PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

24 October 2000

(extract from Book 5)

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By authority of the Victorian Government Printer

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

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

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TUESDAY, 24 OCTOBER 2000

Tuesday, 24 October 2000

The SPEAKER (Hon. Alex Andrianopoulos) took the chair at 2.06 p.m. and read the prayer.

BUSINESS OF THE HOUSE

Public gallery: note taking

The SPEAKER — I wish to make a statement. It has been the longstanding practice in the Legislative Assembly that note taking in the public gallery is prohibited. That prohibition stems from the rules originally adopted by the House of Commons in the 17th century to ensure debates were kept secret from the then monarch.

In recent years the rule has been relaxed not only in the House of Commons but also in Australia's own House of Representatives, for example. The 21st century is a very different world from the world when the prohibition was originally imposed. Broadcasting of proceedings now takes place, there is a general requirement for more immediate knowledge of the proceedings of Parliament and a wide range of people use the public gallery — from advisers to schoolchildren.

Although the prohibition does not form part of our standing orders I raised the issue with the Legislative Assembly Standing Orders Committee, and members of that committee concurred with my view that the prohibition should be lifted.

Accordingly, I direct that the taking of notes in the public gallery is now permitted. However, members of the public should be made aware that the only official version of proceedings is that published in *Hansard* and that any notes taken should not be published because they are not privileged. I have asked that appropriate notices to this effect be displayed in the gallery.

In lifting the prohibition I remind visitors that standing orders still prohibit the disruption of proceedings by visitors in the gallery.

QUESTIONS WITHOUT NOTICE

Prisoners: right to silence

Dr NAPTHINE (Leader of the Opposition) — Does the Premier support his Attorney-General's refusal to change laws and allow police to interview prisoners in relation to other crimes?

Mr BRACKS (Premier) — I thank the honourable member for the question. The government supports the right to silence. It is a principle that has been operating unchanged for some time in Victoria, in other states of Australia and around the commonwealth. When the opposition deigns to release the details of its bill — I understand it has released the details to the media. I learnt this morning that the media has had access to this bill but we have not yet seen — —

Honourable members interjecting.

Mr BRACKS — No, we will not do that. Actually I will ignore that interjection.

We are very concerned about any change which could have the effect of causing subsequent trials to be aborted. We need to see the bill. We uphold the right to silence, and in principle we do not support what is being proposed by the shadow Attorney-General. However, we have an open mind and will examine the bill once it has — —

Honourable members interjecting.

The SPEAKER — Order! The honourable member for Mordialloc!

Mr BRACKS — We will examine it so long as it does not affect the right to silence or ongoing trials. These fundamental matters need to be examined, and we will examine them properly.

Snowy River

Mr STEGGALL (Swan Hill) — Will the Premier confirm his government's intention to purchase irrigation water from the Murray system for transfer to the Snowy River?

Mr BRACKS (Premier) — The National Party has been running an incorrect and inaccurate story that the agreement between the New South Wales and Victorian governments for a return of the flow to the Snowy River of 21 per cent in the first 10 years, and 28 per cent subsequently, will affect the Murray River. The agreement has no effect on the Murray River or on irrigators. The improvements agreed between New South Wales and Victoria will reduce seepage and evaporation, replace pipes and produce water savings which will accrue to the Snowy River.

The government anticipates, on good advice, that the commonwealth government will be a partner to the arrangement between the New South Wales' and Victorian governments because we have a guarantee there will be no net loss of flow to the Murray River or

to Victorian irrigators. The commonwealth government's contribution is a win because it will lead to further savings which will go to the Murray. It is a win for the environment, the irrigators, the Snowy scheme and the Murray River.

Industrial relations: reforms

Mr HOLDING (Springvale) — I refer the Premier to the government's commitment to create a fairer Victoria and I ask: will the Premier inform the house of proposed reforms to the industrial relations system to protect those workers abandoned by the federal government and left to suffer under the Kennett contract system?

Mr BRACKS (Premier) — I thank the honourable member for his question and I thank government members for their continual concern for the 200 000 workers dumped some years ago by those on the other side of politics. In what will go down as one of the most contemptible political acts in this state, the Kennett government handed over the state industrial relations system to the commonwealth, and also ensured that those employees would be covered by schedule 1A of the Workplace Relations Act, which would be a different system to that covering other federal workers.

The proposed legislation seeks to redress that wrong. It will bring about fairer workplaces in Victoria — common workplaces — so that small businesses applying federal workplace agreements or awards will know that similar minimum workplace arrangements apply in Victoria. That is a good system and one which will be supported by the majority of small businesses in Victoria — —

Opposition members interjecting.

Mr BRACKS — The majority of small business in Victoria are already doing the right thing in applying the federal arrangements.

The bill will ensure those 200 000 workers will receive the same rights as their federal counterparts under a unitary system. It will prescribe minimum standards of employment such as types of leave — for example, bereavement leave — hours of work and basic categories of employment; establish a fair employment tribunal; and provide a mechanism for reviewing unfair contracts. In addition to assisting the 200 000 workers, the bill will assist two other categories: owner-drivers who believe their contracts were constructed unfairly — they will have recourse to a tribunal; and outworkers. Although those people may be of no concern to opposition members, the government will ensure that outworkers are deemed as employees, as they should be.

Opposition members interjecting.

Mr BRACKS — There is strong support in the Victorian community for the bill. It arises from the work of an independent industrial relations task force.

I have a letter from Clayton Utz, a company which examined the legislation to be introduced into the house this week and which has acted for employers and been a part of the process that drafted the federal Workplace Relations Act. The letter states:

> Overall, in our opinion the draft legislation should have no unreasonable impact on Victorian businesses. In particular it should have no unreasonable impact on those employers which currently provide fair minimum conditions and which treat their employees fairly.

I could not agree more. I look forward to redressing the wrongs imposed on Victorian workers by the other side of the house. Those 200 000 workers want only the same conditions as their fellow workers. The Bracks government will give them that in Victoria.

Mrs Peulich interjected.

The SPEAKER — Order! The honourable member for Bentleigh will cease interjecting.

Holden: engine plant

Dr NAPTHINE (Leader of the Opposition) — The Liberal Party strongly supports Victoria's attempts to attract the 1000-job Holden engine plant to Fishermans Bend, and I ask the Premier to advise the house what action his government is taking to secure that important investment for Victoria.

Mr BRACKS (Premier) — I welcome the question. I thank the Leader of the Opposition for his question and his interest. Securing the new investment for the Holden V6 engine is a major concern for Victoria, and the government is keen to secure it. Victoria is in a strong position to secure the investment. It has a good critical mass of skills, contractors and suppliers. Victoria has a strong case to put, and the government has put it forward regularly and constantly. Not only have I been in regular contact with the principals of Holden and others both overseas and in Australia, but the Minister for Manufacturing Industry and the Minister for State and Regional Development and the Treasurer have also been strong in their representations.

The full resources of the Department of State and Regional Development have been made available to

ensure that the government puts its best case forward to secure that investment for Victoria. The process is competitive, with the first step being to have it secured for Australia. Securing the investment for Australia is not yet finalised, but it is very close to being finalised. The second step will involve competition between Victoria and South Australia. The government believes its case is superior — in fact, it believes it has an overwhelming case. The first battle is to secure the investment for Australia, and then the government will take every step to ensure Victoria gets the investment.

From day to day we hear different stories and rumours. On some occasions we hear rumours that securing the investment is close, and there are other rumours that securing it is further away. The reality is that the government is working extremely hard to secure the investment. Every effort is being made.

Docklands: waterfront park

Mr LEIGHTON (Preston) — I refer the Minister for Major Projects and Tourism to the government's commitment to the Docklands development and ask the minister to inform the house of the details of the government's plan to create a waterfront park and open space in the new precinct.

Mr PANDAZOPOULOS (Minister for Major Projects and Tourism) — I thank the honourable member for Preston for his question and advise the house that this morning I launched Melbourne's new waterfront park at Docklands. A new Harbour Esplanade will be developed linking the centre of Docklands with all the other precincts in the area and providing Victorians for the first time with public access, new open space and new public parkland with a waterfront address at Docklands. Its overall length will be more than 1.2 kilometres — from Charles Grimes Bridge to Dudley Street. The Harbour Esplanade will vary in width from 50 to 90 metres, and at its widest point will create the new 3-hectare Docklands Park. It is the future playground for Melburnians and Victorians.

The first stage, which I am pleased to be able to announce, is the Grand Plaza, which will open up 400 metres of the 1.2 kilometre parkland between Colonial Stadium and Victoria Dock. The parkland and waterfront will have urban art, traditional parkland and new-age parkland, and heritage features will be preserved and incorporated with new opportunities for promenades, cafes, restaurants and other exciting developments.

Many people have seen the advantages of Darling Harbour in Sydney, but this project is bigger and better than Darling Harbour. There will be more open space and more waterfront. The area will be five times the size of Darling Harbour.

Opposition members interjecting.

Mr PANDAZOPOULOS — The opposition is against the project — it is against new ideas, against investment and against opportunities!

Work will commence on stage 1 of Grand Plaza in the next few weeks, and the development of the new open space Docklands Park will take place over summer. Goods sheds 8 and 15 in front of Colonial Stadium will be dismantled and their parts will be used in reinstating goods sheds 9 and 14, which will be on the pier.

People will see waterfront views from Colonial Stadium. From this summer on people will no longer be heading back into the city after attending events at Colonial Stadium. Instead, they will be staying in the Docklands, promenading, going to restaurants and getting on ferry boats.

The initiative will commence soon. The government will start the public investment, and the private sector will pay for the development. The initiative will be part of the bidding process that closes at the end of the year. The government is providing the incentive for developers to fast-track their investment in the public open space.

The new investment, which is a 10-year vision that will open up all of the parkland, will cost $25 million. The first stage will start soon. It will be Melbourne's new waterfront address, its new playground.

Rail: Bairnsdale service

Mr INGRAM (Gippsland East) — In light of the high priority the government gives to restoring rail services to regional Victoria and the widespread recognition that the withdrawal of passenger services to Bairnsdale was both damaging and unjustified, will the Minister for Transport inform the house when the passenger service to Bairnsdale will recommence?

Mr Ryan interjected.

Mr BATCHELOR (Minister for Transport) — Don't you want it to come back? You're representing Gippsland! The National Party, not being satisfied with closing it down, is now trying to undermine a proper re-evaluation of this important community project. The National Party will never learn, will it?

Honourable members interjecting.

Mr BATCHELOR — In 1993 the Kennett government closed five rail passenger lines, including rail services to Ararat, Mildura, Leongatha, Bairnsdale and Cobram. In most of those cases — at least four out of five — the decision to replace those rail services was strongly opposed by the local community.

As part of its election platform the Bracks government is committed to reviewing the rail services closed by the Kennett government.

In the case of Bairnsdale the local operator, National Express, has completed a feasibility study recommending the return of passenger train services. That study, which is currently before the government, raised several important issues. Firstly, the 69 kilometres of track between Sale and Bairnsdale is in a very poor condition as a result of neglect by the Kennett government.

There are also problems with the 533-metre bridge over the Avon River at Stratford. The consultants from National Express advise that $11.3 million would need to be spent to reopen the line at a standard suitable for passenger services. That amount would of course rise to around $14 million if a new bridge had to be built at Stratford rather than the existing one being repaired.

National Express has also considered options for restoring one or two return services per day along the rail corridor. In its report National Express estimates that the annual government subsidy would need to be increased by up to $2.5 million per annum, depending on the number of services to be provided.

A final decision on reopening the Bairnsdale line will be made within the context of the review of all the closed lines and, of course, of the government's budget process.

Mr Leigh — On a point of order, Mr Speaker, given that the minister has these secret reports, will he make them available in the parliamentary library so all Victorians can see them?

The SPEAKER — Order! There is no point of order. I will not permit the honourable member for Mordialloc to ask a further question in the guise of taking a point of order.

Mr BATCHELOR — Any decision to reopen passenger lines will of course depend on a range of factors, including patronage levels, the cost to the government, comparative travel times by bus and the impact on regional economies. We are studying all those issues, and we will take all of those factors into account.

I congratulate the local community, in particular Liz Monroe, who has been secretary of the Save the Train group for a long time, and the member for Gippsland East, for showing such passion, commitment and determination to keep this issue alive.

The Bracks government's decision to review the closure of the rail lines is an important part of its election commitment. We will do it thoroughly, and when we have concluded the process we will make the information available to all members of the community.

Rail: project costs

Ms ASHER (Brighton) — I refer the Treasurer to the blow-out from $80 million to $550 million in the taxpayer contribution to the government's rail projects. I further refer the Treasurer to the Minister for Transport's claims that taxpayers may contribute $800 million to these projects. Will the Treasurer assure the house that the taxpayer contribution to these rail projects will not exceed $550 million?

Mr BRUMBY (Treasurer) — We've just got to get a phone call to the Ballarat *Courier*!

Government members interjecting.

Mr BRUMBY — Yes, you're right, and to the *Bendigo Advertiser* and the *Geelong Advertiser* and the *La Trobe Valley Express*.

Isn't it an extraordinary thing that the first question ever from the shadow Treasurer about infrastructure is not about the positive things the government is doing in regional Victoria. After the former Kennett government's years of neglect of regional Victoria and after its completing $2 billion worth of major projects in the Melbourne CBD and none in country Victoria, when this government stands up for regional Victoria all you can do is knock it!

Honourable members interjecting.

The SPEAKER — Order! I ask the honourable member for Glen Waverley to cease interjecting in that fashion. I ask the Treasurer to debate in the third person and through the Chair.

Mr BRUMBY — As honourable members would be aware, in the budget that was brought down by the Premier in May the government put $1 billion of the surplus into the Growing Victoria infrastructure reserve to support the key drivers of growth in Victoria — transport, through Linking Victoria; IT, through Connecting Victoria; and education, through Skilling Victoria.

We have committed up to $550 million from that fund towards the improvements to regional rail that were foreshadowed before the election and in the budget. Those projects will go out to the private sector. They are part of the Partnerships Victoria program, which this government runs and which is probably the best partnerships program anywhere in Australia. The government is making a commitment of $550 million towards a project that may cost $600 million, $700 million, $800 million, $900 million or $1 billion, depending on the bids that come in from the private sector. But the government's contribution has been established at $550 million.

Let us be clear about this: a whole range of projects were funded in Melbourne under the former government of this state. It is about time the regions got a share of the action! That is what they are getting. This represents the biggest investment in regional rail services since the 1890s. While Liberal Party members whinge about the government putting $550 million into country Victoria, we look at Federation Square — your legacy: overcosted and overblown, with a budget blow-out of $350 million!

Mr Rowe — On a point of order, Mr Speaker, not only is the minister attempting to intimidate a female member of this Parliament, he is debating the question.

Honourable members interjecting.

The SPEAKER — Order! The Deputy Premier! The honourable member for Bentleigh! I do not uphold the point of order. However, I remind the minister of the need to debate in the third person and to speak through the Chair.

Mr BRUMBY — I am concluding my answer, Mr Speaker. I just make this point. It is extraordinary that the National Party as part of the former coalition government closed five country rail lines in this state and today the first question from the shadow Treasurer attacks a commitment by the Bracks government to provide $550 million for country Victoria.

We on this side of the house are proud of what we are doing. We are proud of the way we are rebuilding opportunities in regional Victoria. Despite the knocking, whingeing and criticism from the other side, we will continue with our program.

Schools: educational standards

Mr HOWARD (Ballarat East) — The previous question might have been one I may have chosen to ask myself. Instead on this occasion I ask the Minister for Education to advise the house of details of the government's commitment to standards in Victorian education.

Ms DELAHUNTY (Minister for Education) — I thank the honourable member for Ballarat East for his question and for his continuing advocacy of public education.

The government is serious about achieving higher standards of education in schools, and that is why it has invested in ideas, facilities, teachers and principals. We have already reduced P–2 class sizes: in the first year of our commitment they have gone down from 24.3 to 23.3. We have targeted 20 per cent of the year 1 cohort for reading recovery, so 20 per cent of year 1 students will now receive reading recovery assistance.

We have stopped the casualisation of the teaching profession and introduced the achievement improvement monitor as well as statewide testing in years 3 and 5, homework guidelines, accurate and timely reporting to parents, and classroom assessments, and we have also announced a learning improvement program. It is not just a case of test and forget: we are actually going to do something about the deficiencies that the tests reveal. There will be $15 million for the learning improvement program. We have achieved an Australian first on standards and are now linking teachers' salaries to school standards. We are linking higher rates of pay to improved student learning.

As part of this historic agreement we have introduced annual performance reviews for all staff. That system did not exist under the previous government.

Yesterday the Victorian people heard the commitment given by the Premier about further targets. By 2005 the Victorian education system will be at or above the national average benchmark level for reading, writing and numeracy for primary students. By 2012, 90 per cent of young people in Victoria will complete year 12 or its equivalent. Year 12 retention rates plummeted in the seven years of the former government.

I hear the honourable member for Warrandyte calling out about retention rates. He said on radio this morning:

> Retention rates … all they do is serve to keep the wrong young people at school to year 12 …

Mr Mildenhall interjected.

The SPEAKER — Order! The honourable member for Footscray!

Ms DELAHUNTY — 'The wrong young people at school'! He went even further by saying:

… parents will tell you retention rates mean nothing.

That is not what parents are telling the government.

Mr Perton — On a point of order, Mr Speaker, the minister is required to answer the question asked of her about government business. To the extent that she is selectively quoting from the shadow minister's comments she is in breach of the rule against debating the question, and I ask you to bring her back to order.

The SPEAKER — Order! I am not prepared to uphold the point of order, but I remind the house that questions cannot be debated.

Ms DELAHUNTY — The other target announced by the Premier yesterday is that by 2005 the percentage of young people aged between 15 and 19 in rural and regional Victoria who are engaged in education and training will rise by 6 per cent. The government is serious about standards in schools. The opposition has provided no standards, no ideas and no commitment. The Bracks government provides all three.

Hospitals: funding

Mr DOYLE (Malvern) — I refer the Minister for Health to a statement by his spokesperson as reported in the *Geelong Advertiser* of 21 October, where she said that the Department of Human Services would foot the bill for Workcover, superannuation and salary increases separately from any increase in the Geelong Hospital budget provided in the last state budget. Will the minister stand by that commitment for every hospital and health service in Victoria?

Mr THWAITES (Minister for Health) — I am glad the honourable member has taken time out from counting the numbers against his leader to ask a question. He was not even able to attend the recent state council of the Liberal Party because he was too busy at the races with his family.

I am pleased to advise the house that as part of its policy the Bracks government is committed to a fully funded Workcover scheme that includes common-law rights for injured workers. It will also fund hospitals for the cost of those increases as a result of the common-law changes. It demonstrates the government's commitment both to injured workers and the hospital system. It will provide support for hospitals not only through the extra funding but through reducing their — —

Mr Doyle — On a point of order, Mr Speaker, the point is one of relevance. The central word in the question was 'separately' — that is, separately from the increases announced in the state budget. The minister is not specifically answering the question, and I ask you to draw his attention to that.

The SPEAKER — Order! The Chair has ruled a number of times that it is not in a position to elicit an answer from a minister that an honourable member may want. It is the responsibility of the Chair to ensure a minister is being relevant. I am of the opinion that the minister was being relevant, and I will continue to hear him.

Mr THWAITES — I am happy to be specific, because the honourable member seems to be more interested in doing the numbers than in listening to the facts. The government is funding hospitals for the cost of the increase in premiums as a result of the introduction of common law. It is committed both to hospitals and to injured workers.

I also advise that the government is giving hospitals another $3 million to reduce accidents in hospital — and in particular, injuries to nurses.

Dr Napthine — On a point of order, Mr Speaker, I raise the issue of the minister's debating the question. The question asked about the total superannuation, salary and Workcover increases. Clearly the minister is saying his spokesperson misled the *Geelong Advertiser* and misled — —

The SPEAKER — Order! I do not uphold the point of order. I ask the Leader of the Opposition not to raise a point of order to make a point in debate.

Mr THWAITES — The opposition's real problem is that it does not like the answer. It does not like the government announcing that it is funding hospitals through this policy change. The government believes that is appropriate, and in addition it is doing even more. It is helping hospitals to reduce the risk of future injury.

The government has doubled the amount it is paying to hospitals to protect workers and nurses from back injuries. Rather than sending his henchman to the press to do the numbers against the Leader of the Opposition, the honourable member for Malvern would be better informed if he examined what is happening in the hospitals.

Mrs Peulich interjected.

The SPEAKER — Order! The honourable member for Bentleigh shall cease interjecting.

Public transport: Onelink

Mr SEITZ (Keilor) — Will the Minister for Transport inform the house of a potential liability for Victoria arising out of contractual arrangements entered into by the former government with the Onelink consortium?

Mr BATCHELOR (Minister for Transport) — In May 1994 the former Kennett government entered into a contract with the Onelink consortium to provide an automatic-ticketing and fare-collection system for Melbourne's public transport, for which it was to receive around $300 million. The Auditor-General and others, including Bill Russell, have since criticised the Kennett government for its indecent haste in entering into the contract without sufficient planning and evaluation. As all honourable members know, the fast-tracking has failed miserably. The project was severely delayed and the system was commissioned three years late.

Against that background I inform the house that in April Onelink lodged a substantial contractual claim alleging increases to the scope of the automatic-ticketing project between May 1994 and September 1995 — the golden years of Jeff Kennett! It claims that because of variations to the project it was required to upgrade the capacity of the central computer system, provide additional change-dispensing facilities and make several other alterations. Because of the former Kennett government's reckless maladministration, Onelink now seeks additional payments of some $270 million, which have the potential to blow out the cost of the automatic ticketing system to almost twice the original sum.

The claim by Onelink comprises $100 million in equipment costs, interest and preparation charges. In addition, it is seeking $17.4 million a year to the end of the contract in March 2007 for ongoing service and maintenance of equipment. Over the 10-year life of the contract $174 million will be added to the $100 million claimed for equipment costs. Under the contract the claim for equipment is capped at $35 million. However, Onelink claims that the cap does not apply to the $174 million for ongoing service and maintenance of equipment.

The government has instructed officials to undertake a rigorous and thorough evaluation of the claim, including monitoring the quantum of any payment that may ultimately be made to Onelink. Again, it is left to the Bracks government to untangle the web of contract mismanagement of the former government. No wonder the Onelink contract was kept secret during the Kennett years.

Unlike the former government — its representatives are in the chamber today — the Bracks government will do everything it can to protect Victorian taxpayers and the travelling public. Clearly the biggest contingent liability facing Victoria is the Kennett government's legacy of mismanagement as seen in public transport and the automatic-ticketing fiasco.

PETITIONS

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

Fishing: regulation

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

The humble petition of the Australian Recreational Fishing Alliance Inc. A0037476X herewith:

Your petitioners therefore pray that no Victorian waters be closed to recreational fishing except where sound scientific investigation has shown the need for such closure, and that all reference material used in such investigation be available for scrutiny by all affected by any such proposed closure.

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

By Mr TREZISE (Geelong) (2794 signatures)

Preschools: volunteers

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

The humble petition of the undersigned citizens of the state of Victoria sheweth that the Parliament immediately acknowledge the important role played by volunteer parents on their local preschool committees and recognise the significant contribution that preschools and their committees make to their local communities.

Your petitioners therefore pray that immediate additional support is provided so that volunteer committees can receive targeted financial assistance for administrative support in managing their preschools.

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

By Mr TREZISE (Geelong) (66 signatures)

Children: sexual assault

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

The humble petition of Survivors on the Net — Australia Inc., adult survivors of all forms of child abuse and the undersigned citizens of Victoria sheweth in light of the increase in sexual offences against children as reported in the

1992–93 Victoria Police annual report and 1996 Auditor-General's report, your petitioners therefore pray the government immediately enact the following key recommendations from the 1995 parliamentary report on Combating Child Sexual Assault, being —

1. All convicted adult sex offenders shall be registered with the Victorian Sex Offender Registry for life (#105), the Attorney-General and the police minister lobby for an extension of the sex offender registration program nationally (#110) and prior to a person being employed, including voluntary employment, in a position which has a duty of care or supervision over children, a criminal history check must be undertaken to determine if they are a fit and proper person. (#115)

2. The criminal offence of sexual assault against a child be vigorously prosecuted (Recommendation #6).

3. A proactive services coordinator be established within HSV (#17) and the proactive services coordinator liaise with the Directorate of School Education regarding school-based programs aimed at reducing sexual assault (#18) and accredit an appropriate comprehensive protective behaviours program which shall be compulsory in all state schools and encouraged in all private schools (#110 and #111).

4. Children should be entitled to counselling and psychological treatment irrespective of gender or age, (#26) and the minister lobby the federal government to consider Medicare coverage for counselling and psychological services to sexual assault victims (#30).

5. That sexual assault response teams (SARTs) be established to provide an integrated team of experts to respond to sexual assault notifications (#35), SARTs have medical examination facilities on site (#44) and SART police officers be the primary investigators of sexual offences against children (#45).

6. Hearings and trials involving child victims of sexual assault proceed as a matter of urgency (#73) and all courts provide a dedicated child victim waiting room (#S2).

7. The Attorney-General review penalties for sexual offences to ensure that the sexual assault of a child is regarded as seriously as the sexual assault of an adult (#89) and the actual sentence dispensed for sexual penetration of children under 16 reflect the seriousness of the crime (#90).

8. The Attorney-General review the current definition of pornography to ensure that any sexually explicit depiction of a child including computer generated images is covered (#121).

9. Protocols be developed within religious organisations to ensure that the sexual assault response team is immediately notified of any suspected assault (#129) and to ensure evidence is not contaminated by internal investigations or inquiries (#130).

10. The committee recommends that children under protection on the grounds of displaying early signs of sexually offending behaviour shall undergo immediate assessment and appropriate treatment. (Section 9.10.2).

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

By Mr WYNNE (Richmond) (888 signatures)

Laid on table.

VICTORIA POLICE

2000–01 budget estimates

Mr HAERMEYER (Minister for Police and Emergency Services) — By leave, I move:

That there be presented to this house a copy of the clarification of variations between the 2000–01 budget paper and the revised 2000–01 budget estimates for Victoria Police.

Mr Ryan — On a point order, Mr Speaker, by way of clarification I desire the guidance of the house on whether the material sought to be tabled is intended to accommodate the various queries I raised with the minister during question time many weeks ago, confirming the variations in the budget provided at the time of delivery of the budget papers, as opposed to the evidence he gave to the Public Accounts and Estimates Committee.

The SPEAKER — Order! It is correct that the Leader of the National Party has written to the Chair on this matter, a matter that has been the subject of debate at the Public Accounts and Estimates Committee. In trying to ensure that action on this matter was forthcoming, I contacted the Minister for Police and Emergency Services and reminded him of his statements to the PAEC hearing. As a result, the minister has written to the Clerk seeking to table the report.

Motion agreed to.

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 9

Ms GILLETT (Werribee) presented *Alert Digest* No. 9 of 2000 on:

Accident Compensation (Common Law and Benefits) Bill
Agricultural Industry Development (Amendment) Bill
Associations Incorporation (Amendment) Bill

Courts and Tribunals Legislation (Miscellaneous Amendments) Bill
Crimes (Amendment) Bill
Duties Bill
Fisheries (Amendment) Bill
Heritage (Amendment) Bill
Mineral Resources Development (Amendment) Bill
Transport Accident (Amendment) Bill
Transport (Miscellaneous Amendments) Bill
Wrongs (Amendment) Bill

together with appendices.

Laid on table.

Ordered to be printed.

DRUGS AND CRIME PREVENTION COMMITTEE

Benchmarking crime trend data

Mr LUPTON (Knox) presented report for 1995–96 to 1999–2000, together with appendix.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Barwon Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Calder Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Central Murray Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Crown Land (Reserves) Act 1978 — Section 17DA Orders granting under s 17D leases by the:

Corangamite Shire Council

National Trust of Australia (Victoria)

Royal Melbourne Institute of Technology (RMIT), Committee of Management

Desert Fringe Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Eastern Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Emergency Services Superannuation Scheme — Report for the year 1999–2000

Environment Conservation Council — Report for the year 1999–2000

Environment Conservation Council Act 1997 — Final Report of the Environment Conservation Council's Marine, Coastal and Estuarine Investigation

Financial Management Act 1994:

Financial Report for the State of Victoria, incorporating the annual financial statement for the year 1999–2000 — Ordered to be printed

Report from the Minister for Environment and Conservation that she had received the 1999–2000 annual report of the Trust for Nature

Gippsland Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Goulburn Valley Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Grampians Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Highlands Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Interpretation of Legislation Act 1984 — Notice under s 32(3)(a)(iii) in relation to Statutory Rule No 90

Members of Parliament (Register of Interests) Act 1978 — Summary of Returns — June 2000 and Summary of Variations Notified between 1 June and 30 September 2000 — Ordered to be printed

Mildura Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Mornington Peninsula Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

National Parks Advisory Council — Report for the year 1999–2000

North East Victorian Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Northern Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Planning and Environment Act 1987:

Notice of approval of the new Surf Coast Planning Scheme

Notices of approval of amendments to the following Planning Schemes:

Brimbank Planning Scheme — No C10

Casey Planning Scheme — No C6

Darebin Planning Scheme — Nos C6, C13

Delatite Planning Scheme — No C2

Glen Eira Planning Scheme — Nos C2, C12

Greater Shepparton Planning Scheme — No C7 Part 1

Mildura Planning Scheme — No C1

Moonee Valley Planning Scheme — No C15

Strathbogie Planning Scheme — No C2

Towong Planning Scheme — No C2

Wangaratta Rural City Planning Scheme — No C3 Part 1

Whittlesea Planning Scheme — No C1

Yarra Planning Scheme — No C3

Yarra Ranges Planning Scheme — No C1

Police Appeals Board — Report for the year 1999–2000

South Eastern Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

South Western Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling

Stamps Act 1958 — Report of exemptions and partial exemptions and refunds made pursuant to s 137R for the year 1999–2000

Statutory Rules under the following Acts:

Accident Compensation Act 1985 — SR No 102

Administrative and Probate Act 1958 — SR No 98

Environment Protection Act 1970 — SR No 92

Petroleum Act 1998 — SR No 91

Pipelines Act 1967 — SR No 90

Road Safety Act 1986 — SR Nos 95, 96

Subdivision Act 1988 — SR Nos 94, 101

Subordinate Legislation Act 1994 — SR No 99

Supreme Court Act 1986 — SR Nos 97, 98

Tobacco Act 1987 — SR Nos 93, 100

Subordinate Legislation Act 1994:

Ministers' exemption certificates in relation to Statutory Rules Nos 91, 93, 95, 100, 101

Ministers' exception certificates in relation to Statutory Rules Nos 97, 98, 99

The Constitution Act Amendment Act 1958 — Statement of function conferred on the Electoral Commissioner, 10 October 2000

Victorian Funds Management Corporation — Report for the year 1999–2000

Victorian Managed Insurance Authority — Report for the year 1999–2000

Western Regional Waste Management Group — Report for the year 1998–99, together with an explanation for the delay in tabling.

The following proclamations fixing operative dates were laid upon the table by the Clerk pursuant to an order of the house dated 3 November 1999:

Accident Compensation (Common Law and Benefits) Act 2000 — Section 17 on 20 October 2000 (Gazette G42, 19 October 2000)

Equal Opportunity (Gender Identity and Sexual Orientation) Act 2000 — Whole Act on 9 October 2000 (Gazette G40, 5 October 2000)

Financial Sector Reform (Victoria) Act 1999 — Section 20 on 1 November 2000 (Gazette G42, 19 October 2000).

APPROPRIATION MESSAGES

Messages read recommending appropriations for:

Duties Bill
Fisheries (Amendment) Bill
Mineral Resources Development (Amendment) Bill

ELECTRICITY INDUSTRY BILL and ELECTRICITY INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Concurrent debate

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

That this house authorises and requires Mr Speaker to permit the second reading and subsequent stages of the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill to be moved and debated concurrently.

Motion agreed to.

BUSINESS OF THE HOUSE

Program

Mr BATCHELOR (Minister for Transport) — I move:

That, pursuant to sessional order 6(3), the orders of the day, government business, relating to the following bills be considered and completed by 4.30 p.m. on Thursday, 26 October 2000:

Electricity Industry Bill

Electricity Industry Legislation (Miscellaneous Amendments) Bill

Water Industry (Amendment) Bill

Tertiary Education (Amendment) Bill

Project Development and Construction Management (Amendment) Bill

Local Government (Restoration of Local Democracy to Melton) Bill

Transport Accident (Amendment) Bill

Heritage (Amendment) Bill

Wrongs (Amendment) Bill

Motion agreed to.

MEMBERS STATEMENTS

Merri Creek: habitat assessment

Mr PERTON (Doncaster) — On behalf of the Friends of the Merri Creek and the members of the Merri Creek Management Committee I direct to the attention of the house the great consternation felt by the hundreds of volunteers who have spent their time and effort working to improve the environment of the Merri Creek. They asked the Minister for Environment and Conservation to make good her promise to implement the Flora and Fauna Guarantee Act and conduct a critical habitat determination, but she has refused to do so. An adviser of hers said in a meeting in front of the Merri Creek activists, 'Minister, we do not do that sort of thing'.

All honourable members have a copy of a letter from a group of eminent scientists asking the minister for critical habitat assessments for the striped legless lizard and the grassland earless dragon, and for plants called curly sedge, emu foot and swollen swamp wallaby grass.

The area is in the electorate of the Minister for Transport. The Minister for Environment and Conservation has failed to fulfil the government's promise to implement the Flora and Fauna Guarantee Bill. She has suggested to the constituents of the Minister for Transport and the many other volunteers that they should be satisfied with the process carried out by that minister, who is the proponent of the roadway. The people want the Minister for Environment and Conservation to carry out her election promise to conduct proper critical habitat assessments and to stop fudging the issue.

Electricity: Basslink

Mr RYAN (Leader of the National Party) — On behalf of Gippslanders, particularly those now living in the preferred path of the Basslink project, which was announced today, I implore the government to do what it purports to do — namely, consider the interests of country Victorians in the construction of that project.

There are two clear options, the first of which is for the cable to go underground. If that option is selected the government should either put up the extra $80 million-odd itself or use its powers to require the National Grid Management Council to spend the money to put the cables underground.

The whole project must be delivered in an environmentally responsible way. Results now emerging from investigations into the local marine environment are a cause of great concern in the minds of interested people, who are worried about preserving the natural assets of the reefs off Ninety Mile Beach. Their concern is shared by people with an interest in commercial or recreational fishing, as well as by all Gippslanders and other Victorians in general who prize the magnificence of those offshore waters now in the path of the proposed national grid cable.

I implore the government to take the appropriate steps to protect the interests of Gippsland and Gippslanders in the development of that project.

Marine parks: ECC report

Ms GARBUTT (Minister for Environment and Conservation) — On 31 August I received from the Environment Conservation Council its final report on its marine, coastal and estuarine investigation, which was tabled today.

The final report represents the culmination of nine years work, which was commenced in 1991 by the former Land Conservation Council and which involved extensive community consultation and participation. The Land Conservation Council investigation and draft recommendations were shelved by the former government, and a new reference was given to the newly formed Environment Conservation Council to complete the investigation.

The Bracks government was pleased to support the continuation of that investigation. The government has a clear policy commitment to create a comprehensive, adequate and representative network of marine national parks and reserves, including the establishment of a marine national park in Port Phillip Bay.

The report prepared by the Environment Conservation Council contains comprehensive recommendations for a system of marine national parks, reserves, protected areas and aquaculture zones along the length of Victoria's coastline. The government welcomes the report and will respond in detail to its recommendations early in 2001. I commend the report to the house.

Carers Week

Mrs ELLIOTT (Mooroolbark) — This week is Carers Week, when the achievements and service of those who care for people with physical, sensory, intellectual or psychiatric disabilities are recognised by the community. The anger of those who have contacted me about the dates and timing of the community consultation forums relating to the state disability services plan is therefore understandable.

Of the 21 forums held around the state, 7 were held in the school holidays when children with disabilities were almost certain to be at home all day, therefore requiring substitute care to enable their parents to attend.

Even worse, of the 21 forums, 18 went beyond 3.00 p.m., the time at which during school term buses leave schools, special developmental schools and adult training and support services to transport clients home or to community residential units, making it impossible for the carers who attended the forums to stay for the workshops, the feedback and the summing up unless they had arranged beforehand to provide substitute care.

And the reason for all this? It suited the convenience of the honourable member for Frankston East and parliamentary secretary to the Minister for Community Services, who chaired the majority of the forums.

If the minister and the parliamentary secretary genuinely wish to consult with those who have experience of disability and if they genuinely want the state plan to reflect as diverse a range of views as possible, they should have considered the needs of those with a disability and their carers and not their own comfort and convenience.

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

Christos Saristavros

Mr PANDAZOPOULOS (Minister for Gaming) — I rise to honour and remember the life of Christos Saristavros, who was brutally murdered last Sunday night after leaving a Cypriot community fundraiser at Box Hill. I, along with many other people, was shocked last night when I heard about his death.

I knew Christos and his family for a number of years. He was a great benefactor to the Hellenic community, a founding member and former president of the Hellenic business forum and a great contributor to many Hellenic causes, including the Heidelberg and Port Melbourne soccer clubs.

This is an opportunity to remember Christos, because often while people are alive we do not get a chance to thank them for the work they do. I thank Christos for the work he did for the Hellenic community. My thoughts are with Christos's family — his wife, Tammy; his children, Chris Marios and Stavros; his brother and business partner, Con; his sister; and their respective families.

Everyone in the Hellenic community has been shocked by the death caused by an unknown assailant. The community certainly wants information to be provided to the police in order that justice may be done.

I am saddened by the way Christos has departed this life. He was a great community leader and a great model for migrants.

He arrived in Australia at the age of 19 years in 1971 and started what became a multimillion-dollar business in Poseidon Dips.

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

Les Milborn

Mr SAVAGE (Mildura) — I wish to place on record a tribute to the life and times of Les Milborn, a long-time resident of and community contributor to Mildura.

Unfortunately Les Milborn died unexpectedly last Friday aged 69 years. He was a member of the Victoria Police from 1952 until 26 September 1986. He served a record 16 years as the officer in charge of the Mildura police station. He was awarded the long service and good conduct medals during his service.

Les was a well-respected member of the Mildura community and a true gentleman. He had a keen interest in history and produced, at his own expense, a book detailing the history of 100 years of policing in Mildura.

Les will be sadly missed by many people. In many ways he was a quiet achiever, and he was a

much-valued citizen. I was honoured to have served under him for a number of years and I am proud to recognise his achievements today. My sincere condolences go to Marlene and his family.

Heany Park Primary School

Mr LUPTON (Knox) — I bring to the attention of the house a fire that occurred at the Heany Park Primary School on 8 October. I attended the school some 28 hours later to find that the bureaucrats of the eastern metropolitan regional office of the education department had already installed a temporary classroom in less than 24 hours.

Those bureaucrats deserve to be thanked and patted on the back. It is all very well for members of Parliament and many other people to criticise bureaucrats, but in a situation such as this — within 24 hours a temporary classroom was on site and workers were reconnecting the electricity and establishing concrete paths — congratulations are in order on a job well done.

Rob Sergi

Mr LONEY (Geelong North) — I express my sympathy and that of the constituents of Geelong North to the family of Mr Rob Sergi, who, tragically, was killed in a workplace accident at the Corio overpass construction site at the Geelong highway upgrade on 8 October.

It is extremely sad that this important project for my constituency, which is about making the road safer and reducing fatalities, should see its first loss of life during its construction phase. However, the tragedy serves to remind us that workplaces can be dangerous and that workers' safety must be paramount whenever we are looking at construction sites.

I support the suggestion that has been put forward by Mr Sergi's workmates: that the bridge, when completed and opened, be named after him. It would be an appropriate memorial to Mr Sergi and a reminder to all Victorians that construction sites can be very dangerous and that workplace safety should be an issue of very high priority for all at government and other levels.

Mount Scopus Memorial College

Mr WILSON (Bennettswood) — During the parliamentary recess I had the pleasure and honour of visiting the Gandel campus of the Mount Scopus Memorial College in my electorate. It is an outstanding educational institution that provides the widest range of services and facilities. The school has both a junior and a senior campus in Burwood. It is co-educational from kindergarten through to Victorian certificate of education and is renowned for its outstanding VCE results year in and year out.

During my visit to the school I received an excellent briefing from the president of the school council, Mr Johnny Baker, the principal, Mr Hilton Rubin, and members of the administrative and academic staff. The tour of the campus gave me a clear appreciation of the level and quality of educational services offered at this magnificent school.

Earlier this year I had the pleasure of attending the Besen Family Performing Arts Centre, which was opened by the federal Treasurer, the Honourable Peter Costello. The opening of the centre was another bright moment in the wonderful history of the Mount Scopus Memorial College.

Victoria Institute of Biotechnology

Ms GILLETT (Werribee) — I offer my congratulations to the Austin Research Institute and Victoria University for their commitment and vision in creating the Victoria Institute of Biotechnology, which was launched last week by the Minister for State and Regional Development. Many individuals have been involved in this creative and innovative partnership, which will be a great asset not only to Werribee and its technology precinct but also to Victoria as a whole.

Although many people have been involved I wish to acknowledge three. Mr Vaughan Beck from Victoria University and Mr Mark Hogarth and Professor Ian McKenzie from the Austin Research Institute are worthy of distinction and praise for their creative and innovative work. I also thank the Minister for State and Regional Development for the financial support he was able to demonstrate last week and the real vision he has displayed towards this joint venture of the Austin Research Institute and Victoria University. The proposal is somewhat unusual in that it is placed in Werribee — outside the traditional four precincts set aside for this sort of work — and in the work it seeks to do. I am grateful to the individuals involved who have worked so hard to create in Werribee something innovative for Victoria.

Workcover: premiums

Mr PLOWMAN (Benambra) — I raise in this house an issue about which I have written to the Minister for Workcover concerning a local hairdresser, a typical small business in Wodonga, whose Workcover premium has risen from $588 to $950. The business is concerned not only about the increase in the

premium but also, and more importantly, about the fact that it can no longer pay the premium on a quarterly basis. The impost of having to pay $950 as a lump sum as against $147 on a quarterly basis is a significant burden to that sort of small business.

I have written to the minister about this and I am waiting for a response because I need to be able to help that small business.

ELECTRICITY INDUSTRY BILL and ELECTRICITY INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Debate resumed from 7 September; motions of Mr BRUMBY (Treasurer).

Government amendments circulated by Mr BRUMBY (Treasurer) pursuant to sessional orders.

The SPEAKER — Order! As the required statement of intent has been made pursuant to section 85(5)(c) of the Constitution Act 1975, I am of the opinion that the second reading of the Electricity Industry Bill is required to be passed by an absolute majority.

Mr PLOWMAN (Benambra) — It gives me delight to speak on these two bills, which are being debated concurrently, because they are the culmination of many years of work in adapting the electricity industry to a privatised industry and totally reforming the industry to bring amazing benefits to the state. It has made Victoria very competitive against the other states with regard to industry and bigger business. Electricity costs are an issue when someone is considering where to establish a business, and that is particularly the case where I come from on the border with New South Wales. One of the largest costs for bigger employers — those industries that make a big difference to an area — is that of electricity, and reform of the electricity industry during the period of the Kennett government made Victoria very competitive in that respect.

The Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill combine well to show the consolidation of all the changes which have taken place in the electricity industry and which were introduced by the former government. They are a recognition that the restructure of the industry is now behind us. The bills also provide a framework for the completion of full contestability or, in layman's terms, full retail competition. That full retail competition includes smaller consumers and domestic consumers — all the people in this chamber who are consumers of electricity.

Full contestability will give each of us an opportunity to go to the distributing businesses — the retailers — and have electricity supplied to us on a competitive basis. It will be the first time in Victoria or Australia that that has been available to all electricity consumers. Equally, and probably more importantly, it is available to small business. Small business is the driving force behind Victoria; it is the major employer in Victoria. The availability of contestable electricity will mean that small business will be attracted to Victoria. People who are thinking about starting their own businesses may do so now that electricity will be cheaper because it is contestable. People may consider giving small business a go or developing their businesses to make them slightly bigger and employ more people.

The bills provide the framework for individual customers who are not currently eligible to enter that contestable market, and those customers are the majority of Victorians. A contestable electricity market was introduced by the former government for the main users of electricity, but that represented only a very small percentage of the people who use electricity. The bills provide the framework for the introduction of contestability to the majority of Victorians, and particularly to small businesses which were designated under the Electricity Industry Act 1993 as not using sufficient electricity to comply with the past contestability regime.

The main concern of the opposition about the bills is the delay. All customers were due to come online as of 1 January 2001; the build-up in respect of the development of contestability and of the opportunity for people to enjoy a competitive electricity industry recommended that the smaller customers, the domestic customers and small business, should have that opportunity from 1 January 2001.

Unfortunately, the Electricity Industry Bill does not do that. In fact, the second-reading speech gives a page of reasons for the delay by the government of full contestability.

The bill introduces a new regulatory system which will apply until full contestability is available for these customers. The electricity industry accepts the delay of up to six months. The bill allows three years for that contestability to be introduced. As I said previously, the major concern of the opposition is that this delay is slowing down the opportunity for the average Victorian

to benefit from the changes and reforms introduced to the industry over the nine years before government changed hands. The time frame is unacceptable. The longer Victorians have to wait for contestability, the longer they have to wait for the benefits.

Another point about contestability is that it will provide domestic and small business customers with a choice of supplier — something that has never before been available in Victoria or Australia.

Two points in the bill are worth noting. The first is that despite all the rhetoric of the present government when in opposition about the Kennett government's restructure of the industry, there is not one word in the Treasurer's second-reading speech condemning those changes.

The Treasurer tries to lay on the previous government some of the blame for his government's failure to introduce full contestability on time. If ever there were evidence that the reform of the industry was successful, well planned and in the best interests of Victoria it is that neither the Treasurer's speech nor this legislation condemns or in any way alters the basic tenets of the changes made by the former Kennett government. It is recognition by the current government that those reforms have achieved the results the former government set out to achieve. Despite previous opposition to the reform and the opportunity to make changes or comment, the government remains silent.

In the second-reading speech the government recognises that all Victorians will benefit from the changes to the industry and the introduction of a competitive market to domestic customers. Importantly the speech says there ought not be a delay in the introduction, yet the bill allows three years for the changes to be introduced. Clearly the changes could be implemented within six months, which would mean that the benefits that will make the operations of small businesses cheaper and more competitive and make households cheaper to run would be available quickly. The bill allows for a possible three-year time lag. If the government allows three years to elapse before contestability is made available to smaller customers it will be guilty of deception, particularly of domestic customers, about the opportunities available to small consumers.

In his second-reading speech the Treasurer rightly says the changes should be introduced in line with a national market. There is a national market for electricity. It provides an opportunity for contestability between states and between customers in each state. Victoria needs to go in tandem with the national electricity market, but again it would be deceptive of the government to use the national market as an excuse for the delay of the introduction of the contestable market.

The previous government drove the changes to the electricity industry in Victoria, which drove the reform in Australia. If we had waited for other states to introduce the contestable market and the reform of the national market, we could still be waiting for three years. It is not acceptable, and the fact that the government cannot use the excuse of the national market to delay the introduction of contestability needs to go on record.

The two bills form cognate legislation. The provisions of both of them would normally be in one bill, but this procedure makes good sense because the Electricity Industry Act 2000 will consolidate current electricity legislation. It will simplify matters and become a reference document for people wanting to find out exactly where the electricity industry is at in 2000.

The minor amendments to other legislation that will be made by the miscellaneous amendments bill will provide details to those who need to know what changes are required to allow the new legislation to be enacted.

The consolidation of the bills forms the cognate legislation, so the bills must be looked at together. The government's responsibilities involving the oversight of the electricity industry will continue. However, they will be transferred from the old Electricity Industry Act, which will be renamed the Electricity Industry (Residual Provisions) Act. The new act will provide the shell for the ongoing responsibilities of the government and for the past responsibilities of the former State Electricity Commission or its corporatised components. If the government wishes to repeal the residual provisions at a later stage, the Interpretation of Legislation Act could be used to take their place.

I will explain why it is important for the residual provisions to be available to Victorians. I refer to a case which occurred in Wodonga and which involved the complete disintegration of a generator at Dartmouth Dam when a steel beam fell from the surge chamber of the dam outlet into the generator.

The rebuilding of the generation station was done by a company called A. B. & M. A. Chick, which dealt with the then State Electricity Commission and subsequently with the corporatised body Southern Hydro and its privatised business. Amounts are still owing on the contract work done by the company some years ago.

As I understand it, Southern Hydro has changed hands again and is trading under another name. A. B. & M. A. Chick has tried unsuccessfully to negotiate with the SEC and its successor, Southern Hydro, to have the outstanding moneys paid. The company has been unsuccessful in getting recognition from either the shell company of the SEC or from Southern Hydro of responsibility for the residual payments. Clearly, the issue of which body is responsible for the payments needs to be resolved. The Electricity Industry (Residual Provisions Act) should show clearly where the responsibility lies. I have spoken to the Treasurer about the matter and plan to provide him with the relevant documentation. It is an example of how problems of that sort can carry over for many years and why legislation with residual provisions is needed.

I will speak on the contents of the Electricity Industry Bill in two parts. Firstly, I refer to the provisions for the introduction of full retail competition, which will benefit all Victorians. That will be done by enabling orders in council to be made to define the procedures by which individual customers will be able to purchase their electricity. The suppliers, who are also the retailers of electricity, will be responsive to those orders in council. The suppliers are the five existing distribution businesses — Eastern Energy, Powercor, Citipower, United Energy and Australian Gaslight Company — together with about 20 other electricity retail businesses that have sprung up to provide the truly competitive market that we now have in Victoria.

The orders in council will also provide a mechanism for trading electricity on the national market. However, the national market requires electricity prices to be measured every half an hour, because the market operates on a spot-market price. The bigger customers meter their electricity usage to accommodate that need and to try to maximise usage during times of lower price. Unfortunately, the smaller customers, such as domestic customers, do not have that degree of flexibility, so the current metering system for domestic customers, which measures electricity on a half-hourly basis, is far too expensive to be introduced.

The bill allows for the introduction of a metrology or profiling system, which is based on an assumption about the use of power of the average client of those distribution businesses or private retailers. Metrology is probably a term we will learn a bit more about as the contestable market is opened up to domestic customers and small business. Metrology is a system retailers use to calculate the average electricity usage of a class of customers during times of high and low price on the spot markets to establish an average price that is fair to customers while allowing retailers to cover the cost of purchasing electricity from the variable market. It will also mean that domestic customers will not be forced to purchase new meters, although they may do so if they wish.

It is interesting to note that the meters available to domestic customers or small businesses can be connected by phone, so the head office of a distribution company can be aware of a household or a small business's usage on a half-hourly basis. Other measuring devices have a chip that can record the usage on a half-hourly basis, which is then read monthly as provided under normal power bills.

The other method is profiling, which gives the average use for a class of customers. The billing process will not change for smaller customers. It will still be based on the current meter reading, with a prescribed price per megawatt hour, so that the consumer or customer will not notice any change.

Orders in council will require distribution businesses and other electricity industry participants to provide information to ensure that customers who wish to move from one business to the other can do so with the amount of information that they need to make a sensible and well-calculated decision. These businesses will also be requested to provide information to establish the fair and reasonable costs of the distribution businesses in providing competition and to determine that those costs can be recovered from their customers.

The second part of the bill requiring explanation is part 4, which relates to load shedding. That is another industry term which meant nothing to me until the debacle experienced by Victoria on 3 February this year. Honourable members will recall that period. For the first time in my life, the power was totally blocked off. An example of the problems caused in Wodonga happened at the Murray Valley Private Hospital, which has an oncology centre. Two radiotherapy units, which are huge concrete basins that use an enormous amount of electricity, were chopped off in the middle of use with no warning at all. It could have put at risk the lives of those people being treated. I would hate to see that situation occur again in Victoria.

It was a blatant case of unions putting the muscle on the government and demanding changes to their industrial relations arrangements. There was certainly no feeling for members of the Victorian community, and there was no recognition of the hardship imposed on the average customer in Victoria. It was during the hottest part of the year — the time when electricity usage was

at its greatest — and it was an example of what we are seeing more and more of in this state. It is the unions flexing their muscles and showing their domination.

It was also a case where the Deputy Premier, as Acting Premier, showed his weakness in not being able to stand up to the unions. He was certainly not able to do anything constructive.

Mr Maxfield — It was the company that closed down the station not the workers, you dill!

Mr PLOWMAN — The Deputy Premier showed no strength in his attempts to combat those unions. The honourable member for Narracan should know better. He has been called something else by another honourable member — and I will not repeat it. He certainly should recognise that on that occasion the weakness of the Bracks government was clear to every Victorian. It would not stand up to the unions, and unfortunately it is the start of things to come. It is a sign that we are in for more trouble. That whole exercise was a sad one in the history of this state.

Part 3 of the Electricity Industry Bill is important because it provides for the cross-ownership provisions within the generation, distribution and retail arms of the industry. The Kennett government introduced very limited cross-ownership provisions, with the Office of the Regulator-General having a discretionary role in determining when those provisions should be flexible to allow maximum participation in the industry by investors, while ensuring that there was unhindered competition in each aspect of the industry, except for the transmission side.

The bill removes that responsibility from the Regulator-General and effectively leaves it to the Australian Competition and Consumer Commission (ACCC) under the 1974 Trade Practices Act to determine whether those provisions are utilised to ensure maximum competition. It is a worthwhile change, and I commend the government for it, because there would otherwise be a duplication of responsibility. As I understand it, the tests that the Office of the Regulator-General used were the same tests the ACCC has used in the past and will use in the future.

The electricity industry, when reviewing both the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill, was concerned about a few aspects, particularly clause 15 of the Electricity Industry Bill, which gave the government virtually an unfettered right, by way of an order in council, to regulate distribution tariffs for connection to, and the use of, any distribution system, in the words of the bill, 'as the Governor in Council thinks fit'. In effect the clause could have had an overriding provision on a determination of the Office of the Regulator-General. The opposition is pleased the Treasurer has indicated that he will move an amendment in committee to remove clause 15. I believe that is as a result of opposition by both opposition parties and by industry. We will certainly be happy to support that amendment.

Procrastination is pushing out the time for contestability to be introduced in the state. We have a government that, whenever it is faced with a difficult decision, appoints another committee. The Bracks government is the greatest procrastinator I have seen. This issue will benefit every householder. But instead of saying, 'We will get on with it', the government has said, 'We will give it three years'. It wants three years to introduce a benefit to every household and every small business that wants to get on with the job and employ more people! We are in a competitive business. Victoria is in competition with New South Wales primarily, and on the border I see that competition every day of the week. For that reason contestability of electricity should be available to small business as soon as possible.

Every householder in this state will benefit when that is available to them. It is outrageous that contestability could be delayed for up to three years. At the very most six months should be sufficient for this government to introduce it. The bills allow for procrastination for up to three years. The government must make it clear how long this process will last and explain why it should go longer than six months.

I commend the bills to the house and look forward to hearing answers to some of the questions about when all Victorian householders will benefit from the change.

Mr RYAN (Leader of the National Party) — It is my pleasure to join the debate on these two bills. I am delighted the government accepted the suggestion that they be debated concurrently.

Before dealing with the bills I shall make some observations on the Labor Party's approach to the electricity industry and the evolutionary process that approach has gone through. Indeed, the whole approach makes Paul on the road to Damascus pale into utterly nothing. Even by its standards, the Labor Party's approach to this industry over the years reeks of breathtaking hypocrisy. I shall put a few quotable quotes into the debate because they bear consideration.

In an article in the *Herald Sun* of 4 September 1995 the then Leader of the Labor Party, the current Treasurer, was speaking of the party's impending state conference:

> Mr Brumby said to reinforce its position on the sales the opposition would put a strong anti-privatisation policy to the ALP state conference in two weeks. Labor will consider adopting policies replacing the electricity industry regulator-general with a 'utilities commission' and 're-amalgamating the industry to produce economies of scale'.

A little earlier, on 30 November 1994, when speaking on the Electricity Industry (Further Amendment) Bill, the Leader of the Opposition, Mr Brumby responded to an interjection from the then Minister for Energy and Minerals, Mr Jim Plowman, with these immortal words:

> It is not so. Our federal colleagues support increased competition, trade between the states and a national competition policy. That is quite different from the break-up into little bits of the SEC. As I did last night, I put it on the record that the Premier of New South Wales is not breaking up Pacific Power, nor are the Premiers of Queensland, South Australia or Tasmania breaking up their electricity utilities.
>
> When he wins office in March the new Premier of New South Wales, Mr Carr, will not break up Pacific Power. Victoria is the only state embarking on this road. The British experience is that it leads to absolute disaster for consumers. We oppose it and we will be dividing on the second-reading motion.

On 7 April 1998, the then shadow Treasurer, the current Premier, said this when speaking on the Electricity Industry (Amendment) Bill:

> I have been talking about the policy inconsistencies of the Treasurer, who crows about privatisation and the market delivering benefits but then intervenes in the market to provide a benefit the market could not provide. This is all a policy, especially policy distortion. The government picked the wrong horse in the first place. Now it finds, as all governments do, that privatised models give nothing back.

That then takes us through to that immortal document — the Labor Party's policy leading to the last election. Full of bluff and bluster, it published a policy entitled 'Reviving Regional and Rural Victoria'. Under the heading 'Electricity' there appears the following:

> Labor is committed to governing for all Victorians and vigorously opposes the abolition of the uniform tariff.

It says its policy is to:

> Reinstate a maximum uniform domestic electricity traffic across Victoria;

That is what was said in the lead-up to the election of just a little more than 12 months ago.

As all Victorians now know, the government ditched the policy, as it has so many other aspects of it. For the price of 30 pieces of silver the policy went straight out the window because the government came to understand that the way the industry developed over the years and was dealt with by the previous government enabled the Victorian industry to lead the way in Australia. That has given rise to the legislation before the house today.

In light of the statements just quoted by the now Treasurer — I hasten to add that this is just a cursory examination of the history, which no doubt is redolent of similar commentary — it is a source of fascination to read the second-reading speech, which commences:

> This bill represents a further step in the government's commitment to introduce competition to sell electricity to domestic and small business consumers commencing from 1 January 2001.

Of course that will not be the operative date. The speech further states:

> The government wishes to ensure that Victorians benefit from competition as soon as practicable.

By any standards this has been an extraordinary government transformation. I wonder whether the Pledge faction still exists. Is it still operative in Labor ranks? Where is the Minister for Agriculture? He should be participating in this debate. Back in the good old days the honourable member for Morwell would have been barking and screaming about the legislation. Who is in the Pledge faction these days? How does this proposed legislation get through caucus? I would love to be a fly on the wall. It must be an absolute delight when these things come up. Does anybody read out the old speeches when these occasions arise? It is an absolute classic to have this bunch in here talking about the joys of a commitment to introduce competition to sell electricity and advancing the notion of contestability in the marketplace and clutching it to their breasts as though it were their own. It is hypocrisy of the most extraordinary kind!

The National Party does not oppose the legislation. It is a further stage in a program that has been many years in the making. It is apparent from the briefings and from the most casual observation of the industry that Victoria leads the nation in this area. In a sense Victoria has a responsibility to pursue the further changes, because if it does not the rest of the nation will languish. It is imperative that the advances made over the past several years are built upon, even if the government has had to be dragged kicking and screaming. I welcome the

introduction of the legislation by the current Labor government.

Mr Helper interjected.

Mr RYAN — The honourable member for Ripon says the former government left a big gap. If it had been left to the Labor Party, Victoria would be back where Queensland now is and the whole industry would be on the rocks. If Labor had had its way Victoria would still be in the good old days when 40 cents from every dollar paid in power bills went to repay the debt accumulated by the State Electricity Commission.

Mr Helper interjected.

Mr RYAN — I am pleased to see that even though the honourable member for Morwell is not here someone is posing the sorts of questions he used to pose when the original bills were being debated. Are you in the Pledge faction?

The ACTING SPEAKER (Mr Savage) — Order! The Leader of the National Party will direct his remarks through the Chair.

Mr RYAN — Massive change has occurred in the Latrobe Valley and — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Savage) — Order! The level of interjection is too high.

Mr RYAN — About 18 000 people have left the industry over the past 15 years. The Labor member neglects to mention that it was the Labor Party that started the process of privatisation of the industry. Under the leadership of the Honourable Joan Kirner the Labor government, pre-1992 — —

Mr Helper interjected.

Mr RYAN — It is a historical fact. I am sorry to have to tell you, because it obviously disappoints you. The Labor Party commenced the process of privatisation by selling the interest in the generator. The industry has undergone — —

Mr Haermeyer interjected.

Mr RYAN — The Minister for Police and Emergency Services interjects, but he ought to keep his head down today after what he has had to table in Parliament. He had to come into the house weeks after the event, having made the proper adjustments to his budget papers to get the numbers right, make the figures correct and enable the columns to add up. I think the minister should stay out of it.

The Latrobe Valley has been subjected to a lot of change, and a lot of people in the area have had to change the way they live. I recognise that. But, as the Labor Party understands, if the changes had not been made the industry would have been facing destruction. It could not have continued to operate the way it was. That is what the Labor Party recognised in its pre-1992 government days, and that is why it instigated the process of privatisation and sold off the part interest in the generator. It is all historical fact. Although some Labor members are not prepared to face up to the realities of the necessity for change in the industry, I am pleased to see that, even though it has taken many years, the Treasurer and the Premier have done so. That is why the legislation is now before us.

The bill comprises three parts: the provisions dealing with full retail contestability, which appear in division 6 of part 2 and are referred to on pages 10, 11 and 12 of the explanatory memorandum; the provisions dealing with load shedding, which appear in clauses 80 to 84 of division 2 of part 4 and which are referred to on page 18 of the explanatory memorandum; and the changes to the cross-ownership provisions, which appear in part 3. As the honourable member for Benambra observed, the Australian Competition and Consumer Commission (ACCC) now has responsibility for granting the exemptions that were once the purview of the Office of the Regulator-General.

The rationale for the legislation is as follows. The Electricity Industry Bill is a totally new and relatively simple bill that contains the rulebook for industry players. The second bill — the Electricity Industry Legislation (Miscellaneous Amendments) bill — contains myriad provisions dealing with final transaction issues as well as a variety of housekeeping amendments. Thirdly, the legislation tidies up the old Electricity Industry Act, which is to be renamed the Electricity Industry (Residual Provisions) Act.

Although on the face of it the Electricity Industry Legislation (Miscellaneous Amendments) Bill is a busy bill, the bulk of it relates to the updating of titles, references and definitions and does not contain many changes. There are also several amendments to the old Electricity Industry Act. However, members on this side of the house have been assured in briefings on the bill that although some of the amendments relate to sensitive issues, including property easements and bushfire mitigation, the bulk of them are purely

housekeeping measures that clarify rights as opposed to changing them.

With due acknowledgment to parliamentary counsel, the Electricity Industry Bill, which is the major bill of the two, is sensibly drawn. It reflects the contents of the 1993 bill unless it says otherwise, which is a terrific system for legislation such as this. It can be picked up and gone through based on those provisions that represent changes to the 1993 legislation. For example, page 13 of the explanatory memorandum says that clause 50:

> … is in essentially the same terms as section 171(1) of the Electricity Industry Act 1993.

It says that clause 53:

> provides for the interpretation of references to the Corporations Law. This clause is in the same terms as section 171(4) of the Electricity Industry Act 1993 —

and so on throughout. It is an excellent way in which to write up the explanatory memorandum and makes it easier to follow the legislation.

As I said, the major bill is the Electricity Industry Bill. The industry is made more complex in Australian terms because of the different structures that apply in the different jurisdictions. Australia is part way through the process of adopting a national grid and a national market, and it will be completed with the passage of time.

The prospect of bringing Tasmania into the national grid is interesting. The Basslink project is under consideration following the awarding of a contract to an English company, National Grid, to construct a cable to link Tasmania to the Victorian system in the Latrobe Valley.

Given that other states have been linked to the national grid and national market, in many senses the project is an innovative program of national significance. By the same token, it presents challenges that are indicative of what the industry has ahead of it in a variety of forums. Basslink is a $500-million project that is to be built, owned and operated by National Grid. It will entail laying a cable from Tasmania to Victoria across the floor of Bass Strait. The cable will come ashore somewhere along Ninety Mile Beach and will run from there to the Latrobe Valley, a distance of 70 kilometres.

One critical and pertinent issue facing the electricity industry is the need for it to comply with the important environmental and social commitments that will permit it to proceed. The Basslink project is an example of the extent of the challenges the industry must face and overcome.

Questions arise about the use of pylons. One of the difficulties facing the Gippsland residents who live along the corridor that Basslink has today confirmed as its chosen course is the prospect of having to cope with pylons. As a clear indication of the challenges that lie ahead, National Grid and the Labor government are facing critical decisions relating to whether the cable will be strung on pylons as opposed to being put underground. If it is put underground, as it should from an environmental and social perspective, who will pay the $80 million over and above the existing contract price of $500 million to achieve that outcome?

Will the government or the developer pay or will some other option be explored? The critical perspective for people living in Gippsland on whom the development will impact is that they will not be part of the price. In the interests of the environment and society, pylons should be not be used in the development.

Similarly, concerns about the marine environment include interference to the reefs that lay offshore from Ninety Mile Beach. Commercial and recreational fishers who use the magnificent waters in that area are worried. Those and many similar issues must be faced by the industry and the government to ensure people's needs are properly met and accommodated. The Basslink project is but one example of the many areas where the industry will face significant challenges in the future.

In the three jurisdictions involved — Victoria, New South Wales and Queensland — the industries are structured differently. Victoria has a completely privatised structure; New South Wales has a corporatised industry, although it would have been privatised had the union movement allowed the government to so act; and Queensland's industry is institutionalised — that is, it is owned entirely by the government. The three jurisdictions have been able to create a national grid or market. There can be no question that Victoria is the leader.

Unless the house passes the sorts of provisions contained in the bills, the significant challenges faced by the industry to develop further would mean that the ultimate interests of consumers, including small domestic consumers, would be pushed off course. It is important that the legislative initiatives proceed. The effects of the bills make Victoria the guinea pig for future development. That is part of the price or

reward — depending on how people view the legislation — for Victoria leading the way.

The operational amendments in the Electricity Industry Bill fall principally into three areas, the first being the implementation of retail competition. A practical problem — that is, electricity meters — has arisen in that domestic consumers will be allowed to swap electricity suppliers. The honourable member for Benambra put it well when he explained the notion of metrology — and that is the closest I can get to meteorology, which in the area where I live has much to do with whether rain is expected. Now the house has heard a variation on the theme.

The issue is important because were a relevant provision not to be introduced in the legislation, those who wished to take advantage of the opportunity provided by contestability would be forced to acquire rather expensive meters. The introduction of smart meters, as they are known, which register electricity consumption by the half hour will be delayed. National rules will be amended by the legislation to allow for estimates of individual customer usage and for suppliers to iron out the overs and unders that go with supply questions at the national market level. That facility may not be operational early enough to accord with the Victorian timetable. The bill prepares the appropriate ground rules to allow the estimation procedure to occur. As a bottom line, because of the legislation the customer will not need to have a smart meter to be able to participate in the newly contestable market.

I take up the important point made by the honourable member for Benambra about the prospect of a delay in the market. It will take approximately three years before benefits will flow through to domestic consumers. I urge the government to review carefully its program for the full implementation of the legislation to ensure the benefits get through sooner rather than later.

The second major amendment contained in the Electricity Industry Bill concerns customer load shedding. Since Victoria no longer has a simple control of the state's electricity supply, given the current structure of the industry, when the industry cannot meet peak demands for any reason, such as during heatwaves or when generators fail as happened early this year, a mechanism must be available whereby any necessary load shedding can be properly managed. The bill permits Vencorp to gather the necessary information and give appropriate directions so that load shedding can occur in an organised manner.

I take up the point made earlier by the honourable member for Benambra: earlier this year the government could not control the trade union movement and the then Acting Premier, the Deputy Premier, made an absolute botch of the situation. Victoria was literally left in the dark, and that should not have happened. I hope that by the proper application of the legislation and a cooperative attitude from the unions responsible for the essential electricity industry Victoria will avoid a recurrence of what unfortunately occurred earlier this year.

Vencorp will be able to line up industry on the basis that it will know beforehand where it stands in the pecking order if load shedding needs to occur. By one interpretation that represents a diminution of the value of the particular enterprise if it sees itself exposed in that way. On the other hand, it is an excellent idea that all participants know where they stand in the scheme of things so that load shedding is not imposed without appropriate warning, as occurred in January with a consequent interruption to electricity supplies throughout Victoria. It also led to an enormous loss of wages by those employed in the industry and by various forms of business, be they small businesses or the state's largest manufacturing players.

The third main element of the Electricity Industry Bill relates to cross-ownership provisions. The existing law places fundamental restrictions across ownership within the privatised industry. The intention is to maintain the level of competition and, therefore, continue to drive the efficiencies underpinning the industry. In the original legislation the Office of the Regulator-General had the task of deciding whether exemptions should apply in the application of cross-ownership provisions. The Australian Competition and Consumer Commission then reviewed the same processes. The Regulator-General and the ACCC have now decided that the ACCC will assume responsibility as the roles were identical. That seems sensible; it relieves the Regulator-General of that responsibility and places it totally in the hands of the ACCC.

The only casualties of the legislation are, firstly, past Labor Party policy and the many utterances over the years bitterly opposing the notion of privatisation and everything that goes with it. I am pleased members of the government have come into the real world and embraced change. The second casualty is that members of the Labor Party have unashamedly and with no further ado ditched the concept of a maximum uniform tariff. Even they have come to understand that that is not the way to go in the long-term interests of all Victorians.

Mr HOWARD (Ballarat East) — I am pleased to contribute to the concurrent debate on the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill. The bills move sections from the 1993 act into new electricity industry legislation that includes aspects of regulation within the industry.

Before I outline some factors of the bills, which seem to be clearly understood by the Liberal Party and National Party speakers, I point out that I was disappointed that a shadow minister was not the opposition's lead speaker.

Mr Plowman interjected.

Mr HOWARD — Ministers speak on behalf of ministers in the other place.

The Liberal Party, however, is apparently not in a position to provide a shadow minister to speak on behalf of a shadow minister in the other place. On the government side a minister spoke on behalf of the minister in the other place. In the case of the National Party, which is a small and fading faction, it was appropriate that the leader of that party speak on the bill.

A few previous speakers have spoken about the need for the miscellaneous amendment bill. It came about for two reasons. Firstly, the electricity industry in Victoria, against the will of the people, was privatised. The previous government sold off the former State Electricity Commission and chopped it up into pieces. That was a contentious act, and the people's response to it at the election that followed can be seen today in this house, where the former government sits on the opposition benches — clear evidence of the way the privatisation of the electricity industry was received.

The former government took it upon itself to sell off state assets so that, rather than returning to state revenue, any profits would go to overseas-based companies. The bill is therefore required to ensure that privatised companies are properly regulated. The government must accept privatisation because it has significant policies about economic responsibility. It is not in a position to turn back the clock.

When the former government put privatisation processes in place it did not also put in place the legislation needed to enable full contestability to be implemented. Members of the former government talked about how wonderful contestability was going to be, but they did not provide solutions to problems associated with full contestability.

We have heard comments from the Leader of the National Party about metering, which is one of a whole range of practical issues brought to the government for its consideration by the new privatised electricity companies. Those bodies have said it is not possible to follow the timetable set down by the former government because of a range of shortcomings in the existing legislation that this legislation is designed to overcome.

The Electricity Industry Legislation (Miscellaneous Amendments) Bill attempts to identify in one act all aspects of regulation of the electricity industry not clarified correctly in the current legislation passed by the former government in 1993. In particular it addresses three areas. The first is full contestability after 1 January 2001. The second is shortfalls in electricity, such as those experienced earlier this year. Current legislation is inadequate to ensure a proper response by Vencorp. The third is cross-ownership of the energy industry and some duplication in the current legislation.

Speakers on the other side of the house have recognised that the legislation is appropriate and well written. The bill is hefty and has an extensive explanatory memorandum at the front so that readers can see which clauses relate to which previous acts and which clauses are new. It is well presented, as opposition speakers have noted.

The bill acknowledges that full contestability is new ground. Victoria was the state wanting to forge ahead with privatisation, so Victoria is now the state having to tread that new ground and find new solutions. The people of Victoria are still waiting to see how the promises of the former Kennett government can be met, but the Bracks government is doing its best in the bills now before the house to provide appropriate contestability safeguards.

Full retail competition pricing constitutes a major change. The final phase of retail competition pricing was originally due for implementation on 1 January 2001. Major consumers of electricity have already gained opportunities to reap the benefits of contestability, but general domestic users have not — and will not even after 1 January 2001. The bill offers instead a three-year process towards that end.

As we have heard from other speakers, and as all Victorians are aware, the state experienced electricity shortages earlier this year. The shortages occurred early in the Bracks government's term of office. When it looked at the procedures to deal with electricity shortfalls it found that the former government had not

given Vencorp appropriate powers. Vencorp was not in a position to establish where the power supply needed to be directed to and where the availability could come from. The proposed legislation will place Vencorp, as the government-appointment authority, in a position to deal with shortages of power and issues of load shedding — —

Mr Plowman interjected.

Mr HOWARD — The government is responsible for ensuring that Vencorp has the power to keep it fully informed. Under the legislation we inherited from the former government Vencorp could not provide the government with appropriate information.

With the new legislation, which is clearly supported by the opposition, Vencorp should be in a position to give the government better information in cases of electricity shortage, which should ensure that power shedding arrangements can be put in place with appropriate timing.

The last part of the legislation relates to the powers of the Office of Regulator-General with respect to cross-ownership. Under the former government's legislation the Australian Competition and Consumer Commission also has certain powers, which has resulted in a duplication of the testing procedures needed to assess the effects of potential cross-ownership. The legislation removes the duplication and simplifies the way in which cross-ownership contestability can be followed through.

A study of the legislation revealed that there were still clouds hanging over the effect of any legal action pending beyond 1 January 2000. The proposed amendments in clause 15 of the Electricity Industry Bill will ensure that if there are appeals or legal actions pending the old forms of tariff protection will remain in force until any of those legal actions or appeals are resolved, in which case the new tariff protection arrangements will come into place.

Clause 28 also makes some minor adjustments to ensure that adequate arrangements can be put in place to deal with customer dispute resolution. Customer dispute resolution schemes will become a condition of the licensing of member businesses operating within the electrical industry.

These two amendments, along with the remainder of the bill, should be well received. They will be important in dealing with any issues following the privatisation of Victoria's electricity industry, and they will allow us to move forward with a greater sense of security and certainty. I commend the bill to the house.

Mr SPRY (Bellarine) — I speak with pleasure on two bills — the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill — which are being debated concurrently.

I am particularly pleased to contribute to the debate because both bills recognise the benefits of privatisation and contestability. They provide a framework to enable small domestic customers as well as bigger consumers to benefit from the former government's initiative.

The Electricity Industry Act was introduced in 1993 by the previous coalition government to unbundle the mechanical components of the giant energy organisation known as the State Electricity Commission of Victoria. It followed an agreement by the states to support the national competition policy advocated by Professor Fred Hilmer, which was later driven and embraced by the former Labor Prime Minister, Paul Keating.

By first corporatising and then privatising the generation, transmission, distribution and retail components of the industry significant savings have been achieved by business and bigger institutions.

An earlier interjection by the honourable member for Ripon demonstrated that he has either ignored the fact that these measures were introduced by a Labor government — and the Leader of the National Party mentioned former Premier Joan Kirner's involvement in that process — or he has missed the point altogether.

The words of the honourable member for Ballarat East indicate that he has also completely missed the point. Significantly, he asserted that the power dispute in the Latrobe Valley, which led to blackouts on 3 February, was the fault of the former coalition government. What a load of rubbish! It is a characteristic of the Victorian government that it continues to blame the former government for all its ills and ailments. It fails to realise that it has been in office for 12 months. The Victorian public will not accept its continuing to blame the former government for problems that are of its own making.

The government could not handle the situation created by militant unions. It was mesmerised, transfixed and paralysed into complete inaction. Victorians were not fooled by what happened.

The current situation in the electricity industry, including the savings to the bigger businesses and institutions to which I referred earlier, results from the fact that about 10 500 non-franchised Victorian customers — I am speaking here of the bigger customers who use more than 160 megawatt hours, which translates to about $20 000 per annum — qualified to engage in the contestability market on 1 July 1998. In addition, non-franchised customers now have a choice of retailers from whom to buy their electricity. They can also obtain a better price by buying wholesale or combining to create a buying group.

Early estimates show savings of up to 40 per cent among that group of customers. Pool prices have risen in the meantime, so those 1999 figures may not be as impressive now as they were then. It is not anticipated that residential customers, who are the subjects of the legislation, will gain savings of that magnitude, because their electricity usage is normally far less than that of the bigger consumers while their fixed distribution costs will remain the same. Nevertheless, they can expect significant savings once their retailers are exposed to contestability. Domestic consumers, the people we are talking about now, are impatient to see that aspect given effect to.

Returning to the bigger consumers, I will look at the contestable situation from 1 January 2001. That date was the previous government's target, which regrettably the current government is unlikely to meet because of its lamentable inaction during the 12 months it has been in office. It was anticipated that from 1 January 2001 an additional 60 000 businesses that use between 40 and 160 megawatt hours of electricity per year would be able to take advantage of the contestable market. Those businesses are typically single storey offices, small factories, fast-food outlets, schools and similar institutions, and larger clubs.

Provided they purchase interval meters — half-hour meters with remote communications, which are expected to cost between $800 and $1000 each — when the legislation is finally given effect those businesses will become eligible to join the contestable market, which it is hoped will force down prices.

The remaining 2 million mainly domestic customers were also due to come online from 1 January 2001. They will now have to wait, and we are unsure about how long the wait will be. One of the bills indicates that it could be as long as three years. It is to be hoped that the government has the will to drive the issue much harder than it has so that the benefits of contestability are available to domestic consumers a lot earlier than three years hence.

In speaking of medium-sized consumers I am reminded of a letter I received a week or so ago from the general manager of infrastructure services at the City of Greater Geelong. He laments the fact that the City of Greater Geelong is still not in a position to take advantage of contestability to provide public lighting — which I gather is still provided under a franchise arrangement similar to that governing domestic customers. I will quote a couple of paragraphs from Mr Henshelwood's letter:

> Advice received by the Municipal Association of Victoria (MAV) indicates that there are considerable margins in the tariff and that local government has been paying a premium price for public lighting.
>
> …
>
> It was the policy of the previous government and continued by this government that the retail market for electricity is to be contestable on 1 January 2001.

Presumably he is referring here to local government.

> This is significant to local government as it forces the 'un-bundling' of the electricity tariff and allows competitor retailers to bid for all components of the tariff.
>
> Council's concern is that given the delays and the extent of work yet to be completed, it is unlikely that the 1 January 2001 deadline will be met.

And that has been confirmed.

> In view of this it is essential that the state government, as a matter of urgency, exercise its powers and put in place an interim tariff to ensure continued regulation until contestability can occur.

I urge the minister to take whatever action is necessary to rectify the situation. I understand that section 46(2) of the Electricity Safety Act specifically prevented contestability in the provision of public lighting. I believe the Electricity Industry Bill repeals that prohibition and that when the legislation goes through both houses full contestability will be allowed to take place. The bills give effect to the benefits of full contestability so that all Victorian consumers, including residential customers, can enjoy those benefits.

The second-reading speech details the ongoing refining of legislation that is designed to accomplish the massive restructuring of the electricity industry initiated by the former government in order to provide cheaper power to all Victorians. I am pleased with the necessary housekeeping measures embodied in these bills, just as I am pleased to see the government embracing the process so enthusiastically. However, I am not pleased

by the inaction of the Bracks Labor government in failing to drive the process forward at a faster rate. The people who are suffering from that inaction are domestic consumers not only in the electorates of members on this side of the house but in the electorates of members on the other side, including the members for Ripon, Ballarat East and Tullamarine — in other words, right throughout the state.

The Electricity Industry Bill deals with the metering facilities required to provide full contestability for domestic consumers. Although that has been mentioned by previous speakers, I also want to highlight it. Electricity is peculiar in one aspect — that is, it is not a product that can be stored in big quantities, the cost of battery storage making it unfeasible. Therefore it is produced or generated to meet immediate demand.

For convenience demand is measured in half-hour intervals. In theory it requires meters that can measure and bill customers in half-hourly intervals so they can gain the full benefit of competition through accurate assessments of their fluctuating usage. Customers should still be able to enjoy the benefits of contestability by accepting profile or average price billing structures in the interim. The metering argument should not be used to inhibit the introduction of full contestability to retail and domestic customers. Nor should it be an excuse for the government to embark on a further round of endless committees and consultancies to determine how the issue will be handled and resolved.

In conclusion, the legislation is a natural progression in the reform of the electricity industry. Contrary to what the member for Ballarat East said in his criticism of the former coalition government, the legislation is a necessary evolution. It takes account of the fact that along with the other states in the commonwealth Victoria is entering a national electricity grid. Therefore, the legislation could not have been set in place earlier. As I said, this is an evolutionary process — and that is what it is all about!

I am pleased that the Labor government is cognisant of that fact and is taking logical and well-defined steps to put these measures into place. I hope the government does not use the legislation, or the metering issue, to delay implementation of full contestability and the consequent provision of financial benefits to domestic consumers for the full three years provided for by the proposed legislation.

Mr HELPER (Ripon) — Although it gives me great pleasure to speak on the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill, I find it hard to stomach the hypocrisy of opposition members who have contributed to the debate so far.

The main purposes of the Electricity Industry Bill — the provisions relating to electricity retail contestability, bestowing powers on Vencorp to deal with electricity supply shortages, and allowing for community service agreements between licensees and the state — must now be addressed through legislation because, in its haste to sell off the State Electricity Commission (SEC), the Kennett government did not address those matters in its legislative framework; it left a vacuum which failed to address those important issues. In the legislation introduced by the former coalition where was the ability to bestow contestability on small electricity users? Where was the power for Vencorp to address electricity shortages such as we experienced in February this year? The privatisation of the electricity industry by the previous government, and the legislative vacuum it left behind, brought about the introduction of these bills.

In a positive sense, the Electricity Industry Bill links Victoria with national trends in the electricity industry allowing it to link into the national electricity market. Opposition members should hang their heads in shame at the former Kennett government's neglect of small business and domestic customers and its failure to put in place an industry regime which brought competition benefits to those small customers.

The honourable member for Benambra criticised the government for the delay in introducing full contestability for small customers. Subsequently, when the honourable member for Ballarat East made his presentation I noticed interjections along the lines of 'What kept you?' — in other words, 'What kept you from introducing contestability?'. I should have thought it was the responsibility of the previous government, which privatised the SEC and put in place the current electricity framework, to address the issue of contestability for small customers. Apparently, it was not so and the only interest the former government had was to ensure contestability of electricity supply for the big end of town.

Another benefit of the proposed legislation will be to clarify the nature of mandatory retail offers. In a contestable market what happens to the small buyer that no supplier wants to supply. That matter was certainly overlooked by the previous government. What happens to those customers? Under the previous government and the electricity market it introduced they can whistle

dixie and get their own generators. That is unacceptable. It shows that the previous government put in place an electricity marketing system driven by big consumers and big business leaving the 2 million small consumers across the state — domestic and small business customers — out in the cold.

The bills are worthy of the support they are receiving from all of us. However, the need for the legislation highlights the fixation of the previous government with the big end of town.

Mr SMITH (Glen Waverley) — Parliament is certainly a fascinating place to be, particularly when one recalls the attitude of the Labor Party on privatisation issues such as this. The former Labor opposition was extremely vocal in its opposition to the issue of the privatisation of electricity in this state. When in opposition Labor members said the privatisation of electricity would never work. They said it was so evil they had to continue running campaigns week after week. Now the Labor government is introducing legislation and embracing privatisation; in fact, it is going one step further.

Labor is introducing legislation that overwhelmingly justifies the previous government's privatisation program. The program has been an extraordinary success, particularly in the area that most honourable members would understand, the retail side of the electricity industry, where companies such as United Energy, TXU Australia Pty Ltd, Citipower and AGL have been competing to win the affection, confidence and trust of the various markets they control.

As we all know, the previous government proposed to introduce market contestability on 1 January 2001 — in other words, in about two months. That would have provided the opportunity for the people we mainly represent — the domestic consumers — to choose which company they wanted to use. Under the previous government the companies were not only looking at ways of making the product more attractive from a price viewpoint but were also looking at the services provided and the types of products people could buy. The companies were trying every competitive trick and employing every method to woo the public to choose them, and I imagine that eventually some of them would be extraordinarily successful while others would not be successful. I do not know what would happen to the least successful companies, but one can imagine that some may have gone under.

When this government came to office it could see that if it allowed market contestability to be introduced on 1 January 2001 — in two months — it would be giving away a great advantage. What would it be giving away in the midst of its first term? It would be giving away a future election advantage. It is obvious to me, given the timing of the bill, that the government will not look at introducing market contestability for another three years. The government will either give a promise at the next election that it will introduce market contestability or it will bring it in just before the election and say, 'What clever people we are'.

It is a blatantly obvious political tactic, and I am surprised the media has not picked up on it despite the spurious reasons put forward by the government for not introducing immediate contestability. Given the competing forces in the overall market — in New South Wales, South Australia and Queensland, particularly south-eastern Queensland, and the hydro-electricity being brought over through Basslink from Tasmania — the government should be able to provide cheaper electricity for Victorians, despite all the other current economic pressures, not the least of which is the falling Australian dollar and the resultant rising cost of imports.

The claim that technical difficulties prevent the introduction of a contestable market is probably the main reason the opposition has elected to not oppose the bill rather than to support it. I would do anything to be able to give the bill my 100 per cent support, but I cannot do so because it does not bring in something that should be brought in. Victoria's market forces are able to compete not because the other states are not ready — it is not because New South Wales is not ready to come in — but because the previous government set the pace and the structure in which the electricity industry could operate. If the media works out that market contestability could be brought in now but is being held up for the spurious reasons given by the government, people will be saying, 'We should be getting the benefit now instead of waiting three years for it to be brought in'.

In January and February this year — in the middle of the summer season and at the height of the industrial action against the Bracks government — the government blamed totally the National Electricity Market Management Company(Nemmco) and then tried to blame the Victorian Energy Networks Corporation (Vencorp), but it would not take responsibility itself.

The bills before the house are evidence of the government's handpassing of the issue of industrial harmony back to Vencorp, which in turn takes its

orders from Nemmco, which runs the market, allocates the amount of electricity needed for a particular day and sets the prices to be charged. It is a subtle way of not taking full responsibility, which is typical of the Bracks government. It is not prepared to go the full distance, do the hard yards and take full responsibility.

An honourable member interjected.

Mr SMITH — The government asks what happened under the previous government. Industrial problems did not arise under the previous government because they were sorted out in advance. They did not exist because the representatives took the previous government into their confidence and did not flex their muscles. But as soon as a Labor government comes in — —

Ms Campbell — On a point of order, Mr Acting Speaker, what the honourable member has just enunciated is clearly factually inaccurate, and he is deliberately misleading the house.

Mr Doyle — On the point of order, Mr Acting Speaker, the accusation that a member is deliberately misleading the house is not something that can be taken up by point of order. The minister cannot simply assert that the facts are inaccurate and leave it at that.

If the minister wishes to demonstrate that that is so, in the first instance she must show why it is factually inaccurate, which she did not do, except by way of assertion. Secondly, the methodology by which that must be established is not by point of order, as I said. I therefore ask you to rule that there is no point of order in this case and to ask the minister to leave such serious accusations — —

Ms Campbell interjected.

Mr Doyle — Hang on. You have raised your point of order, and that is it, as you should know.

Government members interjecting.

Mr Doyle — She was about to jump up. I am just trying to help with the standing orders, which she clearly misunderstands.

A Government Member — We don't need your help!

Mr Doyle — Clearly you do! I ask you, Mr Acting Speaker, to inform the minister of the proper forms of the house. If such a serious accusation is to be made, it should not be made by way of a frivolous point of order.

The ACTING SPEAKER (Mr Phillips) — Order! The minister has raised a point of order regarding the deliberate misleading of the house. There is a forum for taking up matters concerning the deliberate misleading of the house, and it is not by way of a point of order. I suggest to the minister that she take it up directly with the Speaker.

The minister may in her summing up respond to the concerns she has raised about the honourable member for Glen Waverley. On that basis, there is no point of order.

Mr SMITH — Thank you, Mr Acting Speaker — and a very sensible decision, too! The obvious problem the electricity industry is facing is that the Labor government is not prepared to go the full mile and make the hard decisions. There is a new industrial movement out there that wants to flex its muscles and show the government how strong it is, and that is exactly what it did in January.

The response from the government of the day was weak. We all know what the Deputy Premier did and said during that period, which was absolutely nothing. Therefore, Victoria faced absolute chaos. Industry had to shut down, babies were put in peril in many cases, and at the other end of the line the lives of the elderly were made miserable, all because the government did not know how to handle a normal industrial dispute. No wonder the minister got herself into such a state, because government members do not like hearing it.

Ms Campbell — Tell the truth!

Mr SMITH — You are hopeless, and you know it! You want to blame somebody else all the time. How convenient to blame Vencorp for something that was the government's fault because it could not control an industrial relations dispute.

Who knows whether the same thing will happen this summer? But the bill does not address that issue; rather it flicks the issue of industrial relations back to Vencorp.

Government members interjecting.

Mr SMITH — They are very sensitive, aren't they? They are always very sensitive when it comes to things they cannot handle. They know they are no good at that sort of thing, which is why they become as sensitive as the minister is at the moment.

My views on the reactions of the people affected by Basslink reflect those of the Leader of the National

Party. I have spent some time in Inverloch and nearby places, and the reaction of people down there to the use of pylons is amazing. The authorities must be told that the pylons will have to go underground or they will not go in at all. Unless that is done, the people of the area will become justifiably upset over something that can be overcome. The issue should be carefully addressed before permission is given for anything other than the underground carriage of electricity from the Tasmanian hydropower system.

The legislation could have had our full support, but because for spurious political reasons it is lacking in areas such as the introduction of the contestable market before 2003, we can do nothing more than not oppose it at this stage. Once the media wakes up to the fact that domestic and business users of electricity could have had cheaper electricity by 1 January 2001, I am sure it will become a story that the government will rue for some time.

Ms DUNCAN (Gisborne) — It is always a pleasure to listen to opposition members speak on various bills because they give you so many opportunities to refute what they say. I have been blown away by the absolute ignorance of the members for Bellarine and Glen Waverley. Both of them stated early in their speeches that they commend the bill because it recognises the benefits of privatisation. It is amazing that they have so little understanding of what the bill is about, not to mention the honourable member for Glen Waverley's confusing the bill with an industrial relations bill. That is why I suggest he read the title, which says, 'Electricity Industry Act', not 'Industrial Relations Act'.

The bill has very little to do with who owns the means of supplying electricity. It has more to do with competition policy and is therefore not in any way dependant on the ownership or otherwise of the generation or distribution of electricity. If the member for Glen Waverley knew anything at all he would realise that in New South Wales, which still has a publicly owned electricity industry, similar legislation is required to meet the needs of competition policy.

The Leader of the National Party accused the Bracks government of abandoning its election commitment to maintain a maximum uniform tariff. In fact, the previous bill introduced in the autumn sessional period, which contains the reserve pricing powers, negates the maximum uniform tariff and effectively delivers on the promise.

The difficulty is that in its haste to privatise the electricity industry the previous government did nothing to introduce the mechanisms that were required to protect small business and domestic users during the transition to full retail competition. Had it introduced a legislative framework then, we would not be in the position we are in now. The previous government did not recognise the intricacy of the systems and processes that are required to manage the complex end of the changes to the electricity industry.

The changes we have seen to date are minimal compared with the challenges that lay ahead of us. Although to date fewer than 10 000 larger electricity customers have been able to choose their retailers, for the most part those larger users can look after themselves. It is the small business and domestic users that need the protection of legislative frameworks; and it is those users that the previous government completely ignored.

The government is working closely with other jurisdictions to ensure the achievement of cost-effective national outcomes from retail competition. The government is not prepared to plunge into retail competition for smaller customers if the costs and complexities of transferring retailers are not workable.

Although the member for Glen Waverley deems that there are benefits to be had, the government needs to ensure that that is in fact the case.

The framework the government is introducing will enable retailer consumers to recognise the benefits of the domestic market so that they can take advantage of competition which had previously been available only to larger businesses.

Despite all the ignorant comments made by opposition members, it is not a case of this government supporting the privatisation of electricity. It is a case of having to work with what we have, of being realistic and acknowledging what we are facing. We need to introduce full competition in the electricity industry but within a framework, not in the hastily cobbled together way that the honourable member for Glen Waverley would suggest we do.

Opposition members referred to the powers that were available to Vencorp and the role it played in the industrial disputes and blackouts that Victoria experienced earlier this year. In fact Vencorp did not possess sufficient information to be able to give the government the information it required. It did not have the authority to demand information from businesses about their power needs or their ability to shed their

load over time. The proposed legislation will enable that to occur. I commend both bills to the house.

Mr VOGELS (Warrnambool) — I am pleased to be able to contribute to the debate on the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill. My biggest concern is that full competition, which would have given smaller customers — small business people, retailers and farmers — the opportunity to take advantage of contestability will not occur for at least another three years. Contestability was originally to take place from January 2001. As a member of the Victorian Farmers Federation and the United Dairyfarmers of Victoria, I recall attending many meetings in rural Victoria when the State Electricity Commission (SEC) was being privatised. Small businesses in that area were very concerned about that. Although they were unhappy with a lot of the services they were getting from the SEC, they were also concerned that some big private company would come in and basically hold them to ransom.

We were assured at the time that by the year 2001 there would be contestability in the system and that business people, farmers and retailers would have the opportunity to buy supplies from different companies. I think the biggest problem with these bills is that that will not happen. This government has been asleep at the wheel for the past 12 months, and suddenly 2001 is coming up and we have got nowhere.

A couple of months ago the Regulator-General said that one benefit of privatisation would be the $65 rebate that would be available to most users of power. At the time the minister was pleased to take any credit for benefits flowing from privatisation, but the government does not want to accept any responsibility when things do not go right. The Warrnambool electorate is to some extent a large industrial estate. The city of Warrnambool is surrounded by smaller towns, and in between there is huge industry, basically dairy farming, which rely 100 per cent on electricity for power. The power supplies in Warrnambool are not up to scratch.

Prior to the last election the then opposition spokesman on regional development visited the area and promised $8 million for electricity infrastructure. Although that amount has since turned into $3 million, the minister tells us it is not a cut. If you tell a farmer or small business person that $3 million is really $8 million, you have lost your credibility instantly. Small businesses will not get their powerlines upgraded; the benefits will not flow from contestability; and there will be no cuts in their power bills from 2001. That will not happen for at least the next three years.

I turn to the issue of the guarantee of supply, which is so important to all Victorians. If a lot of water is sent down the Snowy River and into the sea — I believe there is plenty of water in the sea already — would it be possible to use a generator or turbine similar to the one at Lake Eildon so that when the water goes through Victoria will gain some benefit in electricity?

It no doubt shows my age, but when my family had electricity put on, probably in the 1960s, a deal could be done with the State Electricity Commission. If the customer could not afford to upgrade, the SEC would perform the work and charge a higher rate on the bill over the next few years to cover the cost of the upgrade. The SEC benefited because people were able to use electricity and the farmer, businessman or small retailer also benefited because he or she had a reliable power source.

Mr Lenders — Bring back the SEC!

Mr VOGELS — We do not want to go back to the 1960s. Since the Labor government was elected Victoria has gone back to the 1980s, but back to the 1960s is going too far.

I urge the government to get on with contestability. It is important for people in rural and regional Victoria as well as in the cities to have choices. The implementation is urgently required, and three years is a long time. If it takes until 2004 it looks like the next government, which will be formed by the Liberal Party, will have to sort it out again. I commend the bills to the house.

Mr MAXFIELD (Narracan) — Because of the shortness of time I will briefly outline my support for the bills, which clean up one of the Kennett government messes. The Kennett government sent Victoria into the new era. It sold off and privatised Victoria's institutions without looking forward to see how the system would work. The previous Liberal government did not understand how it would affect rural and regional customers because it did not care.

The bills recognise the state's electricity needs, including those of business and domestic users. It puts into place a framework to protect people in rural areas and low-income earners from the extreme price hikes that could have occurred if the government had allowed the system to get out of control.

Electricity prices in the Latrobe Valley are a good example of the Kennett government's neglect of rural Victoria. Under its regime a large business within 5 kilometres of the power station would have had to pay significantly more for its power than a similar business located in Dandenong. What a job killer for the Latrobe Valley! Through its shameful behaviour the Kennett government was hell-bent on driving down rural Victoria, including Gippsland. The Kennett government did not care about Gippsland; it cared only about its big mates in the city.

The bills recognise the needs of rural customers and provide a framework for going forward. I congratulate the Bracks government on a fine job.

Other honourable members have mentioned the timing of the legislation. The government has introduced it now because members of the Kennett government could not get off their backsides to do the preparation beforehand. They were lazy, slack and sloppy, but fortunately Victoria now has a government that is hell-bent on ensuring that — —

An honourable member interjected.

Mr MAXFIELD — That's right. Labor does care. It cares that it has the right framework in place to protect domestic, rural and regional users. I commend the bills to the house.

Mr DELAHUNTY (Wimmera) — The honourable member for Narracan was sprinting, and I was not sure whether he would get to the line. I was hoping he would not run out of breath.

I am pleased to speak on the Electricity Industry Legislation (Miscellaneous Amendments) Bill and the Electricity Industry Bill, which are being debated conjointly, and I congratulate the government on that.

Like the Leader of the National Party, I will not oppose the two bills. From what I have read, the bills are designed to continue and finalise the privatisation program initiated by the previous government. In the lead-up to the election the Labor Party said it had many reservations about the program, but the legislation wholeheartedly embraces and continues the program of contestability.

I want to comment on the honourable member for Narracan's speech. He is in the chamber and has had a few shots. I want to ask him whether he can remember which government sold off the State Bank, the electricity generators and the railway rolling stock. Since the Labor government took office it has tried to embrace the private sector in the building of railway lines and other projects. It is following some of the reforms started by the previous government, and I congratulate it on taking those initiatives.

The first paragraph of the second-reading speech congratulates the previous government on the competition program it implemented. It states:

> This bill represents a further step in the government's commitment to introduce competition to sell electricity to domestic and small business consumers.

I commend the government for wanting to ensure that all Victorians benefit from this reform. Victorians have already seen prices going down, and lower prices give the state the opportunity to be competitive in industry and attract people to live in Victoria. It is important that the benefits be enjoyed by the people who pay electricity bills, no matter whether they are paying their domestic electricity bills or the electricity bills of the small and large businesses that employ many Victorians. The bottom line is the ability to employ people and create wealth. At the end of the day the government should want to see wealth creators and employment generators.

The second-reading speech states that the government is conscious of the need to ensure that minimal barriers to competition exist and that costs are minimised. All honourable members on this side of the house, particularly members of the National Party, endorse that need.

The second-reading speech refers to several matters, but in the interests of time I shall turn now to the changing of customer meters. Changing to new meters to allow collection of consumption data is considered to be too expensive for most domestic and small business customers and the proposed amendments to overcome the problem are a good initiative. On 13 April I raised my concerns about Powercor and its supply of electricity to the Wimmera district in a member's statement. The shires of Buloke, Hindmarsh, West Wimmera and Yarriambiack held a series of meetings across the electorate and five key issues were raised, the first being the reliability of the electricity supply. The Office of the Regulator-General (ORG) carried out much work and Powercor has accepted its recommendation.

The second issue was poor contact with Powercor and the slow recovery times from blackouts. Again, Powercor has embraced those concerns. The third issue was price and the fourth was Powercor's involvement and presence in the community. The fifth issue was the

capacity of the distribution system to enable economic development of the shires. All honourable members know that power, whether it be electricity or gas, is important for economic development, and Powercor has a limited capacity to supply remote shires. I hope it can deliver power to the residents of those shires before competition comes forward. The overwhelming issue for the community is the reliability of the electricity supply, and the ORG has the power to ensure that that occurs.

On 4 February I wrote to the Regulator-General, Dr John Tamblyn, about the Horsham zone substation continuing to experience the worst performance of all Powercor's business centres and outlining the disappointment of residents in the Edenhope district at the number of power outages that had occurred and the subsequent slow recovery times. The blackouts cause hardship to residents, particularly elderly residents who become disorientated and frightened when blackouts occur at night.

On 15 June I wrote to Kevin Hannagan, the chief executive officer of the West Wimmera Shire Council, outlining my concerns about Powercor's submission to the Office of the Regulator-General and advising him that I was aware that its concept of a statewide equalised network tariff — the so-called postage stamp pricing system — was a central feature of its submission. Although I shared Powercor's claimed objective of fairness to all country consumers I did not believe the submission would reduce prices or improve reliability and I was concerned that its argument was more to fix up its bottom line than to redress the issues in western Victoria.

On 22 September I issued a media release stating that I was pleased that all those issues were addressed in the Regulator-General's report. On 9 October I issued a further media release commenting on statements made by the Minister for Energy and Resources that the government 'would not seek further equalisation of network tariffs' and stated that that was a backflip by the government which contradicted its own election pledge to retain uniform tariffs. I am pleased to see the government has admitted to that and the legislation will increase competition, which is important in not only improving reliability but driving prices down to make Victoria more competitive from a state and industry point of view.

It was disappointing that damaging blackouts occurred across Victoria on 3 February. Many people were stuck in lifts for several hours. Competition in supply is important to industry and the cost of living. The former Keating government initiated the Hilmer report, which is still referred to as the national competition policy. Had the former state government not embraced the change implemented by the national competition policy more dislocation would have occurred in the Latrobe Valley. I support the bill before the house.

Ms LINDELL (Carrum) — I am pleased to join the debate on the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill. The Leader of the National Party and the honourable member for Glen Waverley spent time reflecting on the past but in my contribution I look to the future.

Victoria is at a time and place where the electricity industry has been restructured, and the Labor Party's responsibility in government is to see that the restructure and subsequent regulation of the industry produces benefits for all Victorians. Costs and benefits are involved in any reform or restructure. Full retail competition may benefit some people, but I will mention a local manufacturer who has been negatively affected by the privatisation of the energy industry. Some will gain benefits, but many others have borne and will continue to bear costs.

The honourable member for Glen Waverley was particularly ungracious in some of his comments. I challenge his statement that full retail competition would have been possible by January 2001.

I relate to the house the example of a successful world-competitive textile, clothing and fabric manufacturer in my area who, over a number of years, has had considerable problems with the quality of his electricity supply. He hopes full retail competition will lead to an improvement in his service, but a question mark hangs over whether that will occur.

He operates in the growing industrial area of Carrum Downs and, as I said earlier, has suffered from the quality of his electricity supply. He planned to install leading technology in his factory, but the flow of electricity cannot be sustained at the level needed to run that equipment. He has invested many millions of dollars in new equipment to try to stay world competitive. The privatisation of the electricity industry has not helped him in that his energy supplier thinks it is too expensive to provide him with the level of service he requires.

The supply company is not interested in the growth of the Australian export industry; rather, it is interested in how it can maximise its profits, which are sent to its overseas shareholders. Honourable members may be

aware of the benefits to be received from privatisation of the electricity industry, but they should also count its costs to some people. I hope the privatisation and regulation of the industry lead to improvements in the electricity industry, particularly for the business operator I mentioned.

The government recognises that full retail competition needs to occur as the state moves into the national market. Victoria will benefit from putting into place the framework required for implementing the total privatisation of the industry. I commend the bills to the house.

Mr MULDER (Polwarth) — My contribution to the debate on the bills will be short. The bills deal with contestability issues in the power industry. The former government privatised the power industry, which now has five distributors. That process has worked extremely well since being put into place under the control of the Regulator-General, who has full access to the workings of the distributing companies throughout the state. They operate on an open-book system with the Regulator-General and are allowed to make what is considered to be a fair return on their investments. They are committed to infrastructure upgrades.

In one of his reports the Regulator-General said a couple of power companies wanted to phase in the cuts that were planned to be delivered to Victoria over a number of years. However, the Regulator-General took into consideration the extended use of power over the preceding four or five years, the marketplace at the time, the low interest rates and the returns enjoyed by distributors. He decided that the cuts should be delivered in full immediately. As much as the industry has been privatised, the controlling body overseeing power delivery in Victoria is strong and looks after the interests of country Victorians. It would have been great to have seen full contestability flow from the work undertaken.

One privatisation issue that affected my electorate is that some of the former State Electricity Commission of Victoria infrastructure in the south-west district was allowed to fall into disrepair over the years. The former government was committed to the upgrade of certain powerlines in my electorate and allocated $8 million for that purpose. As was reported in the Warrnambool *Standard*, and twice in this house, the Bracks government through the Minister for State and Regional Development announced that $8 million would be used for that upgrade.

During a tour of the area when they intended to announce infrastructure grants, the Premier and the Minister for State and Regional Development travelled together to Geelong and announced a $12 million grant. However, for some strange reason at that point in time they parted company. The Minister for State and Regional Development stayed in Geelong for a coffee and sent the Premier to Colac to announce the funding arrangements for the upgrade of power infrastructure in the south-west. Also, the media was not alerted to the fact that the Premier intended to visit Colac.

The announcement of the funding was made on the driveway of a private residence during a barbecue. At least the Premier was invited to one barbecue that month! Eventually my office had to tell the media that the Premier was turning up in the area to announce funding for south-west Victoria.

I was riled when the Premier announced a $3 million upgrade when the previous announcement had been for $8 million. I lodged a freedom of information request in an effort to find out how the change had occurred. Until then the Minister for State and Regional Development had claimed that all the negotiations had taken place between him, the Victorian Farmers Federation and the industry. However, in his reply to me of 16 October the minister states:

> In line with the government's commitment, I have decided to fund power infrastructure upgrades for the dairy industry based on a partnership model including power companies, dairy farmers and the government.

Off his own bat — not in consultation with the industry or the Victorian Farmers Federation — the minister decided that was the way funding should be provided. If the situation was as he states in his letter, the minister should have come to south-west Victoria at the time and announced it.

The farmers had a totally different idea of their commitment to power upgrades. They have been asked to invest in Powercor's infrastructure. They have also been hit with the cost of upgrades from transformers to their dairies. They do not own the infrastructure involved in the supply from their transformers to the mains, which is owned by Powercor, but huge investments are involved in infrastructure from the transformers to the dairies. Many farmers face costs of $70 000 to $80 000 to install underground lines to their dairies, new motors, switchboards and wiring systems. They were coerced into the arrangements believing they would be assisted to the tune of $8 million.

That $8 million did not eventuate. If the previous government was still in power I am sure that commitment would have been delivered by now. The Minister for State and Regional Development has left the dairy farmers of the south-west in the lurch.

Mr BRUMBY (Treasurer) — I will now sum up the debate in my capacity as Treasurer. Many speakers have contributed to the debate on the Electricity Industry Bill and the Electricity Industry Legislation (Miscellaneous Amendments) Bill, which reform the electricity industry. The bills introduce and provide the appropriate mechanisms for full retail contestability in the Victorian market.

I have heard a number of the contributions made today. Several opposition members referred to the three-year sunset provision, some arguing it is an indication that the government is not making all possible haste and that it is not serious about implementing full retail contestability at the earliest possible moment. I will set the house straight on that. The government is fully committed to full retail contestability, and it has introduced the legislation to meet the timetable.

Under the former government contestability was extended only to the 10 000 businesses that consumed more than $20 000 worth of electricity a year. Those businesses are well established and well able to look after themselves in negotiations within the electricity market. The legislation offers full retail contestability to another 2 million consumers who do not spend $20 000 per year on electricity or employ consultants to negotiate on their behalf. They are people who need to find their own way through the legislation, as will the retail companies that are part of the agreements.

As I said, the government has established a sunset period of three years. It is really a period of review that will end after three years. I assure the house that the government will roll out full retail contestability as rapidly as it can.

I will respond to some of the matters raised by the honourable member for Polwarth. By way of advice to a new member I suggest he makes sure that what he plans to assert in this house is accurate.

An opposition member interjected.

Mr BRUMBY — I am now in a position to give such advice. The honourable member for Polwarth stated that the previous government committed $8 million to the upgrade of single-wire, earth-return (SWER) lines in south-western Victoria. That is a fabrication; it is not based on the evidence. The honourable member needs to be careful about making assertions in this place that are untrue, because there are rules about such things. If the honourable member can produce a written statement from the former government that it was prepared to make $8 million available, I will stand corrected. However, I think he will find that the former government made no such commitment. Indeed, the former Premier visited that electorate in the run-up to the election campaign and when asked by the local media about such funds gave no commitment.

Because the honourable member for Polwarth got a bit excited about the issue I will explain to him that before the election the Labor Party, based on an independent study by a consultant, proposed an arrangement by which the dairy farmers would meet one-third of the cost of the upgrade. The honourable member shakes his head. There is an abundance of evidence to show that before the election the present government proposed that the dairy farmers meet one-third of the cost.

Since then, in consultation with the electricity industry and the company concerned, the government has been able to arrange that dairy farmers will meet only one-quarter of the cost. A person would have to be a bit slow up top not to understand that if farmers are paying a quarter of the cost rather than a third, as originally proposed, they are better off! The government has been able to negotiate a better deal to spread the tax dollar further. You do not have to be a genius to understand that paying a quarter of something is a better deal than paying a third of it. Apparently, however, the point has been missed by the honourable member for Polwarth.

This has been a good debate, and I commend the bills to the house.

The ACTING SPEAKER (Mr Lupton) — Order! As the required statement of intent has been made in respect of the Electricity Industry Bill, I will put the second-reading questions separately.

ELECTRICITY INDUSTRY BILL

Second reading

The ACTING SPEAKER (Mr Lupton) — Order! The question is:

> That this bill be now read a second time.

As there are fewer than 45 members present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read second time.

ELECTRICITY INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Motion agreed to.

Read second time.

ELECTRICITY INDUSTRY BILL

Committee

Clauses 1 to 14 agreed to.

Clause 15

Mr BRUMBY (Treasurer) — I move:

1. Clause 15, omit this clause.

A new draft of clause 15 will be inserted into the bill. That will be done by amendments 1 and 4, which have been circulated. Clause 15 provides for the possibility that because of legal action or appeal by the electricity distribution businesses there may be no distribution tariffs in force post 1 January 2001.

The redrafted clause 15 better addresses what is required in those circumstances. In particular, if a stay of determination of the Office of the Regulator-General is granted, subject to any contrary order of the court or the appeal panel that hears appeals from such a determination the determination's tariffs will apply post 1 January 2001 and the tariffs prior to the determination will apply prior to that date.

Amendment agreed to.

Clause negatived.

Clauses 16 to 27 agreed to.

Clause 28

Mr BRUMBY (Treasurer) — I move:

2. Clause 28, line 25 omit "decisions under".

3. Clause 28, page 27, after line 3 insert —

"(3) The Office may, in accordance with this Part, vary any existing licence to —

(a) distribute or supply electricity; or

(b) sell electricity —

to include a condition of a kind referred to in sub-section (1).".

Clause 28 derives from the Essential Services Legislation (Dispute Resolution) Bill, which is currently before the upper house. Amendments 2 and 3 are in the same terms as amendments to be made to that bill in the upper house. Clause 28 provides for customer dispute resolution. It reflects a concern that as currently drafted the clause does not adequately provide for amendment to existing licences so that the customer dispute resolution scheme being introduced by the clause became a condition of those licences. Neither the first amendment nor this amendment result in any change to the intent of the bill.

Amendments agreed to; amended clause agreed to; clauses 29 to 119 agreed to; schedule agreed to.

New clause

Mr BRUMBY (Treasurer) — I move:

4. Insert the following New Clause to follow clause 14 —

"AA. Continuation of charges relating to distribution system

(1) This section applies if —

(a) the Office has made a determination under the **Office of the Regulator-General Act 1994** regulating charges for connection to, and the use of, any distribution system; and

(b) proceedings are commenced in respect of the determination; and

(c) the determination is stayed or set aside.

(2) If the decision to stay or set aside the determination is made before 1 January 2001, then, despite anything to the contrary in the Tariff Order, the provisions of the Tariff Order regulating charges for connection to, and the use of, a distribution system will continue to apply on and after that date to that distribution system until a determination of the Office is in effect regulating those charges.

(3) If the decision to stay or set aside the determination is made on or after 1 January 2001, then despite the determination being stayed or set aside and despite anything to the contrary in the Tariff Order, the provisions of the determination regulating charges for connection to, and the use of, a distribution system will apply to that distribution system on and after the date of the decision to stay or set aside the determination until a determination of the Office is in effect regulating those charges.

(4) Sub-sections (2) and (3) are subject to any order of the Court or the appeal panel under the **Office of the Regulator-General Act 1994** to the contrary.

(5) The Governor in Council may, by Order published in the Government Gazette, provide for transitional arrangements between the operation of sub-section (2) or (3) and the operation of any determination of the Office that takes effect following the determination of the proceedings.

(6) An Order under sub-section (5) may direct the Office to make a determination under the **Office of the Regulator-General Act 1994** in respect of such factors and matters or in accordance with such procedures, matters or bases as are specified in the Order, or both.

(7) In this section **"proceedings",** in relation to a determination, means —

(a) proceedings on an appeal under section 37 of the **Office of the Regulator-General Act 1994** against the determination; or

(b) proceedings before a Court of a kind permitted by section 40 of the **Office of the Regulator-General Act 1994** in respect of the determination.'.

Mr PLOWMAN (Benambra) — I seek an explanation of the amendment moved by the Treasurer. The new clause is to follow clause 14 and is headed 'Continuation of charges relating to distribution system'.

Mr BRUMBY (Treasurer) — I addressed this in my earlier remarks. The honourable member needs to look at amendment 4 conjointly with amendment 1 because essentially they both address the same issue. Honourable members would be aware that some weeks ago the Regulator-General brought down his final report on the new pricing arrangements for the electricity industry post-2001. Subsequently the retail traders appealed to the panel set up under the Office of the Regulator-General legislation against the determination made by the Regulator-General. That appeal was unsuccessful. However, if any of those energy companies continue to express their concerns through the courts and appeal formally there is a possibility that those appeals may be upheld or that they will change the nature of the electricity pricing determination. It may well be that either we will not have a pricing schedule in place on 1 January 2001 or the schedule that is in place may be different to that presently envisaged and recommended in the Office of the Regulator-General's report.

The amendment takes account of the contingencies in a planned way so that whatever the outcome of legal action by the electricity companies a pricing order will be in place from 1 January 2001. That contingency is covered. It is commonsense, but at the time of the original drafting of the bill it was not possible to contemplate that contingency because the Regulator-General had not made his final report and the retail companies had not indicated that they would be appealing through the panel process and subsequently to the courts.

New clause agreed to.

Reported to house with amendments.

Reported adopted.

ELECTRICITY INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Committee

Clauses 1 to 64 agreed to.

New clause

Mr BRUMBY (Treasurer) — I move:

Insert the following New Clause to follow clause 37 —

'AA. ***Reference to Minister***

In section 34A(1) of the **Office of the Regulator-General Act 1994** for **"Electricity Industry Act 1993" substitute "Electricity Industry Act 2000".'.**

The amendment corrects a reference in section 34A of the Office of the Regulator-General Act. Section 34A was introduced into that act last session by the Electricity Industry Acts (Amendment) Act 2000 and forms part of part 4A of the principal act — that part which allows for special references by the minister administering the Electricity Industry Act 2000 to the office of any matter relating to the electricity industry for the office to conduct an investigation into that matter. The amendment does not significantly change the substance of the part but simply reflects the movement of the regulatory provisions governing the electricity industry from the Electricity Industry Act 1993 to the new Electricity Industry Act 2000. The amendment does not change the intent or the substance of the bill. In a sense it is a technical correction.

New clause agreed to.

Reported to house with an amendment.

Reported adopted.

ELECTRICITY INDUSTRY BILL

Third reading

The SPEAKER — Order! As there are fewer than 45 members present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

ELECTRICITY INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Remaining stages

Passed remaining stages.

WATER INDUSTRY (AMENDMENT) BILL

Second reading

Debate resumed from 7 September; motion of Ms GARBUTT (Minister for Environment and Conservation).

Mr PERTON (Doncaster) — The current minister was critical of the Kennett government for establishing Parks Victoria as the manager of national and state parks in Victoria. Essentially the bill removes the shell authority, Melbourne Parks and Waterways (MPW), and acknowledges that Parks Victoria is the appropriate manager of parks and similar public land in the state.

It is an interesting admission by the government. In its pre-election policies the ALP made clear its determination to tear down and destroy Parks Victoria because of the ideological, if not pathological, hatred of Minister Garbutt for Parks Victoria, its principles and management and what it represented — or so you would believe from her speeches.

Perhaps the reality is that she was speaking to an audience she was determined to win over for the election campaign, an audience opposed to better management of parks and better solutions to the problems of the conservation and preservation of native species.

In her speech on 14 May 1998 in the debate on the Parks Victoria Bill, the honourable member for Bundoora, as she was then referred to, opposed the bill and Parks Victoria. Her criticisms were vicious. The minister said:

> … the bill is based on the purchaser/provider split, so it is ideologically driven.

She goes on to say:

> There is no-one left in the department with responsibility for management. The director will be left as an adviser only.
>
> …
>
> Parks Victoria lacks public scrutiny.
>
> … its business plans and directions should be open to public scrutiny, and they are not.

Time and again that was proved to be a false statement.

Even more bizarre — and when one looks at the management style of this minister one realises that 'bizarre' is the appropriate term — she went on to say :

> Of even deeper concern was the takeover of the philosophy. It —

meaning Parks Victoria —

> is a venue-based attraction with a recreation-based philosophy, rather than a philosophy of conserving Victoria's natural environment. That is the philosophy of the approach of Parks Victoria and the government to Victoria's national parks —

that is a direct quote, and the grammar is not terrific —

> where the emphasis and the direction for the future are towards large private commercial developments. The philosophy will turn Victoria's national parks into theme parks rather than maintaining them as areas of conservation of environmental treasures.

Mr Helper interjected.

Mr PERTON — The honourable member for Ripon laughs, and I suppose he wonders what sort of person the now Minister for Environment and Conservation is. She is a person who believes the bigger the lie, the more believable it is.

She is a person who before the election made grand promises, most of which she has not kept. She is a minister who, if one examines closely her management of the department, can be shown time and again to have been speaking a great lie prior to the election campaign. Nonetheless, as I said earlier, the opposition does not oppose the bill because it is the burial of the Labor Party's Greener Cities policy.

The policy says that Parks Victoria will be abolished and revamped as a new Melbourne parks and bay service with its own act. I have not spotted a bill that creates a new Melbourne parks and bay service. I doubt that we will see it, because if one looks at the extraordinary calculations in that policy and compares it with the conservation policy document of the government when in opposition, 'Our natural assets — valuing Victoria's natural environment', one finds contradiction after contradiction. In 'Our natural assets', the destruction of Parks Victoria is estimated to cost Victoria $4 million, yet the Greener Cities policy estimates the cost of its destruction to be $500 000. That shows that before the election there was a great deal of confusion about policy and performance, which has continued from the election of the government to date.

The then shadow minister's speech on the Parks Victoria Bill in May 1998 was extremely ideological, and all the predictions in it have proved to be false. Her underlying premise was also false. At that time she said she would remove all traces of commercialisation, as she called it, from Victoria's state and national parks; but now that she is the minister, her views are an absolute contradiction.

Both the honourable member for Swan Hill and I remember the clever and devious way in which the Labor Party used the Wilsons Promontory issue before the election. I acknowledge that the coalition's announcement of consultation on the redevelopment of the accommodation at Tidal River left something to be desired, but the current minister put forward principles that clearly stated that there would be no commercialisation of and no additional hard-roofed accommodation in the national park. She also said the lighthouse would be incorporated into the park. Parks Victoria brochures now advertise a rate of $235 per person a night for bed and breakfast at the Wilsons Promontory lighthouse. That is hardly the affordable accommodation the minister promised!

Recently a journalist telephoned me to ask about the matter, because in the middle of the week a student journalist was given a quote of $99 a night for bed and breakfast on a bunk at the lighthouse. The Minister for Housing is raising her eyebrows, and rightly so. That is certainly not accommodation that is affordable for all Victorians. The minister's performance on accommodation at Wilson's Promontory has proved to be not only inept but hypocritical.

Secondly, the minister has failed to place the lighthouse in the national park. The honourable member for Springvale is reasonably expert on real estate transactions. How long do you think it would take to transfer the lighthouse to the national park?

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Doncaster should direct his remarks through his Chair. I hope the honourable member for Springvale will not respond.

Mr PERTON — Mr Acting Speaker, you have been a mayor of the City of Knox, a municipality that has been a model of good management. You know that it does not take a year to transfer a lighthouse to a national park. If you want to know why — —

The ACTING SPEAKER (Mr Lupton) — Order! We do not have any lighthouses in Knox!

Mr PERTON — Mr Acting Speaker, do you want to know why the minister has not transferred the lighthouse to the national park? To find out we have to turn to our friends from the Prom Campers Association. It is chaired by a former Labor member of Parliament, who has hit upon the reason, which is that the new hard-roofed accommodation is being built at the lighthouse. This untruthful, hypocritical minister is delaying the transfer of the lighthouse to the national park while her workers are busy constructing new hard-roofed accommodation so she can then transfer the lighthouse to the park — hence no building works in the park. It is a morass of lies, untruths and mismanagement, and I am surprised that Labor Party members can continue to support the minister.

This is not just about Wilsons Promontory.

Mr Maxfield interjected.

Mr PERTON — I notice the honourable member for Narracan squeaking, but I am not sure that the Bunyip State Park is part of his electorate. Does it come into your electorate?

Mr Maxfield interjected.

Mr PERTON — You do not know the boundaries, do you? I was in the Bunyip State Park just last week — —

Mr Helper — On a point of order relating to relevance, Mr Acting Speaker, the house is discussing the Water Industry (Amendment) Bill, which deals with Melbourne's parks and waterways and their disaggregation. I do not think it has a great deal to do with the matters referred to by the honourable member for Doncaster.

Mr PERTON — If only the honourable member had read the bill, Mr Acting Speaker. I refer him and you to page 5, which refers to the Conservation, Forests and Lands Act of 1987, the National Parks Act of 1975, and Parks Victoria Act of 1998. In those circumstances I believe I am entitled to speak on national parks.

The ACTING SPEAKER (Mr Lupton) — Order! I have heard sufficient. There is no point of order.

Mr PERTON — A local resident of Gembrook, Mr Stephen Dobinson, wrote to me about the Bunyip State Park and I was in the park last week to examine the issues. Mr Dobinson has been consistently writing to the minister asking for action. Strangely, he has received some letters from the Premier but not had much response from the minister. When I visited the park I discovered that a relative of one of the members of the Labor Party's caucus also lives in the area. In the space of one year the lives of the people living on the edge of the Bunyip forest have been turned into a hell.

Because the minister has failed to listen to the rangers and give them the additional resources they need, and because the minister has failed to ask her colleague the Minister for Police and Emergency Services for policing of the park, Bunyip State Park, which is a significant and beautiful park, has been turned into a raceway, not just every Saturday and Sunday but almost every evening of the week.

Mr Dobinson keeps writing and saying, 'Minister, do you care that your park is being torn apart by four-wheel-drive vehicles driving on tracks illegally and trail bikes creating courses throughout the park?'. What does Mr Dobinson get for caring about the park? He gets ridicule from the minister. I went to the park and I met residents and conservation activists who told me that the minister — —

Ms Duncan interjected.

Mr PERTON — Oh, it is the honourable member for Gisborne, Madam Woodchip herself!

Ms Duncan interjected.

Mr PERTON — I did enjoy the public meeting the other day! Seven hundred of your constituents called for you to resign!

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! We need to bring some order back to the debate. The honourable member for Doncaster, without assistance and without any comment from the honourable member for Narracan.

Mr PERTON — The local residents and conservationists are being told that the minister, as a stunt, wants to have released into the Bunyip State Park koalas from French Island. The minister also wants to release a number of helmeted honeyeaters, which have been bred for the purpose in another government facility at Healesville.

The local residents have asked, 'How can you do this?'. It was only the publicity last week and the protest by local residents that stopped koalas and helmeted honeyeaters being released into a park that had been turned virtually into a hunting ground for native species. It is a raceway which disturbs the residents living on the edge of the park, and those activities endanger the species that are meant to be preserved.

The minister has not only failed to manage parks but she has also failed to implement her promise to enforce the Flora and Fauna Guarantee Act. Earlier today during members statements I referred the house to the demand of the Merri Creek management committee and the Friends of the Merri Creek to have the minister undertake an endangered species habitat study of the grasslands in the Thomastown area.

Mr Stensholt — On a point of order, Mr Acting Speaker, I do not see any reference in the bill to endangered species. I ask to you bring the honourable member back to the bill.

Mr PERTON — On the point of order, Mr Acting Speaker, I know that the honourable member has a suburban electorate and I can understand that, after his extensive overseas work experience, he might not have much idea of the purpose of certain parks in Victoria, but the preservation of endangered flora and fauna is very much part of this bill. The bill is about a reconstruction of the former Melbourne Parks and Waterways. I should have thought responsibility for the Merri Creek rests fairly and squarely with Melbourne Parks and Waterways. If the honourable member for Burwood is such a dill that he cannot see that — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Lupton) — Order! I have heard enough on the point of order. I do not uphold it. The bill is both specific and wide ranging. It refers to matters which the last two points of order have raised. I have not upheld them and I do not uphold this one. Perhaps this is a good time for the sitting to be suspended for dinner.

Sitting suspended 6.30 p.m. until 8.03 p.m.

Mr PERTON — Prior to the dinner adjournment I referred to the fact that the bill is the last of the ALP's pre-election policies and that in her policy, which was entitled 'Greener cities — Labor's plan for the urban environment', the minister promised that she would destroy Parks Victoria. As I said, the reason she said she would destroy Parks Victoria is contained in her speech on 14 May 1998, in which she attacked the philosophy of Parks Victoria and said:

> It is a venue-based attraction with a recreation-based philosophy, rather than a philosophy of conserving Victoria's natural environment. That is the philosophy of the approach of Parks Victoria and the government to Victoria's national parks, including Wilsons Promontory, where the emphasis and direction for the future are towards large private commercial developments. The philosophy will turn Victoria's national parks into theme parks rather than maintaining them as areas of conservation of environmental treasures.

This is the minister who said she would destroy Parks Victoria. What does the bill do? It preserves the position of Parks Victoria. It entrusts Parks Victoria with the management of the parks, and very appropriately so, because under the Liberal government Parks Victoria was among the best park services in the world. It is not just the Liberal Party that says that.

Honourable members interjecting.

Mr PERTON — The honourable member for Benalla is agreeing; I thank her for that. The environment protection agencies and national park services of Canada, California and New Zealand have all worked cooperatively with Parks Victoria. They have referred to it in their work and planning and have said that its practices are the best in the world.

Under the Liberal government Parks Victoria managed 4 million hectares of parks and reserves, 36 national parks, 3 wilderness parks, 31 state parks, 83 regional parks, 11 marine and coastal parks and reserves and 3000 Crown reserves.

Parks Victoria works so well because it has engaged some of the best professional research and training in the world. It has been able to do that because of the merger of the services operating in metropolitan parks and rural parks. As I have travelled around the state and talked to rangers they have explained to me that it is the cross-fertilisation of skills — the ability of a ranger in the country to take his or her skills on pest animals and weeds into city parks and the ability of city rangers to move to rural parks to help with the management of large numbers of visitors and the degradation that can be caused by those visitors — that was of such benefit. The administrative changes this minister made in forcing Parks Victoria to alter its management structure and separate its city park and rural park workers have been at the expense of the career objectives of many of those park rangers and have certainly been against their wishes.

It would be interesting to know how much this sort of second-rate Labor Party policy has cost. As you know, Mr Acting Speaker, in the election policy that you probably distributed among your voters there were two contradictory planks — one that said the cost of the break-up of Parks Victoria would be $4 million and one that said the break-up of Parks Victoria would cost half a million dollars. I suspect it will be substantially more than that.

Before the dinner break I referred to many of the failings of the minister, particularly with respect to Wilsons Promontory and the Bunyip State Park. The honourable member for Gisborne, who interjected immediately before the break, represents the Wombat State Forest, which is the worst example of the Labor Party's breach of its election promises. She was elected on a platform of opposing the regional forest agreements (RFAs) and woodchips. In the most deceptive way the honourable member for Gisborne stood with the Greens of the Wombat State Forest to collect signatures against the RFA and woodchipping. Within months of being elected — —

Mr Steggall interjected.

Mr PERTON — Or weeks, as the honourable member for Swan Hill says, she came out in support not only of the RFA but, worse still, of an increased level of woodchipping in the forest. The Labor member for Gisborne, who actively campaigned against woodchipping, has presided over an increase in woodchipping in that forest. She has set out to disrupt the leadership of Green groups within her electorate and has become so much a creature of the government that the other day when a protest meeting about council valuations took place in Mount Macedon she was found skulking at the back of the hall. She would not take the stage to answer for the policies of her government.

She would not answer because she and the Minister for Environment and Conservation have betrayed the voters of Gisborne in a number of ways. One is by introducing an RFA and, despite the earlier position, then increasing the level of woodchipping in the forest. The Premier was then slipped in to meet with certain favoured Labor Party groups, excluding the independent Green groups who are working for the preservation of the Wombat State Forest.

Minister Garbutt, whose responsibilities also include the state's valuation system, has presided over an absolute disaster. Thousands of the constituents of the honourable member for Gisborne are being massively overcharged on their rates because of an inadequate valuation system, and neither the minister nor the honourable member is prepared to stand up for the constituents and have the valuations altered or intervene to require the council to alter the rating system so that it becomes fair and equitable.

The government has presided over a litany of failures in the management of parks by the minister, and that is clear no matter whether one is looking at the icon park at Wilsons Promontory, the Wombat State Forest or the Bunyip State Park.

On Monday of this week there was the extraordinary situation of the Minister for Aboriginal Affairs being caught trying to hand over the ownership of Wilsons Promontory to land rights claimants. He suggested he would change the name of Wilsons Promontory National Park with no consultation and would agree to divert funds away from the management of that park. When he was found out by the *Herald Sun*, which published his remarks — he was contacted by the journalist on a second occasion to verify his comments — he lied in the press and on the radio, suggesting that the journalist was inaccurate and lying.

The most horrific aspect is that when the Minister for Aboriginal Affairs threatened to tear apart the management of Wilsons Promontory National Park, Minister Garbutt was missing in action.

Matters have gone to extremes, with the Minister for Aboriginal Affairs negotiating on hunting in national parks. Under former Premier Kennett, who was a good Minister responsible for Aboriginal Affairs, negotiations for native title payments were moving forward appropriately.

Ms Gillett — On a point of order, Mr Acting Speaker, as is often the case with lead speakers on the other side, enormous latitude has been extended to the honourable member for Doncaster. However, I suggest that the honourable member is straying far from the bill, and I ask that you call him back to it and direct that his remarks be relevant.

Mr PERTON — It is good to see that the honourable member for Werribee has received some inspiration during the dinner break, as she was absent from the house before it. If she had a copy of the bill she might notice that it amends the Conservation, Forests and Lands Act, the National Parks Act and the Parks Victoria Act. In that context, Mr Acting Speaker, I believe that as the lead speaker I may refer to national parks.

Mr Helper — On the point of order, Mr Acting Speaker, it may be fair enough for the honourable member for Doncaster to claim that the bill touches on the Conservation, Forests and Lands Act, the National Parks Act and the Parks Victoria Act. However, it also touches on the Valuation of Land Act. Would you tolerate a lengthy diatribe on that 1960 act?

Mr Stensholt — On the point of order, Mr Acting Speaker, the honourable member for Doncaster is straying far from the bill. I do not think he has read it, because earlier he said that it had nothing to do with my electorate of Burwood. However, the only park mentioned in the bill is Wattle Park, which is in my electorate. I ask that you bring him back to the bill.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Doncaster has gone a little too far in referring to individual members of Parliament. I ask that he return to the bill rather than refer to individual members. I uphold the point of order, but the honourable member for Doncaster as lead speaker for the opposition has leave to cover all angles of the bill, which is broad.

Mr PERTON — As I said, Mr Acting Speaker, the bill buries the Labor Party's policy to destroy Parks Victoria. I suspect that the minister's colleagues, including the honourable member for Ripon, have a better sense of that destruction than the Minister for Environment and Conservation herself — and probably the honourable member for Burwood, who is becoming quite verbal. I suspect those honourable members have brought a sense of reality to the debate, which is why the Labor Party policy has been buried and why it is acknowledged that Parks Victoria is one of the best parks agencies in the world.

The last thing the bill does is acknowledge that historically the management of parks under the Liberal Party has been stronger than their management under the Labor Party. Late last year I spoke about Parks Victoria and its strong management. Following the new priorities given to Parks Victoria and the Department of Natural Resources and Environment by the current minister, things have clearly deteriorated. On Sunday I visited a national park which last year I referred to as a park of great value with high visitor numbers. However, I found the park riddled with onion weed.

Ms Gillett interjected.

Mr PERTON — The honourable member for Werribee, who was no great admirer of Jeff Kennett, is absolutely right in saying that under the former Kennett government weed and pest control in the park was of the highest possible standard. Last Sunday the park was riddled with onion weed. We walked along a track used by tourists and locals alike and saw rubble and rubbish that had obviously been dumped several days earlier. It is clear that the ordinary management practices of national parks have deteriorated under the administration of the Minister for Environment and Conservation.

Going back to the time of the great Liberal Prime Minister Alfred Deakin, the Liberal Party in government has always been the party of conservation.

Government members interjecting.

The ACTING SPEAKER (Mr Seitz) — Order! I ask members on the government side to cease interjecting and allow me to hear the honourable member for Doncaster without interruption or assistance.

Mr PERTON — As early as 1908 Alfred Deakin intervened to protect native bird and animal species through the federal Customs Act. Former Premier Henry Bolte worked in conjunction with dedicated public servants and ministers Rupert Hamer and Bill Borthwick to create the system of national parks that we are talking about today. They also implemented environment protection legislation that remains a world leader. It was under the Liberal government in the 1970s that Victoria became known as the Garden State. Every member of this place is old enough to remember the pride with which the Garden State car numberplates were adopted. Victorians felt a genuine sense of progress when the Environment Protection Authority was established.

Mr Stensholt interjected.

Mr PERTON — Through his interjection the honourable member for Burwood acknowledges that. At that time Victoria started to clean up its air and water.

It was very much a matter of liberal philosophy. Shortly after his election, Premier Hamer said that the state would be less materialistic and more interested in things of the spirit. He said that all other growth and development would be negated if we destroyed the surroundings in which we live. A couple of years later an article appeared in the then *Herald* of 15 November 1974, when the then Premier, Rupert Hamer, said that we had an obligation to preserve our natural heritage. He said we were moving ahead as fast as possible in that area. Recently the *Age* newspaper paid tribute to Sir Rupert and applauded the fact that he had participated in the founding of the Environment Protection Authority and established the commission that recommended increasing the number of national parks and forest reserves.

During the course of the Kennett government, particularly under the leadership of the Honourable Mark Birrell in the other place and then the Honourable Marie Tehan, great improvements in the management of our national parks were achieved. The subject of the bill — that is, the management of Parks Victoria over national and state parks — was then well established and well regarded.

Mr Helper interjected.

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for Doncaster will ignore interjections.

Mr PERTON — The honourable member for Ripon talks about the quality of toilets in national parks. If he spends his time in parks he will have noticed a deterioration in the past year, as obviously the new priorities of the minister make it clear that all the government is on about is skunks, one example of which is the proposed Port Phillip marine park. During the last election campaign former Premier Kennett promised $5 million for a Port Phillip marine park. The Bracks government has provided only $1 million in its budget. You do not get much for $1 million in a terrestrial park let alone a marine park.

Finally, the great challenge for the Labor Party is to implement what is so important for Victoria's parks — that is, the preservation and protection of native flora and fauna. As I said earlier, people such as those on the Merri Creek management committee and the friends of the Merri Creek have pointed to the hypocrisy of the minister, when 16 eminent Victorian scientists — the Minister for Local Government giggles at the thought of 16 eminent Victorian scientists — called upon the minister to intervene to undertake habitat studies under the Flora and Fauna Guarantee Act. Not only did the minister disagree with that approach but her advisers said, 'No, Minister, we don't do that sort of thing'.

I refer to the web site of the Department of Natural Resources and Environment. The minister is supposed to be totally committed to improving protection under the Flora and Fauna Guarantee Act. The site contains a whole range of species for which no flora and fauna action statements have been prepared. For instance, the

recent controversy about the Alpine National Park — and the honourable member for Benalla was involved in the debate — centred on the restoration of the face of Mount McKay to the Alpine National Park.

One reason the minister sought to return that land to the park was to preserve certain endangered species including the alpine bog-skink, the alpine she-oak skink, the alpine stonefly and the alpine water skink. One would have thought that had they been so important an action statement would have been prepared. Is there an action statement for those animals? No!

Mr Howard — On a point of order, Mr Acting Speaker, again the honourable member for Doncaster is straying from the bill which, as he says, relates to the winding-up of Melbourne Water and to specific issues about the way Parks Victoria will be managed in the future. He is now talking about alpine parks. I ask you to call him back to the bill.

The ACTING SPEAKER (Mr Seitz) — Order! I do not uphold the point of order. However, I ask the honourable member for Doncaster to direct his remarks to the bill.

Mr PERTON — The second member for Prahran, whose title is the honourable member for Ballarat East — that is, a member for Ballarat via Prahran — is the parliamentary secretary to the Minister for Environment and Conservation, and I suspect the animals I referred to that come under a plan for their preservation fall within his responsibility.

The bill is necessary to complete the winding-up of Melbourne Parks and Waterways and to bring the management of metropolitan and rural parks under the management of Parks Victoria, an organisation established by the then Liberal government against the opposition of the present Minister for Environment and Conservation and government members. The bill is the last nail in the coffin for the ALP's policy to destroy Parks Victoria. The Liberal Party wishes Parks Victoria well even while it is under the leadership of such an ideological and uncongenial minister.

Mr STEGGALL (Swan Hill) — I know honourable members are waiting to hear what the honourable member for Swan Hill has to say about Melbourne Parks and Waterways! I congratulate the honourable member for Doncaster who has highlighted the many issues which are the subject of the Water Industry (Amendment) Bill. Some honourable members may not be aware that the bill amends the National Parks Act, the Crown Lands (Reserves) Act, the Land Act, the Wattle Park Land Act, the Water Act, the Conservation, Forests and Lands Act, the National Parks Act, the Parks Victoria Act, the Melbourne and Metropolitan Board of Works Act, the Borrowing and Investment Powers Act, the Environment Conservation Council Act, the Forests Act, the Valuation of Land Act and the Water Industry Act.

It is interesting that the house is debating natural resources legislation that relates to the city of Melbourne. Most of the issues referred to by the honourable member for Doncaster are usually covered only in bills affecting regional Victoria. This bill is different because it has brought to the city the many and varied problems country Victorians must handle daily in the management of natural resources.

I congratulate the honourable member on the way he has weaved his way through the bill because those of us who have been around this place for some time know that national parks and resources management legislation have been among the most divisive debates as society tries to come to grips with managing the state's natural resources. The honourable member for Gippsland East smiles because he and I have been debating throughout Victoria the management of certain national resources in eastern and northern Victoria. Society is challenged by the question of how it might manage those resources. That question certainly tests us all.

This little bill brings to an end a chapter that commenced in 1992 or 1993 — namely, the wind-up of the Melbourne Parks and Waterways. It transfers 4000 hectares from that organisation to the Crown, and it changes the current management programs. The bill also highlights the ascendancy, as the honourable member for Doncaster would say, of Parks Victoria. After the change of government, members on this side of the house honestly thought Parks Victoria would get the chop within six months, but I am delighted to say that it did not. Such is life in this place that people who say one thing and do another lead us all into disrepute. They make it difficult to come to grips with how Parliament and the community can manage and handle various natural resource issues. Those issues are some of the biggest we have to face. That is not news to those honourable members from the country; but the current debate is set in Melbourne. The bill provides metropolitan members with an opportunity to get stuck into thoughts and theories on the management of land.

A big debate that seriously divided the Parliament in 1989 concerned a national park in the Mallee. It occurred during the Labor years, and was on the last major bill to be debated before the Liberal and National

parties joined together in coalition. That bill demonstrated how poorly governments can manage national parks.

An important point that should be heard and understood — and one the honourable member for Doncaster was trying to make in his contribution — is that the actual management of the land is the critical factor. You can put policies and whatever else you like in place, but if governments and ministers are not prepared to enforce them they will fail. The best policy in the world will fail if no-one makes it happen. That is what has happened many times in the history of natural resource management. Governments and ministers do not always like to force the issues, but sometimes they must.

It is fascinating that the Minister for Environment and Conservation has not been seen in the house today during debate on this bill. I am sorry she is not here because the issues impinge directly on her portfolio and should be of interest to all honourable members, as they are to those of us who live in the country. Although opposition members may often be politically opposed to some of the methods used by the minister, we are all barracking for good natural resource management of the state. Unfortunately, that does not seem to be of much interest to this government. I am sorry the minister has not seen fit to participate in the debate and to help push the arguments. We all travel far and work hard on some of the natural resource questions, none of which are easy. No one person has the wisdom of Solomon when it comes to the management of natural resources. It is to be hoped all of us working together and in groups might be able to achieve the best possible result.

The environment is one of the great issues in country Victoria, but Parliament is dominated by metropolitan members who in most cases do not have the responsibility for natural resource management or the knowledge of what happens in environmental operations. I appreciate that the environmental movement is based in the city, as are the people who want to make a big noise and get a big headline. When it comes to managing a forest, a river system or a land base, however, they are nowhere to be found. For them, when the headline goes, the issue goes. That upsets many of us who are in this place principally to address the natural resource challenges affecting our electorates and our constituents. The bill gives the people of Melbourne the opportunity to consider some of those challenges for themselves. The house has observed the many interjections and points of order taken against the honourable member for Doncaster during his contribution and knows how little some people have considered what is at stake.

It is interesting to see the range of statutes such a little bill can cover. One main issue is the change in responsibility for the management of land. The reservoir parks, for example — and there are 12 of them referred to in the bill — will become Crown land and given to the secretary of the department and the minister to manage. Suddenly Melbourne's playgrounds assume some importance.

Before the amendment of the Water Act in 1989 the former State Rivers and Water Supply Commission, which later became the Rural Water Commission, acted as a buffer between the people and management because people with problems had difficulty getting through to the minister.

In 1989 we changed that. We as a Parliament — I say 'we' because I was in opposition at the time, and those who wish to smile and smirk a little can do so — proposed 704 amendments to the Water Act, all of which were accepted. Those 704 amendments changed the face of the water industry and its proposed direction under the then minister, Bunna Walsh, during the days of John Cain's Labor government.

In those amendments we made sure that the minister was the person responsible for the department's actions. Previously the department had been responsible and the minister had a relationship with the industry at virtually the legislative level.

I am pleased that this bill has done a similar thing — that is, if people have problems with the legislation they will be able to get a hearing through the Parliament because the minister will be the responsible body. I am delighted that that has continued, because there were many instances in the 1980s when we could not get issues into the Parliament because the minister was not responsible for the matter.

The bill sets in place changes to Melbourne Parks and Waterways and enables it to surrender to the Crown some 4000 hectares of land. It sets up a management regime, clarifies ownership of the land being surrendered to the Crown — all the easements, rights and interests are there — and specifies the lands, functions, powers, rights and liabilities going to the state.

Melbourne Parks and Waterways will be abolished by December 2001. That is the way the former government had been approaching this operation. We thought that was going by the board because when she was in opposition the minister made it look as though

Parks Victoria was for the high jump if the Labor Party got into power.

I suppose that is one of the reasons the minister is not here tonight — she might be a bit embarrassed about it — but I am pleased that she has not done away with Parks Victoria. Rather she is, I hope, strengthening it and will make sure that it carries out the functions it is given.

As is currently obvious in many areas, the Labor Party has one big failing: it has not been keen to ensure that it enforces rules and even its own legislation. It likes to receive the headlines and applause, but it falls down very badly when it comes to management of the areas. It is becoming known as a government that says one thing and does another.

The honourable member for Burwood was most impressed with Wattle Park being included in the bill — the chalet, the golf course and the tennis courts will be protected under the Crown land legislation. The National Party supports that. In 1916 the Hawthorn Tramways Board purchased the land, probably thinking that the management of the land would be as if it were Crown land, which is precisely what happened over most of the last century and will now continue in this century with it truly being Crown land.

The National Party does not oppose the bill. We hope it will succeed. It comes out of our term of government in coalition with the Liberal Party. It forms part of the ongoing changes that are always necessary. I hope the Labor Party will heed what I have said and look after the management issues.

The honourable member for Doncaster upset some honourable members with his comments. He simply criticised the government's management of the landmass. The Labor Party has never been good at doing the hard yards. There is good reason to do the hard yards. The National Party did — and it could be said that we paid politically for making things happen.

When dealing with land management in these areas I urge the government not to walk away from the responsibility given to it by the people of Victoria. I wish the bill a speedy passage.

Mr HOWARD (Ballarat East) — I am pleased to support the Water Industry (Amendment) Bill. I do not see the need to speak for long on this bill. As was mentioned by the two previous speakers, the bill has the wholehearted support of honourable members. It is a concise bill that relates to the winding-up of Melbourne Parks and Waterways and the surrender of its land to the Crown. The government continues to be strongly committed to protecting these areas, recognising that they are significant for their biological, conservation and recreational values.

The minister will take direct responsibility for the ongoing management of all the areas that were previously either owned or leased by Melbourne Parks and Waterways and will now be transferred to the Crown.

The legislation affects more than 4000 hectares of metropolitan parkland including areas in the Yarra, Maribyrnong and Dandenong valleys and Plenty Gorge, at Point Cook and at many other locations around Melbourne.

It also specifically includes Wattle Park, a large area of land that the honourable member for Burwood clearly has a great interest in. It also includes land that has been leased by Melbourne Parks and Water, and those leases will be transferred back to the minister. The minister will continue to have responsibility for the recreational values of waterways, although Melbourne Water will be responsible for the quality of water.

The government has taken the opportunity to make some changes to the management of the national parks. The bill clarifies the responsibilities of the head of Parks Victoria in advising the Secretary of the Department of Natural Resources and Environment and the minister to ensure that the minister has final responsibility for the management of all the national parks under Parks Victoria.

I see little need to comment on the contribution made by the honourable member for Doncaster. When he spoke to the bill he clearly supported it; but unfortunately, as is usually the case with the honourable member, he indulged in a long-winded diatribe that rarely related to the specifics of the bill. He dealt with a range of hobby horses, generally with his regular degree of political licence. They do not relate to the bill, so there is no need to comment further on his contribution.

The honourable member for Swan Hill is clearly in favour of the bill. He pointed out the relevance of the bill to the water industry, so there is little more to say. The bill deserves the wholehearted support of the house. It does not need a great deal of further discussion, and I wish it a speedy passage.

Mr THOMPSON (Sandringham) — Victoria's system of national parks is one of the great attributes of the state. The bill deals with the management of Victoria's parks and reserves, which cover approximately 3.76 million hectares of public land and

equate to roughly one-sixth of the state. National estate, wilderness and marine and coastal parks are included in Victoria's parks system, as well as some 3000 conservation reserves and metropolitan parks. Parks Victoria has historically been the lead agency for the management of these areas. Victoria's parks and reserves play a crucial role in protecting the biodiversity of a large and varied ecosystem while offering Victorians vast cultural and recreational opportunities.

When considering Victoria's parks it is instructive to take into account the observations of the first explorers or inhabitants of the landmass that is Victoria. Pat Dodson spent some time in western Victoria during his educative years, and in 1980 he noted:

> Land is the generation point of existence … It is a living place made up of sky, rivers, trees, the wind, the sand and the spirit there — my own country … It is a living entity. It belongs to me. I belong to it. I rest in it. I come from there.

As for the observations of the early explorers, as he travelled towards the Western District woodlands in 1836 Major Mitchell noted that:

> We had at length discovered a country ready for the immediate reception of civilised man … its soil was exuberant, its climate temperate.

The emphasis I place on that quote is the exuberance of the environment that Major Mitchell noted. Later, Sir Alfred Deakin, a former member of this chamber and a former Australian Prime Minister, noted that:

> It is essential that the state should exercise supreme control over all the rivers, lakes, streams and sources of water supply, except springs arising on private land.

Then there is the observation of Ferdinand von Mueller, who in 1879 said about Victoria's forests:

> On a feeling and sensitive mind a demolished forest impresses unmingled sadness, whereas its primeval grandeur must impress anyone with unmeasurable delight who is susceptible to the beauties of nature … Forests above all are apt to waken a deep love for nature in the youthful mind and leave the genius of the beholder to form ideals of what is elevated, noble and great.

The purpose of the bill is to abolish Melbourne Parks and Water and to make adjustments to some of the administrative arrangements for the management of the state's parks. I thought it might be useful to refer to the history of the management of Victoria's natural assets before making some general comments. Honourable members are aware of the well-known environmental principle of thinking globally and acting locally and of the importance of a clean, green environment not only to the maintenance of a sustainable lifestyle but also to ensuring that we pass on our heritage to the next generation.

The Liberal Party has a long and distinguished history in the management of parks and other land in this state. At present it is focusing on developing world best practice in the management of Victoria's alpine areas, its native flora and fauna and its comprehensive system of parks and reserves. Sir Rupert Hamer and Sir Alfred Deakin stand as giants because of their contribution to the effective management of parks and the development of reserves in the state.

Two of the great national parks in this state, Wilsons Promontory and Mount Buffalo, had their genesis at around the same time. On 8 July 1898, 36 842 hectares were set aside to establish the Wilsons Promontory National Park. In the case of Mount Buffalo, as a result of the active interest of a progress association and lobbying by the Bright alpine touring club, on 4 November 1889 a temporary reservation of 1152 hectares was established around Eurobin Falls and the Gorge. The reserve was later enlarged by 9240 hectares and permanently gazetted as a national park in 1908. Additions to the Mount Buffalo National Park have since been gazetted.

A range of additional national parks have been established, including Bulga National Park in 1904, Tarra Valley National Park in 1909, Wyperfeld National Park in 1921, Lind National Park in 1925, Mount Eccles National Park in 1926, Sperm Whale Head in 1927, Ferntree Gully National Park in 1927 and Kinglake National Park in 1928. Other adjustments were made following the allocation of additional land to those parks, and in 1948 more land was added to the Mount Buffalo reserve. Other historic events include the 1866 reservation of Tower Hill, the 1881 reservation of Werribee Gorge, and the 1909 reservation of Mallacoota, Wingan Inlet and the Churchill National Park, which was set aside in 1928.

Mr Perton interjected.

Mr THOMPSON — The shadow minister, the honourable member for Doncaster, makes the point that those all occurred under Liberal governments and their predecessors. From 1957 to 1970 the National Parks Act regulated the administration of 13 national parks — the Wilsons Promontory, Ferntree Gully, Kinglake, Lakes, Wyperfeld, Churchill, Mount Buffalo, Tarra Valley, Bulga, Alfred, Lind, Mallacoota Inlet and Wingan Inlet national parks.

I note that the honourable member for Doncaster has spent a considerable time since taking on his shadow

portfolio responsibilities visiting Victoria's national parks. In June he visited Mallacoota, where he took on board some local issues. The sedimentation in the waterways leading to the Mallacoota inlet is a matter of concern in that region.

There is always a need to balance appropriate macro development with the environmental interests of Victoria to ensure that certain areas are not overdeveloped. The aesthetic importance of preserving Victoria's environmental heritage is best expressed in the words of Ferdinand von Mueller, whom I quoted earlier.

The editorial in yesterday's *Age* emphasised the importance of commercial activities being environmentally friendly in the wake of the clean, green Olympic Games and the embrace by major corporations of conservation interests.

In describing his role with BHP, Don Argus made the point that it is possible for the advancement of environmental interests and commercial activities to go hand in hand, although it is certainly not a given. He gave his speech at the launch of Coast to Coast, an international conference set in train by the former coalition government and attended by some outstanding international speakers. One session was presided over by Raj Mohan Gandhi, the grandson of Mahatma Gandhi.

The conference attracted an international audience, which considered and evaluated many different ideas. Don Argus touched on a range of issues, including BHP and its development of the Moonyah oil fields and the Minerva gas fields; the cataloguing of species in the marine environment; and the way a major corporation had dealt with the oil spill on the western coast of Tasmania. He referred to the way BHP had dealt with environmental issues at Port Kembla and off the north-west shelf, part of which involved its outstanding cataloguing of marine biodiversity. These were sited as constructive examples of commercial activity going together with the advancement of environmental interests.

Between 1971 and 1983 the control of national parks took a new direction with the passing of the National Parks Act and the State Development Act. In 1971 the National Parks Authority was replaced by the National Parks Service, which functioned as a division of the new department of state development. It was designed to promote the balanced development of tourism, industrial development, national parks and immigration.

In his 1972–73 annual report, L. H. Smith, the director of the National Parks Service, noted that:

> The National Parks Service is entering a new era, full of challenge but supercharged with difficulties.

The objective of the National Parks Act 1975 was to make provision for the use of parks by the public for the purposes of enjoyment, recreation or education and for the encouragement and control of that use.

The National Parks Service had responsibility for conserving ecosystems, re-establishing native vegetation, protecting landscapes and historical and cultural features, fire protection, providing for recreation, the control or eradication of exotic flora and fauna, environmental education, and research and investigation.

Today the minister tabled a report by the Environment Conservation Council. Its predecessor, the Land Conservation Council, was established in 1970 by a Liberal government under the Land Conservation Act. The role of the council was to determine the most appropriate use of Crown land, excluding urban areas, and to make recommendations on land use to achieve a balance between conservation and utility.

In a recent interview, former Premier Sir Rupert Hamer stated that:

> The Land Conservation Council examined and recommended long range future best use … it was very important and effective.

In a recent interview, former Minister Bill Borthwick noted that:

> The Trust for Nature … was a spark of my greatest achievement, establishing the Land Conservation Council and allied to that, I went over to America and tried them out on a theory I had. Twenty-five percent of our state was still owned by the Crown and other people, and if you were to start all over again in America would you just put this land into national parks or would you have a variety of parks like I'm envisaging, whereby you'd take the heat off the gems by having lots of other state parks, and that's what the National Parks Act did in this state … the idea was to have your gems in national parks and then your state and regional parks, so the national parks didn't have to be loved to death like they are in America.

In a recent interview, Amanda Martin, the director of Victoria National Parks Association, said:

> The creation of the Land Conservation Council (LCC) was extremely significant and one of the reasons why we have a pretty good set of national parks.

The Land Conservation Council consisted of an independent chairman and the heads of eight relevant

departments, as well as people representing business, farming and conservation interests.

The Environment Conservation Council report tabled in Parliament today contains its final recommendations to the minister on a range of marine parks to be established along Victoria's coastline. It proposes setting aside some 6 per cent of Victoria's coastline areas that are representative of and reflect Victoria's diverse underwater patterns, habitats, ecosystems, rock forms and reed beds.

The achievements of the Land Conservation Council include the development of a land classification system of approximately 40 different public land use categories. The council divided Victoria into some 17 study areas, provided detailed reports and invited public submissions on land use. Between 1971 and 1985 it undertook studies on all areas of non-urban public land in Victoria and put forward more than 4000 recommendations on land management, most of which were accepted and implemented by the then government.

When evaluating land use it is also important for the balance between national parks and forestry to be effectively evaluated. The total area of forest parks in Victoria is now some 27 000 hectares. According to a Forests Commission report of 1971:

> Forests have an age-old appeal for man and today he is turning them in ever increasing numbers in his search for leisure enjoyment.

Conservation is an important issue in Victoria, and some active operators are working in that area. Many organisations have acted as instruments and agencies for change: Friends of the Earth was founded in Victoria in 1972, the National Parks Council was established in 1974, the Ecological Society of Australia was founded in 1975, the Tasmanian Wilderness Society was set up in 1976 and the Native Forest Action Council was founded in 1976.

The principal achievements in the establishment and creation of national parks at the state level have been attributable to the constructive work of former Liberal governments in Victoria, and at the national level to the creation of the Great Barrier Reef and Uluru national parks. A range of other parks in Kakadu and throughout Australia have also had strong legislative support from federal coalition governments.

The Water Industry (Amendment) Bill transfers the management of Victoria's parks and waterways to a new authority. The bill had its genesis in the legislative format of the former coalition government, and it is supported by this side of the house.

Mr STENSHOLT (Burwood) — The main purpose of the Water Industry (Amendment) Bill is to abolish Melbourne Parks and Waterways following the creation of Parks Victoria. Of particular concern to my constituents in Burwood and me is how the bill relates to Wattle Park.

As was said earlier, Wattle Park was originally purchased by the Hawthorn Tramways Trust in 1916 from Eliza Welch and her relative, Ms Ball, for the purposes of a public park. The land has been vested in a succession of public authorities, including the Melbourne and Metropolitan Tramways Board, the Public Transport Corporation, the Melbourne and Metropolitan Board of Works, Melbourne Water and Melbourne Parks and Waterways, with a restriction on the sale of the land. Wattle Park has been covered by the Wattle Park Land Act, which transferred the land at Wattle Park to the Melbourne and Metropolitan Board of Works. Melbourne Water then transferred the land to Melbourne Parks and Waterways under the Water Industry Act. Since 1998 Parks Victoria has managed Wattle Park on behalf of Melbourne Parks and Waterways.

The bill surrenders Wattle Park to the Crown and ensures it is fully protected and effectively managed under appropriate legislation. Full consultation on the proposed legislation has taken place with my constituents through a number of local meetings held in my electorate. The local people are particularly delighted that Wattle Park will now become Crown land and that the work to preserve and enhance the park will continue.

I am pleased with the work of Parks Victoria, local groups such as the Friends of Wattle Park and the golf clubs and individuals such as Howard and Marie Hodgens, Mrs Backman, Edna Shaw and Mr Frederick, who are all doing an excellent job in working on the park, supporting its preservation and enhancing the community use of that valuable asset. For example, in September we held Wattle Day, which involved community planting. Community planting and cleaning up often takes place in my electorate.

Wattle Park has improved tremendously over the past 12 months under the current minister, and it is a much better community resource than it was 12 months ago. I have been happy to support and assist the Melbourne Metropolitan Transit Band return to Wattle Park this year. There was a great danger that because of the privatisation of the tramways the transit band would not

play at Wattle Park again, but it has played again with the support of the Minister for Transport, and I should mention with the support of Yarra Trams. I invite everyone to the 60th anniversary concert in Wattle Park on 19 November. I hope the honourable member for Doncaster will be able to attend the concert.

Wattle Park is a marvellous community resource. The legislation ensures its proper management into the future, and I commend the bill.

Ms GARBUTT (Minister for Environment and Conservation) — This bill is essentially changing administrative arrangements and winding up a redundant statutory authority — Melbourne Parks and Waterways — following the establishment of Parks Victoria. However, it does have substantial benefits for our parks.

The bill mainly affects metropolitan parks. The abolition of Melbourne Parks and Waterways will mean that more than 4000 hectares of Melbourne metropolitan parklands will become Crown land and be permanently reserved and protected for this and future generations. It will therefore add a considerable level of protection to our public parklands.

That, of course, is in great contrast to the previous government, which attacked the integrity of our parks, whether it was our national parks or our metropolitan parks. Who can forget the 150-bed hotel proposed for Wilsons Promontory? It was vigorously attacked by every community throughout Victoria.

I thank the several members who spoke in support of the bill, and I thank the opposition for its support as well — mind you it is probably very similar to a bill introduced by the previous government that did not proceed through the house at that time.

The honourable member for Doncaster obviously had great difficulty in finding anything to say about the bill because most of the matters he referred to were not relevant and were quite off beam. I will not reply directly to any of the matters he raised because they are not addressed in the bill. The honourable member for Swan Hill was vaguely supportive of the bill, and he emphasised the importance of natural resource management. I wholeheartedly agree with that sentiment. It is a great priority of this government, so I thank him for his contribution.

The honourable member for Ballarat East was the first person we heard actually speaking on the bill, and he obviously knew the legislation and made some positive comments, unlike the previous two speakers from the opposition. The honourable member for Sandringham gave us a very interesting but not exactly relevant history of national parks. The honourable member for Burwood, who made a positive contribution to the date, has a great and passionate interest in Wattle Park and constantly comes to see me with suggestions for improving it. He is working with the friends groups there, who also take an active interest in and are committed and dedicated to the park.

I thank all honourable members for their contributions and again commend the bill to the house.

Motion agreed to.

Read second time.

Remaining stages

Passed remaining stages.

TERTIARY EDUCATION (AMENDMENT) BILL

Second reading

Debate resumed from 29 August; motion of Ms KOSKY (Minister for Post Compulsory Education, Training and Employment).

Opposition amendments circulated by Mr BAILLIEU (Hawthorn) pursuant to sessional orders.

Independent amendments circulated by Ms DAVIES (Gippsland West) pursuant to sessional orders.

National Party amendments circulated by Mr MAUGHAN (Rodney) pursuant to sessional orders.

Mr BAILLIEU (Hawthorn) — This is another of the government's special bills that has come back to haunt it. I would have thought members of the government would have preferred to leave some of their sleeping puppies alone, but this one is back on the agenda, and already it is causing sufficient contention to produce three different sets of amendments.

The bill tells us a lot about the government, the minister and the policy of the ALP. It tells us, first of all, that the minister and the government are confused. The bill represents the third attempt in 12 months to change the provisions governing voluntary student unionism. It tells us that the minister is two-faced. She has been quietly and actively supporting the proposal of amendments but she does not want to own those amendments and has therefore been looking for someone to sponsor them.

It tells us also that the minister has been in delay mode. It is 12 months since the government took office and what would otherwise constitute a relatively minor legislative change has taken that long to proceed.

The bill also tells us about the sensitivity of the government and the minister, who clearly believe the word 'union' is a no-no that must be obliterated from the act. For marketing purposes it has to be replaced with a word that engenders more confidence. The government and the minister are clearly sensitive about the word 'union', and so they ought to be.

It also tells us about the minister's incompetence because she got it wrong again. It tells us about the government's view of the world where it says one thing about compulsion and does another. One has only to look at page 4 of the second-reading speech where the minister states:

> The amendments proposed in the bill would remove the provisions which prevent governing bodies from requiring students to be members of a student organisation …

That is implicitly supporting the notion of compulsion. It also represents a dilemma for the government and the minister. Who should they be seeking to satisfy — the institutions, the vice-chancellors, the directors or the National Union of Students (NUS)? They cannot have it all ways. It also tells us something about the status of the act with which we are dealing. The second-reading speech by its very silence on the subject acknowledges that voluntary student unionism was not the disaster members of the then opposition predicted it would be.

This is not a big bill — it is just a few pages — but it is a sensitive measure and touches nerves on all sides of politics in a way in which it perhaps does not touch the general community. Those who are politically active have strong views about the bill.

What are the bill's objectives? Firstly, to repeal the provisions relating to voluntary student unionism in the Tertiary Education Act; and secondly, to make further provisions about non-academic fees, subscriptions and charges. The second-reading speech enlists the notion of the principle of subsidiarity as a justification. What are the legal objectives? The real objectives are to placate an otherwise friendly support group and to apply cosmetic make-up to a situation — in other words, make some changes without making changes, create the appearance of movement and change when in fact nothing is happening. Again, it is a classic example of this government being all about spin and absolutely no substance. We have a cosmetic government, and the bill is all gloss and no lip.

The current Tertiary Education Act contains half a dozen provisions dealing with voluntary student unionism. Voluntary student unionism has provided financial discipline on TAFE and university campuses in regard to student unions and organisations. It has protected students in terms of the fundamental principle of freedom of association and it has protected the rights of all students. As a consequence, the opposition will move amendments to the bill during the committee stage. Those amendments will cover the notion of non-compulsion in regard to student membership of organisations and the principle of antidiscrimination in regard to those students who opt not to be members of student unions and organisations. They will ensure that the funds raised from those students who choose not to be such members are spent in accordance with their wishes.

The amendments propose to reinsert sections 12D and 12E and extend section 12D(3) in such a way as to give students an express choice on whether they wish to be members of a student union or organisation. They also propose to add to section 12D a further subsection to ensure that institutions allocate money raised from students who opt not to join an organisation in the way those students would wish. Those amendments have been circulated.

How does the government seek to achieve its own objectives? I shall start with clause 3(a).In simple terms, the government is sensitive about the use of the word 'union'. The title of division 3 of the Tertiary Education Act is to be changed from 'Voluntary student unionism' to 'Student fees, subscriptions and charges'. It is the sort of extraordinary 'Don't mention the war' kind of language one would expect to see in an episode of *Fawlty Towers.* It is playing a cosmetic game to remove the word 'union' and then claim everything else is wonderful.

Clause 3 seeks to repeal section 12C. All parties agree that in its current form section 12C does not have much operative status. The opposition was assured that was the case during briefing sessions with the department. The provision is superfluous because the general powers are unaffected by the act as it currently stands and as it would be amended. The opposition has no problem with the repealing of section 12C.

Section 12D is effectively the non-compulsion provision. Currently it ensures that the governing body of a post-secondary education institution must not require any student or prospective student of the institution to be a member of an organisation of students. It is a clear statement of fundamental and basic principle which the opposition seeks to support

and maintain. Interestingly, in her second-reading speech the Minister for Post Compulsory Education, Training and Employment states:

> This bill will not make membership compulsory; it will simply remove the imposition by government of a constraint on the councils' prerogative.

Later in the speech, the minister acknowledged that the proposed amendments would remove the provisions which prevent governing bodies from requiring students to be members of a student organisation. It is implicit compulsion or compulsion by stealth.

Clause 3 also seeks to repeal section 12E, the antidiscrimination provision which states that a:

> … governing body … must ensure that any student … who has paid the compulsory fees, subscriptions or charges … but who is not or does not become a member of any organisation … is not liable to —

and there are a range of antidiscrimination provisions.

The opposition seeks to retain the provision. We note that there is no substitute for the antidiscrimination provision in the bill. It is extraordinary to contemplate legislation where discrimination is both past practice and noted in the current act and there is not a substitute provision. It has been acknowledged during the briefing sessions that there is no legislative protection in the bill for students who choose not to be members of a student union or student organisation.

Clause 3 seeks to repeal all parts of section 12F. Section 12F is in three operative parts. The first part directs that the spending of money raised by compulsory non-academic fee be spent on services and activities of direct benefit to the institution or students. Section 12F(2) sets out the sanctions for wrongful expenditure in that area and section 12F(3) creates what is colloquially referred to as the list of prescribed activities on which the money raised from students by compulsory non-academic fee can be spent, and it is a long list. Section 12F(4) sets out the regulation process which allows the adjustment of the list and section 12F(5) provides for binding agreements made prior to 1994 when the act was originally passed.

Interestingly, section 12G, which is to be deleted under the provisions of the bill, seeks to remove the word 'voluntary'. The opposition has been assured by the department that the removal of the word 'voluntary' has no operative effect, so why remove the word? What is it about the word that is sufficiently offensive to require it to be removed unless compulsion is being contemplated?

Clause 3 seeks to remove section 22(3), which is the regulation power in the act. Clause 4 is a transitional clause, setting up a retrospective action in the process.

The bill seeks to remove the word 'union' to allow institutions to make decisions and generate open slather in terms of the use of compulsory non-academic fee and the membership of student unions. There is no criticism of the current list in the second-reading speech or the bill or anything implicit in the debate to date. The bill represents a significant self-disappointment factor because clearly it is not meeting its own objectives.

It is worth considering the history of voluntary student unionism in Victoria and Australia. The debate has been going on for some 25 or 30 years and both sides of politics have pursued it actively and continue to do so. It would be fair to say that a lot of the rest of the world has looked on and perhaps not been as engaged as others have been. It is a longstanding intellectual debate that has been through the courts on many occasions.

The Clark case — that of the current honourable member for Box Hill — in the 1970s or early 1980s was a significant court resolution of the matter, as were the Kenmar and Harradine cases — all significant names in the political world who have been through the courts seeking essentially a fair go with regard to student unions.

As I said, it has touched a nerve on all sides because a fundamental principle of freedom of association is involved. The current provisions were introduced by the former government in 1993, amended in 1994 and came into force in 1995. It is easy for honourable members to forget that those provisions were not enacted until 1995 — after the amendments and after considerable consultation.

Along the way amendments were accepted with good grace and on the specific advice of many of the participants, including the institutions involved. A former Minister for Tertiary Education and Training, the Honourable Haddon Storey, an upper house member for East Yarra Province, was an exceptional minister and a moderate man. He introduced the provisions in a considered and thoughtful way. In doing so, he accepted the fundamental position that there ought to be raised on campus a compulsory non-academic fee, and that a culture supported by compulsory non-academic fees on university campuses was worth supporting.

At the time the legislation did not go as far as some people wanted to go. There were those who wanted to take the alternative route of ensuring that no

compulsory non-academic fee was raised. Although that process has been enlisted in other states and arguably has operated successfully, it is not what the 1993–94 legislation adopted. The existing act produced 'the list', which definitively describes a range of prescribed activities for which the collective compulsory non-academic fee can be spent. The list is long and includes food and beverages, meeting rooms, sports and physical recreation, child care, counselling, legal advice, health care, housing, employment, visual arts, performing arts, audiovisual media, debating, libraries and reading rooms, academic support, personal accident insurance for students, orientation information and support for overseas students.

Speakers in the debates at the time included a range of honourable members on the now government side and some who would have been on the government side had they not been shafted by their own people or thought better of sticking around and went to other places. I note the remarks of Mr Kelvin Thomson, the former honourable member for Pascoe Vale, now the member for the federal seat of Wills, who in his second-reading contribution said:

> It is one of the worst bills to have been brought before Parliament.
>
> … how insidious a measure it is and what effect it will have on university life.

He went on to say:

> … it will kill off student unions and their services.

He said that the government was:

> … intent on crippling any independent source of influence, authority or opposition.
>
> … it will kill the whole institution.
>
> … it will kill off the whole idea of student associations.

He went on:

> When one examines the range of government attacks on anyone who dares to disagree with it … wherever there are attacks on an independent source or political view, I must say the word 'fascism' does spring to mind.
>
> …
>
> Its application in the universities would result in guards standing at the doors of the student union deciding who can enter and who cannot, depending on whether one is a member. We will end up with fees for service at the University of Melbourne's Union Theatre …
>
> It is unthinkable that such activities are threatened by the proposed legislation —

as it was at the time —

> and the principle of voluntary student unionism.

Mr Thomson made a long speech denoting the disaster that was about to befall student organisations. He quoted Barrie Kosky, who said:

> … they would have to set up a museum for the sort of quality performances that we see now because all that will be left will be monuments to the past. We will not have a functioning, thriving and artistic culture in the future.

He continued, saying that the proposed legislation:

> … would wipe out funding for current support activities for overseas students and full fee-paying overseas students would find Victoria less attractive and would look elsewhere.

Mr Thomson made a strong case for a disaster in his terms. Finally, he said there was:

> … a list of activities that will be affected: student newspapers, student theatre productions, the Rowden White library —

he was a bit Melbourne University focused —

> student representation, student art galleries, the student computing centre, information referral centres, committee grants, educational support services, student lounges, building services, the National Union of Students affiliation, administrative services, funding for clubs and societies, funding for overseas students, funding for off-campus student clubs …

You could be forgiven for thinking that a bomb was to be dropped on student organisations and student culture.

Several other speakers on the now government side included the current honourable member for Coburg and the current Minister for Industrial Relations.

The honourable member predicted disaster, saying:

> … the lounge space for students at the students association will be lost.
>
> … sexual harassment information; advice on women's issues, assistance with academic appeals —

would all be undermined. It further states:

> The following services at La Trobe University … will go: academic counselling … academic support … the women's department; sexual harassment advice; counselling; equal opportunity education; clubs and societies … the French and Italian clubs, the religious clubs, the education and welfare department —

and the list goes on and on.

A then honourable member for Geelong Province in the other place, the Honourable David Henshaw, said:

> I find it difficult to believe that after the implementation of this recently modified legislation there will be any capacity

> for a voluntary student union to be constituted and operate in a manner that is traditional within universities.

The present Minister for Agriculture states:

> … newspapers such as *Lot's Wife* and *Rabelais* are gone, and *Farrago* is on the way out …

He also said:

> *Lot's Wife* has recently died an undignified and unnecessary death.

During that debate honourable members predicted disaster and a media campaign was aroused. I refer to a quote from the then education vice-president of the Melbourne University Student Union, who said:

> … student theatre, dental and legal services could be endangered …
>
> …
>
> Postgraduate student services would be particularly hard hit by the … bill …

I am pleased that sober contributions were made by then government members, including the honourable members for Malvern, Warrandyte, Box Hill, Bentleigh, Wantirna and a variety of others. I turn to the reality of the situation to explore what is happening on campus.

It would be fair to suggest that, having absorbed the predictions of disaster, nothing should be occurring on campus. However, courtesy of one of the vice-chancellors, I note that one campus has binding services; catering and food services; student theatre; sporting services such as tennis courts; student lounges; computer facilities; shower, change and locker facilities; leisure activities; student development courses; concerts; international student advice services; student employment services; international clubs; campus radio and television; travel services; trip, tours and discount ticketing; function spaces; dental and welfare services; photocopying services; campus sports; gymnasium upkeep and maintenance; social activities; recreational libraries; on-campus shops; political clubs and societies; information and inquiry services; child care; bookshops and retail outlets; a university diary; campus media; legal services; sporting clubs and societies; bars and bistros; meeting and conference rooms; academic advice and advocacy services; university games; and postgraduate associations. Clearly there has been a disaster at that university!

The services that members of the present government predicted would disappear are flourishing.

An Honourable Member — Which university?

Mr BAILLIEU — La Trobe University.

The ACTING SPEAKER (Mr Plowman) — Order! The honourable member for Hawthorn, without assistance.

Mr BAILLIEU — I also note that Swinburne University, which is in my electorate, offers a variety of activities to its students. Swinburne has Swinburne student radio, one of the longest-serving student radio stations. It also has more than 70 clubs for students to choose from, including social, cultural and academic, sporting and computer clubs, as well as SwinTV.

Political activity has not been eliminated. I am happy to note in *Swine*, a student newspaper at Swinburne University, the headline 'S11: what's it all about?'. *Swine* is a flourishing student newspaper. *Lot's Wife* was meant to have vanished, but it is flourishing. It contains an abundance of articles on political activity. I refer to an edition last year in which the National Union of Students published an article on political activity on campus. It notes:

> The major factions present within the union are:
>
> Independents, the Non Aligned …

I will spare the house the comments in the article, which continues:

> Unity: Labor Right, National Organisation of Labor Students, Left Alliance —

and even the Liberals. It is remarkable what happens on campus.

Another edition of *Lot's Wife*, which has meant to have disappeared, contains details of a footy tipping competition. The irony is that the competition will probably become illegal because of the Bracks government's actions. The publication schedules were also meant to have suffered. I invite honourable members to look at their student newspapers' publication schedules. The newspapers are published on a monthly basis, as they were when I went to Melbourne University and enjoyed the student union facilities. I later went to RMIT, where I had a different experience because I was working. I did not participate in student union activities because I chose not to; many people fall into the same category when they are working while studying.

Nobody can say that newspapers have been killed off by the Victorian Students Union or that student activity has been undermined. Nobody can say that political activity is not flourishing on campuses. It is interesting to look at the local political activity. I refer again to

details in *Swine* about the Swinburne University student elections. In the recent elections 171 students voted on the Prahran campus; and on the Lilydale campus, only 97 voted. The total number of votes for the National Union of Students across the whole of Swinburne University was 550, which by my calculation represents only 2.5 per cent of the student population. That is an interesting comment on the capacity of students to vote with their feet.

Who has been stifled on campus? Nobody! Student unions are as healthy as they ever were. In that regard the Monash Student Union's balance sheet as at 30 June this year shows members' funds of about $8.8 million, with assets of about $13.5 million, including a generous loan from a bank of $3.5 million. It is not exactly a deprived organisation.

The fee breakdown at those campuses is also worth examining. Honourable members should appreciate that the compulsory non-academic fee (CNAF) at Monash University currently ranges from $404 for a full-time student at Clayton — not a small amount for a student — to $65 a semester or $131 for a full year for a distance education student. The CNAFs vary across campuses and across categories. There are different CNAFs for fee-for-service students, for example, and TAFE sector discounts for students in dual-sector institutions. There are even situations where enrolled students do not pay a CNAF at all, including situations where the government pays to have people educated. According to its annual report the total CNAFs collected by RMIT in 1999 amounted to $1.8 million — although a document released by the student union showed that the total CNAF collection was closer to $1.4 million. Somewhere along the line there has been some misrepresentation of accounting.

A variety of payments that were to have been eliminated are still being paid at the campuses. Student honorariums, for example, are still being paid, and some of them are significant. At RMIT a student council honorarium of $34 000 is being paid to a student; in its welfare and education sector a $17 000 honorarium is being paid; and a similar amount is being paid to a student in its women's department. Student newspapers have been supported by institutions too, and they have continued to attract advertising support, including government advertising. *Lot's Wife* carries government advertising.

Members of the opposition have had the opportunity to meet with a range of student groups. I pay tribute to the Victorian TAFE Students and Apprentices Network (VTSAN) and the National Union of Students. They have been frank and forthcoming and have made their views well known. It has been a struggle for all of those groups to identify any significant activity that took place on student campuses before 1994 and does not take place now, because there are very few. NUS has conceded that very little concern is expressed on campus about voluntary student unionism. An NUS Victoria president's report states:

> To ensure that the views of students were held, NUS Victoria held a VSU forum to brief organisations about the regulation, and also the repeal … Firstly, due to the poor attendance at the forum by many campus organisations, we were unable to establish how important this issue was within campus organisations … This allowed NUS Victoria to establish how we should then approach the issue knowing it was not very popular as a campus issue. From this forum we were able to establish that there was little support from campuses …

That is probably a fair and genuine reflection of the contentment with the existing regime among students. To be fair, VTSAN has on a number of occasions indicated to me and no doubt to other honourable members that one of its concerns has been a change of culture on campuses. That is fine; its members can make that observation. But the fact is that things have indeed changed. It is a big leap, however, to go on and say that they have changed because of VSU. Society itself has changed, and there is a focus on a whole new range of things. Students are as adept at making changes and voting with their feet as anybody else, and a lot of students have been doing just that.

Honourable members will be aware that on many campuses and in many institutions it has been proposed that student organisations merge across campuses. That has certainly been occurring at Monash and Deakin universities, and it has not been a one-way street. Some of the campuses have determined that they will not participate in mergers, which has of course presented problems for those advocating the mergers. What is interesting is that on campus such mergers seek to separate delivery of services from representation of students. That is a fundamental acknowledgment that students vote with their feet about services and that representation is an entirely different matter.

There is a case to be put that things are more difficult for regional campuses. Those campuses are smaller by nature, have different obligations, cover a narrower range of classes and enjoy less capacity to participate in student organisations. Interesting comments came from representatives of such campuses. They said they were struggling because two-thirds of the money they raised from CNAFs went on salaries and staff. One does not have to be a genius to know that an organisation that spends two-thirds of its income on salaries and staff is probably overcooking it and has some management issues to resolve.

The National Union of Students advocates the full repeal of these provisions on the basis that it wants the collective CNAF to be handed over entirely to student organisations rather than having any services funded directly by institutes or universities. That is a fair point!

In considering the bill it is important to understand the role of the vice-chancellors. I will refer to the regulation process, which I mentioned earlier, and the three attempts that the minister has made to deal with the issue.

Section 22(3) of the act deals with the manner of making regulations. It states:

> Regulations made for the purposes of section 12F(4)(a) —

which is the list —

> must be made on the recommendation of the Minister —

this is the important piece —

> after the Minister has considered a proposal from any of the bodies representing Vice Chancellors of universities and Directors of TAFE colleges.

In looking at where we are now, it is important to understand that that is part of the act.

Following the election 12 months ago the government came to office with a one-line policy to repeal the voluntary student unionism provisions of the act. What did the minister do? Did she immediately move to repeal the VSU provisions? It would have been easy, because the bill is not long and tortuous, but she did not. Instead, she moved quietly and unannounced to change the regulations in order to add to the list — —

Mr Honeywood interjected.

Mr BAILLIEU — Indeed, she moved by stealth and unannounced. It is fortunate — —

The ACTING SPEAKER (Mr Plowman) — Order! The time appointed under sessional orders for me to interrupt the business of the house has now arrived.

Sitting continued on motion of Mr BATCHELOR (Minister for Transport).

Mr BAILLIEU (Hawthorn) — As I was saying, the minister did not move to repeal the VSU provisions. Instead, on the quiet, she moved to change the regulations to add to the list.

An opposition member interjected.

Mr BAILLIEU — The minister is having a bet three ways. Interestingly, she produced a document entitled *Tertiary Education Regulations*, of which I have a copy, dated 9 November 1999. In it she sought to add the following to the list: advocacy of student needs, welfare and interests; research and policy development; publications, media and other information services; meetings, lectures and other forums for discussion, the expression of views and the dissemination of ideas; student elections, referenda and other polls; honoraria and allowances; clubs, societies and similar bodies; and the membership of and affiliation to student organisations, including national and state student organisations.

That is what she sought to do on the quiet, but she got it wrong. She could not act because of the provisions of section 22(3). She failed to consider a proposal from the vice-chancellors or the directors of TAFE colleges, and the proposal was buried.

She then talked to the vice-chancellors after the event, but essentially only to the vice-chancellors committee. The committee, then represented by David Robinson, Vice-Chancellor of Monash University, wrote back to the minister on 3 March. His letter states:

> Dear Minister,
>
> I refer to the recent discussions about provisions of the Tertiary Education Act relating to voluntary membership of student organisations …
>
> On behalf of the Victorian Vice-Chancellors Committee I propose that the list of facilities, services and activities under which funds from compulsory non-academic fees can be spent be extended by regulation to include —

and there were just four points —

> student newspapers and other publications (it would be desirable for such a regulation to require consistency with ethical standards of journalism)
>
> clubs and societies
>
> student elections
>
> opinion surveys, research and discussion of issues relevant to student welfare.
>
> It is our view that student newspapers and other activities make a valuable contribution to university life as well as providing worthwhile experience for those directly involved.

There is no surprise in that commentary.

The vice-chancellors were seeking a regulation change. They were not seeking a repeal of the VSU provisions. The minister had a problem: on the one hand the NUS was saying it wanted a full repeal, and on the other hand the institutions were silent on the matter while

seeking a regulation change. What happened? The minister went silent. She waited until 11 August, when without any fanfare she posted another regulation change.

The minister booked advertising to promote the regulation change on 11 August. That was some five months after the vice-chancellors had written to the minister and the NUS had held a number of meetings with her. However, the extraordinary thing is that five days after posting the regulation change with a lengthy regulatory impact statement the minister turned up in the house with a bill to repeal the provisions. It would be churlish to suggest that that had emerged from something like pressure from the NUS saying that the minister had promised something else and it expected her to deliver. It would surprise no-one to think that there should be a reasonable relationship between the NUS and the minister, so it would be reasonable to expect that some pressure was brought to bear.

It also just so happens that in the week of 17 August, when the repeal provisions were brought into this house, the government was being criticised for having no legislative agenda and suddenly we had before us what was effectively a two-page bill to assist in filling the government's legislative program.

The minister brought in the repeal provisions with minimal consultation with the vice-chancellors and the directors. I say minimal because the minister wrote to the directors and vice-chancellors upon the posting of the regulation change and they got the letter inviting them to review that regulation change the very same day or the day before the bill seeking to repeal the provisions was introduced. That is not the bill the vice-chancellors were seeking. The extraordinary thing is that on the day after the second reading the minister wrote to the vice-chancellors asking them what they thought of the bill. Within a week the minister had written two letters about an entirely different proposition.

What did the proposed regulation change seek to do? It sought to add clubs and societies to the list, as well as student elections, opinion surveys and, interestingly, student publications including newspapers that 'meet generally accepted community standards including accuracy and fairness'. They just happen to be the very same words that David Robinson used in his letter.

Ms Kosky interjected.

Mr BAILLIEU — Exactly. The minister interjects that she had to seek the views. She finally cottoned onto the fact that she had to seek the views of the vice-chancellors, and that is how we got the regulation changes. Yes, they are in the same terms — —

Ms Kosky — You will understand one day.

Mr BAILLIEU — The minister did not do that with the initial regulations she proposed.

It is interesting to look at what is missing as a consequence, and it is significant. To compare, we lose meetings, lectures and other forums for discussion and dissemination of ideas, we remove referendums, honorariums and allowances, we remove clubs and similar bodies from the clubs and societies list, we remove affiliations and we remove information services. That is the difference between the regulation changes proposed 12 months ago and the changes currently being proposed and promoted through advertisements seeking the views of the community.

The impact statement for these regulatory changes also makes interesting reading. It represents the views of the vice-chancellors, it expresses views on the cost of the changes and it reveals the killer punch of the legal position the minister had failed to observe previously. It also gives us an insight into the position of the NUS. I note a couple of remarks from the regulatory impact statement. It says of the university vice-chancellors:

> They believe that inability to fund these activities or doubts about the power to do so limit the value of university campus life for students.

One could not draw that conclusion from the letter David Robinson wrote.

If that is the advice — the minister interjected earlier that it was and that she had to follow advice — one would have to think that perhaps the statement does not adequately or correctly represent the vice-chancellors' view. It goes on to say that the chairman of the Victorian Vice-Chancellors Committee:

> … has proposed on behalf of the VVCC that regulation be made declaring these services to be of direct benefit to the institution or students …

It states further that student publications are deemed to be of direct benefit and goes on to say:

> Institutions have asked that they be permitted to apply compulsory student fees to the publication of newspapers and other publications relevant to student life, and to systematically obtain student opinions, at their discretion.

Again, one could not draw that conclusion from the material provided by the VVCC. There were other assertions of the vice-chancellors' views. I will not read them all, but one could reach the conclusion that the

VVCC's views have been represented in the regulatory impact statement in a way that differs from the views expressed in their proposal.

I note particularly that the impact statement says that organisations with which:

> … consultations have been held have argued that it is more efficient and effective to be able to conduct joint elections including elections to student organisation positions where considered appropriate by the institution. Professor Robinson has suggested on behalf of the VVCC —

that it should be —

> without limitation.

Again that is not included in the letter he wrote outlining the proposal.

It is also interesting to look at what the impact statement says about the cost. One would presume that if these services and activities were added to the student union activities a cost would be involved. However, the impact statement says:

> There are no existing models to determine the possible increase in the compulsory student fees as this is a discretionary matter which would be dealt with by each of the institutions … It would be possible for the additional services to be provided without cost by reducing other services regarded as less important, or to be provided with minimal additional cost because of funding offsets from other sources such as advertising …

The government is advocating adding services by eliminating services. Surely that represents an extraordinary divergence from its stated claims about service provision.

The impact statement concludes with a note about alternatives to the proposal. The third of the major alternatives is:

> Add additional services, facilities and activities — advice from the Victorian Government Solicitor is that the minister cannot extend the addition beyond the items proposed under section 22(3) of the act.

That confirms that what the minister did 12 months ago was without consideration of the legal position and should not have proceeded.

In the same context it is interesting to consider what the NUS thought about the regulatory impact statement. I quote from the Victorian president's report dated 30 September, which shows John Raimondo as having said about the VSU regulation changes:

> From the previous meeting in first semester with the Minister for Education … NUS Vic knew of the regulation changes that were to be put up in Parliament to amend the Tertiary Education Act regarding lengthening the current list of allowable items. Although within the previous meeting NUS Vic had stated that in no way were any amendments to the list of allowable items 'acceptable', rather that NUS in general would still encourage the government to move for repeal.
>
> …
>
> To date, with regard to the regulation changes, the interaction from the minister's department has not been as frequent as initially promised …

He goes on:

> A subsequent meeting with the education minister's department occurred basically telling them that the organisations were disgusted with the fact that they had put our names —

that is, NUS's name —

> to a paper —

the regulatory impact statement —

> which we had not even been consulted about.

In the impact statement the minister seeks to enlist the support of the vice-chancellors and the National Union of Students. However, from the NUS correspondence there is fair cause to conclude it is not happy, even though the impact statement says it was. There is further cause to doubt that the vice-chancellors sought this repeal provision. One way or another we are dealing with a twisted tale. The minister is double-dipping. She is seeking a regulation change, and 5 days later is seeking a repeal after getting it wrong on a regulation change 12 months earlier.

The media release on the bill put out by the minister on 29 August states :

> The proposed amendments had the strong support of a number of universities and TAFE institutes, including La Trobe University and RMIT.

I have consulted with all universities and TAFE institutes, with VTSAN and the NUS and with a number of other representative bodies. La Trobe University expressed strong views about voluntary student unionism provisions but those views were not about the Victorian repeal provisions or the regulation changes, they were about a proposed change before the federal Parliament — an entirely different provision which seeks to remove the compulsory aspect of the CNAF. It is one thing to say the legislation is strongly supported by the institutes, but if the views represented are directed at a federal legislative position it is another thing to drag those views into this debate. As they were expressed to me, the concerns of La Trobe University relate to the federal bill not to repeal provisions in Victoria.

The Liberal Party will pursue support for the fundamental principle of freedom of association. It wants to provide students with freedom of choice. It wants students to be informed, and the bill will take that away. It wants students to be given the choice after they have been informed as to whether they wish to be members of an organisation. Accordingly, the Liberal Party will vigorously pursue the amendments in the committee stage.

Mr MAUGHAN (Rodney) — I am pleased to speak on the Tertiary Education (Amendment) Bill and to indicate that although the National Party supports the thrust of the legislation, it will propose amendments and speak to them in the committee stage.

As the honourable member for Hawthorn has pointed out, the bill is essentially about membership of student unions. At the start it is important to clarify the terminology. In her second-reading speech the minister tried to turn away from the terminology of student unions, and I support that. A student union is quite different from a trade union — different in its objectives and in what it hopes to achieve. I prefer the terminology 'student organisation' or something similar, although it will be hard to change a longstanding tradition in universities of referring to the 'student union'. Members of the community have a different understanding of what student unions are about without really understanding some of the great things they do, so there is a problem with terminology.

The legislation is about whether membership of a student union, or student organisation, should be voluntary or compulsory. In other forums I would argue that membership of an organisation should be compulsory for those who enjoy benefits from that organisation. However, I and the National Party believe strongly that a person who has a philosophical objection to what an organisation stands for should have the right to exercise his or her conscience and opt out of that organisation.

Mr Smith — That goes without saying!

Mr MAUGHAN — It goes without saying, as the honourable member for Glen Waverley points out. It is a basic right of members of our society.

Honourable members will be well aware of the debate that took place on this matter some six or seven years ago following the inappropriate use by some student unions of compulsory union fees to support causes and political campaigns not supported by all, or even by a majority, of their members. Funds were controlled by a small number of students who embarked on ventures of their own, supporting causes that were not supported by the majority of the student body. As a result amendments to the Tertiary Education Act were introduced in 1994 to ensure that membership of student unions was a matter of choice not of compulsion. That important principle has been enshrined in the bill, which I vigorously support.

The bill repeals certain voluntary student union provisions and makes further provisions dealing with an individual's right to choose freely whether he or she wishes to contribute non-academic fees to become a member of, support and participate in a union or another organisation or body that provides services, facilities and a whole range of benefits for students. A student organisation may or may not support a whole range of causes or political objectives, and students may have different views on those political objectives, so it will not be possible for all students to support everything their student union does. That needs to be acknowledged.

The proposed amendments will allow students to opt out of becoming a member of a student union or other body. As I have said, that is an important principle which the National Party supports strongly. It will enable student organisations to engage in a much wider range of activities — many more than those listed in the principal act, which include providing food and beverages, meeting rooms, child-care facilities, counselling, legal advice, health care, libraries and reading rooms, academic support, orientation information and support for overseas students. They are all legitimate activities, but the list is by no means exhaustive, and the bill will enable the governing bodies of the various institutions — the universities and TAFE institutes — to extend that range if they choose, provided the services are of benefit to the students or the institution. That is an important proviso: the activities are legitimate provided they are in the bests interests of the student or the institution.

The amendments the National Party will propose in committee tonight will provide greater accountability for the use and expenditure of non-academic fees paid to a union. It is fair to say that not all institutions have been as diligent as they could be in providing that level of accountability to the students who pay fees, and the proposed amendments will provide for a higher level of accountability by ensuring that the organisation sets out the expenditure in its annual report, which is audited by the Auditor-General. That is a fail-safe, foolproof method of accounting for the use of non-academic fees. I understand the government will agree to those amendments, and I am delighted that it has acknowledged the commonsense of the amendments.

The minister's second-reading speech highlights the important role of tertiary education institutions, universities and TAFE institutes in our community. I acknowledge that and support them because they provide important educational facilities to develop our intellectual capital in Australia — which I think we would all agree is necessary — in an ever-expanding range of disciplines, including commerce and industry, social sciences, the arts and so on. They also provide important opportunities for students to develop and hone their skills in political debate, political research and pushing particular causes. Although some of us, particularly some conservative members of the community, may not always agree with or may even take exception to the extreme views that are expressed from time to time, we need to acknowledge that universities play an important role in providing the training ground for people to participate in our democracy and to freely express a particular point of view.

I acknowledge that the universities and TAFE institutes have provided excellent training for the people who are now working in local government, producer organisations, this Parliament and the federal Parliament. I support and encourage membership of student unions and other student organisations.

On a reflective note, I can remember when Victoria had only one university, the University of Melbourne. That was a long time ago — we have moved a long way since then, thank goodness. I note with a great deal of pride that we now have nine universities with a variety of campuses as well as a range of TAFE institutes. We have made tremendous gains in my lifetime and those of other honourable members.

I have had a long association with the University of Melbourne. I was a member of the Mount Derrimut advisory committee, I served on the school of agriculture's animal experimentation ethics committee and three of my children have spent some considerable time in residential halls at the university — in particular, Trinity College, where my son was a senior student.

I have enjoyed my association with both the University of Melbourne and Swinburne University of Technology where I was privileged to serve on its council for some time. I note the ever-increasing importance of TAFE institutes in providing vocational and technical education in an ever-increasing range of disciplines.

The National Party through its shadow minister in the other place, the Honourable Peter Hall, has consulted widely on the bill, having written to all of the universities and TAFE institutes. He has spoken with and written to TAFE students, the Apprentices Network Inc. and the National Union of Students.

All of those who responded — the five TAFE institutes and the seven universities — essentially support the legislation and have urged support for the bill. None of them asked the National Party to oppose the bill.

We have consulted widely and are guided by that advice. In our amendments we have improved the bill by ensuring a more rigorous and reliable method of reporting annually on the use of compulsory non-academic fees.

In the interests of time I do not intend to go through the range of letters we have received, except to say that we have received letters from all the main universities and TAFE institutes expressing support for the thrust of the bill. I will leave it to my colleague in the upper house to give some of the detail.

I will, however, quote from two letters before concluding. The first is from the Council of Australian Postgraduate Associations addressed to me personally, which states:

> I am writing to you on behalf of the Council of Australian Postgraduate Associations (CAPA), which is the peak representative body of Australia's 139 500 postgraduate students.
>
> I write to urge you to support the Tertiary Education (Amendment) Bill due to be brought before the Legislative Assembly.
>
> As you are no doubt aware this bill will put Victorian universities on a similar footing to all other universities in Australia.

I received another letter from Simon Booth, president of the Postgraduate Association of the University of Melbourne, stating:

> I believe you should support the bill for a number of reasons. University communities benefit from the advocacy of student needs.

I have already spoken about that and about how university communities and the community generally benefit from that advocacy. The letter continues:

> Universities should not be unduly regulated by government in this matter.

I agree that they should not be unduly regulated, but there is a need for some regulation. I note that legislation evolves over time, and the amendments introduced in 1994 were swinging back a little in terms of the checks and balances, so we are progressively moving towards a better understanding and regulation

of universities and university unions. The letter continues:

> Students will not be forced to be members of a student organisation. If the Tertiary Education (Amendment) Bill is passed students will still be able to opt out of student organisation membership if they wish. This is because the legally binding constitutions of student organisations will still include opt-out provisions.

That is the reason the National Party is supporting the thrust of the bill, together with the amendments that we have proposed — because it offers that provision to opt out.

The letter from the Postgraduate Association of the University of Melbourne concludes:

> I strongly believe the principles above are in line with National Party principles of sensible deregulation, free speech and democracy. Supporting the Tertiary Education (Amendment) Bill can only contribute to the National Party's promotion of good government.

That fairly sums it up. The amendments which we have proposed and which the minister agrees to will lead to sensible legislation. Therefore, I am pleased to make these brief comments and look forward to elaborating a little in the committee stage.

Ms ALLAN (Bendigo East) — I am also pleased to speak on the bill, if for no other reason than that it is another election commitment which the Labor government took to the election in September last year as part of our commitment to Victorians, including country Victorians. It is an important bill for country students as well, so I am pleased to contribute to the debate on it.

We have already heard this evening that the bill contains two major amendments: one removes the provisions that prevent an institution from requiring membership regardless of whether its council believes this to be educationally desirable; and the other is to remove the restriction on services that an institution can decide are of direct benefit to the institution or the student.

The honourable member for Rodney can remember when Melbourne University was the only university in the state of Victoria. I, on the other hand, was at university during the early 1990s when the Kennett government's anti-student legislation was introduced and passed through this house of Parliament and went on to have a detrimental effect on students around the state.

I remember the campaigns on the Bendigo campus of my university, La Trobe University. It was not just students who were politically active at the time — indeed I was not even a member of any of the student boards; I was a student at the university, and we were horrified at how the Kennett government got its anti-VSU (voluntary student unionism) legislation so wrong because it made life worse for students on those campuses.

Earlier I was conversing with the honourable member for Coburg, and he can remember the original bill and some later amendments. I also remember two separate campaigns waged on campuses around the state because the original bill was so draconian and narrow that even the former Kennett government had to make amendments to it, not only because of the campaign that was waged by students and, I have to say, by vice-chancellors and university hierarchies as well — they were as opposed to this bill as students were — but also because they recognised that the original anti-VSU bill was so narrow. It defined areas on which student associations could levy fees in an extremely narrow way. The government had to amend the legislation to increase the areas where fees could be levied.

When the second raft of amendments was passed by the former government it knew how its legislation was hurting students. I am pleased to be part of the debate on amendments that will improve the legislation in the interests of not only students but also universities as a whole, because having an active, well-supported student population can only strengthen university institutions.

I congratulate the minister on bringing the bill before the house. She undertook a large amount of work as shadow minister over a number of years, campaigning strongly and visiting campuses around the state, not just in Melbourne. I remember her visiting Bendigo. It was fantastic to have the shadow minister campaigning so strongly with students to see the bill come before the house.

I congratulate also the students associations that campaigned in the early 1990s and kept the campaign going to the present day, and continued to provide services for students during difficult times when they lost a large part of their revenue base. I thank them for their support in assisting to achieve changes to the legislation. In my electorate the La Trobe University of Bendigo student association and the Bendigo Regional Institute of TAFE campaigned on this issue and spoke to me about the changes.

It is also interesting to note that there has been support for the current set of amendments introduced by the post-compulsory education minister. I thought we

might have heard a bit of cold war rhetoric from the honourable member for Hawthorn; I was looking for it, in fact.

Mrs Peulich interjected.

Ms ALLAN — Oh, thanks! It appears the honourable member for Bentleigh will not let us down, and that is pleasing to know. I was also looking for a bit of passion about these changes from the honourable member for Hawthorn. Unfortunately we did not get that, but that is probably because the members opposite know that this legislation is not supported just by students. The vice-chancellors and the hierarchies of universities are also supporting it.

I will quote Michael Osborne, the vice-chancellor of La Trobe University, who said in a letter to the minister:

> This university is wholly supportive of this course of action and stands ready to provide any assistance it can.

The acting vice-chancellor of Melbourne University said to the minister that the University of Melbourne welcomes the bill and the position it adopts on voluntary student unionism.

There was a glowing report from the vice-chancellor of Ballarat University, Professor David James:

> We believe that the VSU legislation was an unnecessary infringement on the right of universities to manage their affairs. We welcome the move to repeal the legislation and urge bipartisan support for this move.

They certainly got bipartisan support, as we have already heard this evening. We were looking for a bit more discussion from the honourable member for Hawthorn about the old cold war divisions, but we did not get that.

Student unions are crucial bodies to student life at universities and TAFE institutions. The honourable member for Rodney spoke about opportunities universities provide to enable students to become active in political life. Indeed, many members of the federal and state parliaments of all political flavours have participated in political life on university campuses. Student unions also provide a number of other important services, particularly those run on a not-for-profit basis, to assist students, for example, cultural and sporting organisations.

All honourable members know of the integration programs for students at universities and TAFEs, particularly during orientation week, for example, and the services student associations provide in that regard. Welfare support and counselling services are very important for student welfare. The student associations at the La Trobe University campus at Bendigo and the Bendigo Regional Institute of TAFE (BRIT) provide child care, discounted food and drink at their coffee shops and discounted art and stationery supplies.

An Honourable Member — Phone cards?

Ms ALLAN — No phone cards, I'm afraid. They provide student-based newspapers and magazines, which are very important in informing and educating students about what is happening on campuses. The student associations are especially important for country students. The BRIT student association wrote to me expressing its concerns about the voluntary student legislation. It said not having strong representative bodies in country areas means students do not have a voice when decisions are made which may disadvantage them. It cited an example where amalgamations of TAFE institutes have seen the decision-making bodies moved to the amalgamated campus which may be in Melbourne and which may result in decisions being made that disadvantage country students.

BRIT cited the impact of the Kennett government's VSU legislation that saw regional student organisations hardest hit. Organisations in Gippsland, Goulburn–Ovens, Sunraysia and Wimmera were closed. Organisations such as the Northern Melbourne Institute of TAFE (NMIT) and Box Hill were also closed and the atmosphere at most TAFE colleges was not conducive to an adult learning environment because of restrictions and cutbacks in all areas affecting student participation.

I am very pleased to see the support of both sides of the house for the bill, although I note that proposed amendments have been circulated. The honourable member for Hawthorn referred to the change in clause 3(a) which replaces the word 'union' with the words, 'student fees, subscriptions and charges'. That change clarifies what student associations provide for students at universities and TAFEs. It was disappointing at the time — and I remember it quite clearly in 1994 — when there seemed to be an ideological and misplaced hatred of unions on the part of the then government. It wanted to wipe the word 'unions' off the landscape altogether; it wanted to abolish anything to do with the word 'unions'. Unfortunately, student unions got caught up in that ideological hatred and suffered the consequences of the former government's legislation.

I again congratulate the minister for introducing a good piece of legislation that is part of the Labor Party's election commitments. I commend the bill to the house.

Ms DAVIES (Gippsland West) — The Tertiary Education (Amendment) Bill aims to reverse the previous government's Tertiary Education Act of 1993. The relevant parts of that latter legislation created the bogy of compulsory student unions and then banned such compulsory membership. At the same time it prescribed matters that are properly for tertiary institutions themselves to decide — that is, the councils and the students of those tertiary institutions.

The 1993 act had definite ideological overtones and amounted to overkill. The bill aims to put the overkill into reverse, but it goes too far in the other direction. I have thus proposed amendments, which I will discuss in the committee stage.

I support the removal of provisions relating to voluntary student unionism that are excessively prescriptive and ideological. However, the compulsory non-academic fees that students pay should not include membership fees for student associations. If such associations can prove their worth, students will join. The time has long passed when such memberships should be compulsory. I know too many tertiary students who are hard up and who are very careful about where they put their money.

My proposed amendments would leave in section 12D, which states that membership of student organisations should not be compulsory. My amendment differs from that proposed by the National Party. Leaving in section 12D provides an effective opting-in mechanism rather than the opting-out mechanism proposed by the National Party. My proposed amendments would also leave in section 12E, which states that students who choose not to join student organisations should not be discriminated against. Although it is possibly unnecessary, it is an added safety feature, and there is no harm in leaving it in the act. I believe most honourable members will support that amendment.

My proposed amendments would also leave in section 12F, which states that funds raised from compulsory non-academic fees must be spent for the direct benefit of students and institutions. I have proposed a further amendment to section 12F that requires compulsory non-academic fees to be spent on providing facilities, services or activities of direct benefit to students at the institution. It is hard-fought-for student money and must be used for their benefit and no-one else. It must not be used to benefit a project, service or facility that an institution might wish to push, unless that project, service or facility is of direct benefit to students.

However, I agree with the Minister for Post Compulsory Education, Training and Employment that the Kennett government's section 12F, which provides a list of what constitutes a direct student benefit, is far too subjective and prescriptive and therefore unacceptable. It is not the role of governments or ministers to tell a tertiary institution and its students what is rightfully their business and theirs alone. While asking the house to leave in that part of the Kennett government's legislation that says compulsory non-academic student fees must be used for the direct benefit of students, my proposed amendments say it is not our role to tell those institutions exactly what constitutes a direct benefit. The list is fairly typical of the excessively centralised control for which the Kennett government was renowned and which was part of its downfall. I hope all members support the retention of section 12F(1) and (2). The bill aims to do away with the excessively prescriptive list, and no-one will regret its loss.

As I have talked to members about the bill I have found that a few parliamentarians on both sides are still romantically attached to their origins as student activists. I watched from the sidelines in the 1970s rather than being directly involved in the student debates of the time. Likewise, in some ways I feel that I continue to stand a little to the side and watch. However, my aim is to intervene to put a more balanced view than is sometimes expressed.

There have been some interesting discussions on the bill and the proposed amendments. A range of opinions have been expressed, and members will vote differently on different amendments. However, I would like the house to note that this is possibly the first time that the argy-bargy between the government, the Liberals, the National Party and the Independents has been civil, polite and cooperative. I hope it is a positive sign of things to come. The discussions that have taken place on the proposed amendments are a good example of how the Parliament should operate.

I hope that the amendments the house eventually agrees on sometime later tonight will be respected by the Legislative Council. The Legislative Assembly appropriately and accurately represents the view of the people of Victoria, whereas the Council does not.

As I said, I will address the specifics of my proposed amendments in the committee stage. I hope all honourable members accept them in the spirit in which they are offered. They offer a degree of compromise

between different views because they are reasonable, sensible and practical. We must look for good outcomes for our students, because in the end it is our students, whether they be at TAFE, university or any of the post-compulsory education facilities around the state, who should be our priority.

Debate adjourned on motion of Mr KOTSIRAS (Bulleen).

Debate adjourned until next day.

Remaining business postponed on motion of Mr BATCHELOR (Minister for Transport).

ADJOURNMENT

Mr BATCHELOR (Minister for Transport) — I move:

That the house do now adjourn.

Police: Frankston station

Mr WELLS (Wantirna) — I ask the Minister for Police and Emergency Services to take immediate action concerning the number of police at the Frankston police station. The situation is interesting. The honourable member for Frankston, who does an excellent job in the area, requested me to visit the police station because the numbers did not add up.

The honourable member for Frankston East wrote to residents stating that in September 1999 there were 2 senior sergeants, 9 sergeants and 48 constables stationed at Frankston. The opposition has no problem with those figures. The letter further states that the government had increased by 20 the number of police stationed at Frankston to 68 constables. Residents were also advised that foot patrols had returned, which is not correct.

I had a pleasant visit to the police station, unaccompanied by one of the minister's lap-dogs. I wanted to verify figures and found that the honourable member for Frankston East was correct in saying that police numbers had increased by 30 per cent. What he did not say was that on 1 December 1999 the government increased the policing area by 30 per cent, meaning that no new police are policing the Frankston area and that is the reason why the station is under so much pressure. No more police are on the beat.

Both the Minister for Police and Emergency Services and the honourable member for Frankston East have played a cruel hoax on residents and have misled the electorate. The honourable member for Frankston East should now come clean and confirm that the policing area has increased by 30 per cent.

Disability services: Geelong

Mr LONEY (Geelong North) — I refer the Minister for Community Services to the needs of people with disabilities. In the Geelong area the Barwon Disabilities Resource Council has been active in ensuring that the needs of people with disabilities are borne in mind by community decision makers. Regular meetings to address those needs are held with me, the honourable member for Geelong, Mr Trezise, a representative of Geelong Province in another place, Mrs Elaine Carbines, local council members and others.

The Barwon council is also active in developing an inclusive community attitude and has taken up many issues to ensure that people with disabilities have the opportunity of taking part in the community. I recall that when a new city hall was built in Geelong a door leading into the council chamber would not allow wheelchair access. In spite of millions of dollars being spent on the building the Barwon Disabilities Resource Council was successful in having the doors changed to allow for adequate access.

With the Paralympic Games currently being staged in Sydney there is much focus on abilities rather than disabilities, and it is an appropriate time for communities to support people with disabilities. The Geelong community needs to develop good strategies to ensure awareness of the needs and aspirations of people with disabilities and that their inclusion in all parts of community activities is well planned.

I suggest the best place for that is at the local government level, which is close to the community and responsive to it. However, expertise is required so that local councils can identify and act to support projects that will benefit people with disabilities. I ask the minister to take action to ensure that local government is adequately resourced to allow it to take on the role of identifying appropriate projects.

Beechworth Hospital

Mr RYAN (Leader of the National Party) — Last week I was in Beechworth, where I met various people, including representatives of the board of Beechworth Hospital, known as TBH. I direct the attention of the Minister for Health to an issue arising from those discussions. TBH is a 160-bed provider of acute, residential, psychiatric and community-based health services to the local population and north-east Victoria generally through its specialist residential care

programs. An existing program to redevelop TBH stemmed from a government-funded needs analysis and service plan that was written by consultants in 1996.

The recommendation that TBH remain at its current bed size was not accepted at that stage. A long and vigorous debate followed, in which about 5000 people participated. That was reflected in a petition tabled in this place. Ultimately, after discussions between the hospital community, the community of Beechworth and the government, a settlement was achieved whereby a new hospital would be built. The new TBH was to have 88 beds and retain its community-based services, which would have included an additional 18-bed psychiatric community care unit. That decision was made about three years ago, in or about May 1997.

The government gave a firm commitment, and the intention was that a new hospital would be built for the people of Beechworth. Following acceptance of the proposal government-funded planning consultants were engaged and progressed the planning for the new health facility, which was to be built on one of two TBH Beechworth sites. It had reached the point where an investment evaluation report was lodged in October 1998. No funding for the project was provided in the 1999–2000 budget, but the clear expectation was that funding would be provided in the current financial year.

The current government has shown no interest in updating the investment evaluation report for lodgment in October 2000 to ensure the project qualifies for an appearance in the 2001–02 budget. TBH has now received written advice from the Department of Human Services that its project will be considered as part of the second stage of a statewide program of redeveloping state-owned residential care facilities, which must meet the space and privacy requirements of the commonwealth by 2008.

All that is causing grave disquiet in the Beechworth community and surrounding region, which is evident when one meets with the board. I ask the minister to explain what is happening with the development of that marvellous facility so that the people of the region can regain the certainty they had under the previous government, which by now would have seen — —

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

Housing: western suburbs homeless

Mr LANGUILLER (Sunshine) — I seek advice from the Minister for Housing on the action the government intends to take to provide assistance to families facing housing and accommodation crises in the western suburbs.

Earlier this year I raised the issue of homelessness in the western suburbs, referring in particular to a Sunshine rooming house. I indicated then, and I stress again, that given discussions I have had and the representations made to my office, the problem in the western suburbs is still serious. I recently met with area representatives of the Tenants Union of Victoria and with the City of Brimbank, which is trying to assist in the process.

I now bring to the attention of the minister and the house a recent report prepared by Dr Chris Chamberlain, the head of the sociology faculty at Monash University, entitled 'Homelessness in Victoria: a report prepared for the Victorian homelessness strategy, Department of Human Services'.

The report states that 1369 incidents of homelessness have been reported in the western suburbs, which equates to a ratio of about 35 per 10 000 people. That is based on an Australian Bureau of Statistics census, admittedly collected some time in 1996.
Dr Chamberlain says that although the figures may well move around, one can unfortunately be confident that they remain more or less the same in the western suburbs.

The report refers to a cultural definition used by Chamberlain and MacKenzie that relates to three segments of the homeless population — primary homelessness, which relates to people without conventional accommodation; secondary homelessness, which relates to people who frequently go from one place to the other; and tertiary homelessness, which relates to people who live in single rooms in private boarding houses, many of which are in the western suburbs.

I am happy to note that the government is taking action. It said before the election that it would address some of the issues and make funding provisions based on need.

Derinya Primary School

Mr HONEYWOOD (Warrandyte) — I raise with the Minister for Education the case of Derinya Primary School, Frankston, whose 520 students and wonderful teachers give the school an excellent reputation beyond its normal catchment area. However, the school has a problem with its five-year contracted principal, Mr Allan Phillips. The honourable member for Frankston has done a superb job in trying to arbitrate and conciliate between the school council, the school community and the principal.

The principal in question was absent for 50 per cent or more of the school year last year and has been absent for more than 50 per cent of the school year this year. On the department's own admission he has been absent for more than 30 per cent of the time. There's the rub, because the principal is unfortunately not recording his sick leave absence to the extent he should.

I do not wish to raise any issue of fraudulent behaviour in a situation in which a principal has an illness. However, although the minister's press secretary attempted to kill the story in the media by saying that the principal in question had a terminal illness, it transpires that he suffers from migraine headaches. Therefore, it is not about somebody suffering a terminal illness but about a situation in which, although I do not criticise the principal, the Department of Education, Employment and Training has not abided by the protocols the former government had in place, which say that where a principal cannot perform his or her duties he or she should be allocated a regional office desk position and a substitute principal should be allocated to ensure that the school community can get on with the business of delivering excellence in school education.

I call on the minister to explain why her failed chief of staff, Alan Taylor, who has now reappeared as a district liaison principal in the southern region, has been at a loss to ensure that the principal, Allan Phillips, of Derinya Primary School, has addressed his frequent absentee problem.

In other words, why has Mr Allan Phillips been absent for the past three weeks of the current school term? Why was he absent for most of the last school term? Why was Mr Phillips absent for most of the first term? Why is it that Jan Lake, the regional manager, with whom the problem has been raised for the past two years, has done nothing to address the issue?

The school council is at a loss to know what to do about it. The principal has migraine headaches but has been allowed by the department to get away with not providing leadership to a school community that has thrived because of the excellence of others rather than the excellence of the principal, who is meant to be the school's leader.

I call on the minister to explain why it is that the protocols that have been observed by previous governments are being ignored. Is she protecting a union mate? What is the reason for no substitute principal being provided to the school community? Why is it that the questions of the honourable member for Frankston remain unanswered?

Marine parks: establishment

Mr INGRAM (Gippsland East) — I refer the Minister for Environment and Conservation to today's release of the Environment Conservation Council (ECC) final report entitled *Marine, Coastal and Estuarine Investigation*, which recommends the establishment of marine parks and sanctuaries in Victoria's coastal waters. The conservation of biodiversity in marine systems through the establishment of marine parks should be seen as an important and progressive step towards the preservation of marine creatures and marine flora and the habitats they occupy.

I call on the minister to outline the process the government will follow to establish marine parks and to assure honourable members that the issues not covered adequately in the ECC report will be addressed. The tabling in the house today of the council's final report is the culmination of a process that has taken nine years of work and has involved several draft reports. That process has caused much division and dissent in coastal communities.

It is now time to move into a new phase that will have a strong focus on implementation. That phase must take into consideration the views of the commercial and recreational fishermen and the coastal communities that depend on marine resources. The government must take into consideration enforcement not only of the proposed parks but also areas outside the proposed parks that will bear the brunt of the increased fishing activity, particularly illegal fishing. Clearly, the establishment of marine parks is not simply a matter of drawing lines in the water and hoping for the best. There are many aspects of implementation and ongoing enforcement in marine parks that will need to be considered seriously and resolved before the parks can be established.

To ensure that the communities of country Victoria support the proposed marine parks the government must give consideration to the inputs that were obviously ignored by the ECC. I call on the minister to take action and to outline the process and the consultations that it will undertake in response to the establishment of marine parks.

People who do not oppose the establishment of marine parks still insist that implementation and enforcement costs must not be borne by local communities and that the social implications of marine parks must be considered. Environmental benefits must be delivered and management resources must be made available.

Planning: East Bentleigh store

Mrs PEULICH (Bentleigh) — I raise for the attention of the Minister for Planning, through the Minister for State and Regional Development, the loss of amenity in Gowrie Street, East Bentleigh, resulting from the intensification of the use of that street by a Mitre 10 store, previously Bowens. The matter has been raised with me by Mr Norman Harris, who lives in Gowrie Street, on behalf of a number of other residents and himself.

The store in question fronts onto Warrigal Road but also abuts the residential street. I initially referred the matter to the local ward councillors of the City of Glen Eira, and Mr Harris made approaches to council officers.

Recently in the local paper the mayor is reported as having said that council was powerless to act against the breaches that have occurred and that Mr Harris should instead seek the assistance of his local member of Parliament to lobby the government to provide whatever assistance it can to resolve the matter.

The original permit issued in the 1970s included provision for a gate onto Gowrie Street that was to remain closed except for emergency vehicles. However, over the past 12 to 18 months, since the takeover by Mitre 10, the gate has remained permanently open and the residential street is being used by customers' vehicles and for deliveries by trucks. There is an enormous loss of amenity, particularly to Mr Harris, whose property abuts the Mitre 10 property. I have a great deal of sympathy for him and for the other residents of Gowrie Street.

I am surprised that the council feels powerless to act against the breaches by Mitre 10, of which there are many, including its use as a loading bay and timber storage area of land designated as a car park. A lot of noise and forklift movement is generated, further contributing to local residents' loss of amenity. I cannot see why the local council cannot act against such breaches.

A letter dated 20 September from the City of Glen Eira to Mr Phillip Barnes, who is acting for Mr Harris, states:

> On 21 July 2000 we received advice from Bowens' consultants to the effect that the storage of timber on the car park was merely for customers of its retail timber yards located on the land and not as a distribution outlet for other Bowens stores. On this basis, therefore, council has determined there are no realistic prospects of initiating successful enforcement proceedings against Bowens, as its activities appear to be a lawful intensification of its existing use rights for the land.

Naturally I am very pro-business, but I think there is scope for a workable compromise.

Gold discovery anniversary

Ms ALLAN (Bendigo East) — I raise for the attention of the Minister for Major Projects and Tourism the government's announcement last Wednesday of funding for the 150th anniversary of the discovery of gold in Victoria and its further announcement of the allocation of $1 million in funding for statewide celebrations.

I congratulate the minister and the Premier for making the announcement in historic downtown Clunes, the site of the first discovery in 1851 of gold in Victoria. It made for a great community event there last week, with many members of the community, including schoolchildren, coming along for the announcement.

I refer the minister to comments made by the shadow minister for tourism in another place and reported in the *Bendigo Advertiser* of 21 October this year to the effect that among his criticisms of the $1 million funding announcement — despite widespread interest in the issue — he found the system of allocating the funds 'appalling' and declared he would be calling for 'a probity audit' to make sure the funds, when handed out, would be handled 'according to the rule book'.

It is interesting that an honourable member who was part of the government that chose to remove the independence of the Auditor-General is now calling for probity audits of government funding announcements.

I ask the minister for assurances about the allocation of $1 million. In particular, I am interested in his response to the statements made by the shadow minister. As I said earlier, there has been great interest across the state in the funding announcement. I am pleased to be participating in the steering committee, together with my colleagues the honourable members for Ballarat West and Ripon, local government, industry and country Victorian tourism council representatives.

I was disappointed and disheartened to read about the criticism by the shadow minister in Bendigo, the home of gold in Victoria. He had the gall to make comments criticising important funding for a community event. The funding announcement was widely anticipated and welcomed by the community. The honourable member's comments have disappointed members of the community to whom I have spoken.

The funding is to be directed to events commemorating the 150th anniversary of the discovery of gold in Victoria. A number of events have been planned for next year to celebrate this discovery, but also — —

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

City Link: Toorak Road exit

Ms BURKE (Prahran) — I refer the Minister for Transport to a matter concerning City Link, in particular the mobile sign that continues to flash at the Toorak Road exit from the Monash Freeway. The sign has been there for quite some time. People are used to the fact that City Link has a toll on the freeway after Toorak Road.

My constituents along Toorak Road and surrounding areas have requested me to ask the minister to remove the sign and replace it with the type of sign that normally appears at exits for people who do not want to pay tolls rather than the current flashing one, which is quite distracting to drivers. It obviously makes many drivers on the freeway turn off at the Toorak Road exit.

The other issue concerns the Burnley Tunnel. When will the tunnel be opened? It is of concern to my constituents who live in the Alexandra Avenue area. My constituents are being penalised for the delay. During the coalition's time in government we recognised that this was an issue and constituents should be treated fairly and reasonably.

An honourable member interjected.

Ms BURKE — It is a good system of transport, and I am not criticising that. But we kept everybody up to date with what was happening, which is not happening under Labor. Those constituents have every right to know when the tunnel will be opened and when the system will operate normally without flashing signs. I ask the minister to advise me of the circumstances so that I can advise my constituents.

Children: high-risk adolescent facilities

Mr ROBINSON (Mitcham) — I raise with the Minister for Community Services, or in her absence the Minister for State and Regional Development, the provision of child protection services, in particular the resources provided to and the arrangements in place for high-risk adolescent facilities.

I seek from the minister and her department an investigation of the resources that are currently available, the arrangements that are in place and any reforms to those arrangements where they are required. Honourable members would readily agree that the establishment of high-risk adolescent facilities in the suburbs of Melbourne is a good idea as an alternative to juvenile detention facilities such as Turana. If those facilities can achieve their purpose they must be adequately resourced.

My experience in the electorate of Mitcham over the past couple of years has been that the arrangements put in place under the previous government did not allow the facilities to perform in the way they were intended. The facility with which I had an encounter on behalf of residents who had experienced what could only be described as a living hell was overcrowded.

The facility had been designed as a residence. It had been purchased and redesigned to accommodate three adolescents in the high-risk category, but more often than not it was accommodating five or six. The facility was understaffed. It had been intended that three staff would work there, but on many occasions there was only one. There was a lack of support and connection to other services and a total lack of neighbourhood support. The local neighbourhood had not at any time been permitted an opportunity to understand what was intended to happen at that facility. There was not even as much as a contact telephone number for residents to make a complaint when behaviour at the facility descended into little more than bullying and physical damage. The experience of the residents was that the adolescents at the facility were more or less out of control.

It was not an isolated instance. I am sure honourable members would be familiar with several cases like the one I have cited. Thankfully, some efforts — —

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

Point Nepean: Norris Barracks

Mr DIXON (Dromana) — I raise with the Minister for Environment and Conservation the former Norris Barracks at Point Nepean. I raised this matter with the minister 12 months ago and she replied, saying that she would look into it.

As it is now 12 months later and no announcement has been made, I ask the minister to finally say what the future of the barracks might be. The place has deteriorated rapidly in the past 12 months and its future needs to be determined now. The community is waiting for that decision because it is a very important place, not only in terms of its natural history but also its

heritage values for the people of the Mornington Peninsula and — —

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

Responses

Mr PANDAZOPOULOS (Minister for Major Projects and Tourism) — I thank the honourable member for Bendigo East for raising the matter and for agreeing to chair the steering committee of the 150th anniversary of the discovery of gold celebrations. It is something this government could achieve but the previous government could not.

The shadow minister for tourism is no. 4 in the Liberal Party. He is the Deputy Leader of the Opposition in the upper house, and every time he goes to the goldfields region he makes embarrassing comments. He went to the state council meeting of the Liberal Party in Ballarat and made embarrassing comments. He had egg all over his face; now he has gone to Bendigo and done exactly the same thing. He has been bagging the government for doing something his government could not achieve when it had the opportunity to plan for the celebrations for the 150th anniversary of the discovery of gold.

The shadow minister also bagged the Country Victoria Tourism Council, whose task is to administer the funds. The council is an industry body run by the tourism industry across country and regional Victoria. It has a spectacular reputation. It administers cooperative marketing programs on behalf of Tourism Victoria and regional event funding, and no-one has ever criticised it and said it needs all these extra probity checks. It has its own probity auditors, it is oversighted by Tourism Victoria and the funding of $1 million the government is providing from the Community Support Fund will also be audited by the Auditor-General. The organisation is audited and examined all the time yet the shadow minister for tourism is bagging the most important tourism organisation in Victoria about an initiative this government has been able to achieve.

The shadow minister's comments as reported in the *Bendigo Advertiser* highlight the fact that the idea of celebrating the anniversary was around in 1998 but the former government had not done anything about it at the time of the last election. The Bracks government was approached by the Gold Victoria Committee, which said that it had been getting the run-around from the previous government and that no-one wanted to take ownership of the anniversary. The committee had been told that it was not a tourism event, not an arts event and not a community event. No-one wanted to own it, so I said the government would try to do something.

Late last year it provided $25 000 to the committee to develop a business plan. That business plan was made available to the government in April. It considered the plan and was disappointed that the committee asked for $3.75 million. There was no money from local government, the gold industry or the private sector. The government decided it was committed to celebrating the 150th anniversary of the discovery of gold. It sought an agency with an excellent reputation in the community that could administer the funds. The agency needed to have good community contacts with local government and good relationships with the tourism sector. The agency chosen was the Country Victoria Tourism Council.

The government asked the council to apply to the Community Support Fund for funding. The council applied in early August and the project was announced in October. The shadow minister criticised the government for doing too little, too late but the council applied in August and the project was announced in October. It is a great result. The only people who do not know about it are opposition members. Local government, the tourism industry and the community sector see these as very important celebrations and events, which the previous government did not want to touch.

The government's $1 million will be backed up by money from local councils and the community and private sectors. I thank the steering committee for the work it will be doing. I look forward to the announcements it will make of community events across the state. Shame on the opposition for criticising a great initiative and a great tourism organisation.

Ms PIKE (Minister for Housing) — I thank the honourable member for Sunshine for again raising the issue of homelessness in the western suburbs. I note that the honourable member quoted from the report of Dr Chris Chamberlain of Monash University. That has been a useful resource as the government has been working through its homelessness strategy. The government has a very strong commitment to addressing homelessness. It is working with the ministerial advisory committee to develop a comprehensive Victorian strategy. I expect to receive an interim report before Christmas.

A key focus of the report will be recommendations that will assist the government to move beyond the transitional programs and the programs of last resort, such as the supported accommodation assistance

programs and the transitional housing programs, and develop an approach to addressing homelessness across a range of government and community activities.

As a first step in that important work, the government has committed almost $7 million to develop four new accommodation centres in outer suburban and regional areas, providing support services where they are most needed. The four projects are to be located in strategic population areas that are connected to transport hubs and have adjacent to them a range of other supported accommodation assistance programs and transitional housing support services.

One of the new services will be located in the western suburbs for families in crisis. The proposed centre will be linked closely to existing services and will provide a response for up to 10 families at any one time. The government anticipates that over a year in that service area alone up to 130 families will be assisted. My department has allocated $1.5 million to provide the facility with ongoing operational costs of $250 000 a year.

The government hopes its first initiative will make a significant contribution to the lives of people in the western suburbs who experience homelessness or who are at risk of becoming homeless by giving them the opportunity to have affordable accommodation. In the longer term I am optimistic that the homelessness strategy will enable the government to play a defining role in creating a much more inclusive and sustainable Victorian community.

Ms CAMPBELL (Minister for Community Services) — The honourable member for Geelong North raised an issue concerning people with disabilities and local government responses to them. He also outlined effectively the wonderful work done by the Barwon Disabilities Resource Council. I want to pay tribute in particular to Carol Okai and her team for the work they do. They have worked hard to implement strategies at a local level that enable the inclusive community concept to be realised.

As outlined by the honourable member for Geelong North, the Geelong communities have tried to assess the needs and aspirations of people with disabilities. I take up in particular the point raised by the honourable member about local government. Local government plays and should continue to play an increasing role in ensuring that local communities are responsive to the needs of community members, particularly those with disabilities. I am pleased to inform the honourable member for Geelong North — and I note the honourable member for Geelong sitting beside him, who will also be very keen to hear this — that the government has instituted a new initiative in partnership with local government to ensure that people with disabilities are included in local government initiatives.

The government has allocated $425 000 to that initiative, which is based upon three components: the Building Better Communities program, incorporating the inaugural Victorian local government accessible communities awards, which have moved towards ensuring that people with disabilities are picked up in local government initiatives; the Local Government Online resource kits; and the Towards Inclusive Communities program, which will provide best practice grants for local government.

I want to continue to work with the Municipal Association of Victoria in its good work with a range of local councils throughout Victoria. I encourage honourable members to liaise with their municipal chief executive officers, councils and mayors to implement some fabulous local initiatives. I am sure the honourable members for Geelong and Geelong North will work hard to ensure that their local communities are involved.

The honourable member for Mitcham raised the challenging area of high-risk adolescents in community residential units. I am familiar with the work over a number of years of the honourable member for Mitcham in local communities and neighbourhoods to ensure community residential units meet the needs of young people but do not intrude into the lives of families surrounding them.

I am pleased to inform the honourable member for Mitcham that a comprehensive audit is being undertaken and will be completed next week. It is the first audit undertaken by government in the past decade to look comprehensively at every young person in our community residential units.

I was astounded and continue to be amazed that the previous minister did not have in place a system showing the number of young people in community residential units or whether they were linked into schools. When I became minister the Department of Human Services could not tell me whether these young people were linked to health services or whether family mediation took place.

As a result of the work of the department and the agencies that provide high-risk adolescents with community residential living options a survey that will cover every young person in community residential

units in this state is being completed. The department will look at the health and behavioural issues of clients, their placement details, the types of planning and services they have received, their links to education and training, and their relationships with families.

I am pleased to inform the honourable member for Mitcham that the department will obtain a clear analysis of the young people in our services. As a result of learning about their needs and the likelihood of their being met, a strategy will be put in place to ensure that those needs are met. In the past local communities contacting the Department of Human Services or community service organisations were told there were no problems. The government will be able to tell them honestly what the picture is.

I assure the house that the report will be provided to community service organisations and will not be buried for five years in the bowels of the Department of Human Services.

Ms DELAHUNTY (Minister for Education) — The member for Warrandyte raised the matter of the principal's absence from the Derinya Primary School.

Mr Honeywood interjected.

Ms DELAHUNTY — The honourable member said that this has been an issue for two years. As I understand it, the ALP has been in government for one year. He was a senior member of the previous government, a senior education minister, and did nothing — as usual. The government is now fixing their mess again.

The issue is important because the students of that school have the right to expect the school leadership to be there for as much of the term as possible. The matter has been raised with the regional director. When the ALP came into government the school was audited and the principal was asked to review and alter the processes for placing absences on the system, so that has been attended to. Secondly — —

Mr Honeywood interjected.

Ms DELAHUNTY — I would be extremely careful of that allegation. It is very easy for members to come into this place and make allegations against citizens who have no way of defending themselves.

The opposition will do anything to try to score a cheap political point. We have seen that time after time. Opposition members are not interested in the basic issue, yet they smear people's reputations. A new assistant principal, Carol Reed, was appointed for 2000, so the government did take action. The honourable member for Warrandyte says the matter has been going on for two years. As soon as we came into government we took action. A new assistant principal has been appointed, and when the principal is absent she takes over his responsibilities.

The honourable member for Warrandyte quite wrongly suggested that the reason the principal has been allowed the absences is that he is an Australian Labor Party or Australian Education Union member. That was the allegation made by the honourable member in public against this principal. That is not so.

Secondly, the principal is not suffering from migraine headaches. It is despicable — —

Mr Honeywood interjected.

Ms DELAHUNTY — You asked the question, and you might like to learn the answer! Then you might have the good grace to ring the principal and apologise to him. He suffers from a very rare skin disease, which is an allergy illness.

Mr Honeywood interjected.

Ms DELAHUNTY — You are the one who went out to the public and said that he was either an ALP or an AEU member. He has been given permission to travel to the United States to seek medical assistance for his rare illness.

Mr Honeywood interjected.

Ms DELAHUNTY — You are terminal, that's for sure. Nine votes! Madam Deputy Speaker, I have been asked to answer on the issue, and I have done that in the spirit of providing information for the students and parents of the school.

Further, I understood that the forms of this place meant that the adjournment was for members to ask of a minister what action he or she was taking. I was not asked about action; the question very specifically asked for an answer. The honourable member has received the answer, and I hope he will now publicly apologise to the principal, students and parents of the school. The government has decided to look after the interests of the students rather than have the opposition play politics with the issue. I look forward to a public apology from the honourable member for Warrandyte.

Mr HAERMEYER (Minister for Police and Emergency Services) — The honourable member for Wantirna raised an issue relating to police numbers in Frankston. I am glad to see that members of the Liberal

Party have finally discovered Frankston and the fact that there is a police station down there — they have finally discovered the issue of police numbers — because not one of them bothered to raise this issue while their government was busily eroding and cutting police numbers across the state. Frankston was one of the worst affected police stations, but not one member opposite thought to raise the issue. They sat like a pack of stuffed dummies and said not a word. I am glad they have finally discovered the issue.

The facts are quite simple. As at June 1999 the allocation of police to the Frankston police station was 58.48. As of October this year the number is 69.95, and the government is increasing the figure even further to a minimum profile of 68 constables and senior constables and 12 sergeants and senior sergeants, which is a huge increase in the number of police officers at Frankston.

An honourable member interjected.

Mr HAERMEYER — The honourable member says it is not enough. That is the first time in seven years I have heard a member on that side of the house say it is not enough.

The honourable member for Wantirna made a rather remarkable discovery, which I also noted when I visited Frankston recently to hand over $50 000 under the Safer Cities and Shires program funding, which the honourable member for Frankston East and the mayor of Frankston worked hard to obtain. At the meeting at Frankston I made the point that the coverage of the Frankston police station had expanded under the previous government to include Carrum Downs and Langwarrin. The honourable member for Wantirna got that part right, but he neglected to note that while the previous government embarked on expanding that coverage area it also reduced police numbers. The previous government reduced police numbers while increasing the workload of police officers in Frankston.

Mr Wells — I raise a point of order, Madam Deputy Speaker, on a matter of relevance. The policing area was expanded on 1 December 1999 under a Labor government.

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

Mr HAERMEYER — The honourable member for Wantirna does not seem to understand the point. The previous government was cutting police numbers. In fact, it lied about the number of police who were at the Frankston police station; it overstated the number by 10. Members of the previous government lied about police numbers to try to protect their miserable political hides.

The government is increasing police numbers in Frankston to appropriate levels, whereas the previous government was cutting police numbers. The government recognises the increased workload as a result of the expanded coverage of the police station in Frankston.

The comments of the honourable member for Wantirna are hypocritical. It is a bit like the Romanian weight-lifting team complaining about doping at the Olympic Games. That is the standard to which he has stooped!

The DEPUTY SPEAKER — Order! I ask the Minister for Police and Emergency Services to conclude his comments.

Mr HAERMEYER — The government is increasing police numbers, unlike the previous government, which decreased police numbers. I do not know which faction of the Liberal Party the honourable member is doing the numbers for, but if I were one of the contestants I would hope he was not on my side. The honourable member has confirmed himself as an absolute dill.

Mr BRUMBY (Minister for State and Regional Development) — The honourable member for Gippsland South raised an issue concerning Beechworth and, more generally, state-owned residential care facilities and the proposal for the hospital. I listened with great interest to his exposition. It is an important issue, and I will ensure that the matter is referred to the Minister for Health for response at the earliest opportunity.

The honourable member for Gippsland East raised for the attention of the Minister for Environment and Conservation the Environment Conservation Council report on marine parks. As the honourable member has advised the house, the report has taken essentially nine years of consultation and preparation. It has now been finalised and released, and I would encourage all honourable members to read the report or, if they do not have the time to do that, at least to read the summary, which has been produced separately and is available.

The honourable member argued for a new phase that looked at implementation now. He asked of the government and the minister that there be consultation with all affected groups including the fishing industry. I will convey that to the Minister for Environment and Conservation, but I am happy to confirm to the honourable member that there will be a period of

further consultation between the government and interested groups, and the interests of conservation groups, fishing groups and communities will be taken into account in the determination of the government's final decisions. I repeat: it is a final report. It has been nine years in the making and will be fully and comprehensively considered by the government.

The honourable member for Dromana, who is in the house, raised in the 25 seconds remaining to him a matter for the attention of the Minister for Environment and Conservation concerning the barracks at Point Nepean. In a limited time he was perhaps not able to fully advance his argument. However, to the extent that he did I will refer the matters to the minister. I think the honourable member suggested that he raised the issues in writing with the minister some time ago and has had no response, so he has appropriately raised the matter again. I will refer it to the minister for response.

The honourable member for Prahran raised for the attention of the Minister for Transport the City Link mobile sign at the exit near Toorak Road, which continues to flash and which I gather can annoy residents. I will refer that issue to the Minister for Transport. Essentially it is a matter for him, City Link and the Melbourne City Link Authority. There is another of those signs at the northern end of City Link, my end of it, but it is somewhat more distant from residences. I will refer the matter to the Minister for Transport.

The final matter was raised by the honourable member for Bentleigh, who is in the house, for the attention of the Minister for Planning. It was about the concerns of a Mr Norm Harris of East Bentleigh about a planning issue to do with intensity of use of the Mitre 10 development there. It is unclear to me whether the Minister for Planning has the power to resolve the issue or whether it is a local government planning issue, but irrespective of that I will refer the matter to the Minister for Planning to see whether he is able to use any influence to expedite a resolution.

Motion agreed to.

House adjourned 11.53 p.m.