members of the Road Safety Committee.

**Scrutiny of Acts and Regulations Committee**

Ms Gillett, Mr Carli, Ms Beattie, Mr Robinson and Mr Dixon be members of the Scrutiny of Acts and Regulations Committee.

**Mr Leigh** — On a point of order, Mr Speaker, by tradition the House Committee, which controls the operations of Parliament and which has not met since 18 September, normally sits during the luncheon break. The new parliamentary sitting arrangements have meant that no meetings have taken place since 18 September. I seek from you, Mr Speaker, an undertaking that the committee will meet to discuss matters of importance to all members on both sides of the chamber.

**The SPEAKER** — Order! There is no point of order. The honourable member for Mordialloc does not have the opportunity of entering into a second-reading debate on committees. The committee itself will decide its meeting schedule when it is convenient for it to do so.

**Dr NAPHTHINE** (Leader of the Opposition) — The Liberal Party and the National Party support the appointments made by the motion, and we wish the house committees and the all-party parliamentary committees well in their work.

I seek advice from the Leader of Government Business about the fact that the motion states that the House Committee, the Library Committee, the Printing Committee, the Privileges Committee and the Standing Orders Committee will meet on days on which the house does not meet. Traditionally those committees have met on sitting days, often during lunch breaks, which has made participation in the committees easier for members, particularly members from regional and rural Victoria.

I genuinely point out that a number of Liberal Party and National Party members who have been nominated to those committees are from regional and rural Victoria and for them to be required to travel considerable distances to meetings on days on which the house does not sit will make it difficult for them to attend and fully participate in the meetings. With respect to the Independent member for Mildura, I point out that he will have a very long distance to travel to House Committee meetings on days on which the house does not sit.

If appropriate arrangements were made to ensure that the committee meetings were held on sitting days it would be more convenient for the honourable members for Mildura and Shepparton and for other honourable

members from regional and rural Victoria who have been appointed to committees. It would enable them to attend and participate in the meetings rather than having to travel at some expense to themselves or Parliament — I am not sure which — given that committee meetings may be short.

The motion states specifically that the committees may meet only when the house is not sitting, but the distances some honourable members have to travel may deny them the ability to participate effectively. I ask that that matter be addressed.

**Mr BATCHELOR** (Minister for Transport) — In closing the debate, I take up the point raised by the Leader of the Opposition. The motion before the house was moved in the traditional form, and I suggest the motion be progressed in that form. This matter can be resolved later.

I understand the points that have been made. Negotiations and agreements have been reached on the composition and structure of the committees, and I am keen to progress them. If the house agrees to the motion they can be constituted and honourable members can then work through those issues and, if necessary, come back to the house. As I am advised, committees are able to obtain leave of the house to meet on days when the house is sitting but not at times when the house is conducting its business.

**Motions agreed to.**

## BUSINESS OF THE HOUSE

### Program

**Mr BATCHELOR** (Minister for Transport) — I move:

That pursuant to sessional order 6(3) orders of the day, government business, relating to the following bills be considered and completed by 4.00 p.m. on Thursday, 16 December 1999:

- Water (Waterway Management Tariffs) Bill
- Crimes at Sea Bill
- Rail Corporation and Transport Acts (Miscellaneous Amendments) Bill
- Gas Industry (Amendment) Bill
- Police Regulation (Amendment) Bill

**Motions agreed to.**

## MEMBERS STATEMENTS

### Minister for Aged Care: press release

**Dr NAPHTHINE** (Leader of the Opposition) — I draw the attention of the house to a misleading and deceitful press release issued by the Minister for Aged Care on 13 December, in which the minister says:

The future of residents living at the Heywood hospital's nursing home has been secured by Victorian government policies ...

The press release states further:

The minister said the facility is now being upgraded and modernised in a \$3.3 million project ... the Bracks Labor government earmarked the funds to address seven years of neglect by the former Kennett government ...

It goes on to say that the opposition is trying to cover that up with a scare campaign. The truth is that \$3.3 million for the Heywood hospital upgrade, including nursing home beds, was part of the 1999 state budget. It was announced on 28 April in the *Portland Observer*; it was included in the state budget; and planning work is well under way for this important project.

The press release by the Minister for Aged Care is a farce; it deliberately seeks to misrepresent the truth. It is an indictment on the minister who is seeking to mislead the people of Heywood, the residents of the nursing home and communities right throughout Victoria.

Funding was provided in the 1999 budget — it was provided for at the start of this financial year — and the minister should be aware of that. Clearly the minister is being misleading and deceitful in the press release she issued on 13 December.

### Member for Mordialloc: business lunch

**Mr BATCHELOR** (Minister for Transport) — I seek to praise the honourable member for Mordialloc for breaking ranks with the Leader of the Opposition and displaying rare independence of thought and courage to deliberately act out of step with his leader and the rest of the Liberal Party. While the Leader of the Opposition acts to denigrate the business community for wanting to meet with the Premier, the honourable member for Mordialloc joined me at a business lunch last week organised by the Chartered Institute of Transport. The lunch was held at the Sheraton Towers Southgate at a cost of \$60 to \$70 a head.

The demand to attend was overflowing and people had to be turned away. Maybe it was my speech on

government transport strategies that led to the large crowd; perhaps it was access to the shadow minister that caused people to turn up! Whatever it was, businessmen and businesswomen, academics and transport practitioners were there in large numbers.

We know there is no such thing as a free lunch, so either the honourable member for Mordialloc paid for himself or members of the business community funded his attendance to hear me speak. In either case it was appropriate for him to be there, in defiance of his leader, who continues his pathetic attacks on the business community of Melbourne.

### **Dandenong Ranges: fire safety**

**Mr McARTHUR** (Monbulk) — Given the time of year, fire safety in the Dandenong Ranges is an important issue for the people of my electorate. As you, Mr Speaker, and other members know, the Dandenongs can be a dangerous place to be on a day of total fire ban. A recent ideologically based decision by the Minister for Environment and Conservation to abolish Parks Victoria threatens the lives of people and property in the Dandenongs.

When Parks Victoria was created several years ago by the former minister, the merging of Melbourne Parks and Waterways and national parks staff added to the number of people available for firefighting duties in the Dandenongs and other areas in Victoria. The staff from Melbourne Parks and Waterways were trained to departmental standards in firefighting techniques. Now 50 trained staff are available to prevent and fight fire in the Dandenongs should it occur.

The minister's ideologically based decision threatens lives and property in the Dandenongs. It is a decision she should reconsider and reject in favour of restoring Parks Victoria to what it was — that is, the best parks management agency in the world.

### **Friends of Edithvale–Seaford Wetlands**

**Ms LINDELL** (Carrum) — I offer my congratulations to the Friends of Edithvale–Seaford Wetlands on its recent attainment of a 1999–2000 city pride award. In making the award in the waterways protection category, the judges described the Edithvale–Seaford wetlands as majestic — with which description I am sure all honourable members will agree.

I acknowledge the hard work and commitment of the volunteer members of the friends group, who have put in hundreds of hours of time and effort to ensure that that remnant of the Carrum Carrum Swamp is

preserved. Working in cooperation with Melbourne Water, the friends group has made substantial progress in regenerating the wetlands so that they now satisfy all the criteria required to be listed as wetlands of international importance. The latest award, which was announced by Keep Australia Beautiful Victoria, is testament to the efforts of a special group of people who protect all that remains of an extensive wetlands system that stretched from Mordialloc to Frankston.

I congratulate all the volunteers on their work in the wetlands. I am sure all members of the house join me in thanking them for their contribution to Victoria.

### **Sir Robert Jackson**

**Mr THOMPSON** (Sandringham) — I pay tribute to Ms Robyn Miller, the principal of the Cheltenham Primary School, and the school council members on their decision to name a new building on the school property after Sir Robert Jackson. Few Australians would have made a greater contribution to humanitarian endeavour than Sir Robert, who started his working life in the Royal Australian Navy and then served in the Royal Navy. He took part in the defence of Malta, was in charge of supply lines across the Middle East to India and was instrumental in ensuring a good supply line to Russia. Towards the end of the war he was involved in the relocation of some 8.5 million displaced persons.

Sir Robert had a hand in establishing the precursors to UNICEF and the office of the United Nations High Commissioners for Refugees and served as the Assistant Secretary-General of the United Nations. He then embarked on a four-decade career with the United Nations, serving in some 50 countries. He had the view that one should make the best use of all facilities, whether they be owned by the public or private sector. On his departure from one of the United Nations programs in Kampuchea it was said of him that he always had regard for the welfare of individuals — something that is sometimes lost in larger bureaucracies.

### **Drugs: safe injecting facilities**

**Mr MILDENHALL** (Footscray) — Recently my dentist, Dr Laurie Wordsworth, joined me in Parliament House for lunch. He is a decent man and a highly competent dentist — and over 20 years I have spent much time in his chair in Collins Street! In the early hours of 24 November Laurie's 25-year-old son, Robert, died of a heroin overdose in the public toilets in the laneway next to the Victoria Hotel in Little Collins Street. Robert was a musician, poet, film-maker, radio

presenter and an inspiration to many people who knew him — despite his recent struggle with heroin.

Laurie told that me that if, as he and his wife walked down the lonely corridor to view their son's body, a camera had accompanied them, as it does those in the Transport Accident Commission's advertisements, others might understand what some families go through when faced with such tragedies.

Laurie believes that if somebody had been with his son, or if he had been in a supervised facility, Robert might be still alive. He also believes that strategies such as supervised heroin trials might be part of the answer to the problem. Laurie's message to this house is that more decisive action is needed from the leaders of our community in dealing with this scourge.

### **Rosebud foreshore**

**Mr DIXON** (Dromana) — As the weather warms up and the Christmas holidays approach, caravans, tents and jet skis will start appearing along the foreshore of my electorate, especially at Rosebud. Last year the former government committed \$2 million to enhance the Rosebud foreshore, including the upgrading of visitor and camping facilities and environmental and conservation works. Residents and tourists have been anticipating the works. The planning process has commenced, with safety and asset audits being undertaken at the moment. I and everyone else who appreciates the Rosebud foreshore amenities expect the government to honour that \$2 million commitment and to ensure the grant is spent over the next 18 months.

Camping on the Rosebud foreshore is synonymous with Christmas holidays in Victoria. Plenty of work needs to be done. We look forward to that commitment being honoured and the works that have begun being continued.

### **Dudley Marrows**

**Mr SAVAGE** (Mildura) — I place on the public record my appreciation of the efforts of Dudley Marrows, DFC, DSO, who has been a great visionary and pioneer in Sunraysia. During World War II Dudley was the captain of a Sunderland flying boat. He sank a U-boat in the Mediterranean and was subsequently awarded the Distinguished Flying Cross. During that action, Dudley circled the submarine while his crew threw out a life raft for the survivors. Later active service resulted in Dudley receiving the Distinguished Service Order.

After the war, Dudley Marrows pioneered the establishment of a large citrus property at Mourquong,

just over the river from Mildura. Over a long period he has been a great advocate of fair trade — not free trade, which is killing country jobs, especially in the citrus industry, as most members realise.

I will read a brief quote from a letter that Dudley wrote recently to Tim Fischer, the former Deputy Prime Minister and current federal member for Farrer:

I believe that globalisation is eventually essential; however too uneven, too fast downward movements of our protection, comparative to other nations, has worsened and will worsen further the existing critical disparity between 'the people and the elite'; and 'the city and the bush', both economically and mentally.

Australia is one of the most deregulated and underprotected nations in the world with regard to tariffs, which is crucifying regional Victoria.

I salute Dudley Marrows as a great Australian, a hero and a visionary.

### **Moe jazz festival**

**Mr MAXFIELD** (Narracan) — The rural city of Moe has unfairly suffered from bad press, which has given outsiders a false impression about the Moe–Newborough area. The truth is that Moe is a wonderful, diverse and active community, with activities such as Moe Day that bring many residents together. One such activity, the Moe jazz festival, brings jazz bands from all over Australia. Many visitors came to Moe for that great festival, which involves the entire community.

Now we have a new focus in Victoria: an end to rural neglect is here, with no more of the city-only focus. In the past the Moe jazz festival has not received government funding. I welcome the grant of \$5000 from the minor regional events funding program to the festival as a symbol of the end of rural neglect.

The committee that runs the festival comprises hardworking locals who have put many hours into it. I record my thanks to those members for putting the community first, as do the many other locals who have also helped. Many local businesses support the festival and deserve thanks.

Many visitors who come to Moe for the jazz festival and other activities remark how friendly the people of Moe are and how welcome they are made to feel. As a result they keep coming back year after year. I urge all Victorians to visit Moe and surrounding areas to sample the activities in that great region. Having visited once they will keep returning, as do many Australians already.

**TAC: compensation claim**

**Mr PLOWMAN** (Benambra) — The issue I raise deals with the opportunity for the Transport Accident Commission to pay compensation for loss of income to a farmer injured in a motor car accident whose farm is not currently returning a profit. Mr Graeme Hall of Chiltern was injured in an accident close to his farm on 17 June 1998. His index finger was severely injured and he also injured his right foot and his arm. After being stabilised at the wonderful Chiltern Bush Nursing Hospital he was treated by a specialist surgeon at the Wodonga hospital. He now receives a disability pension as a result of his injury.

Mr Hall applied to the TAC for compensation for loss of income over 94 days, which was estimated at \$7575. He was advised that he was not eligible for compensation as his farm was not returning a profit. He was further advised that his son could claim for work he did to assist his father to build a shed on the farm. That claim of \$2700 was subsequently met. However, that was a far cry from the \$7575 originally estimated. Mr Hall has written to the Premier in his capacity as Treasurer but as yet has not received an answer to his serious question.

**WATER (WATERWAY MANAGEMENT TARIFFS) BILL***Second reading*

**Debate resumed from 25 November; motion of Ms GARBUTT (Minister for Environment and Conservation).**

**Mr McARTHUR** (Monbulk) — It is a pleasure to join the debate on the Water (Waterway Management Tariffs) Bill. Although the opposition will not oppose the bill, it will raise a number of questions about its operative clauses and the promises the government, through the Minister for Environment and Conservation, made about funding arrangements for catchment management authorities.

If the opposition does not receive detailed and appropriate responses to its questions during the minister's summing up it will move that the house go into committee on the bill so that it can ask detailed questions about individual clauses. The opposition wants to know what arrangements the minister will put in place to ensure that the valuable work that has been done and is currently being done by catchment management authorities — in some cases for more than 50 years — is allowed to continue. The people involved

in that valuable work should be able to confidently expect to receive appropriate funding.

The legislation is simple in the sense that it is short. It has only three operative clauses. The government promised the legislation as part of its earlier election policy, and campaigned long and hard for it across rural Victoria. As I pointed out earlier, the opposition does not oppose the legislation. However, it believes it has a number of significant flaws, and the decision not to oppose it does not mean opposition members wholeheartedly endorse every word in the bill.

In my view the legislation is not needed at all. In her second-reading speech, the minister said she had already taken administrative action to prevent the imposition of a catchment management levy for 1999–2000. I ask honourable members to bear that in mind when considering the legislation. They should also bear in mind that the catchment management levy was initiated during the term of the former government by administrative order. Anybody who has any understanding of the way legislation and regulations work would realise that the minister's aims with the legislation could be achieved without resorting to legislation at all. All this could have been achieved by administrative order.

The minister admits that in her second-reading speech. She states in effect that she has already given notice to the authorities that she will take administrative action to prevent the imposition of the catchment management levy. If that option is open to her under her current administrative powers, why does she need to come into this house and seek legislative authority to do the same thing? I can see no reason for that. If catchment management levies could be introduced by way of administrative action by the former minister and if they can be stopped by way of administrative action by the current minister, why is legislation needed to simply re-emphasise that fact?

I suppose that is a rhetorical question. The reason is purely party political; the Labor Party wants to issue a press release across country Victoria saying, 'We have delivered our promise. Here is a copy of some legislation which does exactly what the Labor Party promised prior to the election'. I can understand the minister's reasons for wanting to do that, but it means the bill is more about bells and whistles than about legislative imprimatur. It is about going to the rural and regional press and saying, 'I have delivered'. She can wave a piece of paper stating that Parliament has acted to achieve this result. It is unnecessary because it has already been achieved by the minister's administrative action. The legislation has been generated at

considerable expense to the taxpayers but it will generate the appropriate paperwork for the press release so the minister can get her photo in a few rural papers.

As I said, the legislation has three operative clauses — clauses 3, 4 and 5. The opposition has a range of significant questions about the operation of the clauses. I hasten to add that many members were denied briefings because of the capricious action of the Minister for Environment and Conservation when I, on behalf of the opposition, sought briefings for opposition members and members of the policy committee. The minister, in her first flush of ministerial enthusiasm, offered to provide briefings to the three Independent members, one of whom did not take up the opportunity. The three Independents were entitled to briefings from departmental officers about the legislation.

When I sought the same opportunity I was advised by the minister that she would allow the briefing only for me, and I had to go back to her to ask for somebody else to be there to take notes. She finally agreed that I could have somebody else with me to take notes, so just I and one other opposition member were present for the briefing, and that was to suffice for some 70 opposition members.

I am glad that in recent discussions the minister has changed her position. I welcome that. Members of the policy committee of the opposition will now be able to attend departmental briefings on bills coming before the house. That is a sensible decision. It will aid the progress of legislation through this place and through the other place, because in the absence of briefings from professional departmental officers it is difficult for opposition members to make sensible and rational decisions on the clauses and to consider whether the legislation is in the best interests of the state. Although I regret the minister's initial action, I welcome her change of heart. I hope it signals a much better arrangement for legislation in the future.

As I believe all honourable members are aware, catchment management authority (CMA) levies have been quite contentious in parts of Victoria over recent years. I emphasise that that is in parts of Victoria, not all of Victoria. In some areas CMA levies have been operating to a greater or lesser extent for many years. The work that has been funded by the levies is well accepted, well recognised and well appreciated, and it has considerable community support. Indeed, some groups in the community have called for the work to continue. They believe the power to impose the levy should stay in place and that the decision to abolish it is threatening a good deal of first-rate river management and environmental work in some parts of the state.

I will return to that issue later and seek a detailed response from the minister on how the bill and its future operations will impact on those areas. I will ask the minister what assurance she can give to groups that formerly operated as river management or river improvement trusts and now operate as implementation committees under the umbrellas of various CMAs about how they will be able to carry out their vital work. I will ask what assurance she will give them that they will have appropriate funding and that the restricted levy power they will retain is adequate for the purpose. I will seek an assurance that if the levy does not provide the level of income they need for their normal schedule and level of work, the government will make good the amount needed.

Another area I will draw to the minister's attention relates to her decision about the two catchment management authorities that had already issued notices for the 1999–2000 year and had incurred considerable costs in doing so. Her decision, which is reflected in the legislation, was that those notices are to be declared null and void and that the CMA concerned must refund the 1999–2000 levy to any ratepayer or property owner who pays it. I understand the basis for that in equity and can accept the minister's reasons for doing it, but I am seeking the minister's assurance that the two CMAs, whose financial capacity is already fairly tightly balanced, will not be penalised because of the minister's decision.

The issuing of the notices was perfectly legal and the CMAs were operating under the powers available to them under the act. They were operating in a time frame that was part of their normal operations, and they were doing exactly what was expected of them. Their actions had been approved by the former minister in signing off on the business plans of the CMAs. It is therefore unreasonable for the new government to say, 'All right, what you were doing was legal, but we don't like it. We want you to stop it, and not only that, we want you to retract what you have done. We know that will cost you money'. If the government wants to do that, fine, I can understand its reasons, but it should not penalise the two CMAs for taking legitimate action.

I will seek an assurance that they will not be out of pocket by one dollar because of the minister's decision, and I will seek a guarantee from the minister that the government will compensate them fully for both the cost of distributing the notices — which in both cases I believe they have done through their local government authorities — and for the cost of refunding the levies that have been paid. On the estimates I have received from people in a position to know, the costs are

considerable. I do not believe the two authorities should be penalised and put at financial risk.

There are three operative clauses in the legislation that abolish the catchment management levies. The power of catchment management authorities to issue levy notices is restricted to a very small and tightly defined group of properties within the CMA area. The bill provides for the refund option I referred to earlier.

The first of the operative clauses, clause 3, seeks to amend section 144 of the Water Act. I will not go through it word for word at this stage, but I will do that in the committee stage unless the minister can provide clear responses on how these things will operate. In particular I direct the minister's attention to clause 3(1), which amends section 144(1)(d) of the act by inserting the words:

and the Authority has made provision for regional drainage or flood plain management services that are of direct benefit to that land.

I seek an explanation from the minister of the words 'of direct benefit to that land'. I want to know exactly which properties that includes. Does 'direct benefit to that land' mean that the work — the levee bank, drainage works or flood mitigation work or whatever it may be — must take place on the land in question? Must it take place on the property that is being levied, or does 'of direct benefit to that land' mean that properties which are downstream of that work or outside the boundary of that work but which may indirectly benefit because the floodwater does not reach them or the seepage no longer affects them are potentially included in the definition?

I seek clarification from the minister on the issue. What does 'of direct benefit to that land' mean? What properties are included and excluded?

The second concern is clause 3(3), which deals with direct benefit. I refer the minister particularly to the former river management trusts, some of which have had 50-year histories of doing river management works. I refer particularly to the East Gippsland CMA and the Goulburn Broken CMA in north-eastern Victoria. I understand some drainage programs on Pental Island will be affected by the legislation. I want to be sure that those groups will be able to continue the full extent of the work they have done in the past, that the levy power allowed them by the minister will cope with and cater for that level of work, and that the groups will not be otherwise dependent on the government for subsidies.

If they are so dependent, by how much? What sort of assessment has the minister made to discover the level

of subsidies she will be required to provide the groups? Where will the money come from? Will it come from other environmental work that the department would normally undertake or is it new money to be provided by the Treasurer through one-off grants? If so, what will happen during the 1999–2000 financial year — given that we are almost halfway through that year?

Clause 4 amends section 260 and limits the authority held by the CMAs under part 10 to only that which it holds under divisions 3 and 4 of part 10, which deal with regional flood management and waterway management. That provision is consequential upon amended section 144(c) inserted by clause 3.

Clause 5 deals with the transitional provision that says, in effect, that there will be no levy in the 1999–2000 year. The notices already issued by two CMAs will become null and void. A refund will be paid to a land-holder who has already paid the levy.

In her desire to provide equity for landowners across the state the minister has jeopardised equity for CMAs because only two have issued notices. Therefore, only two CMAs have incurred that cost. I understand the cost of the North East CMA issuing its notice was about \$82 000 and that the budgeted levy income was to be approximately \$820 000. The notices were issued through the local government authorities so that the CMA was paying 10 per cent of revenue on a pro rata basis. I understand the CMA expects the cost of refunding that part of the money received could be significantly higher than the \$82 000 it cost to issue the notices. The reason is simple.

The initial notices were issued as part of local council rate notices. All the CMA had to do was have another sheet of paper placed in the envelope or a line added to the local council rate notices. Therefore, the costs for distribution of the levy notices were minimised. However, the CMA will need to establish who has paid the levy. Then, either on its own behalf or through a contractor, which could even be the local council, it will have to raise the money and mail cheques to the various property owners. That will be more expensive than simply inserting a line on a notice or placing sheets of paper in the envelopes containing rate notices. For that reason, the CMA believes the cost of refunding could be high even though the number of refunds will be smaller than the number of original levy notices. I see no reason why North East CMA should be penalised for carrying out the minister's role. If the minister wants to have her work done by the CMAs, she should pay for it.

The other authority to have issued notices is the North East CMA. I understand it expected to raise about \$2.1 million in 1999–2000. It costed the issuance of notices at about \$200 000, which equates to about 10 per cent of its levy revenue. I do not know the estimated cost to that CMA to refund the money already paid by land-holders, but if the Goulburn Broken CMA rule of thumb can be applied, it could expect the cost to be more than \$200 000. If we assume its budget was \$2.1 million and we subtract the \$200 000 for distributing the notices and another \$200 000 or \$300 000 in refunds, we realise its ability to do work in the current financial year would be severely impeded.

Another impediment on the work of CMAs that I will turn to later concerns the amount of money promised by the government for the financial year as a recompense for the loss of revenue. The minister has conned country Victorians on the government's supposed promised generosity.

In deciding whether to support the bill it is worth examining some of the work done by CMAs and historical groups, including the ones I mentioned. They include the river improvement and river management trusts, some of which have been operating for more than 50 years. A long and proud history is contained in the index list in schedule 12 to the 1989 Water Act; the list of bodies that deal with waterway management powers in Victoria covers 15 to 20 pages. A large number of those authorities draw their powers from part 10. By and large, they will be affected by the legislation.

For many years those authorities have been conducting flood prevention and mitigation works in some of the most flood-prone and difficult flood management areas in the state, particularly the Goulburn Broken CMA, with the quick-flowing rivers coming from the northern side of the Great Dividing Range and areas in East Gippsland with rivers coming from the southern side of the Great Dividing Range and crossing Gippsland before they hit Bass Strait.

Only a few years ago every day in the Melbourne news we and, I am sure, every country Victorian would have seen footage or photographs of Gippsland rivers bursting their banks and large numbers of stock from East Gippsland farms being washed into Bass Strait. Farmers suffered enormous damage from those floods.

A member for Gippsland Province in another place had a substantial role to play in providing support and funding for the rebuilding of Gippsland after the floods. They demonstrated how difficult and unpredictable

rivers are in periods of high rainfall. The floods occurred despite 50 years of river management programs in those areas and despite the enormous amount of experience of the families who have farmed in the areas for two, three or four generations. Many were unable to cope with the amount of water that flowed down the rivers during that time.

It is important that the funding for and the work of those river improvement bodies continue. If it does not, not only will it put farms and farmers' livelihoods at risk, but it will also put at risk all the residents of small country towns and those holidaying by the rivers and streams. I am speaking also of the environmental values that many people in metropolitan Melbourne like to enjoy when they go to rural Victoria. Many who camp on the sides of the rivers do not understand the work required to maintain waterways in good condition to cater for peaks and troughs in river flows.

That important work is carried out by well-meaning people. They have worked for many years on a voluntary basis and that work should not be ignored. Those experienced people value the fundraising capacity of the levy and have misgivings about the legislation.

The regional press has reported — I am sure the minister has seen the reports in the *Weekly Times* — the fears expressed in the Goulburn Broken Catchment Management Authority area in the north-east and in East Gippsland. From discussions with the honourable member for Gippsland East, who has worked at a personal level with river improvement bodies, I know that he has asked questions about how the new restrictions on the rate-raising capacity will operate. It is important that during her summing up or in the committee stage the minister provides a detailed response.

I turn to funding. The Bracks government has offered to make good the loss of the levies to the seven catchment management authorities that were previously collecting them. There is considerable dispute about the adequacy of the Premier's offer and the assessment of cost the government has chosen to use. In the past approximately \$17 million was raised in the form of levies. The Premier has offered \$10.7 million to recompense the CMAs for the loss of the levy-making power for a full year. However, in 1999–2000 the Premier said that half the year has already gone and he will offer only \$5.35 million. That is an unashamed con on country Victoria. It is a direct arithmetical calculation; half the year has gone, therefore only half the money will be given.

The bill fails to recognise — although it is recognised in the second-reading speech — that some CMAs have not yet raised one dollar for 1999–2000. The minister has said that those that have raised money must return it. They have had zero income for 1999–2000. Works were planned which would have accounted for much more than the \$10.7 million the Premier is offering for a full year. However, for the rest of 1999–2000 CMAs will receive only \$5.3 million unless the Premier, who is currently the Treasurer, increases his offer. If not, the work of the catchment management authorities and the implementation groups that operate under their umbrella, will cease because of insufficient funds.

A good deal of the money the catchment management authorities were planning to spend came from the federal government by way of the Natural Heritage Trust. If the Premier does not provide funding to continue that work the CMAs and the implementation committees will lose a percentage of the matching federal NHT funding.

I seek an assurance from the minister that she will take urgent action to ensure that does not happen. The Victorian CMAs that have been successful in winning NHT funds from the federal government should not lose through the negligence and inaction of the minister. She knows what the bill does. She is experienced enough and is well advised by the department. Having worked with many senior offices of the department over the past seven years, I know they would have told the minister that \$5.35 million would not be enough to cover a year's income. Unless the government takes quick action to resolve the matter a good deal of the work currently under way in country Victoria, the area the government has proclaimed it supports, will be jeopardised.

This three-clause bill is not a technical bill; it is about politics, not about necessary legislative action. It has serious risks attached to it. Unless the minister addresses those risks she will be threatening the invaluable work carried out across country Victoria.

I know that for many years the minister has been committed to environmental issues. She has visited many areas of the state on logging and other environmental hot topics from time to time. I implore her to continue the work being done by many of the catchment authorities along the rivers and creeks. That work is as environmentally important as some of the forest management issues in which she has been involved. It affects the livelihoods of farmers with properties alongside the streams as well as the wellbeing of residents of towns downstream. That is just as important as some of the headline issues with

which the minister has been associated. I hope she takes the matter seriously.

The opposition does not oppose the legislation. The government made a promise on this matter in the run-up to the election.

The government has a mandate for the decision it is making. However, the legislation is not necessary. The decision has been made at an administrative level, and a bill is not needed to emphasise the issue. I repeat — the government has a mandate to do that.

*Honourable members interjecting.*

**Mr McARTHUR** — To do that, and that is all. I seek a clear assurance that the problems I and, I imagine, other opposition members have outlined will be answered. I am not sure whether the honourable member for Gippsland East wishes to speak on the bill, but if he does I imagine he will query some aspects of it as well. I hope the minister, in summing up, can provide a clear answer on issues raised. If not the house will go into committee and discuss the bill line by line and clause by clause, seeking detailed responses from the minister and assurances from the government about the financial implications and other aspects of the bill.

The opposition wants to ensure the important work continues for the benefit of farmers and towns and environmental management in country Victoria. It should be ensured that, in making that decision, Victoria's ability to attract federal Natural Heritage Trust funding is not jeopardised. Victoria has a proud record of being successful in attracting NHT funding. I have been advised by a number of people associated with catchment management work across the state that they are nervous about whether the \$10 million provided by the Premier is adequate. They fear that some of the NHT funds will be jeopardised because some NHT funding programs have a specific local funding requirement. People are not convinced that funding channelled from the state Treasury to the CMA or implementation committee for use in their area will qualify as local funding.

Again the minister's assurance is sought. Has she been guaranteed by the federal minister's department that the \$10.7 million that comes from state Treasury to replace the catchment management levies will in every case satisfy the local funding test that applies in some NHT programs? If she has not had that assurance, what does she intend to do to assure those catchment management authorities that there will be a way for them to raise local funds to meet the test for NHT funding?

If the minister cannot respond, she needs to take action to ensure the oversight is corrected. She has plenty of time to do that because, even though the legislation is likely to go through this house and the other place this week, the bill has already taken effect by way of administrative action. The legislation does not trigger anything much. The potential problem is caused by the minister's administrative action in giving notice that the levy notices were void and that the money has to be refunded.

I will leave it at that. The opposition does not oppose the legislation, but a number of serious questions and concerns have been raised. The government owes the people who have done the work in catchment areas across the state and the people who depend on that work being done in the future an explanation of how the legislation will work and a guarantee that it will not jeopardise future works.

**Mr HOWARD** (Ballarat East) — It gives me great pleasure to speak on the Water (Waterway Management Tariffs) Bill. I commend this concise, explicit bill to the house. The clear purpose of the bill is to abolish the charging by catchment management authorities (CMAs) of catchment management levies, as charged to all rateable properties across their regions.

The bill makes three amendments to section 144 of the Water Act 1989 and inserts new sections to follow sections 260 and 329 of that act. As members will have noted, the commencement will be immediate upon the carriage of the bill.

The bill removes the catchment management levies that have been charged by catchment management authorities as a blanket charge on all ratepayers and requires the authorities to refund any moneys they may have already charged for this financial year. In future charges will be able to be collected only where it is demonstrated there is a specific benefit derived by those who live in the area where the services are provided by the catchment management authorities.

For example, the Lough Calvert drainage scheme in Colac and a number of other schemes operating around the state provide specific, clear benefit to people in an area. In those cases it is accepted that it may be appropriate to charge the property holders concerned. However, it will not be appropriate to charge blanket ad hoc charges to ratepayers in the region of any catchment management areas in future.

I make it clear to all members of the house that the bill in no way denigrates the work of catchment management authorities; in fact, it does the reverse. The

bill recognises that CMAs do valuable, important work throughout the state and that, rather than pulling out \$17 million from the Department of Natural Resources and Environment budget, as did the former government at the last budget, the new state government believes it is appropriate to finance the catchment management authorities directly from general taxation revenue instead of charging blanket ad hoc levies as additional taxes.

The government has committed itself to increasing direct funding to CMAs to make up for the removal of the CMA levy. The government supports wholeheartedly the work being carried out by CMAs. CMAs were formally established in 1988 under changes to the Water Act 1989 and the Catchment and Land Protection Act 1994. Those bodies have been working diligently since that time to improve the health of Victorian waterways.

Not only are CMAs doing great work in developing catchment management plans in their regions; they are developing flood mitigation plans and identifying the priority of work that needs to be done in catchment areas. They are also doing much groundwork in addressing issues such as salinity, weed infestation and flood mitigation in urban areas and improving the quality of water in the rivers.

Over the past six months I have been talking with many catchment management authorities about the work they have been doing. I have inspected some works. I commend them, as would all people who have been watching the work that is going ahead.

There is no suggestion in the bill that the government does not support the work of catchment management authorities. It wants them to continue. It recognises the value of the work they are doing — a backlog of work that has not been addressed for many years. Those authorities are working to address such issues, and the government will continue to support them in doing so. I congratulate all CMAs on the work they have already done. I look forward to continuing to work with them in a fully consultative process with the community to ensure the work continues.

Let us look at why the bill has come before us today. Like many members representing regional Victoria, I was outraged when I first learnt of the imposition of the CMA tax, as it became known in regional Victoria. It was outrageous that a government would say, on the one hand, that this important work needed to be done but, on the other hand, that in the last budget \$17 million was to be cut from the general revenue of the Department of Natural Resources and Environment

and a tax imposed on all regional ratepayers in the form of the CMA levy and that that would make up for the reduction in the state budget.

I, like so many others, believed the charge was unfairly applied, because everyone, whether the owner of a \$300 000 property in an affluent area or of a \$50 000 property, was required to pay the same charge, and people on pensions or other benefits received no concession. The government forgot that some people might be struggling.

In my area the CMA bills came out just before Christmas last year. What a wonderful Christmas present for the people of regional Victoria! Here was a sweeping new tax that left them, like me and so many other honourable members on this side of the house, outraged. The charges raised issues of unfairness. As I said, it was the same charge whether the property value was high or low; and the proximity of a property to catchment areas or its placement in relation to streams and rivers was irrelevant. Everyone was asked to contribute equally. Only properties valued at more than \$1 million were liable to pay a higher levy.

The people in my electorate and across regional Victoria were enraged by the new impost and by the government's withdrawal of its own funding. They wondered where it would all end. People contacted me day and night about it. An aged pensioner told me he was struggling to get things together for Christmas and now had a new charge to pay. 'How can I pay that?', he asked. People who did not live near a catchment area, whether pensioners or not, could not understand how they could benefit, and they were especially enraged.

The honourable member for Swan Hill might believe such people were in fact deriving benefits from catchment management works, and perhaps they were, but the way the charge was applied had a negative effect on them and resulted in them having a negative view about catchment management work. Numerous people contacted me by phone or dropped in to my office to let me know of their outrage. The strength of feeling across the electorate was astounding. A petition prepared by the honourable member for Ballarat West and me attracted 7000 signatories in a very short time.

The petition was not pushed door to door; it was simply made available in a number of places around town. I stood outside supermarkets on some Saturdays to allow people to sign the petition. Normally, when you do something like that outside a supermarket on a Saturday morning you find that people are keen to get inside, get their groceries, get out again and get on with their weekend activities. It is not easy to get people to sign a

petition in those circumstances. They want to get past you and ignore you. They wonder, 'What is that person selling this time?'.

As soon as people heard it was a petition about the catchment management tax, however, they quickly reversed out of the doorway and said, 'Oh! Yes, I will sign that!'. They queued up to sign. Everywhere the issue was raised, as I am sure other honourable members will report, people were outraged. They could not believe the government would lay on them in such an ad hoc way another tax affecting only regional Victorians.

The result shows that the former government was not listening. I, along with many other honourable members, made representations to the former government. We raised the issue publicly in many different ways. We said, 'This is a foolish charge', and the catchment management authorities reported our words and the negative feedback to the former government, adding that it was foolish to impose such a tax. Yet the former government stood firm and would not abolish the tax or listen to the people of regional Victoria, and it paid the price on 18 September.

That foolish and unfair tax was also foolishly and unfairly applied. Even the honourable member for Monbulk, in his contribution to debate on the bill — which he says he supports — talked about the cost of collecting the charges. He said the Goulburn Broken Catchment Management Authority had to pay \$200 000, an amount not warranted by the sum to be collected, to send out one year's bills. The bureaucratic structure was expensive and unwieldy and a complete waste of time. Yet the former government proceeded, saying the levy was good for regional Victorians and it was proper that they make a contribution to catchment management works. It even implied that regional Victorians were not paying other taxes levied on all Victorians.

I was delighted when the then shadow minister for environment, conservation and land management, now the Minister for Environment and Conservation, announced that a Labor government would abolish this unfair tax. That statement showed that the Labor Party was listening to regional Victoria and was prepared to respond — and we all know how regional Victoria responded on 18 September. In the area covered by Ballarat Province the Bracks government took all six seats and I became part of the 6–nil team. At the election on 18 September all of those six seats fell to the Labor team. It is terrific to be part of that 6–nil team in the Ballarat region that is representing regional

Victoria in a way it has not been represented for the past seven years.

The bill sends a clear message to the people of Victoria. The honourable member for Monbulk said the bill was unnecessary because the tax could have been abolished administratively. That is not the point of the bill. The government is sending a clear message to the people of regional Victoria that it is responding to their needs and is prepared to put in place legislation that not only abolishes catchment management charges but ensures that any future government will not be able to reintroduce such a charge administratively. It could be reintroduced only through new legislation.

It is important to bring in the bill so the people of regional Victoria can see that the government is responding to the issues raised during the last election and that it will support them.

As the Minister for Environment and Conservation will no doubt clarify in more detail in closing the debate, the government does not wish to cut the funding for catchment management authorities. Although the tax is being removed the government has given a commitment that it will replace catchment management levies and ensure that the work of the authorities is able to continue.

The minister has explained the position to the authorities, and the bill clearly provides that any moneys collected for this financial year will need to be returned by the catchment management authorities, including the more latterly created catchment management authorities and the older authorities such as the North East Catchment Management Authority and the Goulburn Broken Catchment Management Authority, which have already sent out notices and received some of the levies for this year. Most of the authorities took heed of the fact that an election was approaching. They knew of Labor's promise so they did not go ahead with imposing charges, which proved to be sensible. Only the catchment authorities I have referred to will need to return funds.

Although the government wants to ensure that catchment management authorities are fully supported, it recognises — as the honourable member for Monbulk pointed out — that the National Heritage Trust is an important source of funding for some of the authorities. The government also recognises that support from other sources is required and does not wish to put the National Heritage Trust funding at risk.

I am proud to be part of a Labor government that is determined to follow through on its election promises,

and I am very pleased that this is one of the bills that will have been passed before Christmas — I trust it will — because it will let people in regional Victoria know the government is serious about following through on the commitments it made before the election. I am proud to be part of a government that has a genuine commitment to creating a healthier environment and has a plan to support catchment management authorities in a broad range of environmental matters across Victoria.

I am also proud that this is a government that listens to people. By listening to people across regional Victoria and not just those who live in the inner areas of Melbourne the government will be able to recognise when the people are hurting. The government does not want to see them hurt any longer.

The bill is a recognition of the needs of rural Victoria and of government responsibilities to support them through general taxation funding to enable catchment management authorities to undertake environmental work. The bill recognises that imposing additional spot taxes on Victorians is not the way to go, and it is with great pleasure and pride that I commend the bill to the house.

**Mr STEGGALL** (Swan Hill) — That was breathtaking stuff! As the shadow minister has said, the government does not oppose the bill. The battle for the tariffs for catchment management authorities has been lost. I will explain the facts of life to a few honourable members and point out some of the things the opposition will be watching for in due course.

Catchment management authorities had their genesis during the 1985 election campaign. It was a rather awkward period in northern Victoria. There were divisions between communities about the salinity programs and activities carried out in the Murray and Goulburn river regions. Communities were in conflict with each other and were being divided by members of the then Cain government, which was up to all sorts of mischief.

At the end of the election period a few members on either side of the house sat down to address the problems. Some honourable members might be amazed to learn that Joan Kirner, Rob Jolly, Evan Walker and I sat down to look at what had happened during the election campaign and what was happening in those communities. It became obvious to us that the salinity concerns in the Murray Valley region were not going to be improved by political point scoring at election time or by members of Parliament being smart alics and pitting one community against another.

The government slowly developed the salinity program to put in place a set of policies to fight salinity that would not change with a change of government. The object of the exercise was that we as a group would work out how to stop the fighting that was going on at that stage between Shepparton, Kerang and Swan Hill and try to see how the communities could handle those issues.

Plans were drawn up and the salinity program was put in place. The people involved were not just farmers and environmentalists; they included people with interests in tourism and Aboriginal issues as well as producers and representatives of local and state government. Salinity programs commenced, and they have continued to be one of the great success stories of northern Victorian land-use management programs. An offshoot of that was the Landcare program, which took the same principles developed for salinity and applied them to all other land management issues. That was good.

Later, the same principle was applied to heritage rivers to put in place a management process for our natural resources in partnership with the government, communities and the environmental and economic functions of that region. One of the government's biggest problems is the management and allocation of natural resources. How is an environment protected? In the case of northern Victoria plans were put in place to develop a model which would not degrade the environment. That model has been very successful.

However, there was a little hiccup on the way — that is, the Mineral Reserve Basin scheme. Just before the salinity programs were introduced the then Minister for Industry, Technology and Resources in another place, the Honourable David White, decided to establish that scheme whereby salt would be taken out of the Murray River system in the Swan Hill–Kerang area and put into mineral reserve basins for evaporation purposes. It was proposed that the people of Shepparton would pump their ground water into the Goulburn and Murray rivers. That was what the Labor government of the day decided to do. The local communities locked horns and strongly fought the proposal.

Eventually, 142 Mallee farmers took the government to court — the first Australian class action on such a matter — over the Mineral Reserve Basin scheme and the correctness of imposing that on a community. The court found that the government had every right to impose that type of operation on people and that it was within the law, but the footnote was that it was stupid to impose such a scheme on people. Six months later the Mineral Reserve Basin scheme was shelved. The

government had spent about \$7.5 million on the scheme, and the channels, bridges and so on still exist. There are still very strong feelings about the government forcing its desires upon society in that way.

The salinity program was implemented as a partnership, and about six salinity programs and plans were developed in the north-west. The biggest issue was that the programs tackled only regional problems — that is, the little problems in one area, whether it be Boort, Pyramid Hill, Kerang, Swan Hill or Shepparton.

That was not getting to the core. By that stage the debate had progressed to the point where the society understood that it needed to take a tacit approach to the issues. The large Swan Hill–Kerang catchment originates in Ballarat, which takes about one-quarter of it. It extends through Maryborough, Castlemaine, Bendigo and up to Swan Hill and Kerang.

For the first time the government was asked, 'Isn't there some way these people can be brought together?'. Bendigo was tipping its half-treated sewage down the Bendigo Creek and into Kow Swamp, which added to the problems with blue-green algal blooms. Once it reached that area it became part of the irrigation system. However, no headway could be made with the people of Bendigo. They were not at all interested and said, 'Not us!'. As for the people of Ballarat, they did not even know they were part of the catchment!

**An honourable member** interjected.

**Mr STEGGALL** — I have just heard a member of Parliament reveal that he does not know that everyone lives in a catchment. He should understand that everyone lives in a catchment.

**An honourable member** interjected.

**Mr STEGGALL** — I do not know, and neither does their local member, but he has learnt today.

**A Government Member** — He did not say that.

**Mr STEGGALL** — He did say that.

Ballarat is unique because it has five catchments, and it is a problem. The \$20 catchment levy was introduced because the former government had to introduce some equity into the funding proposals. It introduced some equity in respect of Ballarat because five different catchments were involved and the government thought there should be one cost, not five.

That battle has been won and lost. The opposition understands that. I would like the honourable member

for Ballarat East to understand that the catchment management authorities were created to deal with the whole catchment issue. They were not established to deal just with weeds, erosion, salinity and land care. They were established to put in place economic, social and environmental plans for the entire catchment, not just the little patches, as happened with Landcare and salinity issues. That was the former government's first attempt to manage the economic, social and environmental aspects of catchments.

The process has just started, and I hope the Labor government will not interfere too much with the CMAs. However, I fear it will. The ownership of those plans will now revert to the department. Any honourable members involved in natural resource management for any length of time would know that the battle between the community and the bureaucracy has been difficult and awkward. The catchment levy was established to give the people rather than the bureaucracy ownership of the management plans.

**An honourable member** interjected.

**Mr STEGGALL** — Excuse me! People should not jump to conclusions about the perceived negativity that has been talked about during the past few months. Shepparton, for example, has taken a very positive approach to catchment planning and management. Shepparton is one of the real danger areas for salinity. Those of us in the north have debates from time to time about where food will be produced 50 years from now. It is an interesting topic, particularly for those from Shepparton because that area has a major problem. The problem is not caused by irrigation but by the rising ground water tables coming out of the Bendigo region.

**An honourable member** interjected.

**Mr STEGGALL** — Yes, irrigation plays a part but it is a bigger issue than irrigation. It is similar to the salinity problems in south-western New South Wales and the Mallee region of Victoria where during the next 100 years the ground water will reach the surface. In New South Wales the natural ground water hits a clay bank in the Wentworth area. Much is known about the management of catchments, and the CMAs were created to advise ministers on how to tackle those issues. The authorities have not been in operation long enough to reap the benefits; they are virtually brand new. The big challenge is to try to get communities to balance their economic and social development and investment policies with their natural resources. The former government was willing to take on that challenge.

I appreciate that the government is being politically popular. However, if in the next few years I find there is another mineral reserve basin scheme somewhere in Victoria, I will say the government has failed. The future of catchment management and what it is attempting to achieve is a huge issue. It does not matter very much to people in Ballarat, Bendigo, Geelong and Melbourne. They whinged, carped, jumped up and down and said, 'You naughty boys'. The vote was 6-0 in Ballarat and the Labor Party gained government.

However, having won government it should understand that some of the things the Kennett government and previous governments did in country areas were ground-breaking, world-first issues. Victoria's salinity program is imitated the world over because for the first time governments and communities tackled natural resources in partnership. That sort of partnership will not be seen in Israel, America or anywhere else, nor will the degree of understanding and the knowledge base that has been developed in this fragile country of ours. Country areas have an enormous knowledge base, and that is why the great debate will continue.

I know people in Melbourne will make judgments about them, but honourable members must understand that the minority, the people who represent about 12 or 14 per cent of the country, do not want the people of Melbourne, Ballarat, Bendigo and Geelong passing judgments on the issues that those in country areas are working through.

A classic example concerns the honourable member for Gippsland East, who has come into this place on a very important issue for Gippsland — the mineral reserve basin in the north-west. My involvement with that issue started in about 1973 with the interstate rivalry between South Australia, New South Wales and Victoria. I was a Swan Hill city councillor at those forums and all we did was throw mud at one another, argue, fight and call one another names. We achieved nothing. Eventually after the establishment of the Murray-Darling Basin Commission the communities in those three states began working together to resolve the huge national resource problems. Achievements have been made.

The Murray River debate that is taking place throughout South Australia, New South Wales and Victoria is fascinating because the communities speak from knowledge. The interesting aspect this year is that the Snowy people have joined the debate. They have joined — I think they are about to change — by engaging in the mud throwing in which we engaged in 1970. When the people associated with the Murray in New South Wales and the Murrumbidgee in South Australia join the people of the Snowy to work through

the issues, good results will be achieved for all the areas concerned.

The opposition has accepted that the levies are gone, and that is fine. They were a headache to us in some areas and were an absolute boon in others. I am sure the honourable member for Murray Valley will join with me in asking the government to continue the levy collection operation, because that is how we manage our natural resources. For many years people in my electorate have been putting on levies to fund salinity programs as a community contribution to plans that have been argued, debated and agreed to.

Honourable members would be aware that in Melbourne there is a parks and waterway levy, and a drainage levy. I have not heard metropolitan people say that for the sake of equity we should get rid of those levies and provide funds from the public purse. It should be understood that those levies amount to approximately \$80 a household, and Melburnians do not have the benefits we had with our levy in country Victoria. I hope there is reasonable debate and that city people will understand that there is reason and logic in what the former government was trying to do and was doing very successfully. Victoria's continuing economic growth must be on an environmentally sustainable plane. In the context of our culture it is a challenge for all Australians.

What is proposed is a great adjunct to what the former government was doing, so I ask the government not to let it fall into the hands of bureaucracies, where it once was. That would cut off the links we had between communities and government, and over the years the benefits of those links were magical, and we still have them today.

It is important to look at the environmental balance in the Wimmera, the Mallee, the Murray Valley and the north-east of Victoria and at how each of those areas is working to improve the environment. Government members should get out and have a look around those areas to make sure the changes the government is about to bring to the catchment management authorities will not put our natural resource management at risk.

**Mr HELPER** (Ripon) — I am pleased to speak on the bill because it deals with an issue that was vigorously campaigned on in regional electorates such as mine. I took some delight in observing the presentation of the honourable member for Swan Hill, and one thing I would like to comment on is the link he made between the pain of the levy and a sense of commitment to environmental work. That link does not exist. It is silly to think that pain has to be inflicted on

individuals and that they have to be singled out before we can be environmentally conscious, before we can look after our catchments and before we can do remedial work.

The levy was nothing more than a country water tax introduced by the previous government. As the honourable member for Ballarat East said, the introduction of the tax saw considerable unrest in the community. Some 7000 petitioners in the Ballarat area and hundreds of people in my area, including the editor of one of the local papers, took up a petition. People not associated with political parties participated. The issue was so community based that people everywhere volunteered to take up the fight against the unfair levy. It was vigorously opposed by the new government, and if one can use the term 'mandate' without demeaning it this is certainly an occasion when it is appropriate. The government has a mandate to put the legislation through Parliament, remove the levy and rid Victoria, particularly rural Victoria, of an unfair, unreasonable, inequitable and environmentally ridiculous tax.

The Labor Party's opposition to the levy was based on two key elements: firstly, fairness; and secondly, a desire to achieve environmental works on the basis of need rather than on the ability to raise a levy. The honourable member for Ballarat East pointed out that there were no pensioner rebates. She also pointed out that no matter whether one had a \$200 000 property or a \$20 000 property — and in country Victoria, sadly, that is often the case — one paid the same \$31.

I will address a point raised by the honourable member for Swan Hill. He referred to the levy as a \$20 levy. It became a \$20 levy after the former government decided \$31 was causing too much political angst and it would do something about it. The outcry from communities after it was reduced to \$20 was on the basis that two-thirds of a bad tax remains a bad tax.

I turn to the issue of fairness. It is obvious that funds derived from general revenue are far more equitably derived than those derived on the basis of property, and then not even on the basis of the value of the property. An example of why I believe the levy method of funding catchment environmental remedial works is not useful is that the North Central Catchment Management Authority — in whose area the honourable member for Swan Hill resides — issues 110 000 assessments and covers three major rivers, the Avoca, the Loddon and the Campaspe, which require considerable environmental works to be undertaken. It covers Swan Hill to Daylesford and Echuca to Donald, a geographic area of some 3 million hectares.

In comparison Melbourne Water has 5087 kilometres of waterways, most of them running in concrete drains, and approximately 1.3 million rateable properties. Most of the remedial work required by Melbourne Water is to patch up the concrete drains as they age. A user-pays levy imposed on 110 000 properties in country Victoria has to meet a much greater need for environmental works. That shows what a ridiculous proposition the user-pays principle is for environmental works. It is clear that the ratio of revenue to cost of environmental works needed is tilted against country Victorians.

I will now deal with why the new government strenuously opposed the levy system, which was on the basis of inefficiency and red tape.

North Central CMA spent 13.5 per cent of its levy revenue, or \$225 000 a year, to collect the \$31-a-head levy. If I remember correctly, North Central CMA employed a debt collection agency to manage its program of revenue collection. That is staggeringly inefficient. I hope all honourable members would strongly protest if the government were to try to legislate to impose a tax the collection of which cost 13.5 per of the tax's revenue.

The fact that North Central CMA chose to hire a debt collection agency to collect the levy offended residents. Therein lies my response to the honourable member for Swan Hill when he argued about the linkage between community goodwill and the imposition of the levy. During the election campaign I spoke to many people about the levy. Rather than being favourably disposed to the work done by their local CMAs, people were miffed because many had received letters of demand for the \$31-a-head levy from a firm identified in my electorate as a debt collection agency.

Country Victorians were made to feel that their \$31 levy was good for them, that they should enjoy it, and that they were un-Victorian if they in any way, shape or form opposed the imposition of the levy. If the cost of selling the levy to the public were added to the 13.5 per cent collection cost, the cost of overcoming the problems perceived by the CMAs amounts to about 18 per cent of the levy collected. That means nearly 20 per cent of the money collected to do the environmental work that is so badly needed would be siphoned off or would disappear into non-productive administration and advertising.

I remember well the television commercials in which Denise Drysdale tried to tell us that the \$31 levy was the way to go and that our CMAs would benefit from our handing over yet more cheques. That advertising can be closely linked with the previous government.

Then we arrive at the point at which the previous government considered the political imperatives involved in doing something about the CMA levy. It reduced the levy from \$31 to, in most cases, \$20. That reduction meant that about two-thirds of a bad tax remained as a very bad tax. The previous government acknowledged that the levy was a rotten idea in the first place and that it should never have imposed it — it was probably chasing the government bureaucrat who did not stop the previous government from imposing it! That was its mode of operation.

Honourable members may remember the sleight of hand used by the previous government when, in the budget preceding the government's introduction of the levy, \$17 million was taken from the Department of Natural Resources and Environment budget. That amount roughly equalled the revenue projected to be raised by the CMA levy. The removal of that slice of the department's budget was combined with an advertising campaign to support the levy. It was a feel-good campaign that was supposed to convince us all that the levy was magnificent — that because Jeff demanded we pay it we should feel good about it. The incredible sleight of hand by the previous government is an example of its deceit, dishonesty and outright abuse of the trust that should exist between government and the community. The sleight of hand that occurred over the imposition of the levy during the previous government's seven years in office has made the community feel less favourably disposed to politicians from both sides.

The levy was a straight transfer from general revenue funding to a user-pays model. I could draw many analogies between the inappropriate use of that user-pays model in a community such as ours with something as broad as the environmental work that needs to be done on river catchments. For example, I could draw an analogy between the levy and road funding. Do we want to impose a direct levy upon the constituents of the honourable member for Mordialloc for the upkeep of the Nepean Highway directly attributed to its use by his constituents? That would be unreasonable. Why did the previous government set out to impose a direct user-pays charge on country people?

*Honourable members interjecting.*

**The ACTING SPEAKER (Mr Lupton)** — Order! The honourable members for Monbulk and Springvale may like to continue their exchange outside the chamber.

**Mr HELPER** — I fully support the work done by CMAs. The fact that I disagree with the way they were

funded by the previous government does not mean I do not admire and encourage their work, nor does it mean I do not see the need for their work nor that I do not fully support the community model reflected in CMAs.

I agree with the honourable member for Swan Hill that there should be a partnership approach and that the community must be part of the decision-making process of working out how best to address the incredible environmental problems we have in many catchments. We need a tripartite approach — local government, the community and the state government — and we also need to involve the federal government.

The bill alters the community's negative view of CMAs, whose customers were due to receive invoices every year for \$31 or \$20 or whatever amount happened to be the political whim of the previous government. That is not the way to build a community partnership; rather, the way to do it is to genuinely listen, which, I suspect, the previous government found difficult to do.

I have pleasure in supporting the bill. I wish it a speedy passage so we can go to our communities and say, 'Yes, continue the good environmental work done by CMAs'. The community's resources should not be wasted on advertising and debt collection agencies. They should be used for necessary work that addresses the real environmental needs of the catchments in country areas.

**Mr JASPER** (Murray Valley) — I listened with great interest to the comments of the honourable members for Ballarat East and Ripon. I understand their concern about the operation of the catchment management levy. The levy imposed by the North East Catchment Management Authority and the Goulburn Broken Catchment Management Authority has been successful.

One must go back in history to understand the background of the levies and their success in north-eastern Victoria. Those who live in the area are disappointed with the changes implemented and the removal of the levy. It is causing chaos to the authorities because of the way it has been implemented. The gazette provides that the levy will not be collected this financial year. If it has been collected, it must be returned.

In the early days the north-eastern Victorian river trusts were a success story that set the pattern for river management across the state and in many other areas that lacked river management plans. I can understand

the concern expressed by people in western Victoria who did not have the benefit of such river trusts, which played an important role in addressing the degradation taking place. The management authorities were established to implement improvements to rivers and streams and provide the benefits that were outlined by the honourable member for Swan Hill.

The former Ovens River trust and the King River trust of north-eastern Victoria amalgamated to become the Ovens and King River Improvement Trust. Later that became the Ovens River Management Board and then North East Waterways. It managed many of the waterways in north-eastern Victoria, particularly the Ovens and King rivers and many of the smaller streams.

The people in north-eastern Victoria became used to the imposition of levies. They negotiated with the municipalities of north-eastern Victoria to pay a general levy that affected all ratepayers in the area. They knew about the charge by the municipalities.

As outlined by opposition members, the catchment management authorities came into effect in 1998. The act brought together the former north-eastern catchment and land management boards and waterway management authorities to form the North East Catchment Management Authority and the Goulburn Broken Catchment Management Authority. They have worked effectively to manage streams and waterways and engage in other activities.

The local government authorities managed the levy and it became a charge on the rate notices. Everybody in north-eastern Victoria and the Goulburn Valley accepted the levy and paid it. It is interesting to hear government members say that the levy was of no benefit to those who paid it. Everyone benefits from funds that are collected through such a levy, particularly as it enables improvements to be made to rivers and streams across north-eastern Victoria in particular. Although residents of the rural city of Wangaratta and the smaller townships of Rutherglen, Yarrawonga, Cobram and Numurkah may say as individuals that they do not benefit, they do benefit from improvements to the rivers and streams along with the water quality and environmental issues that go with it.

People say that the levy does not apply to people living in metropolitan Melbourne. Melbourne municipalities and water authorities impose many parks, drainage and environmental charges on rate notices, regardless of whether residents benefit directly or not. That is precisely what happened with the levy imposed in country Victoria.

I refer to my electorate in north-eastern Victoria because it has been a success story. The way the government went about removing the charge in the western part of the state this financial year imposed difficulties on the authorities. The removal of the levy will remove some of the accountability and ownership of local communities. The principle of a catchment management levy has been accepted in north-eastern Victoria. People have not come to me and said they do not want to pay a \$20 levy to assist in the funding of the North East Catchment Management Authority for the works undertaken. It provides a community link. People are involved and they can contribute to the catchment management authority and the works undertaken.

There was some criticism of the boards and their operation. When the boards were originally established in 1998 the minister called for expressions of interest. Hundreds of people in north-eastern Victoria and the Goulburn Valley wished to be board members. Local members had input into the assessment process to determine the type of person who should be represented on the authorities. The North East Catchment Management Authority has nine board members with one representative from the Department of Natural Resources and Environment. That CMA established implementation committees in three areas.

The membership of implementation committees included people representing the community, Landcare groups and local government. They had some say in what was being done and in recommending the work being undertaken. In north-eastern Victoria and the Goulburn Valley the Municipal Association of Victoria has been supportive in recent times in tariff collection. People in those communities have also felt some sense of ownership.

The North East Catchment Management Authority collected approximately \$820 000 across its region. Most people have paid that levy on the basis of its being included on their rates notice. The municipality charges a 10 per cent collection fee. For instance, the Shire of Indigo benefited by \$39 000 by implementing the 10 per cent collection fee, so that was of benefit to the municipality as well.

Municipalities have indicated to representatives of the North East Catchment Management Authority that it could cost an additional 5 per cent to rebate that tariff to residents of the area. That is a difficult situation. I want the minister to be very much aware of the great difficulties created in north-eastern Victoria because of the way the changes have been implemented.

It would have been better if the minister had said the levy would be replaced with government-funded revenue next financial year. That I would have accepted. The minister has acted too quickly in removing the tariff this financial year instead of concentrating on the next financial year, creating difficulties in north-eastern Victoria and the Goulburn Valley.

The government has indicated that CMAs will receive a rebate of \$5.35 million this financial year. It has been estimated that the total collection of the levy across Victoria would have amounted to approximately \$13.5 million. Authorities in country Victoria, which are operating very effectively in most areas, will have less revenue to fund those services that are important to north-eastern Victorians.

This financial year revenue for the North East CMA is approximately \$5.1 million, of which \$2.1 million falls under natural disaster funding, leaving \$3 million in revenue, \$820 000 of which has been collected through the levy imposed across the area. The situation is difficult as this authority and all other authorities will have to revise the work to be undertaken and determine how effectively it can be done.

It is worthwhile placing on record that a meeting of the North East Local Government Network took place at the Rural City of Wangaratta offices on 25 November. I will read from the minutes of that meeting what was said regarding the abolition of the catchment management authority tariff:

Implications of state government elections for local government

With regard to the decision to abolish the catchment management authority tariff, the exceptionally good outcomes achieved in north-east Victoria were noted as being distinct from the outcomes achieved in some other areas of the state. It is considered essential that the revenue raised by way of tariff be replaced, at equivalent levels, from other government funding sources.

Three resolutions were carried, moved by the chief executive of the Rural City of Wodonga, Mr Peter Marshall, and the mayor of the Rural City of Wangaratta, Cr Geoff Dinning. They read:

That the minister be advised the network supports the current partnership model between local government and the CMAs and of concern by the network for the proposal to transfer control of the CMAs to the EPA.

That it be suggested to the minister that the North East CMAs be used as a model for the balance of the state.

That individual councils also write to the minister in support of the current CMA program arrangements in the north-east.

Those points are echoed in my contribution to the debate. While I recognise the difficulties created by the introduction of the tariff throughout western Victoria, I know the arrangement has been most successful in north-east Victoria, the Goulburn Valley and many areas of Gippsland. The minister has acted hastily. Instead of asking how that arrangement could be revised and using the great success story of the CMA in north-eastern Victoria as a model for the rest of the state, by removing the tariff she has taken away the ownership of the work of the authorities from the local people and communities. That has been indicated to me by a number of people involved in the catchment management authorities. Previously they felt they had some ownership through their small contributions.

Another issue raised by members on government benches is the inequities of the tariff implementation. A system will never be perfect. Where fundraising is undertaken, anomalies will arise. How should a property be valued? Should there be a fixed levy? How is it determined who will directly benefit? Local government has had to come to grips with such issues on many occasions. That needs to be recognised as a difficulty in achieving absolute equity.

In metropolitan Melbourne many charges are imposed by municipalities and water authorities that are of no absolute direct benefit to an individual but benefit the area those people live in. The management of rivers and streams needs to be recognised as a great problem, particularly in north-eastern Victoria but also in western Victoria.

The honourable member for Swan Hill highlighted the need to have catchment management authorities in place. I acknowledge that when those authorities were established in 1998 I was sceptical of the benefits they would bring, with land protection boards and the water authorities working separately. I had some concerns about the effectiveness of catchment management authorities, which brought those two sets of authorities together. In north-east Victoria the CMAs have proven to be successful. Their work should be replicated to benefit other parts of Victoria, whose authorities have found it difficult to effectively implement projects and put in place appropriate authority management.

I would like to see the minister acknowledge that benefits have resulted from the implementation of tariffs, collected through local government rate notices, and assure the house that if the tariff is to be removed authorities in the north-eastern part of the state and the Goulburn Valley that have operated effectively will be recompensed. Appropriate funding across Victoria should be ensured to completely offset the loss of funds

that would otherwise have been collected for the implementation of works being undertaken by the authorities.

I hope the minister will give an appropriate response to the issues raised. Much of the funding provided under the Natural Heritage Trust may not be provided to those areas because that funding is on a dollar-for-dollar basis. In north-eastern Victoria \$820 000 was collected through the tariff, and generally that funding of programs has been matched with funding from the Natural Heritage Trust.

Funding to the authorities will, I trust, be supplemented to compensate them for loss of income as a result of the changes proposed in the bill. The legislation could otherwise have a disastrous effect on residents of north-eastern Victoria.

The opposition does not oppose the bill, but I fear it could have serious implications for the people of north-eastern Victoria and the Goulburn Valley.

**Ms OVERINGTON** (Ballarat West) — It is with a great deal of pleasure that I rise to speak on the Water (Waterway Management Tariffs) Bill. This important bill will fulfil another of the Bracks Labor government's election promises. The imposition of the unfair water catchment tax caused a revolution in regional Victoria, a revolution that was expressed to the full on 18 September when regional Victoria said, 'Enough is enough!'

The previous legislation was passed in the dead of night, and regional Victorians woke up to find they would have to pay an unjust new tax levied on them because the previous government had slashed 300 jobs and \$17 million from the budget of the Department of Natural Resources and Environment. For weeks prior to the announcement of the unfair tax an extensive advertising campaign highlighted the need to clean up the state's waterways. I had no objection to the idea of cleaning up the waterways; indeed, I am still extremely supportive of the idea. The campaign was, however, expensive and underhanded, and it gave no hint that the end result would be the imposition of a new tax.

The advertising campaign ran on television every night for about eight weeks, as I recall. The advertisements showed us beautiful stretches of our rivers and we all thought to ourselves, 'Yes, that looks like a good idea. We do need to do something about our waterways'. The legislation was passed, as I said, in the dead of night, and regional Victorians woke up the following morning to discover that they were going to pay for the changes.

Of the people I have spoken to over a long period in regional Victoria, no-one has denied the need for catchment management works — on the contrary, people are very supportive of them — but people believe, having paid their taxes, it is the government's responsibility to finance the works. Under the previous legislation works were to be carried out by catchment management authorities and by newly formed Landcare groups. Those two agencies were to decide how best to achieve the desired results, and people had no problem with that. What they objected to was the method by which money was taken from them. People feared that if they didn't pay the levy a covenant would be placed on the titles to their land.

The honourable member for Swan Hill claimed this afternoon that the tax was a flat \$20. No wonder the opposition got it all wrong; it can't even stick to the facts. In Ballarat West there were two CMAs. One levied \$28 and the other \$32. The so-called flat tax referred to by the honourable member applied only for the period prior to the September election. Apparently the hope was that there might not be too many people out there who would remember the unfair way the tax was imposed previously.

When the tax was levied consideration was not given to a person's ability to pay. A number of distressed older people contacted me, and people working in support agencies in Ballarat at the time were distressed too. Many people already on inadequate incomes were being expected to stretch those incomes even further to pay this unfair tax. There were no concessions, and every property was deemed to be equal to every other. I suppose that was the previous government's understanding of the idea of a fair and just tax.

The tax was collected by debt collection agencies. They sent letters of demand to people who had battled all their lives to meet their commitments on time. People were shocked that their personal details were suddenly to be made available to a debt collection agency's database. Some people were frightened, some were intimidated, and some felt there had been a breach of confidentiality. Virtually everyone was very, very angry.

The anger was not directed at the CMAs, because there was still a recognition of the need for the works. Rather, it was directed at the former government. I have been told that often when people tried to contact their local members they could not get through for days because the phones were constantly busy. I wonder if that is simply because the anger was so great that local members took their phones off the hook.

Similarly, arrangements allowing people to make inquiries about the tax were inadequate. No prior announcement was made; and the bills for the levy came out of the blue bearing telephone numbers to ring for information, one of which had not even been connected! People were denied access to information telling them what it was all about.

The groundswell of objections was overwhelming. Huge public meetings were held and people expressed anger at the unfair tax, many by burning the letters of demand.

In the Ballarat area more than 7000 people signed a petition to abolish this unfair tax. My phone rang constantly. The main request was for me to send out copies of the petition so people could ask their neighbours, friends and families to sign. The hatred of the tax was so strong.

Unlike the government of the day, Labor was listening to regional Victoria and immediately pledged to abolish this hated tax. One of the reasons I am delighted to speak on the bill is that it fulfils that election promise. As I said earlier, the bill is not about the works carried out by the conservationists and the catchment management authorities, it is about an unjust tax imposed on ordinary Victorians. The Bracks Labor government has kept its promise to the people of regional Victoria.

**Mr KILGOUR** (Shepparton) — It is with great pleasure that I speak on the Water (Waterway Management Tariffs) Bill. There is no need for this bill to be before the house. Its introduction is simply grandstanding by the minister. The catchment management levy has already been abolished by a ministerial directive to the catchment management boards. I do not know why the bill is before the house, given that it is wasting the time of Parliament. If the minister wants to grandstand by introducing the bill, honourable members need to be in the house to comment on it and to understand what it will mean for rural Victoria.

The formal instruction has already been given and provided for, and the catchment management authorities will withdraw the imposition of the levy on the constituents of rural Victoria. The bill is nothing new so far as north-eastern Victoria is concerned. For some time the constituents of the Goulburn Valley have paid river management levies to support the work that needed to be done to our rivers. Originally those levies were put into the river trusts, then they were given to the catchment management authorities and now they go

to the wider catchment management authority structure that was instituted in 1997.

It was interesting to see the way the people in my electorate in north-eastern Victoria responded to the levy once they understood that it went towards looking after our rivers and streams. They began to understand that a tremendous amount of work was needed to address such issues as turbidity and banks caving in on many of the streams. The catchment management authority carried out an overview of my area, which has important rivers such as the Goulburn and the Broken, and the significant creeks that are tributaries to those streams, such as the Castle and Honeysuckle creeks. The levy paid by the people looked after those streams.

The opposition does not oppose the bill or the fact that the levy will now be abolished. The question now is whether the funding will come out of general revenue and will continue in the future. The worst thing that could happen would be less dollars being spent on stream management by catchment management authorities, because they do excellent work in restoring banks, de-snagging rivers and looking after the streams that are so vital.

I remember when the levy was first introduced in the electorate of Shepparton. I had 20 or 30 phone conversations with people asking what it was all about. Some people said they did not use the river because they lived in the city. I asked them whether stormwater left their properties, and they replied that water runs off the roof along the grounds and into the stormwater drains. I then asked them where that water went, and they replied that it probably went into the Goulburn River or the Broken River.

It was easy to make them understand that they certainly played a part in water leaving their properties and going into the local streams and to convince them that the \$20 levy went towards looking after the streams. Not one person continued to complain. I have not received a letter or a phone call complaining about the tariff since its introduction. I have heard the comments of people around western Victoria, who have not paid the tariff and do not understand what it will mean for the streams in the area, but once the people in my area understood that paying the tariff was a part of our responsibility of looking after our streams they had no problems about paying it.

One difficulty concerns how the tariffs already paid by me and others in my area will be refunded. Our catchment management authority will incur massive costs because the tariff has been paid on about 88 000 assessments and those payments will have to be

refunded by cheque. What will happen to the payments made by electronic transfer? That may present some problems for the catchment management authority. I hope the minister will recognise the cost to the authority.

Flood plain management is vital to the area, and regional and state contributions are needed to look after the problems of flooding, water turbidity and the other issues affecting our streams, particularly blue-green algae.

If the government is so interested in cutting out what it calls an unfair tax on country Victoria, what will city people say when they already pay this type of tax for drainage? City people will now have an opportunity to say, 'What about us? If you're going to take it away from country people, what about the environmental tax we are being charged?' Do city people now have a right to question whether that charge should be taken from them? The Minister for Environment and Conservation should take heed of that. Will the government abolish the tax in Melbourne?

The catchment management authority in my area does more than just look after the streams. The original salinity program came into being because of the work done by Mr John Dainton, who now heads up the Goulburn Broken Catchment Management Authority (GBCMA). Ten or fifteen years ago he made the Goulburn Valley community aware of what the area could look like in 20 or 30 years if nothing was done about the salinity program, the rising water tables, the problems with streams and so on. He set about developing a Shepparton salinity program, which was a wonderful success and which now plays an important role in catchment management because it is now included in the catchment management program.

From the irrigated Goulburn and Murray Valleys to the dryland grazing and cropping regions and the high country valued for its tourism and recreational uses the GBCMA is working to ensure land and water resources are protected and enhanced. The levy came into being to protect and enhance water resources. About 200 000 people live in the 2.4 million hectare catchment which includes the municipalities of Moira, Campaspe, Mitchell, Delatite, Murrindindi, Strathbogie and the City of Greater Shepparton. Members of the catchment board are drawn from within the region and have a good understanding of the area's requirements.

Collectively, the board has extensive experience and knowledge of primary industry, land protection, water resource management, waterway and floodplain management, environment conservation, local

government, food processing and business and financial management. I am extremely pleased with the board that has been put together and the way it works as a cohesive unit to ensure that all areas work well together. Some great successes are being seen. The board attracts close to \$30 million a year in funding, an impressive proportion of which goes directly into on-ground works, including Landcare projects, river bank stabilisation works, tree planting and drainage schemes.

The members of the new Shepparton Irrigation Region Implementation Committee have settled into their roles and money collected via the tariff is spent on waterway management works. The new committee is very effective with regard to implementation, and its charter was developed with the Goulburn Broken Catchment Management Authority to ensure that ground water pumping and so on is carried out. Work is done with farmers, including farmers working in groups, on farm waterway surface and subsurface drainage projects on which the authority provides advice and looks after the community-based working groups.

Great things are happening in the Goulburn Valley because of the work done by the catchment management authority in relation to erosion, salinity, drainage, flooding, waterway management, water quality, native vegetation and pest plants and animals. Much of the work is carried out in a collaborative way with representatives from a number of organisations working together to incorporate best-practice environment features in the design phase of the program.

I know John Dainton, as chairman, and his board have worked well together. I shall put in a plug for Bill O'Kane, the chief executive officer of the catchment management authority, who brings it all together. Being a lad from my home town of Katamatite, Bill understands the environment. Like me, he swam in the irrigation channels and the creeks when he was young, and understands how much — —

**Mr Hulls** interjected.

**Mr KILGOUR** — He was a good footballer as well. I am pleased the Attorney-General recognises that. He will recognise that too, I am sure, when he reads *Hansard*.

Bill O'Kane has a good understanding of what the land requires. He looks after his own property in a very dedicated way, making sure that Paterson's curse is removed and so on. Bill heads a growing team of professional people now employed in the organisation

who have shown remarkable dedication and competence in developing and implementing this year's business works program.

I congratulate John Dainton particularly on the way he has brought the board together. In the future, the Goulburn Valley will owe a great debt of gratitude to John Dainton and his board as it will not see what is happening in the honourable member for Swan Hill's electorate in the area around Kerang, where many hectares of land can no longer be farmed. The salt coming to the surface causes major problems in that area so that farming can no longer be undertaken as it has been in the past.

The Murray River levees in the Cobram district have been refurbished, and the Prime Minister officially opened the Muckatah surface water program. In my own electorate, the mosquito depression has drained thousands of hectares of land, with farmers bringing together the community drains which flow into the drainage system which eventually goes into the main drain to ensure that our properties are drained. What looked like being a marshy waste land is now very productive. Tomatoes and other crops are being grown and other horticulture is being carried out in the area. It has made a major difference to the Goulburn Valley.

The catchment management authority has been a fantastic addition to the area. Through its environmental program it has continued to develop a more targeted approach to dealing with wetlands, remnant vegetation and high recharge areas. A good example of that work is the Broken Creek weirs. The farm program has resulted in 43 per cent of farms in the region now being covered by whole-farm plans. The farmers understand the recirculation of water and what work must be continued to drain the farms properly. The catchment management tariff has gone to the waterways program.

Last year, 37 rock beaching projects, protecting 16 kilometres of waterway, were completed. In addition, 50 major grade control structures in the tributaries and major streams were completed and five fish ladders were constructed. All that came about because the community entered into partnership with local and state governments. In the original salinity program, the then City of Shepparton decided it would support the salinity and surface drainage programs. The community has worked brilliantly well together.

The opposition supports the bill because it will cost people in country Victoria less, but it also wants to ensure that the government continues to provide the dollars that have been provided by the community and that that sum is not diminished in the future. Streams

must be looked after in the future. A tremendous amount of work has been done by the authority, but there is a lot more to do. The members of the catchment authority would be the first to acknowledge that there is more to do with regard to subsurface drainage programs, in ground-water pumping and in looking after our streams. We still see the turbidity that we do not like.

In the area represented by the honourable member for Seymour one can see some of the better water. I have often fished around the Yea area and north of Seymour. It is interesting to see how the stream changes and becomes quite dirty as it gets near Lake Nagambie — some of the tributaries, such as Castle Creek and Honeysuckle Creek, make the Goulburn River quite dirty by the time it reaches Shepparton. The Shepparton water board must implement a strenuous process to ensure that the water is fit for drinking.

**Mr Plowman** — Did you catch any fish?

**Mr KILGOUR** — I did catch some fish in that area!

Some work is being done in the upper streams. I know that the honourable member for Seymour is interested in the work being done by the Mid Goulburn Broken Implementation Committee. Phil Stevenson has been appointed the new executive officer of the committee to ensure that all the work is brought together. He is very dedicated and will do a great job in looking at future directions. He will ensure that people in the upper reaches of the rivers have a better understanding of what is needed, including what farm works need to be carried out so that the turbidity of the stream changes. It is hoped that in the future clear water will come downstream of Nagambie.

It worried me greatly to see the streams in Europe and to learn of their degradation over the years. Victoria has a better understanding of what needs to be done to ensure that its streams are looked after so that our children and their children can be proud of them. I well remember when fishing for red fin in the streams around Shepparton that you could see the stripes on their backs some metre or so under the water. You cannot do that today. The European carp has not helped that deterioration.

We are now on the right track; we are starting to win the war against salinity and in looking after our stream management. The opposition will be looking to the government to ensure that money comes out of general revenue to compensate for the dollars that have been lost from removing the levy that was charged. It was

paid for quite willingly by the people in my electorate because they considered it as part of their responsibility to do what needed to be done to ensure the best quality streams for the future. I hope the Minister for Environment and Conservation will continue to ensure that the money goes into waterway management.

An incredibly exciting program downstream of Shepparton involves buying back areas that have been farmed to ensure that the Lower Goulburn project is under way so that we will not have to repair levee banks. Whole areas will be able to flood naturally, with the water going downstream to the Goulburn.

In supporting the bill I ask the Minister for Environment and Conservation to indicate that she understands the necessity for the dollars to still go to country Victoria so that in the future our streams will be what we wish them to be.

**Mr INGRAM** (Gippsland East) — It is a pleasure to speak on the Water (Waterway Management Tariffs) Bill. The bill removes the catchment management authority levy. It is my understanding that the levy has already been removed by ministerial direction. In referring to the reason for the introduction of the levy, I will give some background to the bill.

In the area I represent river improvement trusts have existed for a number of years. Some of them imposed levies on local farmland to provide river works, especially on the Snowy River catchment and flood plain. The river improvement trusts had a very narrow focus and operated only on the areas along the rivers that directly benefited from them. In hindsight, much of their direction was misguided.

A lot of the rivers were de-snagged, channelled and some sections were straightened. When problems were encountered, willows were planted. That led to erosion of the river banks, which is why the government established the catchment management authorities (CMAs), which address river management in a whole-of-catchment approach. That means that not only the rivers but the entire catchment has to be managed to provide healthy rivers, which is a good step forward in river and catchment management.

However, in order to achieve that one must understand what causes the problems. The major problems with Australia's rivers include the damage caused by dams, nutrients, input from agricultural land, run-off from town water, sewerage, industrial waste, pollution from towns, and the erosion of river banks. All those factors lead to the degradation of rivers.

Although the CMA levy was contentious, even in my area, it has some good points, particularly as it gives the community ownership of the river works. In my opinion the people who pay catchment levies own part of the river. They can visit the river and expect to see work done. That said, there are also some very negative points about the CMA levy. A levy is a tax; people who pay the tax have a right to elect the people who manage it. That was one of the few issues related to the levy that the CMA did not address. It is fundamental to democracy that those who pay the tax should have the right to choose who spends it. Part of the problem of the CMA is that there is no community ownership of it; the community has no say on appointments and therefore the direction of the work.

That is why there has been some negative response to it. In addition, some areas that should have been managed were not managed because they were too far away from the river to be seen as being in trouble. That indicates to me that the boards were not representative. That fact is emphasised when you realise that 50 per cent of board membership has to be comprised of primary producers when it is the residents of communities and towns who pay the levies. It has to be one way or the other. Boards should be representative of the entire community, and the appointments should be based on skill, not just whether 50 per cent are primary producers.

I was interested to hear the honourable member for Swan Hill say that salinity is a major problem in the Murray Basin. He did not quite say that most of the salinity was caused by inappropriate irrigation practices and land clearing methods.

**Mr Maughan** — Where was the land clearing?

**Mr INGRAM** — In most of the Murray–Darling Basin. That area has major problems. I agree with the honourable member for Swan Hill that to achieve a real outcome there has to be a partnership approach and community involvement to change the irrigation practices. According to the Murray Darling Basin salinity audit, 7 million hectares of land will be lost in the Murray–Darling Basin due to salinity and water logging. Therefore, fundamental changes to water and land use practices are needed in the basin.

That brings me to my next point. I have never paid the CMA levy because the Snowy catchment has never been levied. I cannot work out exactly why, but I would have made sure that I led the fight not to pay it had it been applied last year. I probably would have sent my bill to the honourable member for Swan Hill, since he was using the water that is stopping me from having a

healthy river. The way the bill removes the levy and puts the cost back into the public purse is probably a more equitable use of the money.

Another area in my electorate is governed by the Thompson Dam and the Macalister irrigation district, an area that is currently going through a prolonged dry period. Some 70 per cent of the water from the Thomson Dam is diverted to supply Melbourne consumers. During the past four years the irrigators and the Thomson River have suffered greatly because of low allocations. During that time country people have listened to Melbourne Water raving on about the great Thomson Dam that has guaranteed Melbourne will not have water restrictions. The whole community must pay for river works when the whole community benefits from those rivers and catchments, particularly when one considers the rivers and catchments around the state where Melbourne people fish, canoe and visit.

The government is committed to fund \$10.7 million dollars for levy replacement, which is equivalent to the CMA levy minus the collection costs. That is less than what was paid last financial year when \$17 million was levied throughout the state. That was because the levy was dropped to a \$20 flat rate across the state. There seems to be some discrepancy. Not only that, although I congratulate the government for its commitment for its term in office, there is no real commitment anywhere in the bill to fund ongoing works. The bill should contain some commitments or some provision to enable future CMAs to carry out ongoing work. The levy gave the CMAs the ability to plan for future works, and many of those river works take a long time to come about. They do not take one or two years; they are long-term programs, and work done in rivers takes a long time to show benefits.

In the region I represent much of the discussion has been about CMA work undertaken to rock line river banks. On the surface it does not look good; there has been considerable flak over it. However, it is one step towards stopping the further erosion of the river banks. It will take several years before the benefit will show, because the vegetation has to return. That is one example of the type of forward planning CMAs have to do. I was involved in the Far East Gippsland river management group, which as part of its program sets goals for future years. It is okay for a government to commit for a short time, but what happens after the next government? Does it cut funding? There should be some way in the future to cater for different needs. Perhaps some areas would like to re-levy and — shocking thought! — some communities may wish to undertake river works. The Gippsland Lakes community has some serious problems and may want

to pay a levy to fix them. That is part of what the levy was about.

Clause 3 amends section 144 of the Water Act. That section identifies regional drainage areas, one of which is in my electorate — the Snowy–Rodney drainage area. Those areas can still be levied under this process, which is good. However, the CMA has some concern that that will create difficulty.

Part 5 removes the ability of the CMAs to levy, and I have some problems with that provision. Proposed section 330(2) allows the CMAs to collect unpaid levies. It is important that that goes ahead because there must be equity across the state. Proposed section 330(3) requires the CMAs to pay back the money that has already been collected for the 1999–2000 financial year.

It is important to point out that catchment management authorities do good work. The West Gippsland and East Gippsland catchment management authorities are in my electorate. The East Gippsland Catchment Management Authority covers a large amount of public land, and much of the funding it has received in the past has been government funding. My electorate is not as badly affected by the loss of the levy as some other electorates.

The aim of the CMAs is to promote healthy rivers, and that is an honourable goal. How we get there is not as important — whether it is done under the CMAs, through a levy or through government funding. What is important is that the promotion of healthy rivers is the goal of the government and the community.

I was disappointed at the way the former government sold the levy. The money spent on large, glossy advertisements and television campaigns would have been better spent on on-ground works. Also, a reasonable percentage of the levies was spent in collection fees, so money was lost.

The real aim is to maintain healthy rivers and identify environmental needs. I am not sure exactly why the bill is necessary to remove the levy when that has already been done.

**Mr MAUGHAN** (Rodney) — It is with great pleasure that I speak on the Water (Waterway Management Tariffs) Bill because I am passionately committed to the concept of catchment management authorities. Although I am not opposed to the bill, I think it is a pity that it is before the house because it lessens the capacity of catchment management authorities to do some important work.

I agree with many of the valid points made by the honourable member for Gippsland East. He referred to communities wanting to increase levies to satisfy needs in their own areas and cited the Gippsland Lakes in his electorate by way of example. That is why catchment management authorities boards have local people on them who can set their own priorities and who, if they see the need to do something about their environment, can ultimately increase the levies, which are not imposed on them by government but are driven by local demand.

The honourable member for Gippsland East raised the issue of salinity and talked about clearing trees. I remind the honourable member as he leaves the house that 40 per cent of the salinity in northern Victoria comes not from irrigation or from the flat areas but from the clearing of vegetation on the higher country. It is pointless to point the finger and blame different community members.

I remind the house that governments of all political persuasions at various times in the early days compelled settlers to clear 10 acres of trees or they would lose their rights to those pieces of land. More recently, following the Second World War, governments cleared large tracts of land — I refer particularly to the Heytesbury settlement in western Victoria, where governments cleared huge tracts of land of trees. In the area I represent much of the salinity is not from bad irrigation practices. On the contrary, it comes from the clearing of high land areas.

I am not complaining or blaming anybody; I am just stating a fact. Often we look to blame the so-called wicked irrigation farmers for using too much water. I absolutely refute that because irrigation farmers are now very careful about their irrigation practices. I make the point that a lot of the salinity in northern Victoria, which is now increasingly being overcome, is caused not by bad practices in irrigation areas but by things outside the control of farmers.

It is encouraging that considerable progress is being made in overcoming the salinity and river degradation problems that have plagued rural areas for many years. I hope the environment and CMAs are bipartisan issues, because they are far too important to be used for scoring political points.

**An honourable member** interjected.

**Mr MAUGHAN** — In some ways there is bipartisan support with many of the things we are doing. Unfortunately we are scoring political points

rather than working together for the good of the community.

I strongly support the concept of CMAs, and I believe the community is rightly concerned about the way our land, waterways and forests have been degraded over time. It is not helpful or productive to attempt to apportion blame. Whether we are dryland farmers, irrigation farmers or urban dwellers using and discharging water, we are all responsible for what is happening in our catchments. We should all have some ownership of the problem.

It is pointless to point the finger, as has been happening, not in this debate but in the community, where the urban dwellers say it is the farmers' problem, it is the water they are using, and so on, and the farmers say, 'It's not our fault. We are farming well on our properties' — and most are — 'It is the discharges from towns and cities'. We have heard today from the honourable member for Swan Hill who referred to discharges in the past from the urban area of Bendigo. That goes through my electorate, down the Bendigo Creek, through Kow Swamp and finishes up in Cohuna.

In recent times there have been discharges from the urban dwellings of Bendigo via Bendigo Creek, bringing nutrients into my electorate, further down into the Murray River and then further along again. I welcome recognition of the problem. Coliban Water has done a tremendous job in treating the water and the discharge, which is no longer causing a problem.

Other areas have experienced similar problems. A number of years ago there was a major outbreak of blue-green algae in the Murray River. The Shepparton Water Board, as it then was, now Goulburn Valley Water, was quite legitimately discharging partly treated effluent from the Shepparton treatment plant into the Goulburn River. Unfortunately the low-water level and unusually high temperatures led to the growth of blue-green algae, which ultimately finished up in the Murray. Food processing plants in Echuca were forced to close for a number of days. That is the sort of risk that is run. I reject entirely the argument that only people in those areas are directly affected.

I do not know how on earth you can identify direct beneficiaries when all the urban dwellers in Bendigo and Shepparton have contributed to the blue-green algae in the Goulburn and Murray rivers. That reinforces my point that it is a community problem. We are all part of the problem and we need to be part of the solution.

I reject the notion that the levy was an unfair tax on a small group of people. The commonwealth and state governments, through the taxpayers, were contributing about \$180 million across the state. The levy was raising about \$18 million. In other words, the levy contributed only about 10 to 12 per cent of the total amount being spent. Taxpayers generally were providing the vast majority of the funding. That was a reasonable balance because the \$31 a head proposed for the North Central CMA was levied only on property owners. The mere fact that people own a property would indicate they have some means of paying the \$31.

**Mr Helper** interjected.

**Mr MAUGHAN** — Certainly more means than pensioners or people who do not own property.

**Mr Helper** interjected.

**Mr MAUGHAN** — Yes, I know, but any house would be worth a minimum of \$50 000. If we are fair dinkum about the environment, and I think the community wants something done about cleaning up rivers and streams, the \$31, or 65 cents a week, does not seem an enormous amount to pay for something on which our survival depends. Some people spend more than 65 cents a week on a range of personal needs and expect taxpayers to pay more. Many people think others out there are better off, but that may not be so because the taxing of people in, for example, Dandenong, Broadmeadows, Altona and the western suburbs means they have no better means than people living in catchment areas of being able to afford those things.

I bring to this debate a twofold perspective. I have been a farmer for most of my working life. I am concerned about the conservation of land, soil and water, and about having a sustainable future. Over the years Australians have tended to use our natural resources. They have degraded the rivers, forests, land and streams — mostly by ignorance but partly by poor management and partly through being driven by economic issues that are forcing farmers to do things that perhaps they would not otherwise have done. However, the rivers, streams and land have been degraded and we need to do something about that. The CMAs have been a great way of doing something. Whether we are farmers, urban dwellers or consumers of the products of the areas that discharge waste to rivers and streams, we all contribute to the problem and will benefit immensely from its resolution.

The other side of the argument is that if we do not do something about it we will pay a heavy price. Our children and our children's children will not have a bright future unless we get it right. Therefore, we must take a bipartisan approach to the problem and not try to score cheap political points. It is far too important an issue for us to be playing politics. I regret there has been some political point scoring in the debate, but the state and federal governments, local government and the community should work together and accept ownership of the problem.

I acknowledge freely that the concept of CMAs was not well sold. We could have done better. My electorate straddles two CMAs. Goulburn Broken CMA to the east has been operating without any problems for a number of years; the area operated under river management authorities a long time before the establishment of the CMAs. I have had something to do with those. The recently introduced North Central CMA operates on the western part of my electorate. The conditions in the east and west are as different as chalk and cheese.

People have been able to see and appreciate the tremendous work done in the east of the electorate. Much of that was described by the honourable member for Shepparton, who outlined some of the works that Goulburn Broken CMA has done in reducing salinity and improving productivity in that part of the state. That concept in the western part of my electorate is new. It was not well enough sold for people to be able to appreciate its value before the levy was imposed. It would have been better had the CMAs in that part of the state been introduced with no levy; they could have got on and done some important work, shown what the CMAs do and demonstrated that the local people were making those decisions albeit through boards appointed for their expertise.

I disagree with the comments made by the honourable member for Gippsland East, who argued that the boards should be elected. I am a great believer in democracy, but we have a democratically elected government providing the personnel, not because of their political affiliations — I strongly argue that that is not the case with the CMAs — but because of their commitment to land management issues. In all cases boards are appointed because of their track record in land protection and catchment management works and their dedication to the environment over a long time. That is an example of the partnership and community ownership that I talk about.

I strongly support the concept of dealing with resource issues on a catchment basis. In the 1960s a fellow by the name of Ernest Jackson — —

**Mr Steggall** — Watershed Jackson.

**Mr MAUGHAN** — That is right — Watershed Jackson. Ernest Jackson was a great advocate for dealing with natural resource issues on a catchment basis. I was a young man at the time. He used to visit me regularly and talk passionately about the concept of dealing with natural resources on a catchment basis. It has taken about 40 years to get there, but we have made it! It is a sensible approach. When we start talking about catchments, I, like the honourable member for Swan Hill, constantly think of Watershed Jackson and his contribution to the concept put into place. He made an enormous contribution and I pay tribute to him for what he did for natural resources and the environment in Victoria.

I also bring another perspective to the debate. My electorate is an important agricultural producer. It is by far the most important dairying electorate of any Australian electorate. It has about 3000 dairy farmers and 300 000 cows and produces about \$300 million worth of dairy products in addition to the production of other agricultural products by food processors such as Murray Goulburn Cooperative Co. Ltd, Nestlé, Sedenco, Simplot (Australia) Pty Ltd, Henry Jones Foods, IXL, Greenhams, Riverside Meat, Kraft Foods Ltd, Bonlac Foods Ltd, Heinz and Ricegrowers Cooperative Ltd. Their long-term viability and sustainability depends on getting natural resource management right, bringing salinity under control, improving drainage and dealing with important natural resource issues so production can be sustained. The honourable member for Swan Hill made an important contribution not only to Parliament but to Victoria in the natural resource management area on the sustainability of what we are doing.

I have spoken about Bendigo, Shepparton and the east of the state where water management authorities have been in place for many years. The concept is generally understood. I refer to the formation of the Lower Goulburn River Management Authority shortly after I was elected to Parliament. A longstanding dispute of at least 50 years or more had been going around in circles. After the 1993 floods in the time of Minister Coleman landowners on both sides of the River Murray were screaming out for money to restore the levee banks. Minister Coleman said that the government would provide \$900 000 but that it was conditional on the four municipalities concerned reaching an in-principle agreement to form a river management authority.

I take some pride in the fact that I chaired the meeting that established the river management authority, which led to the ultimate resolution of the problem. That authority has now been taken over by the Goulburn Broken Catchment Management Authority and the longstanding problem of flooding in the Goulburn River is close to resolution. The solution will not be to everybody's liking, but the establishment of a skills-based decision-making process, with a group of people looking at the issues objectively, making decisions and getting something done, will be appreciated.

The honourable member for Ripon spoke about protests and said that the government of the day had not been listening. The honourable member for Ballarat East spoke about a petition containing 7000 signatures. I believe current government members should have examined the issues and explained them properly. If the petition had been based on a proper understanding of the issues, I would have taken it into account. I suspect the 7000 signatures were based on emotional responses to the irrational and distorted arguments put to the community.

The honourable member for Ballarat West claimed there was no prior announcement about the Kennett government's bill and it slipped through in the dead of night. That is untrue. There was widespread community consultation and announcements over a long period. I personally take offence at her suggestion that members at the time had their telephones off the hook. My telephone was never off the hook. I responded to every call from people who wanted to know about the catchment management authorities. I advocated what the former government was trying to do.

The legislation is unnecessary. I may be a passionate supporter of the concept of catchment management authorities, but if the government wants to change the funding arrangements, so be it. I welcome the assurances given by the minister that CMA funding will be made up in another way and assure her that she will be held accountable.

**Mr TREZISE** (Geelong) — I support the Water (Waterway Management Tariffs) Bill. Over the past 18 months a major issue in my electorate was the Corangamite Catchment Management Authority where a \$32 levy was imposed in late 1998.

The honourable member for Rodney was engaged in political point scoring, but I represent the views of my constituents. From an environmental point of view, the parties are in bipartisan agreement about looking after

rivers, streams and the environment. However, disagreement arises about how that should be funded.

I have had a number of fruitful talks with the chairman, Mr Bob Carrail and the chief executive officer, Mr Don Forsyth, of the Corangamite Catchment Management Authority. When the matter was first raised in late 1998 I wrote an article that appeared in the local *Geelong News* expressing my views about the \$32 levy. I received dozens of telephone calls and letters from angry constituents protesting about the levy. The message was relatively clear — given that they had a number of other levies placed on them they were sick of being a funding sponge for the government. About 5 per cent of my constituents said they were not prepared to pay the levy, and to this day many have not paid it. They questioned the need for the \$32 levy and the setting up of the Corangamite Catchment Management Authority.

Given that the previous two government authorities were already doing the work, that some \$20 million had been pruned from the budget and 230 jobs in the south-western part of Victoria had been axed, the catchment management authority was seen as another bureaucratic level of government. For example, the Barwon Water authority, which was delegated the responsibility of looking after the Barwon River, lost that work but had it contracted back even though it had been doing the work in the first place. It was another layer of bureaucracy in the south-west region.

The people of Geelong believed the \$32 levy was regressive. Single mothers with many mouths to feed, pensioners and chief executive officers of multinational companies with multimillion dollar salaries all paid the same \$32 levy. People were aware of the regressive nature of the levy, in particular the elderly who found it difficult to pay.

In October 1998 the Leader of the National Party was quoted as saying that he did not think the rate would hurt anyone's pocket. It may not have hurt his pocket, but many, particularly pensioners and single mothers, have trouble making ends meet. The problems were pointed out to me in May when 1100 people attended the Geelong West town hall and some 8000 signatures were collected protesting against the levy. It is with pleasure that I speak about the bill because the people of Geelong opposed such a levy.

**Sitting suspended 6.29 p.m. until 8.03 p.m.**

**Mr TREZISE** — As I was saying, the bill has two aspects. The bipartisan support for measures improving the environment and rivers and streams in particular has

been mentioned. In the south-west region the Corangamite Catchment Management Authority has the support of the community. It plays a major role in shaping the thoughts and visions of the community.

For example, up until a couple of weeks ago a major issue in Geelong was the rowing sports complex proposed to be developed on the Barwon River at Belmont. I opposed that project on the basis of other funding priorities. The Corangamite CMA also expressed its concerns about environmental effects such as the possibility of changes to the river causing an outbreak of blue-green algae. That caught my attention. In the latter stages of debate in Geelong about the rowing sports complex I was talking about not only funding priorities but also environmental effects as highlighted by the Corangamite CMA.

I am making the point that the authority plays a major role in the community, and I support its work. The vast majority of Geelong people disapproved of the \$32 levy, and because of that I have great delight in welcoming the Water (Waterway Management Tariffs) Bill.

**Mr RYAN** (Gippsland South) — It is my pleasure to join the debate on the Water (Waterway Management Tariffs) Bill because it touches on an area of extraordinary importance to all Victorians and more particularly to country Victorians, bearing in mind the significant part that water plays in our communities and the position this all-important issue will occupy in the future.

I have no doubt that in time to come the manner in which country Victorian communities are able to live will be substantially governed by the manner in which water resources are handled. Mainly that is talked about in the context of agricultural development and matters of that nature. In the past few years people have gained a better understanding of environmental issues — salinity and all the other problems and complications that come with using a finite resource. Out of the process of that realisation the catchment management authorities were ultimately born under the hand of the previous government.

It is a fair comment to make in the context of the debate that, although the government and opposition parties are at odds on the tariff and the manner in which the tariff was raised, who should have to pay the tariff and similar matters, I do not believe there was any disagreement on the essence of the work undertaken by the catchment management authorities. It is accurate to say there is complete bipartisan support for the notion that those authorities have undertaken tremendous work

and should continue to do so. I will come back to that point later because the debate affords a singular opportunity to the minister and the government to give an absolute and unfettered commitment to the future of catchment management authorities in the course of the minister's summing up on the bill. I look forward to hearing from the minister in that regard.

I use this occasion to pay particular tribute to the people who work within the catchment management authorities. When they were established boards were appointed to them comprising people with a marvellous level of expertise in this area. Generally but by no means entirely, those people were drawn from farming communities. Not only people from the farming communities with their undoubted expertise in managing water and waterways but also people from associated disciplines were able to add to the vital contribution those authorities have made.

It is to the enormous credit of those people that they have persisted with the development of programs across the state that have for the first time resulted in a concentrated endeavour being made to ensure that Victorian waterways are catered for and accommodated in an appropriate manner. People were loud in their concern that this issue, from a general community perspective, had largely been ignored for a long time and that we had not applied ourselves as a community to tackling the problems of waterways and the degradation of the facilities.

Historically the approach so often taken to the treatment of waterways and water resources generally has verged on one of disdain, but with the appointment of people to those boards Victoria has been able to gather together a group of people absolutely committed to the essential function of ensuring the health of streams and waterways. I applaud those people for the marvellous work they have collectively undertaken in that important role.

I also give due credit to the staff of the authorities and most particularly the field staff, who have done the hands-on work in delivering the outcomes the authorities and their boards have put in place. In that context I refer specifically to Phil Taylor, who works with the West Gippsland Catchment Management Authority. This man has devoted literally decades of commitment to the life of Victorian streamways. On occasion over the years I have accompanied Phil and his team members to different locations where they have been undertaking work. Phil and those who work with him all revel in the benefit they are able to bring to streamway management. They have done an enormous amount of good.

In referring specifically to Phil I am being unfair to the many others around the state who have been able to contribute in a similar fashion to bring about similar outcomes. I say again, it is to the eternal credit of those people that they have been involved in that important work. Streamway management is vital.

Over the past couple of years — and certainly in the lead-up to the election — parties have differed on the application of the tariff, and that, I acknowledge, has been a cause for concern in many communities across country Victoria. I think the differences came about largely because different areas have different needs. In Gippsland, for example, tariffs had been applied for a long time. Waterway tariffs had been raised in a number of places, sometimes through local government, by river management trusts. Gippsland people were used to paying a fee for work undertaken by those wonderful bodies, and had been doing so for up to two or three decades in some instances. In other parts of the state, on the other hand, there was no such history.

There is no doubt that disparities between the different ways of raising and applying tariffs in different parts of Victoria caused community concern. I acknowledge that.

The government has adopted a policy, announced prior to the election, of abolishing the tariff. That approach raises some matters of significance, however. In submissions to all parties prior to the election the Victorian Farmers Federation expressed the view that the tariff should remain. It felt that the tariff gave to the people who paid it a kind of community ownership and to the communities to which it applied a greater sense of responsibility.

I note the comment by the minister when she appeared before the Public Accounts and Estimates Committee, which is reflected in her second-reading speech. Notwithstanding that comment, however, the point of view of the VFF was that the tariff played a positive role.

On the other side of the ledger is the issue of being able to fund catchment management works sufficiently to enable essential works to be done. The minutes of the North East Local Government Network meeting held in Wangaratta on 25 November reflect the concern expressed in many shires about the need for enough money to be available through government allocations to permit the important work to be done. Paragraph 6.12 on page 7 of the minutes states :

With regard to the decision to abolish the catchment management authority tariff, the exceptionally good

outcomes achieved in north-east Victoria were noted as being distinct from the outcomes achieved in some other areas of the state. It is considered essential that the revenue raised by way of tariff be replaced, at equivalent levels, from other government funding sources.

That statement echoes the sentiment repeated across the state — namely, lingering concern in authorities and in the communities they serve about whether enough money will come in to enable them to complete their work.

The minister referred late in her second-reading speech to the government's commitment to further consideration of the role and accountability of CMAs. She went on to say that she will consult at a later date on how best the health requirements of catchment areas can be met, in partnership between government and local communities.

The minister in that statement touches on a point I made before. The language she uses creates a concern in people's minds about why she does not simply say, 'I am satisfied that the work of catchment management authorities is outstanding, and I intend to retain them'. Country Victorians are anxious that the minister should, on the one hand, give a commitment to retaining the authorities, but also note that she said:

The government has undertaken to provide funding to support the continued work of the authorities and discussions are taking place with each authority to determine its works priorities for the remainder of the financial year.

I hope that does not signify an intent to do otherwise than fund the authorities in the manner that was previously intended. One must wonder why there is any necessity to analyse works programs and sort out priorities if the government simply intends to provide the money to the authorities — money they expected to receive in any case.

I acknowledge that the government has indicated an intention to contribute \$10.7 million to replace the levy for a full year's operation. My concern, however, is that there may not be enough money in the pool of funds available to the authorities to allow them to complete their work.

There is concern in country communities that the powers retained by the authorities may still be used to raise a levy to contribute to catchment management works.

Section 258 of the Water Act addresses the question of properties subject to a tariff, and section 259 outlines circumstances in which an authority may impose fees. The definition section of the act offers the definition of

an authority and refers to column 1 of schedule 12 and to a council appointed under section 98(1)(a).

There are 172 different authorities in the schedule, all listed by forms of water management and local government.

I say to the minister that we do not want to be in a position of the catchment management authority being precluded by the provisions of the bill or a ministerial direction from imposing a levy if a shire or some other form of enterprise is able to impose a levy to undertake the same sort of work as that done by the authorities. We do not want people to be in the situation of receiving the levy you have when you are not having a levy.

I ask the minister to confirm to the house that the intention of the government is to provide funding that is appropriate to the authorities' needs and in keeping with their established works programs without having other forms of authorities, whether they are local councils or otherwise, being able to do a pea-and-thimble trick and impose the sort of levy the bill is intended to abolish, because that would leave people in the same or a similar position in the future.

It was said in the second-reading speech and in general discussion that the imposition of the levy discriminates against country Victorians. As we know, Melburnians pay levies of somewhere between \$42 and \$44 that fulfil a similar function. I will be interested to hear how the minister can justify one levy and not the other. I am certainly not urging the minister to bill country Victorians \$44, \$84, \$104 or whatever, I am simply interested in hearing how the levy can be applied in one environment and not the other.

I refer to the authorities' capacity to administer a levy for a specific benefit — I think that is the term used. That is also a matter of lingering concern to country Victorians. We do not want people being levied on their properties to pay for others enjoying a benefit. The opposition will monitor those provisions and try to ensure that the power that remains with the CMAs is used appropriately.

However, even if that is done, it still flies in the face of the general notion of community ownership, and the opposition has a different view from the government on that issue. The position of the Victorian Farmers Federation and the former government was that the community benefited from being involved in the way the levy was imposed and used.

I wish the bill a speedy passage. It is to the great credit of many people throughout the state that they have

voluntarily committed themselves to a tremendous amount of work over many years to ensure the livelihood of our streams. From memory I think I am right in saying that in the West Gippsland catchment management area something like 480 streams and streamways come within the ambit of the work undertaken by the responsible authority.

It is a testament to the great work of the people involved in the operation of the authority that Heyfield, which was originally swampland, has been transformed by the magnificent work undertaken by the authority in partnership with the many contributors from the local community and the shire. Those people were led by the work of the catchment management authority to achieve a brilliant outcome for that lovely township. Those sorts of outcomes are seen across Victoria, and I hope with the passage of time we will see much more of that work being done to manage our important waterways in the best possible way.

**Ms ALLAN** (Bendigo East) — I am delighted to contribute to the debate on the Water (Waterway Management Tariffs) Bill because it concerns a major election issue in the electorate of Bendigo East.

The key issue of the bill is not what the catchment management authorities are doing, what they will do and what they have done, the key issue is that the Bracks Labor government is abolishing the hated catchment management tax imposed on only country Victorians by the former coalition government.

It was an arrogant action of the former government to impose the levy on only country Victorians. The debate on catchment management reminds us of another action of the coalition government — slugging country Victorians with taxes and tolls. There are many similarities between the catchment management tax and the City Link tolls that will seriously disadvantage motorists in my electorate and along the Calder corridor. I am sure I will have the opportunity of speaking on that issue again, so I will leave it for another time.

It is fascinating to look at the history of this hated tax. It is a short history, but it involves much community debate and dispute. The tax was introduced quietly and inauspiciously at the beginning of 1998. The introduction of the bill by the former government received no publicity in Bendigo other than the honourable member for Bendigo West speaking out against it. I am now speaking out through the publications in his electorate. A few short weeks before Christmas in November 1998 residents of the North Central Catchment Management Authority's area,

which includes Bendigo East, suddenly received a bill for \$31 in their letterboxes. Many people thought it had come out of nowhere right on Christmas when they were struggling with the demands people face at this time of the year — many of us are facing them now.

That was devastating for many families in the Bendigo East electorate who could not afford the burden of the tax. Some people — we have already heard this evening that there are the privileged few, including politicians — think \$31 is not a lot of money to pay. That is what the former member for Bendigo East thought, because he was quoted in the *Bendigo Advertiser* as saying that the \$31 levy was a small amount for most people. How wrong he was! That so-called small amount was a significant amount of money for most people who had not budgeted for it.

I spoke to many people, pensioners in particular, who could not stretch their weekly pensions to cover the food and clothes bill or to get their kids through school but who were suddenly expected to find \$31 just at Christmas time. It completely blew the family budget for that period, and they were outraged. They were even more outraged when they realised that the tax applied only to country Victorians. Imagine their outrage when they then learnt that the \$31 levy — the levy that applied to the north-central catchment management area — was to make up for the former government's ripping \$17 million out of the budget of the Department of Natural Resources and Environment and that country Victorians were expected to make up the shortfall.

The former member for Bendigo East provided an interesting justification for that when he was quoted again in the *Bendigo Advertiser* as saying:

Certainly \$17 million has been cut from the department [of Natural Resources and Environment] but the dollars went in the budget to education and health, which is what people were screaming for.

He said people were screaming for education and health services. The government did not listen to us country Victorians, and we still had to pay \$31.

The logic behind the tax was flawed. Country people were hit with a tax that city people did not have to pay; they were hit with a tax to fill a \$17 million black hole created by money being ripped out of the Department of Natural Resources and Environment budget to be spent in the city on education and health.

I was opposed to the tax because the revenue raised from each one of my Bendigo East constituents contributing \$31 did not go directly towards catchment management works; it went into debt collecting and

advertising. I received a letter from the former chief executive officer of the North Central Catchment Management Authority which outlined exactly what some of the money raised from the \$31 levy went towards: \$50 000 for local advertising — that is on top of the famous statewide advertising for this levy — and \$350 000 on sending out notices — each notice cost \$2.92 just to send. That money was going straight into the pockets of the debt collectors without them even collecting the tax. It was estimated that the state government would have spent \$5 million to collect \$14 million in taxes — \$1 in \$3 of our money was going towards debt collectors.

Half a million dollars was wasted. Money was going down the drain, no pun intended. That money should have stayed in the department budget so that taxpayers' money was spent on essential environmental works and not on glossy advertising and debt collectors.

Earlier this year the farcical situation occurred of the tax suddenly being reduced to \$20, as though that would quieten the rumblings in country Victoria. That was so the National Party could smooth it over and say, 'No, we have reduced it to \$20'. That did nothing to quell public fears and resulted in a gutted environment program, particularly in the North Central Catchment Management Authority which saw its budget slashed by \$1.5 million.

I have already mentioned the anger many people in my electorate felt about the tax. When I went door knocking before the last election two themes were repeated: one was taxes and the other was tolls. They were both synonymous with the former government and its attitude towards country Victorians.

I am very pleased to say that, along with the honourable member for Bendigo West, I organised a petition that collected nearly 5500 signatures from across central and northern Victoria. As a candidate I received calls from Boort, Swan Hill, Echuca and Wedderburn — small towns located some distance from the electorate — from people wanting to obtain a copies of the petition and to voice their protest at the unfair tax. They came to me as a Labor candidate in another seat rather than talk to their own local member. Their local member was not listening to their concerns and was not addressing their issues.

If time permitted, I would speak about the political toing-and-froing that the North Central Catchment Management Authority was forced into when the former government, realising the issue was politically sensitive, told it to delay sending out the second notices that were due just after the end of the financial year. I

am pleased to say that those notices will never go out! I support the minister who has introduced the bill.

Twelve months ago when I was a candidate for Bendigo East the current minister, who was then the shadow minister with portfolio responsibility in the area, came to Bridgewater in my electorate. Honourable members have already heard many discussions about how people along the rivers believe in the works. I can tell you that we spoke with many local people that day. Bridgewater is a river town; the Loddon River runs right through the middle of it. We met with many local people who signed the petition and voiced their concerns directly to the shadow minister. I am sure today they are delighted that the bill is going through the house.

I will sum up by saying that the environment was the big loser with the catchment management tax. The environment lost out when the government cut \$20 million from the department's budget. It lost out when the tax collected only \$14 million in return, and it lost out when the debt collector collected \$5 million of that \$14 million. That left \$9 million out of an original sum of \$20 million for environmental works.

I am pleased to say that with this bill the environment is once again a winner. I condemn the former government for introducing the tax. The former government, particularly the National Party, ignored what country people were saying on this issue. I am delighted that the new government has moved quickly to axe this hated tax as it promised it would do during the election campaign.

**Mr PLOWMAN** (Benambra) — All I can say is that it must not rain very much up at Bendigo East. If it did, and the area experienced the same problems as those experienced in north-eastern Victoria, you would not be preaching the story you have just preached.

**The DEPUTY SPEAKER** — Order! The honourable member for Benambra will address the Chair.

**Mr PLOWMAN** — Madam Deputy Speaker, I apologise. The honourable member for Bendigo East certainly would not be telling the same story. The whole issue is about accountability for the funds that are collected locally and spent locally so people understand exactly where the money is going and why it is going there. That is unlike the old-fashioned idea that said, 'We will give all the money collected to the department to worry about. We will let the department in Melbourne worry about what we want in the north-east of Victoria'.

Some 38 per cent of the total water in the Murray–Darling Basin system is generated from the Ovens catchment in my electorate. If the electorate of Bendigo East generated that sort of water flow I am sure its residents would have a different opinion. Because of a little bit of ignorance the honourable member does not realise the importance of this whole issue. The levies have been imposed for 43 years — —

*Government members interjecting.*

**Mr PLOWMAN** — I like the fact that honourable members opposite are laughing at this. For some 43 years those levies have been used effectively for stream stabilisation to ensure that 38 per cent of the water in the Murray–Darling basin is as clean as possible, is not turbid and is managed well, not just for human consumption but also for the fish habitats and for those who want to use the streams for recreational purposes. I will give the area a plug — it has the best streams for fly fishing in Australia. It is not up to what New Zealand offers, but it provides the best opportunities for recreational fishing in Australia.

As I said, the levy system has worked effectively for 43 years. It has done the job. Historically it has been well accepted by farmers and townspeople. Wodonga has a population of 335 000. They are all happy to pay the levy because they have grown used to paying it. If honourable members do not believe me, they should go and ask them. The levy is necessary to ensure that the money collected locally is spent locally. The honourable member for Bendigo East is going backwards.

The honourable member for Rodney talked about Watershed Jackson, and I was delighted to be reminded of him. Watershed Jackson was before his time in promoting catchment management right around Australia. Victoria was the first state to introduce it. The levy was needed to fund the works; yet because it saw there was a degree of opposition to it this government is blindly saying that in order to catch votes it will get rid of the levy. If the government were far-sighted it would say the levy is an important part of total catchment management.

Watershed Jackson would turn in his grave if he saw that good work being overturned by this one action. The North East Catchment Management Authority will lose \$760 000. It has three implementation committees. The Wodonga–Kiewa–Indigo committee will lose \$150 000; the Ovens–King–Blackdog, \$310 000; and the Upper Murray–Mitta, \$300 000. I shall quote briefly from a comment in the *Border Mail* of 12 December:

The head of Ovens, King and Blackdog implementation committee Mrs Judy Griffiths, said the catchment authority had expected to receive \$826 000 from its waterway tariff but that had been abolished by the government and replaced with a \$413 000 grant.

'It's made us stop a huge amount of work because we do not have our money', she said.

Mrs Griffiths said three waterway projects along the Ovens River and Blackdog Creek, valued at more than \$200 000, would not proceed.

As well \$110 000 worth of the urban maintenance works in Wangaratta, Beechworth, Myrtleford and Bright will not be able to be done.

That shows the problem is not just rurally based but urban based as well. The funds that were to be allocated to urban improvement works will also be stopped, and that is a real shame.

I will make two further points. Clause 5 provides that the authority must repay all fees and parts of fees already paid. In the north-east catchment 25 per cent of those fees have already been paid by the ratepayers. It will cost a total of 25 per cent to repay the levy. That is all dead money — money lost. The two catchment management authorities that have already sent out their accounts and have received money will have to repay it. Of all the stupid things that have happened, that is the most stupid of all. Fancy having the money and having paid a total of 25 per cent in collection fees and then have to bear the cost of repaying it! The total of that collection was \$82 000, and the total estimated cost was \$120 000.

The last point I make, because time for the debate has been severely restricted, is that a commonwealth grant of \$300 000 is available, and it requires matching funding from the state. It would be tragic if the Minister for Environment and Conservation did not ensure that matching funds are available to enable our catchment management authority to utilise the \$300 000 federal government grant.

**Ms DUNCAN** (Gisborne) — All honourable members agree that the argument is not about whether our water catchments are in difficulty, whether there are salinity problems or whether there are loads of work to do on our riverbeds. We all know that is the situation.

The bill is not about reducing the work to be done. The work of the implementation committees will continue. The bill is about the former government taxing people and calling it a waterway catchment tax — imposing a flat charge of \$32 across the catchment that was then reduced to \$20.

I shall briefly outline the effects on people in my electorate. The tax has been compared with the tariffs paid by irrigators and people in cities for their drainage and sewerage. For the most part people understand that they live in a catchment area. They are not so silly that they do not see that what happens upstream will affect them downstream or that what happens in the mountains will come down and affect the waterways at some stage.

The bill is about people who felt that money was being taken out of government funding for the environment, that the cost was being imposed on them and that the tax came on top of a \$20 million cut to the Department of Natural Resources and Environment. Many people who spoke to me did not object to paying money if they thought it would fix up the environment. However, they did not see this as additional funding; they saw it as substitute funding to fill in for the money that had been previously cut from the DNRE.

Speakers on this side of the house mentioned the figure of \$20 million. Many people in my electorate are miles from a river, but they are happy to pay taxes that they see working to help the environment. I point out that because it has not rained for the past four years, infrastructure costs have increased dramatically: people have had to pay a fortune for spouting and larger tanks because they have had to improve the catchments on their own properties. So when you tell them you are imposing a \$32 tax for their catchment and they look around their properties at their catchments — the roofs of their homes and their sheds — and see there have been no run-offs, that is political suicide.

It was bad policy, and it is now the role of the Bracks government yet again to fix bad policy and replace it with good policy.

**Mr DELAHUNTY** (Wimmera) — I thank the house for the opportunity to contribute to debate on the Water (Waterway Management Tariffs) Bill. There are only two parts of the state, the Mallee and the Wimmera, in which the catchment authorities had not struck a levy for this financial year.

I will not be voting against the bill, but I point out that the main concern in the Wimmera is that the minister has said the government will replace the levy, but we did not have that money in the first place. We need the money we were getting from the state and commonwealth governments, and we need the money that would have been raised if there had been a community levy.

The Wimmera Catchment Management Authority has been in existence for only a short time, and it has done a lot of work in that brief period. Its mission statement is:

To ensure sustainable development of natural resource-based industries, protection of land and water resources and conservation of natural and cultural heritage in the Wimmera catchment region.

Three of the objectives of the authority are:

... to involve the community in decisions relating to natural resource management within the Wimmera catchment region' —

I highlight 'to involve the community' —

to maintain and improve the quality of water and condition of rivers —

that is important not only to the communities that use water for domestic purposes but also for development of industries and healthy rivers — and:

to minimise damage to public and private assets from flooding and erosion.

In some ways it is unfortunate that we have not seen much flooding in the past couple of years; we would like a lot more rain.

The catchment authority and the water and waterway environments are very important to the Wimmera community. I recognise the work of the board members, the functional committees — we do not call them implementation committees — the community consultative representatives and, importantly, the talented staff who have recruited people to work within the community to develop strategies and implementation plans that have a major impact on the Wimmera area.

As in all areas of Australia, particularly in the Murray–Darling Basin, we have major concerns about our natural resource management. All of the implementation plans and strategies need funds, whether from the state or the commonwealth or through the community. As has been said by other honourable members, and I know it is true of the north-east where they have levies or rates or taxes, whatever people want to call them, if the community has some input it gains a little bit of ownership. That was the case with this levy — about 10 per cent — and it provided people with some input into the improvement of the natural resources in their area.

I was pleased to read in the minister's second-reading speech that the government recognises the importance of healthy catchments to both the environmental and economic wellbeing of the regions and to Victoria. I am

glad the government is committed to healthy catchments and waterways. That is good news.

It is pleasing that the government will contribute \$10.7 million, but it worries me that that amount is short of the figure bandied about as being the amount collected by levies — approximately \$17 million. I worry about the winding back of resources for the major regional strategies and implementation plans.

In the Warracknabeal community everyone, both the township and the farmers, got involved with the Wimmera Catchment Management Authority to reinvigorate and clean up much of the Yarriambiack Creek. That is a credit to all the people involved and it highlights the fact that waterway health is important to the whole community, not only the farmers but also the townspeople. A cooperative arrangement was put in place and the community put in a lot of work with the expertise supplied by the WCMA. A considerable amount of work has been done in identifying the strategies and implementation plans necessary for the Wimmera to achieve a healthy, sustainable catchment.

I congratulate the catchment authorities, and I ask the minister to ensure that even though the Wimmera did not have a levy it will receive funds as though it had and that there is no gap in its funding.

**Mr HARDMAN** (Seymour) — It is with a sense of justice that I support the bill to abolish the catchment authority tax, which is an unfair impost on country Victoria.

The catchment management authority levy is a further example of what I saw as the previous government's lack of respect for country Victorians. Water catchments are the responsibility of all Victorians. They are the responsibility of local communities and of the Victorian government on behalf of all communities, including those in Melbourne. The work of the catchment management authorities is respected by the Bracks government and local communities.

In recognition of their great work, the government intends to retain the operations of the CMAs with people from local areas using their knowledge and appropriate skills to organise and carry out the work. The environmental and economic health of our state relies in large part on the work of CMAs looking after the waterways. Salinity and land degradation are major problems facing the government. It is vital that the government put in its share of funds to ensure the good work of the CMAs is continued.

The bill recognises the CMAs in three different areas where they provide service to properties that directly

benefit from flood plain management. Those schemes include the Snowy–Brodrribb drainage scheme, which provides drainage services to rural land-holders; the Pental Island scheme, which maintains levee banks, and the Lough Calvert drainage scheme, near Colac.

The bill permits charges to be made for such projects into the future but only where they directly benefit properties and not for the remainder of the district. Many people in the Seymour electorate will be pleased that the CMA tax will be abolished and that the Bracks government has again kept one of its key election commitments to country Victoria.

Those who have already paid the levy, for example people in the Goulburn Valley area, will be pleased to receive refunds. The Goulburn Broken CMA has been mentioned a few times during the debate because of its innovative work. It has been efficient and effective in its work. The chief executive officer of the local authority will also be pleased not to have to deal with complaints from locals about taxes. He will be able to get on with the planning, organisation and delivery of land management; the CMA can dedicate itself to necessary work. That sentiment was expressed when I met with representatives of the local authority. Despite their support of the CMAs they were concerned that the authorities may have been affected greatly by the legislation. Their pride in their fantastic work was obvious when they talked to me.

The CMA people showed me maps and explained what will happen in our local area and closer to Shepparton, and it was great to see their fantastic community outlook and belief in what they were doing. They are not highly paid but give of their time for small sums of money; often they work for half days instead of full days so the money is stretched further. They put in a great deal of effort.

Community ownership is an important matter. It comes from consultation and being part of a process, not from paying \$25 a year. It comes from being listened to and being part of the process. That is where good leadership comes from. The fact that the Minister for Environment and Conservation consulted and listened to all interested bodies has resulted in the minister getting it right. I congratulate the minister on having introduced the bill, and I wish it a speedy passage.

**Mr SPRY** (Bellarine) — I am pleased to have the opportunity to acknowledge the work of the Corangamite Catchment Management Authority, which has operated in the past year not without criticism, particularly about the levying of tariffs. Most people recognise the vital importance of water to life. The

reflection on that comment is best expressed by the words of Max Fehring, the president of the United Dairyfarmers of Victoria and 1997 Churchill Fellow, who studied in America and wrote a booklet called *Water: the Key to Life*. Also, in his book *Centennial* the eminent novelist and historian James A. Michener commented on the sentiment of the American West and particularly the way water and catchment management was handled in the dry states of Colorado, Nebraska and Wyoming.

I acknowledge that the ALP foreshadowed the abolition of catchment management tariffs in the lead-up to the election. The opposition does not oppose the bill but supports it. At the same time I note that the government's rural and regional policy on its river and catchment restoration program dedicated some \$5.35 million in the 1999–2000 budget to this important work and a further \$10.3 million in the next three years, to total about \$35 million, which is expected to replace the estimated average of about \$20 a household tariff minus collection costs. I also hold the government to its commitment that no project will be disadvantaged. I remind the government about its apparent commitment to the important work the CMAs have been doing.

Earlier I mentioned the board of the Corangamite CMA. I commend the total commitment of the board, particularly the chairman, Bob Carrail, and the chief executive officer, Don Forsyth. I also commend the honourable member for Geelong on his recognition of the bipartisan commitment from the board and staff of the Corangamite CMA. I am sure that, like me, they appreciate his comments. The honourable member was one of the few people who stood on his dignity and refused to pay the CMA levy. I understand he is reconsidering that stance. It would be a significant gesture and would avoid the embarrassment of the Corangamite CMA having to pursue him for payment.

CMAs are different from water boards. Water boards are essentially responsible for the harvest, distribution and management of waste water, whereas CMAs must have a more integrated approach to such issues as land conservation and water catchment management. The CMAs sprang from the former water and land protection boards when the previous coalition government introduced them a few years ago.

The work of the CMAs is very much focused on clean green feed exports, forestry and tourism, which are vital for regional and rural advancement issues. I will curtail my remarks in deference to the time lines established by the parties. I commend the Corangamite CMA. Its attention has been focused on allocating some

\$1.5 million this year to important projects that have been identified by local community groups and in collaboration with local government authorities. Those funds have been directed towards strategically important projects.

I mention the Swan Bay integrated catchment management group, which has done a tremendous amount of work in my electorate. It has focused on the needs of Swan Bay in particular. It recognises the fertiliser and urban run-offs and the stormwater management issues and has come to grips with those matters in a commendable way. I accept the fact that the tariffs are to be abolished. The previous government's concept was one of conferring ownership on ratepayers. That is a valid concept and I hope it will continue.

**Ms GARBUTT** (Minister for Environment and Conservation) — I thank the honourable members for their many contributions. All honourable members and the government recognise the work of the catchment management authorities. The CMAs have shown two outstanding reasons for success: the first is their integrated catchment management approach, whereby problems are not considered in isolation. Each has an impact on the other. Taking an integrated approach is the best way to succeed. The second reason is that they have built on community involvement and participation, starting from the old salinity management groups of about 15 years ago and gathering strong community support as they went. That model has been vastly more successful than any other approach.

I have consistently said that the catchment management authorities will be maintained; only the levy will be abolished. The government will review the appalling appointment process of the previous government. It was not transparent and involved political interference. That process will be reviewed to ensure that it is open and transparent and no clouds hang over any heads of catchment management authorities.

The government recognises the work of the CMAs in the management of rivers and catchments that have been degraded over many generations. It is unfair to ask the current generations of country property owners to pay for generations of ignorance. The Premier said that all projects will be funded. Perhaps opposition members are now listening because they certainly were not listening six months ago. The levy was unfair and anti-country, and people recognised it and voted against it in their thousands.

Opposition members said the CMA system was 50 years old. However, they conveniently forgot to say

that 50 years ago the levy was small and applied to few people. The former government doubled the levy and spread it across every property owner and catchment. That is what people objected to at the ballot box. The levy had a direct relationship to a \$20 million cut to the Department of Natural Resources and Environment two budgets ago. It was that amount almost exactly that the former government intended to replace with the catchment levy. It increased the levy and required people who had never paid it before to pay it. Fortunately they will never pay it again.

I was alarmed by the tone of opposition comments. Obviously they want to keep the tax, despite the clear mandate the government has and the protest from the public over the past 18 months. Opposition members have vigorously defended the levy. I was even more alarmed when I heard the honourable member for Gippsland South, the potential Leader of the National Party, say that he thinks he has found a loophole to allow other bodies to collect the tax. It is for that reason the government introduced the legislation — to stop any future government from finding a loophole or some other way of imposing the tax.

Honourable members who were in this place before the last election would remember the former government imposing the tax by regulation, as is being urged by the opposition tonight. The bill that was introduced at that time retrospectively validated everything, and now this government must remedy that huge mess. Everything CMAs did and every penny they collected had to be validated retrospectively. That is another reason the government has abolished the tax by ministerial direction. The government wishes to make certain that no future government has the power to reimpose the tax unless it is by legislation. This government does things up front in Parliament where its actions are subject to proper public scrutiny. It is time the opposition learnt its lesson.

The opposition said there will be insufficient funds. The source of funding projects will change; instead of coming out of the pockets of country Victorians it will come out of the state budget. The shadow minister pointed out that \$5.35 million was allocated and would be insufficient. He is right, and that is why the extra funding will come from a program that will cover those projects. It will come from the state budget, not from people's pockets.

Opposition members are spreading false information. The honourable member for Benambra quoted the *Border Mail* about the program being cut and projects stopped. It is rubbish. It will not happen and funds will be available. They will come from the state budget, not

from the pockets of country Victorians. The honourable member said much about the funding of CMAs, the cost of programs, rebates and the completion of signed contracts. Those costs will be met. The shadow minister also asked about smaller projects. They will be allowed to continue if they have a direct benefit to property owners. He also asked for a definition, and gave the three examples of Pental Island, Snowy–Brodribb Drainage District and Lough Calvert. Those projects and others will continue. There will be levee banks and drainage schemes not only on properties where the work is located but for any that would benefit. It is a broad definition, but it is not as broad as the hated whole-of-catchment definition that the previous government imposed.

Members asked whether Natural Heritage Trust funding will be matched. It will be matched. Instead of the funding coming out of the pockets of country Victorians it will come out of the state budget. The real worry about the Natural Heritage Trust is that the federal government requires its funding for the northern Mallee pipeline. The federal minister said it will have to come out of Landcare funds. Unlike previous years where it has been paid in addition to Landcare funds and has not affected those groups, it will now affect them. Opposition members should be lobbying the federal minister to ensure that that does not happen. However, they have been doing the exact opposite. It is a simple idea. The government is doing exactly what it promised during the election — replacing the source of funding for the projects and endorsing the Premier's comments that all the projects will continue. Current projects will not be disadvantaged. This initiative delivers on an election promise. The government is pro-country Victoria, and it is time the opposition learnt about that.

**Motion agreed to.**

**Read second time.**

*Remaining stages*

**Passed remaining stages.**

## CRIMES AT SEA BILL

*Second reading*

**Debate resumed from 8 December; motion of Mr HULLS (Attorney-General).**

**Dr DEAN (Berwick)** — It is a pleasure to support the Crimes at Sea Bill, prepared during the period of the previous government and in a cooperative spirit

between solicitors-general across the country. It is testimony to a number of things, not only good legislation. Although most people would find this a pretty dull bill, from a legal point of view the way it has been put together is interesting, using techniques that have not been used before, or that I have not seen in the house, but that work. I will get back to that in a moment.

It is difficult to make an interesting and amusing speech out of the Crimes at Sea Bill. I was going to bring in some pirates or something like that. Some Gilbert and Sullivan might go down well — perhaps a duet across the table. My colleague the honourable member for Kew certainly has a magnificent voice; he could have joined in, but I do not know whether that would go down too well with you, Mr Acting Speaker. I probably should stick to the facts and talk about the bill.

*Honourable members interjecting.*

**Dr DEAN** — I haven't got a bad voice. If I bore myself completely in a minute or two, I might burst into song.

The legislation is interesting solely because it raises the question: when crimes occur but not on land or within a state's boundaries, who does something about them? Obviously people cannot commit crimes on ships on the water beyond our shores without somebody doing something about that. The interesting question is who should do something about that. It probably would not come as too much of a surprise to honourable members to learn that that is a complicated issue to grapple with from a legal point of view.

Before I concentrate on the way the bill is structured and why it is unusual compared with normal legislation, it is important to note that in a difficult area of law it is a challenge to draft legislation, in this case a bill with a schedule, that meets that challenge. Parliamentary draftsmen and draughtswomen have an incredibly difficult job. Not much is heard about them, but they are usually very bright people who have done extremely well in their careers, at university and so forth. They undertake an extremely difficult role. The legislation is just accepted, read and taken for granted, but when absolutely every word, full stop and heading means something, particularly in a complicated area, the way those draftsmen and draughtswomen do their job has to be admired. They have certainly drafted this bill with great aplomb and should be congratulated.

The other people who ought to be congratulated are the solicitors-general for each of the states. They, too, play a quiet role in government. Our own Solicitor-General

has played an important role in formulating the legislation. As usual Victoria has been one of the leaders in getting the legislation together. It has taken five years to do it, but one has to take one's hat off to a group of people — in different states and with different interests, both political and legal — who after a difficult period came up with legislation that covers this complex topic.

One of the reasons the solicitors-general were able to reach agreement might be that they are solicitors-general and not politicians. The trouble with politicians sitting around a table and trying to cooperate with interstate politicians is that they have a politically honed approach to everything they see and do. That makes it much harder for them to give and take and to come to a conclusion for the benefit of all.

Certainly solicitors-general, because they see things through legal eyes and from a much less — one hopes not at all — political perspective, seem to have done the job. Perhaps in future we ought to think of using solicitors-general a little more often on complex legislation between states because they do not have that political baggage and they see things from a legal perspective. Perhaps that is a thought to be put to one side.

I said before in this place that it is also a mark of attorneys-general that they are less political when they get together to discuss legal issues that concern a whole country. In my short experience of going to meetings of the Special Committee of Attorneys-General, or SCAG, with the former Attorney-General and seeing the attorneys-general from each of the states sitting around the table, I was always amazed at how little politics came to the table and how a genuine desire to get legislation legally correct for the benefit of the whole country took over. That is a mark of the area of attorneys-general and the jurisdiction that the associated department operates under. It is in the nature of the job.

Someone reading through my speeches over time would probably think I had a bee in my bonnet about cooperative federalism, because every time I give a speech I seem to waft off onto that subject. The way states cooperate with each other and how the commonwealth works as a federation is of great importance to me. Recently cross-vesting legislation came before the house. I spoke on the Federal Courts (State Jurisdiction) Bill and mentioned that that area was a clear example of the need for the states and the commonwealth to work together as a unit.

Many people think cooperative federalism is not likely to work because everyone has their own selfish view of

how things should go and consequently the end result must be that not everyone agrees, but over time, as federalism has developed, the truth has finally come through — that is, governments can be quite selfish and still cooperate. Often the result of all states and the commonwealth agreeing on a proposal is the best thing for the states. Once the curtain of self-interest is seen through, it can be recognised that a state can do better for itself by agreeing to a cooperative arrangement than by sticking to its guns and doing its own thing.

Cross-vesting is a classic example of that. The states, because they have cooperated, take a long time to arrive at a common position. Having given up various positions and battled through their self-interest, each state is now in a better position than it would have arrived at had it acted on its own.

I know that particularly in this game it is difficult to adopt a cooperative federalism model instead of a competitive federalism model because a politician has to give up his or her pride and politics and make sure his or her own personality does not become so strong that it prevents agreement being reached between the states. All those characteristics are required — that combination of the facets of human nature that are so hard to engender but that make the best qualities.

Usually it turns out that if Australia advances by leaps and bounds it is because a period in our history has been reached when the Premiers and the Prime Minister are of such a character that they have the wisdom, far-sightedness and goodwill necessary to break through the self-interest. Then Australia goes ahead in leaps and bounds.

We have to wait for such a time to come, however. The federation was created in one such time — a time in our history when we happened to strike upon a group of such people, our founding fathers. They were all men, of course; that is one of the characteristics of that time. If it happened now, no doubt the group would be made up of men and women. Nevertheless, at the time, despite their differences and their strong personalities, they had the capacity to seize the collective good and do something wonderful. I still marvel at it and can barely believe that Federation ever took place. But it did.

I hope the time will come when the Premiers and the Prime Minister will, as a group and all at one time, have that sort of capacity. It will be a fluke, and it might be just around the corner. Who knows!

**Mr Holding** interjected.

**Dr DEAN** — Maybe, but unfortunately Victoria could not do it on its own, even if it were so. When it happens, though, the whole country will go ahead in leaps and bounds.

All the great figures of history have had the capacity to put aside their aggression and see things in a cooperative way. Think of the great people of history and ask yourself which of them were great enough to put their own personalities second, and then you will understand that it is people like Martin Luther King, Nelson Mandela, Mahatma Ghandi and Abraham Lincoln who had that greatness, or whatever you call it. They each had the capacity to put aside personal interests and see the broader picture.

The more we see that broad picture within our federation the more we will generate bills like this that will serve us all, and the more we will advance as a country. If the states and the commonwealth were able to cooperate like this more often, the benefits would be enormous. In fact, in my view the most important body in the country, above any other, should be the Council of Australian Governments. If we truly intended to reach our fullest potential we would make COAG our most powerful body. Perhaps one day it will be, but at the moment it is not. Politics is still getting in the way.

The bill is the result of cooperative will and combined talent. It starts with legislation — as you would expect — and goes on to a schedule. The bill is unusual in that most of the goodies are in the schedule — that is, after three or four provisions, the whole of the remainder of the bill is the schedule. Why? The answer lies in the nature of cooperative federalism. The provisions in the early part of the bill enable each state to do its thing a little differently from the others, and the schedule — which is the guts of the thing — is the same for everyone. That is a nice way to use the tools of legislation: the schedule is the collective agreement and the preliminary provisions sort out any differences between us.

Another point worthy of remark is that the bill includes a preamble. I do not know how many honourable members have seen a preamble to a bill before, but no-one has seen such a thing in recent times.

**A government member** interjected.

**Dr DEAN** — No, the constitution was going to have one but, unfortunately, that did not happen. I am not about to say which way I voted.

The preamble, which covers half a page or so, gives the man and woman in the street the opportunity to pick up and understand the bill rather than getting lost in the

first paragraph of the legislation. It makes it possible for anyone to read it and make sense of it; it gives people an understanding of the way the bill operates.

**Mr Holding** interjected.

**Dr DEAN** — It is of interest to a lawyer, certainly, when a bill is presented in an interesting way. For people outside that profession the structure of the bill may be of no interest whatsoever.

The point I am making, however, is that perhaps we should use the device of a preamble more often than we do in the bills we present to this house. It would not be a bad thing to do.

The bill is the result of a great deal of work in a very difficult area of the law. It repeals the Crimes (Offences at Sea) Act. One of the reasons we had to have a cooperative approach to the simplification of the legislation was that this area of law is extremely complicated. The original legislation is incredibly difficult to understand. The states experienced a lot of difficulty making laws about what happens at sea along their coastlines, partly because they did it individually, not cooperatively, and because they did it in a conventional way. The result was complicated legislation dealing with a complex area of law.

We had to do something about the law in this area because of the complexity of the Crimes (Offences at Sea) Act. To get jurisdiction, answers had to be found to such questions as: is the ship registered in this state or in this country? Where is it sailing from? Where is it sailing to? All those issues had to be thought through and worked out before it could be decided whether there was jurisdiction in those matters. And then, even when it was decided that we did have jurisdiction, we had problems with what procedural rules should be applied.

It may be that Victoria had been applying its procedures only to find that under the complex formula of that legislation it came under the law of New South Wales and the courts had to operate under that law. Jurisdictional issues could end up in a mess. Looking at the principal act makes clear the sort of complex and difficult position we are in. Section 3(3) of the principal act states:

For the purposes of this act —

- (a) a ship shall be taken to be on a voyage between places in the state if, at the time when the ship departs from a place in the state or in the coastal sea, it is not intended that the next place of call of the ship should be a place outside the state and the coastal sea; and

- (b) a voyage of a ship may be between places in the state notwithstanding that the place in the state or in the coastal sea from which the ship departs and the place which it is intended at the time when the ship departs from that place should be the next place of call of the ship, or which proves to be the next place of call of the ship are the same ...

I think I understand why the attorneys-general of all the states decided to do something about it. Most of the difficulties arose from the legislation itself and not from whether a crime occurred on a ship. Something needed to be done, and something was done.

I have already commended the solicitors-general for the work they have done. We should also acknowledge the fact that Victoria took a leading role, as it did during most of the term of the previous government. We should acknowledge that Victoria has done well.

Various aspects of the bill need to be addressed, and I will do so briefly. I know for most people the subject is riveting, but it is important to see how the scheme was put together.

Summary offences and indictable offences are defined differently in the various states. The first thing the states had to do as part of the new cooperative spirit was to agree on the definitions for summary offences and indictable offences. It was good that they agreed on the definitions. A number of different stages are involved in prosecuting a crime at sea. The procedure does not merely involve a crime occurring and all of a sudden the perpetrator being brought before the court. The crime has to be investigated and the appropriate procedures have to be undertaken to bring the matter before the court. That in itself is difficult.

If a ship is sailing from Victoria to New South Wales the appropriate procedure to be used needs to be considered. The way the states have coordinated that process is through an intergovernmental agreement. The simple and straightforward procedure does not need to comply with legislation; it simply involves an agreement being signed by the states. I am pleased to say that any amendments to an intergovernmental agreement will be gazetted, so one state will not be able to go ahead without giving notice to the other states, which is important.

The bill is divided between the schedule and the provisions. The key to the whole process was to come up with a simple solution to cope with a crime being committed at sea. In the past the focus was on the ship — the jurisdictional issue concerned whether a crime occurred on a ship or near a ship — but the bill addresses the issue in a much more clever way. Rather than asking whether the crime occurred on a ship or off

a ship, the bill defines an area as being either an 'inner adjacent area' or an 'outer adjacent area', which I will refer to later because I know honourable members are keen to know how those areas are defined.

Having determined the adjacent areas, the simple approach is to consider whether a crime occurred within the jurisdictional area, and if it does it will be within the ambit of the bill, except if the matter comes under the Aviation Act — that is, a crime that has occurred in the air above that area. Definitions of an Australian ship and a federal ship appear in the legislation, but they do not appear in the provisions of the bill. The reason they do not appear in the bill is that it is a much simpler approach to define an area as '12 nautical miles' or from '12 to 200 nautical miles' from the coast rather than determining whether the crime occurred on a ship. If a crime occurs within those areas, that determines the jurisdictional basis on which a state will be responsible and the procedural rules under the agreement will be followed.

*Honourable members interjecting.*

**Dr DEAN** — I hear honourable members asking why there is a difference between 12 nautical miles and 12 to 200 nautical miles. It is because the commonwealth jurisdiction lies beyond 12 nautical miles from the coast.

One of the great things about cooperative federalism is that the commonwealth has said it will give up jurisdiction over that area. It said the states will be able to enact legislation as if it were commonwealth legislation. It is a neat device for providing that the states are responsible for crimes that occur at sea.

We should acknowledge the commonwealth's contribution in doing that, because it is the way cooperative federalism should operate. The states often see the commonwealth as the bogeyman that is always trying to cause difficulties for them, but here is a classic example of the commonwealth giving up its jurisdiction to the states. It certainly costs the commonwealth less, but that is not the reason. The reason is that it has been done in a cooperative way.

The difficulty is that all sorts of arrangements exist between the commonwealth government and other countries about what should happen if a crime occurs on a foreign ship. If it is not an Australian ship state governments have jurisdiction, but the commonwealth government has put a caveat on it by saying, 'We have arrangements with other countries; we have international obligations and treaties. Before you go ahead and prosecute a crime committed on a foreign

ship, you must clear it with us. Even if the courts have started the process you must ask us first'. The commonwealth has been very accommodating and has said that even if the case has begun and the state government approaches the commonwealth it does not mean that the case cannot proceed. It says the state must at least notify the commonwealth, and if it turns out that the state was not in a position to proceed because it would be breaching some treaty or other, the state would have to stop proceedings.

What are the important points in relation to this legislation? Firstly, it is very imaginative; secondly, it uses all the tools of legislation available to achieve a simple solution to a very complex problem; thirdly, it shows the power of cooperative federalism, particularly the cooperation of the commonwealth on these matters; and fourthly, it serves as an example in the future as to how we can operate better not only as a country but as a state so that Victoria achieves a better result by entering into a cooperative relationship between the states and the commonwealth. I hope this is just the beginning of a whole raft of legislation being enacted along the same lines.

**Mr WYNNE** (Richmond) — I thank the honourable member for Berwick for his long and discursive seaworthy contribution to the debate on the Crimes at Sea Bill, particularly his overview of cooperative federalism. It would not be unreasonable to say that some of the best efforts in relation to cooperative federalism were sponsored by Labor governments. I refer most particularly to the efforts of the Hawke government when the then Prime Minister put in place a significant structure for cooperative relations between federal and state governments.

I had the pleasure of working with the former Deputy Prime Minister, the Honourable Brian Howe, on one of the best examples of cooperative federalism — namely, the federal government's Better Cities program. That put on the ground some significant infrastructure projects, including the major redevelopment of the Dandenong railway station and many other projects of great significance throughout the Melbourne metropolitan area. It was one of the hallmarks of what I regard as new federalism in the 1990s where the states, the commonwealth, local government and the business community worked together in a cooperative way.

The Premier recently announced a very important and interesting initiative which he called 'east coast federalism', where he canvassed the concept of the east coast states developing a form of regionalism. It will be obvious to most people that the states along the east coast of Australia are all Labor states. It will be

interesting to see how this important new federalism initiative develops in the new year, albeit along the eastern states of Australia.

The Crimes at Sea Bill is a new national cooperative scheme. It applies to criminal laws in waters surrounding Australia and is a modern regime for dealing with crimes at sea. As the honourable member for Berwick said, the current crimes at sea scheme, which was developed in the 1970s, is seriously flawed. The commonwealth and states had different approaches and enacted different legislation to deal with crimes at sea, with obvious gaps and inconsistencies.

At present the destination of a ship and where it is registered largely determines the criminal law that applies to an offence. The rules are unnecessarily complex, difficult to understand and apply, and give rise to overlapping laws and jurisdictions. For example, in some situations Victorian police investigating an offence in Victorian waters but under New South Wales law are bound to follow New South Wales investigative procedures, clearly a situation requiring urgent and serious amendment.

As the honourable member for Berwick said, the Special Committee of Solicitors-General developed a new scheme, which is obviously more simple, easier to understand, and a more effective form of law enforcement to which the commonwealth, the territories and the states have agreed on the basis of uniform legislation. The Crimes at Sea Bill repeals the Crime (Offences at Sea) Act.

Under the new scheme, the criminal law of each state and the Northern Territory will apply in its respective adjacent area, of which there will be two levels. The first is that the criminal law of a state will apply by force of its own law out to what is called the 12 nautical mile boundary. The second level of adjacent area refers to where the criminal law of a state and territory will apply by force of commonwealth law from the 12 nautical mile mark out to the 200 nautical mile mark or, in some cases, to the outer limit of the continental shelf, whichever is the greater.

The written consent of the commonwealth Attorney-General must be obtained to prosecute offences under the scheme involving the jurisdiction of foreign governments. That approach will enable the commonwealth to consistently apply Australia's international obligations and its obligations under international treaties. The new scheme will be more effective because all jurisdictions will enter into an intergovernmental agreement to enforce the scheme.

In general terms, under the agreement, the states and the Northern Territory will have primary responsibility for investigating and prosecuting crimes committed in their respective adjacent areas. Nevertheless the agreement will provide that jurisdictions should, whenever practicable, provide assistance to one another in investigating offences arising under the scheme. It will also provide that when more than one jurisdiction is empowered to prosecute an offence those jurisdictions should consult to determine the jurisdiction that is most convenient to the purposes of prosecution. That is obviously commonsense but clearly in the application of the previous Crimes (Offences at Sea) Act many of those jurisdictional questions were not adequately or properly resolved.

A number of state parliaments are addressing the issue of commonwealth, state and local government relations at the moment. The following parliaments have, to date, progressive legislation that adopts the cooperative scheme. The commonwealth of Australia has introduced the bill and it has been passed by New South Wales, Tasmania and South Australia. A bill has been introduced in Western Australia, and the government understands that a bill is being drafted in the Northern Territory and will soon be introduced.

Prosecutions for offences against the person and against properties in this circumstance have been rare. The Victorian police have unofficially estimated that probably only a handful of such offences occur each year. It is likely that the bulk of prosecutions will occur by authorities such as the environment protection authorities for environmental offences.

If one thinks about it, there may be the occasional punch-up on the Melbourne–Hobart ferry, but I cannot imagine too many circumstances above and beyond those that are serious environmental pollution issues on which the bill will impact.

Clause 12 provides the Governor-General with a broad power to make regulations concerning the scheme. One purpose of the clause is to allow for particular laws to be exempted from the scheme. This purpose is reiterated in the second-reading speech and in the explanatory memorandum to the commonwealth bill. Clause 9 expressly provides that the scheme does not apply to the state and commonwealth laws excluded from the ambit of the scheme.

Turning to the question of the Environment Protection Authority, where most of the activity pertaining to this bill will be enacted, under the scheme the written consent of the commonwealth Attorney-General will be required to prosecute certain foreign vessels. The clause

was inserted to enable the commonwealth to adopt a consistent approach to its obligations under international laws. The EPA estimates that only some 10 or 12 vessels are prosecuted each year for offences such as discharging oil into the port of Melbourne.

Most of those prosecutions are made under a statutory scheme that already expressly implements Australia's international obligations for the prosecution of pollution-related offences under what is called the Marpol convention. I understand the Attorney-General has undertaken to write to the commonwealth Attorney-General requesting a regulation exempting the EPA from obtaining consent before prosecuting foreign vessels for those specific matters, which is obviously a sensible way of going forward.

The bill is important because it smooths out relations between the commonwealth and state about criminal jurisdiction over crimes at sea. It is a good example of cooperative federalism between the commonwealth and the states and, as the honourable member for Berwick said, the solicitors-general have done a significant amount of work on the bill and have very much smoothed the way for its passage, through both this Parliament and the commonwealth Parliament to put concurrent legislation in place to achieve an important outcome.

The central aim of the scheme is to provide greater simplicity. The scheme will clarify how the criminal law applies to crimes committed offshore and will simplify investigation and prosecution procedures. In that way the new scheme will be more efficient and will ensure that crimes do not go unpunished because of a potential legal technicality in the previous legislation.

On that basis I commend the bill to the house. It has bipartisan support, and I wish it a speedy passage.

**Mr McINTOSH** (Kew) — It is with pleasure that I contribute to one of the more scintillating bills to come before the house. As honourable members will see, I am playing to a packed gallery and the house is full. The honourable member for Swan Hill is on the edge of his seat with interest.

It again falls to me to follow the honourable member for Richmond. I am a bit disappointed with his speech, because he did not throw water over the Minister for Police and Emergency Services. Perhaps he can address that in short compass.

The Crimes at Sea Bill addresses a fundamental problem that developed from a previous attempt at cooperative legislation. It addresses fundamental legislation based on geographical determination of

jurisdiction rather than on the flag or destination of a ship. From my experience in dealing with transport law I know it is quite common to determine jurisdiction based on the flag of a ship or the destination of a ship or aircraft.

The problem for the cooperative scheme currently in operation is that it creates great complexities in a jurisdiction such as Australia, which is a federation, and creates great gaps in the law. The bill arose out of an agreement between the states and the commonwealth to address that legislation cooperatively. It is a shining example of cooperative legislation and an example of cooperative federalism par excellence. It arose out of the committee of state and federal solicitors-general addressing the common issue. It had to grapple with a traditional approach to transport law, and the way it grappled with and solved the problem with the bill was to define criminal jurisdiction based on geography.

The committee implemented through the legislation a strong intergovernmental agreement that addressed the issue of investigation and the judicial process for determining a solution to the criminal process. There are two aspects to the bill: firstly, the determination of jurisdiction; and secondly, the issue relating to the investigation and judicial process.

The previous arrangement was based on the flag of a ship or its destination. As I stated previously, that is not unusual with transport law, but it was complex and confusing when adopted in a federal system such as Australia's, and it created gaps in the law. As I said, the bill solves the problem by defining jurisdiction on a geographical basis.

One of the examples of cooperative legislation the honourable member for Richmond chose to ignore is that the definition of adjacent land comes under the Petroleum (Submerged Lands) Act, a previous form of cooperative legislation implemented in 1967. Essentially that act created great slabs of the country that were defined as Queensland, New South Wales and Victoria, with lines running out to sea defining their jurisdiction over petroleum submerged lands and pipelines.

However, in this case the interpretation has been adopted in the bill, which breaks it into two further areas. The honourable members for Berwick and Richmond spoke about the inner adjacent and outer adjacent areas. The inner adjacent area includes all coastal waters, which are confined areas such as Port Phillip Bay and areas up to 12 nautical miles out to sea. The Victorian criminal law applies to the inner adjacent area as of right up to 12 nautical miles out to sea. The

outer adjacent area runs from 12 nautical miles out to sea to 200 nautical miles out, or to the end of the continental shelf. The bill contains a substantial map.

State law is applied by force of commonwealth law, and the commonwealth, through its legislation, determines that its law will apply up to 200 nautical miles out to sea.

The legislation implements an intergovernmental agreement on the mechanism of investigating any crimes committed at sea, and the intergovernmental agreement determines the process that would be adopted in determining the investigation.

I highlight some points that I find quite interesting, perhaps because I am a lawyer, and I am sure the honourable member for Swan Hill will again be sitting on the edge of his seat. The honourable member for Berwick and I have been discussing the preamble. It is unusual for state legislation to have such a significant preamble, although the practice has been quite extensively adopted with federal legislation. We thought perhaps to edify the house at this late hour we could sing the preamble, but we decided not to, and we will not take the matter any further.

The use of examples in the schedule is interesting. It represents the adoption of the intergovernmental agreement that deals with the process of determining the method of investigation and the implementation of that investigation. The examples throughout the schedule provide a real and cogent mechanism for courts and other tribunals to determine methods of interpreting the legislation. The examples used here are of great assistance in interpreting the legislation.

The bill celebrates cooperative federalism at its best. It has been a long process determined by the solicitors-general. The legislation has bipartisan support, and that cooperation has produced excellent legislation.

**Debate interrupted pursuant to sessional orders.**

## ADJOURNMENT

**The SPEAKER** — Order! The time appointed by sessional orders for me to interrupt business has arrived.

### **Mornington Peninsula Freeway: extension**

**Mr LEIGH** (Mordialloc) — I direct a matter to the attention of the Minister for Transport. I hope he is listening and will return to the house. During the election campaign the ALP made a strong play for the

seat of Carrum, particularly over two issues. One was the Aspendale Gardens primary school; the other the Mornington Peninsula Freeway connection. The honourable member for Carrum, as the then ALP candidate, went throughout the electorate making a commitment to construct the freeway connection. The problem is that a former Labor government mucked up the building of the road. In today's terms the cost of construction would be \$250 million. One section is within 600 metres of an existing major road, Boundary Road.

The honourable member for Carrum made a commitment, but Aspendale Gardens residents are starting to become worried about what is going on. It appears the Labor Party is now backing off from its arrangement. I ask the Minister for Transport to explain his proposal. I understand that at some time the honourable member and the City of Kingston discussed what the answer could be — but the answer is they do not intend to construct the road. Its construction is not even in Vicroads plans for the next 10 years. If the Labor government intends to construct the road it will need to interfere with the process of Vicroads — in other words, to do something no other government has had to do. Vicroads does not have the construction of that road in its 10-year plan; it has not been part of any deal under any government.

Is the honourable member for Carrum worth \$250 million? No, but she made a commitment, as did the Labor Party during the election campaign, to construct the road. As the minister has told representatives of the City of Kingston that the government does not intend to proceed with the arrangement, I call on the honourable member to apologise to her constituents and to the ratepayers of the City of Kingston. She should resign because she has told fibs about the issues when she knew, as I did, that the government could not build the road.

The honourable member and the federal Labor member, Mr Wilton, who was involved in her campaign, have told fibs. It is about time they came clean. Mr Wilton campaigned on this issue for two or three years — the entirety of his political career. Now the honourable member for Carrum, Jenny Lindell, has done exactly the same thing.

**Mr Helper** — On a point of order, Mr Speaker, the reference to the honourable member for Carrum was inappropriate.

**The SPEAKER** — Order! There is no point of order. The honourable member's time has expired.

### Western suburbs: welfare dependency

**Mr LANGUILLER** (Sunshine) — I refer the Minister for Finance to today's *Herald Sun* front page article entitled 'Welfare capital', which is subtitled on page 2, 'St Albans tops welfare list with \$76 million'. I ask whether the minister will consider establishing a western suburbs task force to help find a real solution to welfare dependency by addressing unemployment in the region and examining ways of increasing investment, job creation programs and retraining opportunities.

It should be said that today's findings unfortunately confirm that St Albans particularly is home to Victoria's largest number of single parents, jobless people and disability support pensioners. The report says the area has 1382 single parents, which is about 12 times the state average.

It gets worse. The article reports that despite an appalling unemployment rate in the region, this week only one job — for a bus driver — was advertised. It gets even worse. The local job network in St Albans says unemployment in the western suburbs is 9.3 per cent, following seven years of the Liberal government's contempt for and neglect of the western suburbs. It is shameful that it treated the western suburbs in the same way that it treated regional Victoria.

The unemployment rate in St Albans is 16.5 per cent. Centrelink has abandoned the region and has moved its office to Taylors Lakes. More than 3300 people in St Albans are waiting for public housing. The Australian Services Union confirms that seven child-care centres have closed in the region in the past two years.

To add insult to injury, I refer to the position adopted by the federal Minister for Family and Community Services, Senator Jocelyn Newman, who wants to review Newstart welfare payments for single and partnered parents, and disability support pensions. She has been condemned by welfare groups and should be condemned by us for attempting to cut back on welfare, to transfer recipients to less generous payments, to penalise those on welfare and to victimise people on welfare by saying it is their fault they are in such a position.

I am confident that the western suburbs, in partnership with the government, unions and industry, will get on with the job of rebuilding the region.

### Police: Caulfield station

**Mrs SHARDEY** (Caulfield) — The issue I raise for the attention of the Minister for Police and Emergency Services concerns the building of a new 24-hour police station at Caulfield. I ask the minister to clarify the situation. When in government the coalition allocated \$3.6 million in its 1998–99 budget for a new facility as a result of advice under a police strategic development plan.

The plan was to consolidate Murrumbeena, Elsternwick, Glenhuntly and Caulfield stations and Caulfield CIB into one 24-hour police station. The current situation is that Caulfield police have moved to a rented facility in Glenhuntly Road, the CIB has moved to the old Glenhuntly police station and the Caulfield police station has been bulldozed. I have seen the plans. Tenders were called for last March and contracts should have been let in about June. The tender should have gone to the minister for his approval. Although there may have been some delays, I understand the police signed off on the plans, which I believe are on the minister's desk awaiting his approval.

I ask the minister to clarify the situation about the police station. The police are now operating in crowded conditions. The people of Caulfield urgently await the minister's word on what is happening about the promised building of a new police station.

I understand the honourable member for Oakleigh campaigned before the election on the retention of the Murrumbeena police station. I certainly hope the minister will make a reasonable and commonsense decision and not a political one, because the people of Caulfield have waited for a long time for a decision. The previous government made its decision at the behest of the police. I call on the minister to let the people of Caulfield know of his plans. Does he intend to proceed with the building? What is to happen? We are awaiting his word.

### Housing: Long Gully estate

**Ms ALLAN** (Bendigo East) — I direct to the attention of the Minister for Housing a public housing issue in Long Gully, a suburb in Bendigo East. In November last year the former Minister for Housing announced a redevelopment of the Long Gully housing estate. The estate was constructed 70 years ago. In June this year the redevelopment advisory committee presented a strategy report to the then Minister for Housing. It attracted not only considerable media coverage in my electorate but a degree of interest from

the residents in the community who had worked on the project.

In raising the matter with the minister, I acknowledge the role of the former government. However, the report was presented in June this year and it is now December. Admittedly, a number of elections have taken place in the intervening period, but local residents and the community do not know what is happening. A number of people in the Long Gully area who were involved in the process with the former government but have not heard what is happening have contacted my electorate office. Public housing is an important issue in my electorate. I ask the minister to undertake any redevelopment that is necessary and be mindful of the community's need for an adequate level of public housing. Will the minister assure the community of Bendigo East that any redevelopment will result in no net loss in public housing?

I acknowledge and congratulate Labor on its public housing policy, particularly its commitment to expanding the level of public housing stock and increasing the level of affordable housing available to low-income families, which is an important issue in the Long Gully area. Will the minister outline what the Bracks government intends to do with the Long Gully development advisory committee report that was handed down in June of this year?

### Police: Bellarine Peninsula

**Mr SPRY** (Bellarine) — I raise with the Minister for Police and Emergency Services the uncertainty about the government's intentions in respect of the provision of police facilities at the eastern end of the Bellarine Peninsula. The residents of Drysdale and Clifton Springs have expressed confusion over press reports initiated by the Australian Labor Party 12 months ago and in November 1998 by the assistant secretary of the Victoria Police Association, Senior Sergeant Paul Mullett, in the wake of a report commissioned in 1994. That report was merely a review on which neither the police command nor the government at the time had made a decision.

The opposition at the time jumped on the bandwagon to spread concern and fear in the Drysdale and Clifton Springs community. It culminated in the presentation of a petition to Parliament by the then shadow minister, now the Minister for Police and Emergency Services, claiming that the closure of the Drysdale police station was a fait accompli. That happened despite repeated assurances to the contrary by former Minister McGrath. However, Drysdale and Clifton Springs residents were recently stunned to read in the *Geelong Advertiser*

confirmation that the government was looking for a site to establish a new 24-hour police station in Bellarine as one of the 15 across the state that had been part of Labor's election policy document.

Does that mean eastern Bellarine is to get a 24-hour police station in addition to the existing four police stations on the peninsula, or does the announcement foreshadow that one or more of the police stations, including Drysdale, will be lost? The actions of the Labor Party on this matter are hypocritical.

### **Bena Primary School**

**Ms DAVIES** (Gippsland West) — I raise for the attention of the Minister for Transport the matter of road access to Bena Primary School on the South Gippsland Highway. The school is at the top of a cutting and its entrance is lower down the hill. The South Gippsland Highway has single lanes both ways with no turning lanes. Although the speed limit is 80 kilometres an hour, the road is used by large tankers, cattle trucks and freight vehicles that do not always obey the speed limit. Visibility is low at the Korumburra end.

The first aspect of the problem concerns cars travelling from the Korumburra direction. When they reach the crest of the hill they quickly come upon cars that are virtually stopped before they complete the hairpin turn into the school driveway. On 10 November a car carrying seven students was hit from behind as the driver made a left-hand turn. A mother, another adult and a baby were in the vehicle that rolled. The horrendous possibilities of that type of accident should make all honourable members think carefully about what should be done in such situations.

The second problem concerns cars coming from the Leongatha direction. There is no right-turn lane. However, the main danger is that the school bus parks on the side of the road and children have to cross the highway to access the school. A teacher is assigned to help children across, but there is low visibility and often wet roads and fog. It is a disaster waiting to happen. The school community has been expressing concern about the situation for many years.

What price does the minister put on children's safety? Will the minister undertake to find a solution to this terrible problem that will enable Bena Primary School students, parents and teachers to get to and from the school without risking their lives every day?

### **Police: Bacchus Marsh**

**Ms DUNCAN** (Gisborne) — I direct a matter to the attention of the Minister for Police and Emergency Services. I have received a number of telephone calls from constituents in Bacchus Marsh who are concerned about the spate of break-ins and attempted break-ins that have occurred in the early hours of Friday and Saturday mornings. Concern has been expressed for some time in Bacchus Marsh about the lack of local police and police patrols. Changes to community policing have meant that instead of being part of the Melton district, Bacchus Marsh residents are now part of the Ballarat district. Because of that, my constituents are concerned about the time it takes for the police to arrive. What action will the minister take to address the matter to ensure that police are in attendance at Bacchus Marsh? I know police numbers are down across the state but what can the minister do for the people of Bacchus Marsh?

### **Prisons: privatisation**

**Mr SMITH** (Glen Waverley) — I direct to the attention of the Minister for Corrections the privatisation of prisons, a matter that has been widely canvassed by the minister. I refer to a letter to the *Age* by Tom Munro, the principal legal officer of the Aboriginal Legal Service in Fitzroy, who made a plaintive appeal to the minister to take heed of what was happening at the Port Phillip Prison.

Tom Munro compared what was happening at Port Phillip Prison with the conditions and attitudes that applied previously at Pentridge Prison. He mentioned that under the previous system prisoners were called by their surnames and had to answer the prison officers in certain ways. Under the humane system being practised in private prisons those attitudes have gone out of the window. He said that although the use of electronic systems in reducing staff levels had led to some unfortunate results, it should not be forgotten how bad the old system was and how private systems have attempted to develop a more humane system. Any change should not be a return to the old culture.

I note in a magazine called *Prison Privatisation Report International* it is reported that Jack Straw, the Home Secretary and the person in charge of the corrections system in the UK — —

**Mr Leigh** interjected.

**Mr SMITH** — Quite right, the Labour Home Secretary. He endorsed an internal government review that concluded that the immediate transfer of existing

private prisons to the public sector is not affordable and cannot be justified on value-for-money grounds. By the way, Straw has privatised at least double the number of United Kingdom prisons that were privatised in the Thatcher era.

The point I am making is that the minister should not be consumed by ideology as he approaches the system; rather he should consider the good points of the private system and have a second look at it before he attempts to overturn a system that is working very well, is working for the good of prisoners within the Victorian prison system and has a high success rate with rehabilitation.

### **TAFE: infrastructure**

**Ms BEATTIE** (Tullamarine) — I raise a matter for the attention of the Minister for Post Compulsory Education, Training and Employment. Public training facilities need to provide an environment that is safe and pleasant to study in. I understand that the minister has recently provided funding for much-needed maintenance for technical and further education. Will the minister please outline to the house what funds have been provided for the Victoria University of Technology and the Kangan Batman Institute of TAFE? Although Kangan Batman is not in my electorate, many people from my electorate attend it and others go to the Caloola campus of the VUT in Sunbury.

The VUT Sunbury campus was opened in 1996 by former Prime Minister Paul Keating after my predecessor tried to have it kept open as a facility for the intellectually disabled. Fortunately that facility was closed by former ministers Setches and White of this house. Many tragedies occurred at the Sunbury facility; however, it is now a place of learning and nourishment.

I know the Bracks government is committed to rebuilding the quality of TAFE infrastructure, which was badly neglected under the previous administration. Such rebuilding is not simply about fixing public property. It is about maintaining the appeal of vocational learning and providing modern facilities for training. Several terrific things are happening at those campuses. Last year Kangan Batman organised a planes, trains and automobiles expo, which was extremely successful.

Kangan Batman treats all students with courtesy and respect, provides a professional and caring atmosphere and teaches high-level specialist subjects. I am interested in getting better infrastructure in place and

not seeing the facility run down, as happened under the previous administration.

### **Port Campbell National Park**

**Mr VOGELS** (Warrnambool) — I am delighted to hear the Minister for Environment and Conservation has announced that a visitor centre will be built at the site of the Twelve Apostles. When I previously asked the minister a question on the matter, she answered that the whole proposal was ridiculous and unacceptable. She also said she was suspicious of what had been proposed by the former government and was having the plan carefully examined. However, it would appear the minister has had a change of heart, and I congratulate her on that.

The facility had a great deal of input from the Shire of Corangamite, the local community and government authorities. However, now that the minister has tampered with the plans one major feature has been removed. The minister has said quite incorrectly that one of the drawbacks of the original proposal was that some people would not have access to the fantastic view. That was a major concern in the original proposal, but it obviously has not been a concern for the Bracks government.

Because the new facility is more than half a kilometre from the viewing platform, access for a people mover to transport the frail and elderly was included in the original proposal. Now the minister is boasting that the underpass under the Great Ocean Road will be narrowed to restrict access to pedestrians and wheelchairs only.

I encourage the minister to review this alteration, which appears to have been undertaken without any consideration of those for whom the underpass was originally designed. It was to provide the frail and elderly with a means of transport and access to the viewing platform.

**Mr McArthur** — On a point of order, Mr Speaker, during the course of the adjournment debate the honourable member for Tullamarine asked for advice from the minister. I was under the impression that the adjournment debate is different from question time in that it is a time for asking for some form of administrative action from a minister as distinct from asking for advice. Might you draw that matter to her attention and the attention of other honourable members who may not be familiar with that yet?

**The SPEAKER** — Order! As the Chair understands it, the honourable member for Tullamarine was asking the Minister for Post Compulsory Education, Training

and Employment for additional resources for the VUT and the Kangan Batman Institute of TAFE. There is no point of order.

### Responses

**Mr HAERMEYER** (Minister for Police and Emergency Services) — The honourable member for Gisborne referred to a spate of break-ins at Bacchus Marsh over the weekend and the lack of a police presence at the Bacchus Marsh police station. I certainly understand her concern and that of the local community. The previous government cut police force numbers in the state by 800 over its last three years. That appalling situation sends a wrong message to criminals; it also sends a wrong message to those who are defending the laws of the state.

I commend the honourable member for Gisborne on the interest she has taken in the matter and reassure her that the government will restore the strength of the Victoria Police Force to an appropriate level by introducing some 800 police officers to the front line over the next four years. In addition the government will ensure a new state-of-the-art police station is established in the Bacchus Marsh area.

Bacchus Marsh is no longer a small country town but a growing dormitory suburb. The honourable member for Gisborne has recognised that in a way the previous government did not. As I said, the government will ensure a state-of-the-art police station is built in Bacchus Marsh and that it is properly staffed.

The previous government was good at building police stations all over the state but not at putting police officers in them. This government will have the police to put in those stations.

The honourable member for Bellarine raised the issue of policing on the Bellarine Peninsula. I commend him for his new-found enthusiasm for the issue. He entered this place at the same time I did — November 1992. Since then he has taken no interest whatever in policing on the Bellarine Peninsula. I recall attending a public meeting at Portarlington where he refused to give assurances about the future of the police house or the police station.

I also recall the time the previous government decided to sell off the house — for want of a better term — attached to the Queenscliff police station. That so-called house is actually a room attached to and part of the police station building. However, the previous government had such an ideological fixation about selling off police housing it even intended to sell off

that room. It would be fascinating to find out how it intended to do that.

In 1994 a strategic facilities plan produced by the previous government included closing down the Drysdale police station. At no stage did the honourable member for Bellarine give any assurance that that police station would not close.

I can give the people of Bellarine the assurance that the police stations at Drysdale, Portarlington and Queenscliff will stay open, no thanks to the honourable member for Bellarine but thanks, instead, to the Labor candidate for the seat of Bellarine, Miss Kerri Erler, and the former candidate and now member for Geelong Province in the other place, the Honourable Elaine Carbines. They raised the issue and took the campaign to the forefront while the honourable member for Bellarine sat on his backside, did nothing and said nothing. Maybe he was concerned about the issue, but he was not prepared to stand up to the thug of a Premier who used to stand on this side of the house at the time.

### *Opposition members interjecting.*

**Mr HAERMEYER** — I am amazed at the enthusiasm of honourable members opposite now that they have had the gags removed from their mouths. They have this government to thank for that, not the previous government or the former Premier.

The people of Bellarine may rest assured that this government will provide a 24-hour police station on the Bellarine Peninsula, and that the police stations at Drysdale, Portarlington and Queenscliff will be preserved.

The honourable member for Glen Waverley raised the issue of private prisons. I am astounded at his spirited defence of the private prison system. He was clutching at straws when he quoted an article by Tom Munro about a comparison between Port Phillip Prison and the former Pentridge Prison. That is a ridiculous comparison, not unlike saying that your late-model Ford Falcon is a better and faster car than my FJ Holden. The comparison between private prisons and Pentridge is not a proper comparison. Pentridge was designed and developed in the 19th century. It was an outmoded prison that needed to be replaced. The question, however, is whether it should have been replaced by a private prison. The answer is no.

The honourable member drew a distinction between electronic surveillance and what he called 'the old prison culture'. Electronic surveillance seems to be the only answer the private sector can come up with, because with all due respect, private operators have a

responsibility to report profits to their shareholders. That is their obligation. There is a conflict of interest between the need to report profits to shareholders and the responsibility of running a good correctional system. As a result of the emphasis on profit, private prisons tend to rely heavily on electronic surveillance at the expense of adequate staffing levels.

Consequently Victoria has had some serious problems in private prisons, including the riot at Port Phillip Prison — which, as I recall, the honourable member described at the time as a disturbance. I apologise if I am misrepresenting him, but that was the government's line at the time. About 20 or 30 prisoners set an entire cell block alight, and that was described by the former government as a disturbance. At the same prison during the same period a number of deaths in custody occurred — indeed, more than double the total number of deaths across the entire system in the previous 10 years. Then, in more recent times, the keys of the prison went missing. Fancy losing the keys to a prison!

**An Honourable Member** — Did you find them?

**Mr HAERMEYER** — Yes we found them, but I am not convinced they did not leave the prison or that they have not been copied.

Given those circumstances I have ordered new locks for the prison. In light of the experiences the government has had with the private prison sector, I am not convinced that it is providing value for money compared to the public sector, which is why the government has given a commitment to put prisons back under public sector control at the earliest possible opportunity.

If the honourable member for Glen Waverley is in any doubt at all, I am prepared to offer him a week's paid stay at one of our private prisons. I might also organise a week's paid stay for him in one of our public prisons so that he can come back into this place and give us a description of his experiences in the system. I will look forward to hearing about them.

The honourable member for Caulfield referred to the construction of a 24-hour police station in Caulfield. The honourable member for Caulfield is absolutely correct — the police station was budgeted for by the previous government. Not only will the construction of that police station continue under this government, this government will also put police in it.

**Ms KOSKY** (Minister for Post Compulsory Education, Training and Employment) — The honourable member for Tullamarine raised a matter concerning the maintenance of technical and further

education institutes, in particular the announcements I made last week about the maintenance of the Victoria University of Technology and the Kangan Batman institute.

Last week I announced the allocation of \$2.1 million in maintenance funding to Victoria's TAFE institutes, which were severely run-down under the previous administration. The TAFE institutes across Victoria are a \$1 billion asset, but there is an \$11.2 million maintenance backlog that was created by the previous government. It is no wonder that TAFE institutes are struggling to provide world-class facilities for training. Victoria relies on them to provide top-class and up-to-date training to ensure that Victorian industry is well ahead of the game and able to compete well with other Australian states and countries overseas.

The Bracks government is committed to addressing the maintenance problem in TAFE institutes and to restoring the quality of the TAFE infrastructure, which was so badly neglected under the previous government's administration. The government wants to build a world-class training system and ensure that Victoria's TAFE institutes are able to address changing workplace practices, respond to the needs of industry and provide flexible delivery of services. The only way the government is able to do that is by ensuring that TAFE institutes have the appropriate infrastructure to provide quality services.

I am pleased to inform the honourable member for Tullamarine that the announcement I made last week about \$2.1 million of maintenance funding for Victoria's TAFE network — —

**An opposition member** — A drop in the bucket.

**The SPEAKER** — Order! The minister should ignore interjections.

**Ms KOSKY** — I suggest that he is the drop in the bucket, but I will ignore the interjection.

I am pleased to announce to the house that the government has allocated \$201 000 to VUT and \$211 000 to the Kangan Batman institute for maintenance works for this calendar year. I remind the house that the previous government left an \$11.2 million maintenance backlog. The government will make sure that it responds to the infrastructure needs of TAFE institutes across Victoria.

*Opposition members interjecting.*

**Ms KOSKY** — Opposition members cry and bleat, but the reality is that they left an absolute mess. They

know it, and the Bracks government will get on with the job and fix up the mess.

**Mr BRUMBY** (Minister for Finance) — The honourable member for Sunshine referred me to an article that appeared in today's newspapers concerning social security and welfare statistics in St Albans. He asked me whether the government would consider establishing a western suburbs task force to help find solutions to welfare dependency by addressing unemployment in the region and by examining ways of increasing investment, job creation programs and training opportunities.

I was disappointed with the approach taken by the federal government, particularly the responsible minister, Senator Newman, in releasing those statistics in the way she did. Some years ago I was a member for Doutta Galla Province in another place. St Albans is part of that province, so I know the area well.

St Albans is a vibrant, positive, multicultural area with a strong sense of community. Its many tradespeople cover most of the industries that are essential to economic growth in the region and across the state. The description of that area by the federal minister casts it in an unfair and poor light. I am proud to stand here and say on behalf of the Bracks government that St Albans is a great and positive area. This government is committed to working with the local community, local industry and the Brimbank council to improve opportunities in St Albans.

The Brimbank council has invested significantly in urban renewal in the St Albans shopping centre, a project which has brought new confidence to local shopkeepers. Multiple-unit housing has also been developed to provide quality housing at an affordable cost, and that has attracted many people throughout the western suburbs. Bunnings, Myer Good Buy, the RTA complex and a cinema complex have all recently been established in the Sunshine–St Albans area. Many positive things are happening in the region.

I was delighted last week when the Minister for Police and Emergency Services committed funding to a new fire station in Taylors Lakes to service the whole area. I stress that investments made by previous governments, particularly the Western Ring Road, have provided sensational infrastructure in the area, which is now leading to the establishment of new investments in industry and in retail complexes.

When in opposition the Minister for Transport and I led the campaign to improve the Geelong road. The Princes Highway is the second-busiest highway in Australia

and carries one-third of Australia's total manufactured exports. The Labor Party was the only political party in this state to lead the campaign to obtain additional funding for the Geelong road. Now in government the Minister for Transport has committed to beginning work on that project by widening the road and making it a truly national highway of a fitting standard for the volume of trade and manufactured goods it carries to the ports.

A number of TAFE programs are offered through the Victoria University of Technology campus. I was delighted last week when the Minister for Post Compulsory Education, Training and Employment promised an additional \$35 million for the TAFE network across Victoria. That will enable the VUT to offer an increased number of traineeships and apprenticeships in future through its St Albans campus. That very positive initiative by the Bracks government will boost opportunities and skills in the region.

I was also delighted by the announcement made by the Minister for Education in the past fortnight that every single school in St Albans and the western region has received an increase in funding because of the initiatives she has put in place. That will mean more opportunities, employment for more teachers in the area and more jobs in the longer term.

Last week, in response to a matter raised by the honourable member for Tullamarine, I spoke about the Labor government's plans to expand employment opportunities at Tullamarine airport by using the 250 hectares of land surrounding the airport. The government wants to position Melbourne and Victoria as the freight transport and distribution capital of Australia and believes it can create new jobs and opportunities because of its commitment to infrastructure and information technology and because of that airport's wonderful asset — that is, 24-hour, curfew-free operation.

Unlike the federal government, the Bracks Labor government has a positive attitude to what can be achieved in St Albans and the western suburbs. I have listened carefully to the comments tonight of the honourable member for Sunshine. I have established with the Minister for Post Compulsory Education, Training and Employment a western suburbs task force consisting of the honourable members for Sunshine, Keilor and Melton, as well as the Parliamentary Secretary for Education, Employment and Training. I have asked that task force to report to me on opportunities that can be created to further enhance investments, training and job opportunities in the area.

I conclude by saying that it disturbs me when other levels of government take cheap political shots at particular areas. I was disappointed with Senator Newman's statistics and with her comments. St Albans is a positive area. The government is committed to working with the community to build opportunities, to strengthen industrial opportunities and to strengthen education and training, thereby giving every family from the St Albans area the opportunity to reach its full potential. I look forward to working with the task force to achieve those aims.

**Ms GARBUTT** (Minister for Environment and Conservation) — I shall respond to an issue raised by the honourable member for Warrnambool. I am pleased to set the record straight about this matter because the honourable member's contribution was nothing but a distortion and was totally misleading. I shall be clear: I did not describe the current project as ridiculous and unacceptable, as the honourable member claimed. That was the previous defeated proposal, and if the honourable member cares to check *Hansard* he will find that out.

Secondly, I neither altered the current proposal nor interfered with it, and I am not going around boasting about it. I am afraid those distortions and that misleading approach will not do. It will not substitute for facts. I think the honourable member had better learn how to operate better in this house.

**Mr BATCHELOR** (Minister for Transport) — The honourable member for Gippsland West raised with me a very important matter in relation to Bena Primary School and its access to the South Gippsland Highway. She related the physical dangers to the children, staff, parents and visitors to the school because of its juxtaposition with the highway. From the description given it is clear that the school's location is a problem and poses a serious threat to the schoolchildren and the school community generally.

The honourable member graphically expressed the concerns of the parents and the school community, and it is right that she should raise those issues in Parliament. I will ask my department and Vicroads to conduct what might be called a safety audit and to report back to me on the specific problems and solutions on how the government can best help the children of Bena Primary School. I will determine what steps can be taken in both the short and long terms to improve access to the school from the highway.

As the honourable member for Gippsland West said, there has already been an accident involving children in a car. It was a reminder, a wake-up call if you like, that

something needs to be done. It is a surprise that the previous government did not investigate that serious black spot. However, the previous government was not interested in helping the residents and the school communities of Gippsland West and I guess it will be up to the Labor government to address that important issue.

The attitude of the honourable member for Gippsland West is in stark contrast to that of the honourable member for Mordialloc, who also raised with me an issue in relation to the — —

**Ms Asher** interjected.

**Mr BATCHELOR** — What was that? Mr Speaker, could you ask the Deputy Leader of the Opposition to interject a little more loudly?

**The SPEAKER** — Order! The minister should not invite interjections.

**Mr BATCHELOR** — She is saying sweet nothings under her breath to me and it is a bit embarrassing, Mr Speaker. I need some help. I have had many interjections in my life, but that one takes the cake!

Getting back to the honourable member for Mordialloc, I will try to ignore the interjection. The honourable member for Mordialloc raised with me the issue of the Scoresby freeway and the Mornington Peninsula Freeway. I remind the honourable member that the Labor Party has been in government for slightly more than 50 days and he was in a government that for seven years did nothing about the Mornington Peninsula Freeway, the Scoresby freeway, the Dingley bypass and all the roads in that area, which is not far from the area he represents and falls within his area of shadow ministerial responsibility. He was gagged and he did nothing about it. The previous government neglected that area and did absolutely nothing. He ought to apologise for coming into this house and displaying such arrogance and for being so loose with the truth. For seven years he sat back and did nothing and he expects this government to build the Scoresby freeway and the Mornington Peninsula Freeway in 50 days when his government provided no funding for them whatsoever.

**Mr Leigh** — Mr Speaker, on a point of order — —

**The SPEAKER** — Order! I have not called the honourable member yet.

**Mr Leigh** — Sir, I did not refer to Scoresby. I raised the Mornington Peninsula Freeway, and that was the government's commitment, not mine.

**The SPEAKER** — Order! There is no point of order. I ask the minister to conclude his answer.

**Mr BATCHELOR** — In his contribution the honourable member for Mordialloc very unfairly misrepresented the position of the honourable member for Carrum. It is entirely inappropriate that he should use the parliamentary forum in which to do that. If he chooses to be loose with the truth that is one thing, but he should not come in here and attempt to denigrate the honourable member for Carrum, who has been leading delegations to me from the local area that have included the mayor, Leslie McGauran, the chief executive officer from the City of Kingston, Rob Skinner, and other council officers, Warren Ashdown and Tony Rijs.

The honourable member for Carrum has been doing the hard work, but the honourable member for Mordialloc comes into Parliament late at night and chooses to attack the hardworking members of the government from that area and in particular the honourable member for Carrum, who is getting on with the job and doing the hard work. She has raised the issue in a much more constructive and straightforward way in conjunction with local mayors and officers from the local council. All the honourable member for Mordialloc can do is come into the chamber at 11.00 p.m. and whinge about those things.

One wonders what the honourable member for Mordialloc does through his waking hours earlier in the day, because if he were awake and prepared to take up these matters he might have the issue progressed a little further. The honourable member comes into the house at 11 o'clock — just before midnight, metaphorically speaking — and that is the only time one sees or hears of him raising these types of issues, in stark contrast to the honourable member for Carrum, who works long and hard during the day, listens to local concerns and gets on with the job.

The honourable member for Mordialloc wants to know why we have not extended the Mornington Peninsula freeway in the first 50 days of being in government. It takes a bit longer than 50 days to build a freeway, particularly when the former Liberal government left no money in the budget to build it!

The Bracks government will not be economically irresponsible. If the honourable member had wanted the freeway built, he should have convinced the previous government to make the budget allocation. He could not do that so he has the audacity to come into the house and criticise the Bracks government for not building the freeway during its first 50 days in office. If his government had provided the money for the project

it would have been built in his party's term of government. The honourable member should take a cold shower and calm down.

**Ms PIKE** (Minister for Housing) — The honourable member for Bendigo East asked about the future of the redevelopment of the Long Gully housing estate in Bendigo. The honourable member has acknowledged the significance of public, social and community housing to Bendigo and to many rural communities.

Following consideration of the recommendations of the advisory committee, which was established by the previous government, I am pleased to advise that the Bracks government has given the green light to a \$6.35 million, five-year redevelopment of Bendigo's Long Gully estate. The estate was built in the 1970s and comprises approximately 300 detached houses, most of which have three bedrooms. Some 197 of them remain public housing.

It is extremely important that the redevelopment of the estate go ahead because of social issues and changing housing needs in the area and because the houses are urgently in need of an upgrade. The renewal of Long Gully is very important to Bendigo and reflects the Bracks government's commitment to revitalising regional Victoria, and its commitment to maintaining public and community housing.

The redevelopment and the injection of new funds also mean a boost to employment and an uplift to the local economy. The Long Gully redevelopment advisory committee, established by the previous government in 1998, was chaired by the Honourable Ron Best, an honourable member for North Western Province in another place. It recommended a wide range of initiatives and redevelopment activities to address local housing and social needs. The committee included representatives of the City of Greater Bendigo, government and community agencies and tenants, who came together to look at what the most appropriate development for the area would be.

The development I am happy to announce today will see a more efficient utilisation of space and land and the inclusion of some privately owned houses, which will go hand in hand with the government's ongoing commitment to providing additional public housing in the broader Bendigo region. There will be far greater integration of people living in public or community housing right across the Bendigo area with no net loss of public housing.

The government is investing substantially in the area, not just in this kind of redevelopment but in acquiring

new stock and providing additional services to address the other support needs of the community. The government expects the necessary documentation to be submitted to the City of Greater Bendigo in the new year, and some further discussions will take place with key stakeholders in the redevelopment process.

The people who live in the Long Gully area can look forward to some upgrading, conversion and construction of new public housing in the new year. In the meantime the standard relocation policies will apply, and people will have the opportunity to be relocated in their area and then come back to the rejuvenated estate when it is finally developed.

**The SPEAKER** — Order! The house stands adjourned until next day.

**House adjourned 11.06 p.m.**