PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

6 June 2001

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Wednesday, 6 June 2001

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 10.03 a.m. and read the prayer.

RACIAL AND RELIGIOUS TOLERANCE BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. M. M. GOULD (Minister for Industrial Relations).

BUSINESS OF THE HOUSE

Sessional Orders

Hon. M. M. GOULD (Minister for Industrial Relations) — I move:

That so much of the sessional orders be suspended as would prevent new business being taken after 8.00 p.m. during the sitting of the Council this day.

Motion agreed to.

PETITION

Chronic fatigue syndrome

Hon. N. B. LUCAS (Eumemmerring) — I desire to present a petition from certain citizens of Victoria that draws the attention of the house to the lack of a coherent public health policy and disability services or provisions for persons impaired by myalgic encephalomyelitis, chronic fatigue syndrome and respectfully request that the Council support and encourage the following — —

The PRESIDENT — Order! The honourable member can read from the paper that has been distributed in his name; he cannot read the petition. He can ask the Clerk to read it.

Hon. N. B. LUCAS — I ask the Clerk to read the petition.

The PRESIDENT — Order! I suggest the honourable member read from the paper.

Hon. N. B. LUCAS — Certainly, Mr President. The petition from certain citizens of Victoria requests that the Minister for Health provide the necessary resources to ensure that a public health policy and disability services or provisions for persons impaired by myalgic encephalomyelitis, chronic fatigue syndrome, be implemented.

The petition is respectfully worded and in order and bears 254 signatures. The description in the paper I have covers only part of the petition. I ask the Clerk to read the petition.

The PRESIDENT — Order! There are a couple of opportunities available to the honourable member: either to move that the petition do lie on the table; or to ask the Clerk to read the petition, as was done recently by an honourable member. It is in the hands of the honourable member.

Hon. N. B. LUCAS — I ask the Clerk to read the petition.

Petition read pursuant to standing orders:

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

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council the lack of a coherent public health policy and disability services/provisions for persons impaired by myalgic encephalomyelitis/chronic fatigue syndrome and respectfully request that the Council support and encourage the following:

1. Recognition that ME/CFS can be a severely disabling and even life-threatening illness.

2. Recognition that the ME/CFS impaired are genuinely disabled persons entitled to access disability support services/benefits.

3. Establishment and maintenance of a comprehensive national register of ME/CFS patients, to enable statistical evaluation of the prevalence and outcomes in the community.

4. Commitment of National Health and Medical Research Council funding for research into the physical/organic aspects of ME/CFS.

5. Regulation of government and private insurance sectors to ensure the fair and transparent assessment of ME/CFS disability claims.

6. The Minister for Health providing the necessary resources to ensure that appropriate public health policy and adequate disability services/provisions for persons impaired by ME/CFS are provided.

Your petitioners therefore request that the Minister for Health provides the necessary resources to ensure that a public health policy and disability services/provisions for persons impaired by ME/CFS/MFS be implemented.

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

By Hon. N. B. LUCAS (Eumemmerring) (254 signatures)

Laid on table.

PAPER

Laid on table by Clerk:

Auditor-General — Report on Ministerial Portfolios, June 2001.

BARLEY MARKETING (AMENDMENT) BILL

Second reading

Debate resumed from 21 March; motion of Hon. B. W. BISHOP (North Western).

Hon. PHILIP DAVIS (Gippsland) — In memory of the modest former member, the Honourable Bert Kelly, I rise to speak on this important debate. This is a very important debate for farmers in Victoria, and I need to put it in context.

We are dealing today with a decision by the Bracks Labor government to deregulate the barley marketing arrangements in Victoria. I will quote briefly from an article that appeared in the *Weekly Times* of 20 December 2000 under the headline 'Barley's single desk abolished'. The article reads:

> Victorian barley growers may see a drop in prices as a result of the state government's decision to abolish the export single desk.
>
> In a watershed decision for the grain industry, Treasurer John Brumby and agriculture minister Keith Hamilton last week announced they would open up Victorian export barley sales to competition from 1 July next year.

The Victorian government has determined a policy position on barley marketing. Since that announcement extraordinary efforts have been made on the part of industry participants to persuade the government to desist from that course. There has been a consistent view, both nationally and in other state jurisdictions, that deregulation is an inappropriate course.

While there is not a unanimity of view among barley growers, there is a preponderance of view that the single desk should not be abolished. This issue is best summarised by the *Weekly Times* editorial of 23 May, headed 'Brumby single-desk decision doesn't add up':

> Why have Treasurer John Brumby and Premier Steve Bracks ignored the call by the majority of Victorian grain growers to maintain the single desk on barley exports?
>
> Grower surveys have already shown 85 per cent of them support retention of the single desk.
>
> But Mr Bracks, Mr Brumby and their advisers have chosen not to listen.
>
> Mr Brumby has argued deregulation is in the best interests of growers and the industry. Obviously, he knows best.

The editorial concludes:

> The debate on deregulation is not over. And it's time for Mr Brumby to heed democracy, listen to the majority view among growers and reverse the decision on the single desk for barley exports.

I turn to the principal issues behind this bill. The Barley Marketing (Amendment) Bill deals with the scheduled abolition of the sole remainder of regulated marketing for barley in Victoria — that is, the single-desk powers of ABB Grain Export Ltd in relation to bulk shipments of export barley. All domestic sales of barley, regardless of whether it is malting or feed grade, have been deregulated. Bagged and container lots of export barley can also be traded by private traders.

The current single-desk powers are due to expire when the sunset sections in the act — clauses 33A(2) and 5(1) — come into effect on 30 June. The National Party's bill seeks to repeal those sunset sections.

Following a competition policy review, the benefits of competition were delivered to domestic consumers of barley in July 1999 when the domestic market was deregulated. There has been considerable debate about the abolition of the single-desk powers for export barley, in particular in the lead-up to the government's decision last year. That decision was the catalyst that led to an extraordinary outpouring of views by barley growers, and I will recite some of the detail of those views during the course of the debate.

There are some who argue that the single desk is necessary to allow the Australian barley industry to compete effectively in a manifestly unfair world trading environment to protect Australia's reputation as a quality supplier and to deliver the benefits of price premiums fairly to all growers in the pool. Conversely, others argue that the single desk restricts the ability of growers to choose the best way to market their produce, discourages marketing innovation and denies growers access to peak prices.

While the views of those in the grain industry are not unanimous, it is clear that a strong majority of barley growers oppose the scheduled abolition of single-desk powers. The true position on growers' views will be revealed on 11 June — next week — when the results of the grower poll on the single desk are made public. The poll is being conducted by the Victorian Electoral Commission and was commissioned by the Victorian Farmers Federation following the Labor government's

refusal to conduct a poll. I will come to the hypocrisy and inconsistency of the government in this matter later.

Hon. R. A. Best — Consistently hypocritical!

Hon. PHILIP DAVIS — If you like. As the Honourable Ron Best says, it has been consistently hypocritical. It is apposite to point out that, while the Labor government made great play of restoring democracy to rural Victoria, the reality is it is nothing more than thin rhetoric. The truth is that the government has ignored and continues to ignore the interests of rural constituents.

Hon. W. R. Baxter — Dairy farmers didn't want a poll, and it gave them one. This is vice-versa.

Hon. PHILIP DAVIS — Yes, Mr Baxter. The dairy industry did not look forward to a poll because it had an almost unanimous view in any event, but the government insisted on having a poll to demonstrate its bona fides.

It is clear that the National Party's position, which is incorporated in the bill, is to completely remove the sunset clauses and thereby permanently entrench the current single-desk arrangements.

The Liberal Party has consulted widely, and while having sympathy for the views of barley growers, the Victorian Farmers Federation and the industry generally — it is not just the VFF that has a consistent view about this issue but also the representative organisations of grain growers throughout Australia, including at a national and South Australian level — it believes an indefinite extension is unnecessary. It therefore intends to move amendments to the bill that will have the effect of extending the current single-desk arrangements until 30 June 2004. The Liberal Party believes that is more in line with the timetable of the federal government's decision-making process on the Australian Wheat Board and the single-desk arrangements for wheat.

Honourable members need to reflect on the economic impact of these issues. There has been significant debate about what the benefits and costs of deregulation might be. It is not clear — or, depending on what reports are considered, even arguable — what the costs and benefits of deregulation may be. The studies that have been conducted show relatively small benefits or costs, so the overall economic effects are likely to be minor whichever outcome is finally chosen. However, I will refer the house to the studies.

The Centre for International Economics study, which was carried out during the competition policy review of the Barley Marketing Act 1993, estimated marginal economic gains from complete deregulation of approximately $12 million per annum. The Econtech study has arrived at a different conclusion, and it claims that single-desk export powers deliver a benefit of approximately $15 million per annum to growers.

The author of the Econtech study, Chris Murphy, also contributed a piece to the *Weekly Times* of 4 April. That article states in part:

> In a study prepared last year for the ABB, Econtech estimated that exposing the single export desk to competition would result in lower export prices for barley of between $4 and $35 per tonne, depending on the type of barley and the export market.
>
> …
>
> We now have the best of both worlds in barley marketing, with competition in the domestic market, but not the export market.

I think his conclusion is the most important point. He states:

> Good economics needs to take precedence over ideology.

Mr Murphy's bona fides are clear: he is a highly respected economist who is contracted to both commonwealth and state governments. I believe it is reasonable to say that he is a credible source for advice on this particular matter.

Following the release of the Econtech data, the Labor government commissioned the Tasman report to review evidence of single-desk premiums and to examine claims that there had been substantial private investment in anticipation of export deregulation. The report has not been released and those parts of it that the government was forced to release under freedom of information laws have extensive sections blacked out. Honourable members could be forgiven for assuming that the report fails to give the government the evidence it seeks to justify its position.

In historical context I will briefly give an overview about barley marketing arrangements. Victoria has been a partner to joint barley marketing arrangements with South Australia for over 60 years. The Australian Barley Board was a joint Victorian–South Australian operation and marketed the lion's share of Australian barley for many years.

The Barley Marketing Act 1993, which this bill will amend, provides for single-desk arrangements to continue for a further five years. That was when it was amended in 1993. This was extended until 30 June

2001 by an amendment in this Parliament in 1998. The 1998 legislation created two grower-owned companies — ABB Grain Ltd and ABB Grain Export Ltd — to take over the operation of the Australian Barley Board. South Australia enacted complementary legislation on both occasions.

We come to the present day, and being cognisant of the need to recognise that the primary stakeholders in this matter are the growers of barley we need to have an understanding of what growers' views are.

Hon. T. C. Theophanous — Like Barry Bishop.

Hon. PHILIP DAVIS — Indeed, there are grain growers in this Parliament, as from time to time there have been dairy farmers, beef producers, woolgrowers and other primary producers, and isn't the Parliament richer for having people in it who have some knowledge of some of these subjects? Isn't the Parliament much richer for having members who have some practical understanding of the issues before the house instead of those who come in here with a completely naive, theoretical and farcical approach to debate on issues?

I refer to the views of barley growers. In March 2000 the Victorian Farmers Federation grains group annual conference voted unanimously to support the barley single desk. That was followed by an extensive campaign by the VFF membership to write to various political figures expressing views about the retention of the single desk.

I understand that the Premier, the Minister for Agriculture and the Treasurer received considerable representations from grain growers over that time. A research study by McGregor Tan showed that 84 per cent of barley growers rated the single desk as important or very important. At the VFF grains group annual conference earlier this year, after extensive debate, 90 per cent of grain growers voted in favour of the single desk, with 99 per cent of delegates supporting a call for a referendum of barley growers on the issue. Of course, during that time private traders and some grower cooperatives have consistently maintained their view that the single desk should sunset on 30 June 2001.

I believe the issue of a grower poll is important. Honourable members should understand that the Victorian government has refused to conduct such a poll. As was pointed out by Mr Baxter in his interjection, when a poll was foisted upon the Victorian dairy industry by the government, despite the fact the dairy industry leadership clearly indicated that the rank and file were unimpressed by the need for a poll, it simply confirmed the views of the dairy industry.

In this case, because the poll result can be predicted to run contrary to the view that the government has on this matter, it has refused to conduct a poll. Indeed, not only has the government been against having a poll, but in an article headed 'No, to barley ballot' in the *Weekly Times* of 21 February it states:

> The Victorian Independents have joined the state government in dismissing the grain grower calls for a ballot on barley industry deregulation.

And leading the charge is the honourable member for Mildura in the other place.

Hon. W. R. Baxter interjected.

Hon. PHILIP DAVIS — There is some degree of consistent hypocrisy, as has been alluded to by Mr Baxter. It seems that neither the government nor the Independents can operate in a way that would reflect upon them honourably in respect to the commitments that they gave the electorate on the important discharge of their obligations to democracy in this state. They have been hypocritical in that regard and, given the weight of opinion being expressed by grain growers, there is absolutely no doubt that it has been deliberate to avoid having to face up to the fact of there being a significantly divergent view from the government on these matters.

The poll I referred to earlier, the results of which will be available next week, is important. It is being conducted independently through the Victorian Electoral Commission.

Hon. T. C. Theophanous — A waste of money!

Hon. PHILIP DAVIS — It may be a waste of money, Mr Theophanous, if you are not interested in the views of the people who will be directly impacted by this decision.

Hon. T. C. Theophanous interjected.

Hon. PHILIP DAVIS — The reality is that if the government had the courage to conduct a poll of its own and had done that in such a way as to ensure that it had an understanding of the views of grain growers, it would not be necessary for the Victorian Farmers Federation to conduct a poll using its funds to advise the government on policy and the current views of farmers in this state.

In a national context we need to understand what is occurring in grain marketing. In early May the federal

government announced a postponement on the abolition of the wheat single desk until 2004. During this time a review of single-desk activities will be conducted using performance indicators to be developed within 90 days of the announcement, which is the end of June.

In late 2000 the South Australian government announced its intention to further extend barley single-desk powers, and the South Australian Minister for Agriculture, the Honourable Rob Kerin, called on Victoria to do the same. He did that on 14 September 2000 and again on 17 May this year.

All barley-producing states have extended their single-desk marketing arrangements. South Australia has an indefinite extension; Western Australia has extended until 2005, and will then link to the wheat single desk; Queensland has extended until 2002, and will then review; New South Wales has extended until 2005. It is important to understand the national context. It is clearly the case that Victoria should not, in the interests of the barley industry, act unilaterally and weaken the position of the collective efforts of grain growers in Australia. It is clearly the position of the Liberal Party that an appropriate policy response should be made to the government taking what is clearly unilateral action in the face of opposition from the industry and from the other jurisdictions in Australia.

Following discussions with all sectors of the trade and with the South Australian minister, and taking into account the objections of the private traders and those grower cooperatives that wish to add barley to their trading portfolios, the Liberal Party has decided to amend the bill so as to extend the current single-desk arrangements until 30 June 2004.

This fits neatly into the federal government's timetable on wheat deregulation. By then the decision on wheat will be known. In discussions with the VFF and others it has been stated that the original timetable for barley deregulation was implicitly tied to the timetable on wheat. While not identical, it is consistent with the arrangements in South Australia, our partners in the Australian Barley Board for over 60 years. In similar fashion it is comparable with the arrangements in every other Australian barley-growing state. Most important of all, it is in line with the wishes of a significant majority of barley growers, the VFF and country Victorians. It is a sensible and responsible alteration to the deregulation timetable.

The Labor Party has consistently campaigned in country Victoria promising to listen to country people and to restore democracy. But what have we seen? Labor promised a farmer referendum on dairy deregulation, even though the industry, through its peak body, was strongly in favour of change and despite the fact that the Victorian economy was the clear winner from deregulation. In contrast, Labor has refused to listen to growers' views on the barley single desk. To add insult to injury, Labor has refused to conduct a grower poll, despite repeated requests to do so.

Those repeated requests are well represented in the columns of the rural journals. A casual reading will indicate just how strong the expressed views are. The conclusion of an article by Ron Hards, the president of the VFF grains group, that appeared in the 1 March edition of *Stock and Land* states:

> Surely Victorian growers deserve the opportunity to make the decision rather than have a bureaucratically imposed, non-negotiable move to deregulate the export market for barley.
>
> Let's have a vote, Mr Bracks.

In the 5 April edition of *Stock and Land* Mr Hards expressed a similar sentiment in an article headed 'Call for poll on barley single desk', stating:

> Victoria's grain growers and the people of Victoria deserve a straight answer as to why the Bracks government is ignoring the will of the great majority of grain growers in deregulating the single desk for export barley.

He concludes with the comments:

> This could be coordinated by the State Electoral Office and conducted in early May to give a clear mandate before the 30 June sunset of the current legislation.
>
> The Bracks government made this commitment to the dairy industry prior to coming to office, and Victoria's barley growers expect, and will accept, nothing less.

What has happened? The barley growers have had to conduct their own poll, because the government refused to do so.

There were also reports in rural newspapers about the views expressed by growers at their annual conference. I allude to the fact that these views were widely reported. They are strong views — 93 per cent supported the vote to continue with a single desk for barley, and 99 per cent supported having a ballot.

I do not really understand it — that is not true; I do understand it. I understand that the government is hypocritical. That is the truth of it. There is no polite way of saying it.

Hon. R. A. Best — Just mildly?

Hon. PHILIP DAVIS — Yes. There is no polite way of saying it. We will just have to say that the government is hypocritical. Knowing what the result of the poll would be, it has refused point blank to have the poll and allow Victorian barley growers to have their wishes and opinions heard. In my view that denial of democracy will cost the government dearly in its standing in rural areas.

In conclusion, I indicate that the Liberal Party has consulted widely on the issue. It has consulted with the VFF and other farmer organisations, with individual growers, with the South Australian minister and with private traders and residents of rural Victoria who will be affected by this issue. We have listened carefully to the wishes of the growers and the people who depend on a successful grain industry and have developed amendments in response to the clear message we were given.

I look forward to listening to the contributions of other honourable members and to dealing with matters further at the committee stage.

Hon. T. C. THEOPHANOUS (Jika Jika) — The government will not be supporting this private member's bill moved by the Honourable Barry Bishop. It cannot support it because, unlike the Liberal and National parties, which have embarked on a massive backflip on this issue, it intends to maintain the decisions that were made to bring this industry into a more competitive framework and to produce a more efficient and effective industry for the benefit of all Victorians.

I will begin by giving some brief background on the issue, before making some further comments about the positions adopted by the National and Liberal parties. Their positions on this issue are absolutely breathtaking when you consider the statements made by spokespersons for both parties in their mad rush to deregulate everything and their support for deregulation, privatisation, corporatisation and anything else that had to do with releasing market forces in the economy. This bill is an attempt to do too little too late.

The Honourable Barry Bishop was a barley grower, and I think he still has family interests involved in barley production. I would have thought that in introducing the bill the first issue for him would be to declare his interest to the house.

Hon. W. R. Baxter — On a point of order, Mr President, Mr Theophanous, as is his wont, is beginning to cast aspersions, which is the usual refuge of scoundrels. If they do not have facts, they resort to personal abuse.

Hon. T. C. THEOPHANOUS — On the point of order, Mr President, I find that remark offensive.

The PRESIDENT — Order! If Mr Baxter has referred to Mr Theophanous as a scoundrel he should withdraw that remark.

Hon. W. R. Baxter — No, Mr President, I did not refer to him as a scoundrel. I was using the term to say that people lacking in facts usually resort to the tactics of scoundrels, but if Mr Theophanous finds it offensive I will withdraw the remark. The house knows his wont in this place to cast aspersions and abuse without any foundation.

Getting back to my point of order, it is totally unwarranted for Mr Theophanous to cast aspersions by alleging Mr Bishop should have declared a conflict of interest. He represents an electorate where large numbers of barley growers are his constituents. He lives in the town and does not live on a farm. He does not draw any income from the growing or sale of barley, but he certainly knows a lot about the barley industry. It is perfectly proper for him to introduce the bill.

Hon. T. C. Theophanous interjected.

Honourable members interjecting.

Hon. W. R. Baxter — Mr Theophanous, we may introduce in debate aspects of your family, if you wish, but I do not think you would find that relevant or advantageous, to say the least.

The PRESIDENT — Order! On the point of order, Mr Baxter has objected to a matter raised by Mr Theophanous. The general rule is if the point of order is raised on the basis that what was said was an imputation against the honourable member, it is left for that honourable member who is in the chamber to raise the objection.

On the issue of conflict of interest, clearly there is no conflict of interest under standing order 155. It is irrelevant with a bill of this nature whether the Honourable Barry Bishop has brothers, uncles, sisters or children who have an interest in the barley industry. The bill is of general application to the many thousands who are involved in the barley industry. As has been said before in relation to standing order 155, it does not invoke the personal interest provision. There is no necessity for Mr Bishop to make any such declaration. Honourable members know that he has been a farmer, so there is nothing new in that.

Hon. Bill Forwood — Withdraw that comment.

Hon. T. C. THEOPHANOUS — I hasten to add I did not use the term 'conflict of interest' during my contribution. I obviously struck a raw nerve with my comments about Mr Bishop, because I did not use that term.

The PRESIDENT — Order! What Mr Theophanous clearly said was that the Honourable Barry Bishop should have declared that he had a direct interest in the subject matter of the legislation.

Hon. T. C. Theophanous — I did not use the term 'conflict of interest'.

The PRESIDENT — Order! Why would the honourable member have raised the point of order if he was not making that point? I suggest the honourable member get away from the issue and move on to the substance of the debate.

Hon. T. C. THEOPHANOUS — I will outline some of the history of the barley industry before I discuss the merits of the bill. For many years the Australian barley industry has been heavily regulated. The industry has historically been subject to single-desk marketing at the state level, and until relatively recently the storage, handling and transport of barley and other grains was regulated and in the control of state-owned business enterprises.

In Victoria storage, handling and transport of grain, including barley, has been progressively deregulated since the late 1980s — with, I might add, the support of both sides of the house. The regulation of barley marketing has only relatively recently begun to change.

Hon. W. R. Baxter — On a point of order, Mr President, will the honourable member inform the chamber from what document he is reading?

Hon. T. C. THEOPHANOUS — Mr President, these are my notes, which are extensive and were arrived at in the same way as the notes Mr Baxter has when he makes his contributions to debate and has had assistance from electoral staff. If he does not like what I am commenting on, that is up to him.

The early steps for deregulation took place in South Australia and Victoria in 1993, when the marketing of domestic feed barley was effectively deregulated. In 1997 the Victorian and South Australian governments undertook a joint competition policy review of their respective barley marketing legislation. As a consequence of the review a number of issues were agreed to by both governments, including deregulation of the domestic market, establishing the Australian Barley Board as a grower-owned entity to be known as ABB Grain Ltd, which would operate a single export desk via its wholly owned subsidiary, ABB Grain Export Ltd.

These facts are important because it was part of a corporate approach supported by both sides of the house leading to the deregulation of the industry. Domestic deregulation, commercialisation and privatisation of the Australian Barley Board and continuing export deregulation proceeded as planned in both states. However, recently the South Australian government legislated to maintain the ABB Grain Export Ltd single-desk approach indefinitely. That approach was not adopted in Victoria.

This state never contemplated the extension of a single desk. It was never contemplated in the legislation and never contemplated by the Liberal or National parties. The coalition's pre-election policy statement 'New agenda. Rural and regional Victoria', of September 1999 makes no reference to the notion that the deregulation of barley is to be reviewed or halted or that anything would be done other than what was in the then legislation. There was no suggestion before the election that there would be a change of policy.

That is the reality of where the Liberal and National parties were before the last election. They had no intention of introducing legislation of this kind. The bill is a reaction to the fact that the coalition parties lost government. Suddenly they want to pretend they can reinvent themselves as the new regulators of rural Victoria. That is what this is all about. The National Party's action in introducing this private member's bill can only be described as a political stunt. It is not driven by principle.

They caved in for years to the deregulation policies of the Kennett government. To say this is somehow driven by principle is an absolute outrage. It is not driven by concern for growers, because most have said they support deregulation. Independent studies have shown that growers would be better off and that the whole industry will benefit by deregulation. I will come to those studies during the course of my contribution.

The bill is not driven by concern for Victoria's export share or its competitive position relative to other states. Neither of those is of concern. The Tasman study shows that Victoria's exports and domestic sales are likely to increase, not decline, under deregulation because of Victoria's strength in the production of malting barley, which accounts for 80 per cent of production and 93 per cent of barley exports.

We have a competitive strength in the production and sale of malt barley. Victoria is in a position to compete. The deregulation proposal, which was a policy plank of the previous government, is good for the industry. That is why it was done. Members of the National Party thought so then, but somehow they have changed their minds in the meantime. It is not principle or concern for growers or for Victoria's competitive position that has led to the introduction of the bill, it is purely and simply political opportunism and a last desperate attempt to get back at least some of the constituency the National Party lost in regional Victoria by somehow pretending that they are now against deregulation when they were never against it in the past.

The hypocrisy is absolutely breathtaking. I would even go so far as to say that the National Party is now trying to reinvent itself as the One Nation of Victorian politics, because the policy announcements it now makes are in line with what Pauline Hanson and her supporters have been saying. What did members of the National Party do through all the Kennett years when supporting deregulation, competition, privatisation, corporatisation, school closures, cutting services to families in regional Victoria and imposing more taxes and charges on regional Victoria? They became known as the Us Too Party. Whenever Jeff Kennett said, 'Let's do this', the National Party said, 'Us too. We agree. We are the Us Too Party'.

Hon. W. R. Baxter — That is a new one today!

Hon. T. C. THEOPHANOUS — You might not like it, but it happens to encapsulate exactly what you did. When the former Premier said, 'We support deregulation of a whole range of industries', and a whole range of industries were deregulated at a national level, you supported it. You supported the deregulation of banks, which had a significant effect on rural Victoria. Who knows how many banks closed in rural areas. What did the National Party say? It said, 'Us too, we're in it.'

When the former Premier said, 'We support privatisation of electricity, rail, gas, water and a whole host of industries of that nature in rural Victoria', what did members of the National Party say? It said, 'We're in it. Us too.' What did they say when the former Premier wanted to corporatise everything that moved — wanted to close schools in regional Victoria and close railway lines and hospitals? Again members of the National Party said, 'We're in it. We are in with you. Us too'. It is the Us Too Party.

The doozey of them all was when the former Premier said, 'We want compulsory competitive tendering in all regional and metropolitan councils — competition and deregulation'. What did members of the National Party say? They stuck their hands up and said, 'Us too. We're in it with you'. When the former Premier said, 'We support deregulation of barley and we will legislate for it to occur', what did members of the National Party say? They were consistent with what they had said all along, 'We're in it too. We support deregulation of barley'. Where was the courage then to stand up to the former Premier? Where was the courage to say no to the former Premier? There was no courage.

One can understand why. They were enjoying the trappings of power, had the ministries, had the chauffeurs and had the big offices. They were not interested at that point in having the courage to stand up and say, 'We support regional Victoria'. They were simply the Us Too Party. That is all they did, and now they try to pretend they have changed their spots.

What about members of the Liberal Party, the perpetrators of the devastation throughout Victoria? They introduced compulsory competitive tendering and closed schools and hospitals as well as introducing deregulation. They were also the party that introduced and passed the Barley Marketing Act of 1993 with their partners, the National Party, the Us Too Party, to deregulate barley. Now they want to walk away from their own legislation.

Members of the Liberal Party must have tossed and turned about the proposed amendment to Mr Bishop's bill, because they have in this house consistently called for more competition and deregulation. For the Liberal Party to now pander to the National Party on this occasion beggars belief. In the end, the Liberal Party simply wants a bob each way.

The Liberal Party has become known as the Bob Each Way Party. That is what it does with whatever legislation comes before the house, whether it be about drugs or other issues. It wants a bob each way. It is not prepared to make a stand on anything, which is why its members will be on the opposition benches for a long time. It calls for more spending on roads, hospitals and so forth, but it also wants a higher surplus. It wants a bob each way — and that is what it is doing now. It cannot be taken seriously.

I refer to comments made in the past about competition policy. An article in the *Weekly Times* of April this year states:

> The party is opposing price subsidies for rural users, in line with its commitment to competition policy.

It further states:

> … Roger Hallam agreed that the party's position appeared odd and contrary to its duty to look after its country constituents.

That line was held even up until April this year. I refer to what the Honourable Barry Bishop said in 1993 when the legislation was debated here:

> This will significantly deregulate the domestic barley market compared with the existing situation in which the Australian Barley Board has compulsory acquisition rights on both export and domestic markets.

Does that sound like a criticism? Does he say we should not have deregulation?

He went on to say:

> The new arrangements will provide an alternative marketing pathway for all sectors of the industry while, at the same time, introducing desirable elements of competition into the Australian Barley Board's domestic marketing operations.

Then he supported competition and deregulation. He supported the bill that contained sunset clauses.

Mr Bishop would have been aware of the provisions in 1998, but he made no attempt to try to mitigate them then. He did not say, 'Maybe we should review it' or 'It will be changed in our policy before the election'. He made no such comments, but he comes in here and hypocritically introduces a bill to try to pretend that somehow the National Party has become the great new regulator.

Mr Baxter has also made comments in the past. On 20 April 1993 he said about the tobacco industry:

> The government is committed to the retention of a competitive Victorian tobacco-growing industry …

He further said it:

> … provides the best opportunity for industry to compete under the conditions of a fully deregulated market.

That does not sound like somebody who was up in arms about regulating the production of various crops for the Victorian economy.

Here is the killer. In 1998 the honourable member for Mornington in another place, then the Minister for Transport, had this to say about his expectation of the legislation:

> It is the intention of the Victorian government that statutory marketing arrangements will end on 30 June 2001.

He did not say, 'Maybe we will review them' or 'We are thinking about it'. He said:

> It is the intention of the Victorian government …

It was your intention to end it all on 30 June this year. You did not change your mind between 1998 and the election, and you did not include such a call in your election campaign. When you went to the election with the expectation that somehow the Victorian community would re-elect you, you did not say, 'We will change it'. But you lost the election. You were told you were not listening, and you were kicked out of office. Now you come in here and want to change the position. You had no intention of changing, as is clear from what the honourable member for Mornington said in November 1998.

I refer to what the honourable member for Swan Hill in the other place, Barry Steggall, said in 1998:

> We are coming to a time when most, if not all, statutory marketing programs for agricultural products in Australia will come to an end.

He did not say it was a bad thing and the National Party opposed it. No. Why did he not say, in November 1998 when he may have had some credibility, that the party was standing up to the former Premier? He said:

> The current protection has been in place for some years. We need to form the structure, strengthen it and then put it out into the marketplace.

I do not know who is advising the National Party, but he or she should remember it is good to have at least the pretence of some sort of consistency because the people in the street who vote at elections are not stupid. They should not be treated as stupid by your coming in here and adopting a completely different approach to that taken for seven years under the Kennett government, when the National Party was prepared to roll over on each and every occasion when deregulation was an issue in country Victoria.

Mr Bishop made other comments. In 1998 he said:

> … no-one should understand better the need of competition and for world best practices than someone with a rural background.

That was his position then. He did not then say, 'We need to change and extend the June 2001 date'. Why did you not then have the courage, Mr Bishop, to stand up to Jeff Kennett and say, 'I do not believe in it' and cross the floor to vote? You were gutless then, you had no courage, but now you come in here and try to pretend that somehow you are acting in the interests of Victorian barley producers.

The PRESIDENT — Order! Through the Chair, Mr Theophanous.

Hon. T. C. THEOPHANOUS — He was hot to trot on competition. This is one of the comments Mr Bishop made:

> We all compete, whether it be sport, business or in other areas. Regardless of whether you wish to attend a function, another place of work or work on the wharf, you should be able to gain access.

But he does not want the barley producers to gain access. He was quite happy to let them gain access then but he is not happy to do it now. His position in 1998 was:

> The constituents I represent are today market driven …

He also states:

> We cannot compete unless world best practice applies right throughout the chain …

World best practice is brought about by introducing competition. It may have escaped you, Mr Bishop, but that is one of the critical factors in doing that. Victoria is in that position because of its better practices that enable it to compete effectively with other states. The other states have decided that they want to adopt a more protectionist approach, and why? Could it be that they actually fear competition from Victoria? Could that be the case, Mr Bishop? I don't think Victorian growers will have any trouble whatsoever in competing interstate or overseas. Indeed, Mr Bishop went on to say about the then legislation:

> It will enable us to compete against all comers, wherever they may be in the world. Why not test the system and allow the access that people are seeking. This is commonsense.

Those are just some examples of what Barry Bishop said in Parliament in 1998 about competition. That is the position he adopted. It was an us-too position. It was a 'we-want-the-ministries' position. 'We want the cars and we want the offices. To get them we have to accept that competition, deregulation, privatisation and corporatisation is all part of the game and we are in it. Close schools, close hospitals, close railway lines — us-too'. That is what the National Party did then.

Hon. R. A. Best interjected.

Hon. T. C. THEOPHANOUS — I know you do not like hearing it, Mr Best. I can understand that. Even as recently as December 2000 Mr Ryan released a discussion paper that calls, among other things, for an end to the view that competition is bad. The Leader of the National Party is saying we should have competition. In fact recently in the other house he congratulated the Labor Party for its competition policy and for the fact that Labor was promoting competition, which he warmly embraced. What a hypocritical situation!

I will continue because it is important for honourable members to get a feel for whether this is being called for by the industry itself or it is simply the National Party trying to gain some relevance. I refer the house to the *Wimmera Mail-Times* of 28 May in which Graham Rupunyup had this to say in relation to the single desk:

> The Bracks government made a decision in December 2000 to endorse the Liberal–National parties' decision to deregulate the barley industry in Victoria.
>
> This decision, itself endorsed at the time by the Victorian Farmers Federation, was made after a thorough NCP review of the Barley Marketing Act 1993 and extensive consultation with the industry.

Hon. R. A. Best — On a point of order, Mr Acting President, just so we have clarity on the source of the information that is being quoted by Mr Theophanous, may I help him by suggesting that it may be Graham Sudholz from Rupanyup, not Graham 'Rupunyup'?

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Theophanous may be confused. If he could assist the house by qualifying where he is quoting from and the name of the gentleman, and if indeed it is Rupanyup he is speaking about, that would be helpful.

Hon. T. C. THEOPHANOUS — As usual, I thank the Honourable Ron Best for any assistance he can give me in the course of my speeches. He gives me constant support by his interjections and on this occasion I am happy to indicate that the name which is very difficult to pronounce is Graham Sudholz, from Rupanyup. Obviously he is somebody very well known to the National Party, and he should be because he had this to say about this decision:

> As a barley grower and director of a farmers' cooperative that markets barley, I fully endorse the decision to deregulate the industry and take this opportunity to record my congratulations to the Bracks government and Independent member of Parliament, Russell Savage, on the leadership, vision and determination they have shown in reaching this decision.

Hon. R. A. Best — That is why we know him; he is a lone voice!

Hon. T. C. THEOPHANOUS — Mr Best says by way of interjection, 'A lone voice'. As I indicated, this man is not only a barley grower in his own right but is also the director of a farmers cooperative. I would be interested no know whether Mr Best is having a shot at that farmers cooperative or what it is that he is attempting to say. I would have thought the words of

somebody who also represents a farmers cooperative should be taken seriously in this house. He continues:

> The real issue is not so much deregulation but choice. The problem about this has been the way in which the process to achieve this objective has been hampered at every step by the vested interests of the VFF and, in particular, our grains group leaders.

That is what he has to say about the Victorian Farmers Federation, and it is no wonder, given the fact that the VFF Grains Group gets approximately $150 000 a year from ABB Grain Ltd which has the monopoly to export grain from Victoria. It is no wonder that the VFF has suddenly decided to change from the position that it had in 1993 and 1998 to support the previous government in deregulating the industry. Suddenly it has changed its position. The letter continues:

> The current poll of barley growers is a good example of the misuse of the VFF position and our funds …

That is what he has to say. This poll is nothing but a stunt because it is not going to change the position that the government has made clear. It will not change that position, which was determined through consultation in previous years by the former government and reaffirmed in 1998 and it was the position of the industry. You did not worry about conducting a poll in 1998; you brought it in and said, 'The industry has been consulted and the industry agreed'.

The letter continues:

> Growers must be made aware that strong signs are already showing that free market barley in Victoria, involving numerous buyers, will trade at a premium to regulated barley in South Australia, where there is only one buyer.
>
> In the case of feed barley, this has been up to $20 a tonne since new crop trading started …

It is a view from a grower in the industry who represents a co-op and who I would have thought therefore ought to be taken seriously by the house.

I turn to some of the other contributions that have been made. No-one believes the National Party. An article in the *Weekly Times* of 15 November 2000 is headed 'Barley backflip growing'. The article states:

> After supporting the legislation last year to deregulate barley export markets from July next year, the Victorian Nationals and Liberals now want to maintain a single-desk status quo.

It is a backflip. That is what it is described as, and that is what it is. The article is interesting because it quotes the honourable member for Monbulk in the other place, who says, in trying to have two bob each way:

> As a matter of principle we support deregulation, but it would seem sensible to me that moves to a deregulated program for all states are done in unison.

Why didn't the honourable member adopt that position in the past? It was not the position of the National Party; it did not put that issue in its platform.

I quote Tempy farmer John Burns, who says that he and many farmers in the area supported deregulation:

> 'I am disappointed with the way the VFF has gone about this', he said. 'They are saying there is 80 per cent support for the retention of the single desk, but in my area it's 80 per cent against it'.

Members opposite put the challenge to me to quote another example, so there it is. There are many more quotes on this issue. An article by Peter Hemphill in the same edition states, after saying that the government will continue with the abolition:

> The move has angered the Victorian Farmers Federation, peak grower body Grains Council of Australia …
>
> But it was welcomed by the Australian Grain Exporters Association, the Grain Industry Association of Victoria, the National Competition Council and a number of small co-operatives and growers who have been pushing for deregulation for years.

I turn to comments by Australian Grain Export Association president, Lloyd George, in applauding the decision:

> … growers would have the choice on when, to whom and how they sold their barley.
>
> The consistent theme in the various reviews of the statutory marketing arrangements in the grains industry has been the inability to demonstrate benefits to growers or the broader community from single-desk selling, so it is pleasing to see a government act in the best interests of growers …
>
> GIAV secretary Brian Bailey said it would still largely be 'business as usual' for barley trade in Victoria.
>
> Growers will still have ABB offering cash prices and pools for barley …

It is not as though those growers who do not want to sell out in the marketplace on their own do not have options. They can continue to sell their product through ABB. The only difference is that there might be a bit of competition for ABB. Wouldn't that be an awful thing to have to put up with — a bit of competition from growers who might say, 'We don't like the way you're selling our product. We don't like the way you're marketing it, and we think we can get a better price than the one you have been able to get for us in the past.'? The article continues:

> Peaco chairman Russell Hilton also welcomed the move.

> We think if they (ABB Grain) want a barley monopoly they should give up trading in pulses …
>
> We don't think it's fair (to hold on to single-desk marketing).

A range of players out there support the government's decision on the bill.

In some ways I feel sorry for National Party members. Where would you go if you had somebody like Pauline Hanson robbing you of votes in country Victoria? A friend of mine from the National Party once said to me, 'The problem with our voters in country Victoria is that they are not loyal enough. They are not as loyal as your people in the working-class areas. They are susceptible to people like Pauline Hanson and One Nation'.

I do not know if that is the case, but I can tell honourable members one thing: they are susceptible to having their schools, hospitals and railway lines closed. They are susceptible to having deregulation foisted upon them. They will continue to punish the National Party for those occurrences. That is why one sees headlines such as 'National Party in damage control' following the thumpings the National Party received in Western Australia and Queensland. That is why meetings of the National Party take place, even at a national level as noted in *Stock and Land* of 22 February:

> … a meeting of most National Party parliamentarians on Tuesday at Corowa, on the New South Wales border — —

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — You do not like the quote. I know that. The article continues:

> … voted to soften the tough economic rationalist line taken by the coalition, in recognition of the impact it was having on some rural communities.

It is a bit too little and a bit too late to now come out and say, 'We might have been wrong about economic rationalism'. That is what National Party members are saying: 'Pauline Hanson might be right about economic rationalism. Maybe we were wrong and that is why she has pinched all our votes'. What is the solution for National Party members? They do not want to stand up to Pauline Hanson, because basically they are afraid of her. Instead they try to adopt some of her policies. That will include her social policies because that is where you want to go politically. It has included opposing the recent very fair legislation to try to get some equity for same-sex couples. You will oppose the Racial and Religious Tolerance Bill because that is another piece of legislation that is not in line with Pauline Hanson's policies.

The Barley Marketing (Amendment) Bill is all about the National Party trying to get back some of its constituency.

Hon. J. M. McQuilten interjected.

Hon. T. C. THEOPHANOUS — As Mr McQuilten says, it is too little and too late.

Hon. B. C. Boardman — Are you the member for Jigger Jigger now?

Hon. T. C. THEOPHANOUS — I will respond to that: I think you do more of that than I do!

Honourable members interjecting.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order!

Hon. Philip Davis — And Hansard recorded a pause.

Honourable members interjecting.

Hon. T. C. THEOPHANOUS — The government is strongly committed to the reforms contained in the legislation that will come into effect on 1 July. The government has taken a decision to allow the single export desk arrangement to sunset as currently provided, in the interests of the Victorian community as a whole and of barley growers in particular. The decision followed extensive consultation with industry and the community. The growers will have more choices about how they run their businesses and from 1 July Victorian barley growers can shop around for the best deal when they sell their grain on both the domestic and export markets. There have already been significant reforms and significant gains from domestic barley deregulation. The reform will build on the benefits of domestic deregulation as more and more growers take the opportunity to use the new arrangements to get the best possible price for their grain. The government does not accept that the price premiums will fall as a result of the legislation but maintains that the opposite will occur.

Moreover, the bill is grossly unfair to barley producers, particularly those who have planned for the change over a number of years. The government is providing certainty to those growers because they have made investments and increased efficiency. They know there is a new level of competition that they will be exposed to and they have made the necessary arrangements. They are ready, they are out there, they want the competition, and they want to take advantage of the competition. They have planned for it. It is grossly

unfair to them to now come in here and say, 'Despite the fact that you've done all this — you're now more competitive, efficient, and all the rest of it — but you're not going to be able to take advantage of the efficiency gains you've made in your industry'.

The Victorian Farmers Federation position on this is also unconscionable. It was part of the decision-making process all the way along. It agreed to the legislation and to the 1998 changes and it was part of deregulating the industry right from the beginning. For it to now turn around and seek to use VFF funds for a poll which will not have any impact on overturning the decision is nonsense. It should be using those funds to assist its members in the transition stage.

Hon. J. M. McQuilten — It's a bit like a poll tax, isn't it?

Hon. T. C. THEOPHANOUS — It may well be a poll tax, Mr McQuilten, but it is certainly not going to have an impact on the government's decision.

A number of reports have been made. The Econtech report focused on the Victorian barley industry only after the Treasurer commissioned Tasman Economics to provide a report specifically on the Victorian barley industry. It was done as a reaction to the Treasurer instituting a report from Tasman Economics, which was the first report in four years to effectively focus on the Victorian industry.

Only 40 per cent of Victorian barley is actually exported. The Tasman Economics analysis of Australian Bureau of Statistics data shows that Victoria has a large domestic market for feed barley for the dairy industry and on average Victoria accounts for only 4 per cent of ABB Grain Export Ltd's feed barley exports. Since domestic deregulation in 1993 more than 8 per cent of Victorian barley that is exported has been malt barley. Between 1993 and 1998 an average of only 7 per cent of barley exported from Victoria was feed barley.

It is clear that Victoria has a competitive advantage in malt barley. We should be taking advantage of that competitive advantage. It is what Victoria clearly does best, and when you compare it, for example, with South Australia, you find that more than 80 per cent of South Australian barley export is not malt barley but feed barley. The discussion by ABB Grain Export Ltd and the notion that it can receive an export premium on feed barley from Japan is largely irrelevant to most Victorian growers, when only 7 per cent of feed barley is exported. That is really what the Econtech report focused on.

Again it shows the inability to understand the real nature of what is going on in the barley industry or the refusal to accept the facts. The facts are that Victoria is competitive in particular in the production and export of malt barley, and it will continue to be competitive in those areas. There is a growing consensus that in the future a large number of international players could enter the market in the barley industry. They include, of course, AWB Ltd, Cargill Australia Ltd and others who are very large Australian players and traders in the market.

The conclusion that must be reached from that analysis is that Victorian exporters are likely to be better off by being able to get out there with their product, which is generally malt barley of a higher quality than feed barley and which receives a premium price in niche markets. I have no doubt that Victorian growers will be able to achieve that price and compete effectively in the various markets.

I will draw my contribution to an end by simply reiterating that when one looks closely at this private member's bill one can see that the National Party must be in real trouble, because in 1993 it supported the legislation the bill is now seeking to amend. It then went on to support the devastation of rural Victoria through privatisation, deregulation, corporatisation and the closure of schools, hospitals and a whole host of other services that rural Victoria once had.

The National Party kept doing that because it wanted to be part of the trappings of power: it wanted the ministerial cars, the offices and the big salaries. There was never any sign or suggestion from Mr Baxter or Mr Bishop, nor from Robin Cooper, Peter Ryan or Barry Steggall, that they wanted to change the policy and not have deregulation in 2001. Indeed, it was emphasised by Robin Cooper that it was the intention of the government — —

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! I ask the honourable member to refer to members in the other place by their correct titles.

Hon. T. C. THEOPHANOUS — Instead, a sad and sorry National Party comes to this house, after the event, with this bill. Nowhere in the 1998 legislation did National Party members flag these amendments. Nor did they flag them in their 1999 election policy. They lost the election, they have seen their vote collapse in Western Australia and in Queensland, and now they think it is perhaps time to do something about it, so they come in here pretending they are somehow

now interested in mitigating the effects of competition on barley growers in this state.

All the government can do is echo the views of country Victoria and the words of their own constituents — it is too little, and it is too late.

Hon. R. A. BEST (North Western) — It is an absolute pleasure to follow the Honourable Theo Theophanous today, because by his very contribution he has demonstrated that a little information can be very dangerous. He has, among other things, made a complete fool of himself by showing his inability to properly enunciate the names of country Victorian towns and a New South Wales town. Rupanyup is not pronounced 'Rupunyup', and Corowa is not pronounced 'Coruwa'. I would have thought that during the centenary year of Federation, given that Corowa played such a significant role in its formation, he would have known how to pronounce that name at least.

Also, Mr Theophanous clearly demonstrated that he does not understand the difference between the deregulation of the domestic market and the importance of the single desk and that the plans that are set to be put in place by this Labor government when the sunset clause lapses on 30 June will unquestionably bring about lower prices to growers.

I will take the house through a range of issues, because I want to address many of the points made by Mr Theophanous. I also want to put on the record the wonderful work that has been done by, firstly, my parliamentary colleague the Honourable Barry Bishop, who has vast experience of and an incredible reputation in the grain industry in Victoria, and indeed Australia-wide, and secondly, my colleague in another place the honourable member for Swan Hill, Barry Steggall. The bill continues the great work they have done on behalf of the National Party in the grain industry. This private member's bill will retain Victoria's single desk for barley export, and that is very important to the growers in the Wimmera and the Mallee and throughout the whole of Victoria.

I wish to address the accuracy of comments made about the position the National Party took in the lead-up to the introduction of the 1998 legislation and about the contributions to the debate made by Mr Bishop, in particular, and Mr Brumby, the then leader of the Labor Party in another place.

The former government introduced the Barley Marketing (Amendment) Bill on 13 November 1998, and the minister's second-reading speech states in part:

> It is the intention of the Victorian government that statutory marketing arrangements will end on 30 June 2001. However, prior to that date the Minister for Agriculture and Resources will consult with the South Australian minister and the barley industry generally in managing the transition to a fully competitive market.

Right back in 1998 it was clearly stated in the second-reading speech that the two-year sunset period was a time during which the agriculture minister was required to consult with not only the industry but also South Australia.

Hon. W. R. Baxter — And presumably take into account developments in the meantime, such as the failure of the Seattle trade talks.

Hon. R. A. BEST — Exactly, Mr Baxter, which is an issue I intend to address a little further down the track. I thank the honourable member for being helpful, as usual.

It is therefore disappointing that neither the current minister nor his government has undertaken that consultation. Instead, we have seen the emergence of a de facto Minister for Agriculture. I looked in the *Government Gazette* recently to confirm my understanding that John Brumby is the Minister for State and Regional Development and Treasurer of this state and not the Minister for Agriculture. Although he is not the agriculture minister, it is Mr Brumby's point of view, which he has carried from the mid-1990s to now, that is government policy.

That is very interesting, because unquestionably Mr Brumby wants to have his finger in every pie. He is riding roughshod over the Minister for Agriculture, who has become a non-identity. Keith Hamilton, the Minister for Agriculture in the other place, is quite a decent and nice bloke. I believe he is sympathetic to the industry and acknowledges the relevant arguments the growers have put before him. There is clearly a division within government between the views held by the Minister for Agriculture and those held by the Treasurer and Minister for State and Regional Development.

What would have happened is that industry and governments across Australia would no longer have supported the previous position because of the changes that have occurred in international trading arrangements. If the Minister for Agriculture had undertaken that consultation process and had spoken to other governments throughout Australia, including other state governments, he would have understood that the circumstances and trading arrangements throughout the world have changed substantially. Mr Theophanous asked for the National Party's view. I am pleased to say

that the National Party's view, expressed by my colleague the Honourable Barry Bishop, with whom I share North Western Province, has been totally consistent.

Hon. T. C. Theophanous interjected.

Hon. R. A. BEST — If there are interjections from the advisers box, I will have it cleared. One has only to re-read *Hansard* to find that the position I am enunciating on behalf of my colleague is accurate. I refer to page 285 of *Hansard* of 21 April 1999. In his speech on the Barley Marketing (Amendment) Bill Mr Bishop is reported as having said:

> I admit that the pace of change in the industry is rapid. It is rather exciting stuff. I see huge opportunities for the grain industry. It would be remiss of me — I am sure a number of people would be disappointed if I acted otherwise — not to comment on the single-desk strategy. I note the national competition policy review said that at certain times the Australian Barley Board was able to manage its stocks — I suspect that was the mechanism it was examining — to raise the domestic prices slightly above what they should have been.
>
> Because of my background I struggle to completely agree with the statement generated by concerns about the regulating marketing powers, but I shall make a couple of observations.

Further in his speech Mr Bishop is reported as having said:

> Given the rules which create the transparency that many of the consultants wish to have in the process and the fact that the Australian Wheat Board has no sunset on its strong export marketing single-desk powers and has put arrangements into place, as the house is doing today, to allow the ABB to do whatever it needs to do — it can conduct joint ventures with anybody — I look forward to the consultative process when the marketing export power is intended to cease in June 2000. The ministers need to consult with the industry to see how the transitional process should proceed. That will be an interesting time and the process will be closely observed by the industry.

Therefore in the second-reading debate on the bill Mr Bishop clearly identified the importance of the consultation process. The National Party's position has been consistent. On 30 March Mr Bishop published a media release stating:

> Local National Party member for North Western Province and shadow minister for commodities Barry Bishop has challenged member for Mildura Russell Savage and Premier Bracks to debate the private member's bill on barley marketing in the Victorian Parliament.
>
> The National Party has been accused of inconsistency, but the National's longstanding policy has always been to retain single-desk grain marketing.
>
> It agreed to the extension of the single desk in 1998 and the sunset clause on the understanding that world trade talks in Seattle in 1999 may break down some of the barriers that made the single desk important.
>
> Those talks broke down, making the extension of the single desk critical.

There is clearly an understanding about deregulation. Mr Theophanous, you are not leaving? I have only just started my contribution. I have a number of points on which I wish to correct you.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Best, through the Chair.

Hon. R. A. BEST — Sorry, Mr Acting President. It is most disappointing that once again Labor Party members make their contributions and run out of the chamber because they do not like the misinformation they have provided to be corrected. Thank you, Mr Theophanous, for returning.

Hon. T. C. Theophanous — Mr Best, for your information — —

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Theophanous!

Hon. R. A. BEST — The issue is that the National Party has been consistent. It understood clearly the importance of the sunset clause that was identified in the second-reading speech and has been identified in the contributions made — —

Hon. T. C. Theophanous — Can I go out and get some more documents to belt you over the head with?

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Theophanous should take his place.

An Honourable Member — I don't know why you want him back.

Hon. R. A. BEST — He's good fodder. Mr Hallam, you were not here.

An honourable member interjected.

Hon. R. A. BEST — Did you hear 'Rupanyup?

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Best, through the Chair.

Hon. R. A. BEST — Thank you, Mr Acting President. As I said, the National Party has shown consistency, and that has culminated in the presentation to this house of the private members bill. It is clearly

the result of the consultation process undertaken by my colleagues Mr Bishop and the honourable member for Swan Hill, Mr Steggall, in another place. I heard the Minister for Sport and Recreation, who is representing the government, accuse the National Party of not listening. I have also heard Mr Theophanous accuse members of the National Party of not listening. Yet when we do listen and respond to our natural constituency, we are accused of doing a backflip.

As I said, the position of National Party members has been consistent. We identified during the debate in 1999, from the second-reading speech on the bill that was provided as guidance to the legislation in 1998, that the consultation process in the lead-up to this sunset clause was absolutely crucial to the position the government of the day should take on the future role of the single desk for marketing export barley. I find it extremely disappointing that the minister of the day has not been allowed by his own Premier and by the Treasurer to undertake a consultative process with the industry. The Treasurer is riding roughshod over the Minister for Agriculture in determining the government's position.

National Party members have listened to the maltsters, the growers, the different grains groups and the Victorian Farmers Federation. We have certainly watched with interest as other state jurisdictions have put in place their responses to the suggestion of the retention of the single desk.

It is intriguing. I do not understand why the Premier and the Treasurer, who have been advocates for open and accountable government and purport to be responsive to the people of rural and regional Victoria, have not allowed the Minister for Agriculture to actively play a role in negotiating an outcome on behalf of the barley industry. I find it intriguing that the government of the day is not listening. I find it extraordinary that this government, which purports to be open and accountable, is doing the very opposite. When one looks at what the other states are doing — I will read into *Hansard* what each of the states is doing — it raises even more questions as to why this government is so entrenched in its view.

South Australia, with whom Victoria was formerly in single-desk partnership, has extended the single desk indefinitely. However, I acknowledge that there will be a performance report in the next two years. The Labor state of New South Wales extended its single desk until at least 2005, which is interesting for a Labor state. The new Labor government in Western Australia has committed to remaining with a single desk so long as the Australian Wheat Board has a single desk — again, a Labor state. Queensland, also a Labor state, will have single-desk arrangements until 2002, with annual reviews.

The house must be absolutely intrigued about why three Labor states — two on the eastern seaboard — and the Liberal state of South Australia are of a similar view, yet the Victorian Labor government, the one that purports to be consultative and to listen to constituencies and says it is here for the benefit of all Victorians, will not listen to the barley growers of this state.

It was when I started to pursue why the Treasurer was so entrenched in his view that I began to understand his venom for the VFF grains group and other sections of the VFF. It was apparent in speeches he made in 1998 and 1999. Those speeches, extraordinarily, were based on a report by the Centre for International Economics (CIE) that has since been questioned by Econtech Pty Ltd.

The Treasurer, then the Leader of the Opposition, is reported at page 1553 of *Hansard* of 1 May 1998 as saying in his contribution to the debate on the Agriculture Acts (Amendment) Bill:

> The key findings of the report by the Centre for International Economics are that there are a number of restrictions on competition contained in the current act. They are that unprocessed barley can be exported only by or through the Australian Barley Board; that growers can deliver barley to the ABB and purchasers can buy from growers only if they have permits for feed barley or licences for malting barley. The ABB does not obtain higher prices for malting barley on any export market.

That in itself is an extraordinary comment, particularly when — —

Hon. W. R. Baxter — And easily proved wrong.

Hon. R. A. BEST — And easily proved wrong, which I will do shortly. He concluded on that point with:

> That was the conclusion of the report.

Later he went on to say:

> In its report the Centre for International Economics also indicated there would be four major benefits of deregulation. Firstly, there would be an estimated net benefit to the community of $8.5 million through deregulation of grain marketing through the barley board. It stated that some barley growers may be marginally worse off .

The then Leader of the Opposition acknowledged that deregulation would mean that some barley growers would be marginally worse off — an extraordinary statement. However, he was committed to deregulation

and to the CIE report, which I will shortly prove was wrong. He based his information on a discredited report when he later said:

> … but the more efficient growers would gain from greater marketing and pricing opinion and the opportunity for more effective risk management.

Clearly Mr Brumby was quite satisfied and prepared for deregulation to adversely impact on our growers. He was so committed and so venomous in his opinion.

On behalf of ABB Grain Ltd, Econtech Pty Ltd prepared an independent report on the national and Victorian effects of the ABB Grain Export Ltd single export desk for barley grown in South Australia and Victoria. One of its key functions was to look at the former report and question its methodology and findings. At page 1, under 'Summary of findings — national effects', the report states:

> The single export desk should be retained under national competition policy because it raises national economic welfare by achieving export price premiums. The total average annual gain in national economic welfare is estimated at $A15 million, of which $A11 million arises from the price premium on exports of feed barley to Japan —

one area about which my colleague the Honourable Theo Theophanous got totally confused —

> A 1997 CIE report estimated a loss of $A8.5 million from ABB activities, but this covered regulation of the domestic market and used data from 1991–92 to 1995–96. The CIE report recommended deregulation of the domestic market, and this was completed in 1999, ending price exploitation of domestic barley buyers.

I think most of us with barley growers in our electorates understand that that side of the market has worked quite well. In fact, it has actually led to lower barley prices domestically, which again demonstrates the way competition works. Unfortunately it adversely affects growers, but it benefits consumers. The document goes on to say:

> This should not be confused with deregulation of the export market. This report, using the latest data from 1995 to 2000, clearly shows that the single export desk should be retained.

That was the report on which Mr Brumby previously relied. Econtech discredited the previous report and has identified national benefits.

The findings then refer to Victorian effects. The report states:

> These national effects flow through to Victorian barley growers, who gain an estimated $A4 million per year from the single export desk. That is, if the single export desk is allowed to sunset on 30 June 2001, Victorian barley growers will lose $A4 million every year from 2001–02 onwards. This translates to a loss in net income of over $A500 per year per Victorian barley grower. Thus McGregor Tan Research found in a survey of August 2000 that, amongst Victorian barley growers, those agreeing that the ABB should retain its single export desk monopoly outnumbered those disagreeing by about four to one.
>
> The single export desk raises Victorian economic welfare by an estimated $A3 million per year. The ABB guarantees to take all barley delivered to it by Victorian and South Australian barley growers.

Clearly Mr Brumby's opinion on the benefits of deregulation of the previous desk — —

Hon. T. C. Theophanous — Based on the Tasman Economics report.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Theophanous!

Hon. R. A. BEST — Mr Theophanous, I would be absolutely delighted if the government were to release the Tasman report.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Through the Chair, Mr Best. Ignore the interjections.

Hon. T. C. Theophanous interjected.

Hon. R. A. BEST — I base my contribution on the fact that the government has not released the entire report. The historic information on which the Treasurer relies is outdated and has been proven to be wrong.

Hon. T. C. Theophanous — You are trying to mislead the house. You have the report.

Hon. P. R. Hall — Not in its entirety.

Hon. T. C. Theophanous — So you have got the report!

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Theophanous had well over an hour for his contribution, and I now ask him to cease his interjections.

Hon. R. A. BEST — I do not have the Tasman report.

Hon. T. C. Theophanous — Peter Hall has it.

Hon. P. R. Hall — As I said before, not in its entirety.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Theophanous should cease interjecting.

Hon. R. A. BEST — I thought Mr Theophanous had said enough on the bill, but obviously he wants to say more. It again highlights the problem with the government when it is proven wrong. The Treasurer has a glass jaw, and obviously Mr Theophanous has a glass jaw when it is demonstrated that the information on which they base their arguments is inaccurate and lacks credibility. The Premier, the Treasurer and the Independent honourable member for Mildura, Mr Savage, are riding roughshod over the Minister for Agriculture. I again refer to the 1998 second-reading speech on the Barley Marketing (Amendment) Bill, which included the important words that the minister would consult with the industry in the lead-up to the end of the sunset clause on 30 June 2001.

A number of consultants reports have been written and arguments have been put to support or discredit the opinions contained in those reports. We also had the information on which growers formed their views for the support of or opposition to the retention of the single desk. The growers are the people who are most affected.

I shall demonstrate the overwhelming support the growers have exhibited for the retention of the single desk. At the March 2000 annual conference of the Victorian Farmers Federation a unanimous vote was taken in favour of retaining the single desk. Victorian growers sent over 8000 letters in support of the single desk to the Victorian government in mid-2000, including 2500 each to the Premier, the Treasurer and the Minister for Agriculture, while 500 letters were sent to the Independent honourable member for Mildura. An independent telephone survey by McGregor Tan Research indicated 84 per cent of growers rated the single desk as important or very important. After extensive debate at the 2001 Victorian Farmers Federation conference delegates voted 90 per cent in support of the single desk, while 99 per cent of delegates voted in support of holding a referendum of all barley growers in Victoria. It is only after the government's refusal to conduct a referendum that the VFF is now conducting a poll of Victorian barley growers at its own expense.

The VFF grains group is clearly saying it wants to retain the single desk. I have received a number of letters that I shall read into *Hansard* to demonstrate the wide support for the single desk. Mr Russell McKenzie, the president of the Southern Mallee District Council of the Victorian Farmers Federation, wrote an open letter to the Premier, the Treasurer, the Minister for Agriculture and the Independent honourable member for Mildura. It states:

> Dear Sirs,
>
> Thanks for nothing, for removing our right to bargain collectively the price of our malt barley overseas. For that in essence is what this decision to dismantle the ABB's single-desk export marketing rights for Victoria and South Australian malting barley is. Western Australia export significant tonnages of malting barley (mainly Stirling and Gairdner) to a slightly different market. Queensland usually (none this year) export 50 000 tonnes, little more than the capacity of a standard Panamax vessel. NSW, approximately half of their malt goes to domestic maltsters. The vast majority of Australia's malt barley, 1.5 million tonnes in an average year is grown in Victoria and South Australia. This barley is sold on the growers behalf by their own company the ABB. As soon as the capacity to market this large parcel of high-quality grain is fragmented the price will fall.

The letter goes on to refer to the benefit in dollar terms, and in summary he states:

> … if the government really wants to give grain growers 'choice', how about giving us a vote on whether we want the single desk or not. At least the dairy industry got that.

A letter on this subject written by Bill Lehmann appeared in the *Buloke Times*. An outstanding letter was written by Dorothy Crook to the Independent honourable member for Mildura, Mr Russell Savage, it states:

> Thank you for your letter dated 8 January 2001, in reply to our supporting the continuation of the barley board having a single desk for export.
>
> You are correct in saying you do not know what information we had when we decided to sign this letter. I ask you Mr Savage, please give us some credit for knowing something about our industry, after all, we have been toiling as farmers for quite a long time and have always been interested in what is best for our future business.

I have received a number of letters from constituents living in western Victoria expressing concern about the stance taken by the Premier, the Treasurer and the Independent honourable member for Mildura and forced on the Minister for Agriculture. The Independent honourable member for Mildura says that he has been elected as a representative of the people, that he listens to their views and acts on their behalf, but he has been a bed mate of the Treasurer.

The honourable member for Mildura is quoted in the *Sunraysia Daily* of 30 March this year as saying:

> Barley growers deserved better than having the Australian Barley Board export monopoly removal issue used as a 'political football'.

He is also reported as saying:

> Mr Savage said the ABB had misled growers by promoting the line that only the board could best represent the interests of growers.

That is fantastic coming from a man who is in a privileged position and who says he responds to the concerns of his constituents. Mr Savage is a well-paid member of Parliament. Our barley and grain growers in the north-east are struggling.

Hon. W. R. Baxter — He gets a pension from the police force, doesn't he?

Hon. R. A. BEST — No, he took a lump-sum payout from the police force. He enjoys a parliamentary salary and his wife is a general practitioner, so she probably earns, I suppose, $100 000 to $150 000 a year!. Mr Savage is in a privileged position, but barley growers deserve every dollar they can get through a combined export single desk. That does not matter to Mr Savage because he is not as marginalised as them. He is in a privileged position and is very wealthy. Many growers are living from season to season. One has only to look at the way land-holdings have increased to realise the fine margins on which many barley growers are working.

It is disappointing that Mr Savage is abrogating his responsibility to his electorate. The single desk works on behalf of growers. I take the position of the Victorian Farmers Federation in Victoria of one single desk for the whole of Australia, because that would bring even more horsepower to the opportunity of gaining premium prices for our growers.

Hon. T. C. Theophanous — You want to re-regulate?

Hon. R. A. BEST — You do not understand, so don't embarrass the house any more. There has been a reduction in the price to growers with deregulation of the domestic market. In reality, Mr Theophanous was right, consumers benefit with more competition. The fact is that traders will bid the price down but a single desk will maximise the price to growers. This is where we are miles apart, because in Mr Theophanous's contribution he was more concerned about consumers and the price they would pay. On corrupt world markets that means advantages to Japan, China and other areas to which Australia exports.

This has been a National Party issue for which my colleague in the other place the honourable member for Swan Hill, Mr Steggall, and Mr Bishop have been responsible. They have worked tirelessly with the grain industry, the maltsters and other state jurisdictions. The bill must be supported. The Treasurer's ego must be dragged into control by the Premier because his dangerous and cavalier attitude to barley growers throughout this state is jeopardising the future income they enjoy as farmers.

Hon. R. H. BOWDEN (South Eastern) — Before I begin my contribution I make the interesting observation that during debate on the bill the government has insulted rural and regional Victoria. Apart from the obligatory minister who is required to be in the chamber and a contribution by the Honourable Theo Theophanous, there has hardly been anyone on the other side. The conduct of the debate has been an absolute insult to rural and regional Victoria.

The Bracks government says that it cares for rural and regional Victoria. There are 5000 barley growers in this state and there has been only one government speaker and the obligatory minister in the chamber. The Labor Party has handed rural and regional Victoria a slap in the face by the cavalier way it has treated this chamber today in debating an industry that is important to rural and regional Victoria. I can only say by their demonstrated physical absence that government members do not care for rural and regional Victoria.

The contribution by the government shows a complete ignorance of international export trading. I have had the good fortune for more than 30 years to have a continued knowledge and involvement in international trade and business, and I have been appalled at the government's lack of understanding of the reality of marketing. Just as there is no tooth fairy, I tell the government on this issue of barley marketing that there is no level playing field. If government members believe deregulation and the sunsetting of the Australian Barley Board on 30 June 2001 will increase revenue and improve the return to growers in this state, they are very much mistaken. The government is wrong and will be proved to be wrong. That is simply a fact.

The main markets for the products of Victoria and South Australia that are represented by the Australian Barley Board are Japan, China, Taiwan, South Africa, Saudi Arabia, Oman, Abu Dhabi, Qatar and Dubai. It is interesting to see the way those important customers purchase the product. Japan imports through the Japanese food agency; China has a centralised buying agency; Taiwan is a controlled market where government-owned brewers import the barley; South Africa has major buyers; and other countries such as Saudi Arabia subsidise imports.

If one accepts the nonsensical proposal of sunsetting the Australian Barley Board on 30 June, the naivety is breathtaking. The naivety is that there will be 5000 growers and some representatives and marketers taking on the government might and the controlled

government apparatus at the buying end. I saw first hand in the 1970s the way that certain major coal companies and governments acted in unison against the selling interests of Australia in the important markets for coal, and that same principle will follow to our detriment in this state with barley.

It is important that our growers are united by the appearance of the Australian Barley Board in the way it looks at our exports. That is the main message I want to put. The level of exports marketed by the Australian Barley Board is crucial to not only the economy of Victoria but also the economy of Australia.

Information provided by the Australian Barley Board shows that the expected sales in 2000–01 will be $850 million. I repeat that figure because it is important — $850 million. That amount is crucial for the wealth of 5000 Victorian and South Australian families. It is crucial not only for those families but also for rural and regional Victoria.

The government is prepared to ignore a huge, successful, reliable and predictable contributor to rural and regional Victoria and wants to walk away from this important contribution. Despite my earlier comments, we still have in this chamber only the Honourable Theo Theophanous and the Minister for Small Business. It is obvious that other government members do not care about rural and regional Victoria and an $850 million annual contribution provided by figures that are completely reliable.

I would like to say many things about a single desk, but I am aware of the need for a rapid conclusion to the debate. I direct honourable members' attention to an article in the Business Victoria section of the *Age* of 4 June about guarded support given by Standard and Poor's to this industry. The article states:

> S & P adds that removal of single-desk or legislated monopoly-seller status for agribusiness entities — planned for Victorian barley in July but shelved recently for AWB's Australian wheat exports until the next review — would result in heightened risk through increased competition for market share.

We are in the fortunate position of having a quality and reliable product, and a diversified ability to provide that product to customers who need high-quality and regular shipments, but there are also the vagaries of agribusiness such as currency fluctuations, seasonal variations, temperature variations and other supply factors as well as economic factors. Year in and year out the Australian Barley Board has performed well. It has given a positive return to growers because it puts the growers first. The nonsensical proposal of the government flies in the face of all the experience and the thrust of other Labor states and other governments. This government wants to go alone and abandon the interests of 5000 Victorian rural producers of a quality product where there is a steady, profitable and reliable market.

As I said earlier, I am appalled that the government would be so uncaring of such a wide and productive part of the rural Victorian economy. I strongly support the Australian Barley Board, the bill and the foreshadowed amendments. The benefit of the board is in the interests of rural and regional Victoria and our great nation.

House divided on motion:

Ayes, 28

Ashman, Mr	Forwood, Mr
Atkinson, Mr	Furletti, Mr
Baxter, Mr	Hall, Mr
Best, Mr (*Teller*)	Hallam, Mr
Birrell, Mr	Katsambanis, Mr
Bishop, Mr	Lucas, Mr
Boardman, Mr	Luckins, Mrs
Bowden, Mr (*Teller*)	Powell, Mrs
Brideson, Mr	Rich-Phillips, Mr
Coote, Mrs	Ross, Dr
Cover, Mr	Smith, Mr K. M.
Craige, Mr	Smith, Ms
Davis, Mr D. McL.	Stoney, Mr
Davis, Mr P. R.	Strong, Mr

Noes, 14

Broad, Ms	Madden, Mr
Carbines, Mrs	Mikakos, Ms (*Teller*)
Darveniza, Ms (*Teller*)	Nguyen, Mr
Gould, Ms	Romanes, Ms
Hadden, Ms	Smith, Mr R. F.
Jennings, Mr	Theophanous, Mr
McQuilten, Mr	Thomson, Ms

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Hon. PHILIP DAVIS (Gippsland) — I move:

1. Clause 1, line 3, omit "indefinitely".

The clause proposed to be amended by the Liberal Party relates to the term of deregulation. The amendment deletes the word 'indefinitely' from the purpose clause to make it clear it is an alteration to the deregulation timetable rather than a permanent entrenchment of single-desk powers. The issue, as was outlined in the second-reading debate, is that the Liberal

Party has consulted with stakeholders and been persuaded of the view that because of the strength of view expressed by industry stakeholders there should be an extension to single-desk powers.

Hon. T. C. THEOPHANOUS (Jika Jika) — I would be interested to find out from Mr Bishop whether he sees the shift from being indefinite as appropriate, and if he does, whether he is now saying that the extension of the single-desk operations of ABB Grain Export Ltd should not be indefinite.

Hon. B. W. BISHOP (North Western) — On the subject of the amendment moved by the Liberal Party, obviously the National Party would have preferred the purist line the South Australians adopted after their strong consultative process. As I said before, and I say it again, in the spirit of cooperation that we first saw between the two parties in 1998 and will see again in 2001, we accept the amendment, which extends the sunset clause to 2004.

Of course we expect a review process prior to that time. That will line up with the Australian Wheat Board process, which will take place at that same time and will provide stability and certainty to the marketing arrangements of wheat and barley right around Australia, which is something the whole industry wants, something it has striven for strongly in representations across all political parties and something that has been strongly supported by the federal Labor Party in particular.

We in the National Party believe it is a good thing to have a review in the run-up to the 2004 sunset clause. Industries do change; the world changes, and we have seen both the industry and the world change since 1998. That is why there was a need for the private member's bill. Most importantly, a review process requires a strong accountability and line of responsibility, with the appropriate checks and balances, to whoever is responsible — in this case the single desk. We therefore accept in the spirit of cooperation the amendment the Liberal Party has moved.

Hon. T. C. THEOPHANOUS (Jika Jika) — I do not want to pose another question, because undoubtedly we would get the same response as we have just received, but I put on the record that this clearly represents yet another compromise of principle by the National Party. It has put a particular point of view — in this case that the single desk should be supported indefinitely — but as soon as a bit of pressure comes on, as soon as the party's own interests are at stake, it caves in, just as it did in the past with virtually everything that was done under the Kennett government.

We on this side of the house do not support the clause, which is — —

Hon. Bill Forwood — You don't support the bill!

Hon. T. C. THEOPHANOUS — We do not, and therefore we do not support the clause. At least the amendment restricts some of the excesses the National Party wanted, so from that point of view the Liberal Party is trying to mitigate the excesses.

Hon. B. W. BISHOP (North Western) — I take this opportunity to thank all honourable members who have spoken in this debate, which is obviously important to the National Party, particularly with its constituency in barley-growing areas throughout Victoria. The impact of this decision will no doubt carry through across Australia as well.

I would like to particularly commend my parliamentary colleague the Honourable Ron Best, with whom I share North Western Province. I know he has undertaken a great deal of research and done considerable work as the process has gone forward. I suspect he was only halfway through his contribution when, due to the lack of time, he very generously shortened his contribution so other honourable members could contribute. I thank Mr Best. I know that Mr Baxter was keenly waiting in the wings, however that time expired.

I would also like to thank the Liberal Party for its support through the Honourables Philip Davis and Ron Bowden. They also picked up the points particularly well. It has been a tough issue for all of us. I know it has been a tough issue for the Liberal Party, and I know the natural tendency of the Liberal Party would be to deregulate — in fact, members of the Liberal Party probably would have preferred that in 1998. But we came to a consensus as a coalition at that time, and they agreed with the National Party inside the coalition to extend the sunset clause to 2001 when other commentators in Parliament would certainly have terminated it right on the spot. That was the issue then.

We were expecting a review, as was everyone else. We saw it as part of the arrangement. It was clear to all of us who were involved in the process — absolutely clear — that a review would take place. The proof of the pudding is in the eating. South Australia, a compatriot for over 60 years in the marketing of barley, both domestic and export, conducted a full and frank review and has extended its single desk indefinitely. That should go on the public record. We have seen no review conducted by the Victorian government; the

industries conducted their own. No doubt the Liberal Party, like the National Party, has worked out who stood where, and I commend it for that.

Hon. T. C. Theophanous interjected.

Hon. B. W. BISHOP — I will not go into detail, Mr Theophanous. I understand the rules. I commend the Liberal Party for making the right decision for the barley industry. I would also like to note the government's contribution to the bill. Obviously such arrangements are complex, and there is no doubt there are differences of view on the bill. However, I take the opportunity to urge the government to support the bill for the betterment of the barley industry in Victoria and Australia and certainly for the betterment of barley growers, particularly Victorian barley growers.

Amendment agreed to; amended clause agreed to; clauses 2 and 3 agreed to.

Clause 4

Hon. PHILIP DAVIS (Gippsland) — I move:

2. Clause 4, omit this clause.

The amendment is proposed because clause 4 has the effect of permanently entrenching single-desk powers by repealing the sunset clauses in the act.

Hon. T. C. THEOPHANOUS (Jika Jika) — I wish to make a couple of points about this. First of all, it is unsatisfactory that on behalf of the government I received the proposed amendments about 15 minutes ago. I am sure that if the opposition were treated in that way by the government it would — —

Hon. Bill Forwood — As we usually are.

Hon. T. C. THEOPHANOUS — That is not true. They would be very upset about that. I think I understand what the Liberal Party is attempting to do by the amendment. I assume the National Party is accepting the amendment, and therefore Mr Bishop will tell us that in his response to my comment, but perhaps in responding he could also advise how his proposed clause 4, which repeals sections 5(1) and 33A(2), will affect what takes place specifically with reference to the legislation.

I advise the house that section 5(1) of the principal act states:

> Parts 4 and 5 apply to barley harvested in the season commencing on 1 July 1993 and each of the next 7 seasons but do not apply to barley grown in a later season.

Will the honourable member indicate where parts 4 and 5 are in the principal act, and what is the effect of those parts not applying, which would be effective if this clause were passed?

Hon. B. W. BISHOP (North Western) — I think I understand the question and I will put the answer this way. I understand the amendment moved by the Liberal Party brings the arrangements back to the same as in the original act but extends the time to 2004. I believe that is where it sits.

Hon. PHILIP DAVIS (Gippsland) — In reference to the issues of principle under discussion, they were dealt with in the first amendment by the deletion of the word 'indefinitely'. Therefore the principle has already been tested about the intent of the amendments.

The Liberal Party is seeking to defer the sunset provisions of the act to continue the single-desk export marketing powers for a specific duration. The bill, as amended, will ensure that there necessarily will be, before there can be a continuance of those powers, some form of legislative review; otherwise those sunset powers will proceed unless the Parliament again considers the matter as part of a formal review process. In my view the first amendment satisfactorily dealt with all the subsequent amendments. I do not propose to debate them in detail because the principle has been tested.

Hon. T. C. THEOPHANOUS (Jika Jika) — I am trying to understand the practical effect of the amendment and I seek clarification. Section 5(1) in the principal act, which is the subject of change, refers to parts 4 and 5. I cannot find part 5 in the legislation. Will Mr Bishop advise where part 5 can be found and the effect of removing the reference to it?

Hon. B. W. BISHOP (North Western) — I understand part 5(1) in the principal act refers to 1 July 1993 and each of the next seven seasons, which Mr Theophanous has referred to. The amendment changes that to 10 years, which lifts the sunsetting out to 2004. I concur with Mr Philip Davis's explanation of the Liberal Party's amendment. That is my simple understanding of it. I believe it is quite straightforward.

Hon. T. C. THEOPHANOUS (Jika Jika) — This is an example of National Party members having absolutely no idea what they are talking about with regard to the bill. I asked a simple question of Mr Bishop, who is seeking to amend commencement dates referring to parts 4 and 5 of the principal act. I asked him to identify where part 5 is in the principal act and what is its current effect. He has not been able to

identify part 5 which shows he has no idea of the effects of parts 4 and 5.

Part 4 in the principal act is entitled 'Marketing of barley'. The principal act has a significant section, which the honourable member now no longer wants to apply. He is unable to tell the committee what the impact of not applying the section will be. He is not even able to identify where part 5 is!

Hon. B. W. BISHOP (North Western) — It is on page 5 of the principal act. Clearly the amendment refers to section 5(1), which states:

> Parts 4 and 5 apply to barley harvested in the season commencing on 1 July 1993 and each of the next 7 seasons but do not apply to barley grown in a later season.

I understand the amendment extends that for another three years.

Hon. T. C. THEOPHANOUS (Jika Jika) — I know that. Show me where parts 4 and 5 are.

Hon. PHILIP DAVIS (Gippsland) — We need to read the section from the principal act so it will become clear. The reference is to section 5, which is headed, 'Application of Parts 4 and 5'. The amendment before the committee is to delete clause 4 of the bill. This clause has the effect of permanently entrenching single-vested powers by repealing the sunset clauses of the act. The fact that part 5 of the principal act has previously been repealed does not change the fact that the amending clause in the bill and the amendment to that clause moved by the Liberal Party deal with the principal act. If Mr Theophanous can make his way through the principal act he will find that part 5 has been repealed.

Hon. T. C. THEOPHANOUS (Jika Jika) — I am pleased to see that at least the Liberal Party has taken the trouble to look through the bill and the principal act because obviously the National Party has no idea about part 5, which has already been repealed. As a consequence the clause that states that section 5(1) should be repealed ought really to have said that that section relates only to part 4 of the principal act.

Hon. Bill Forwood — Why should we tidy up your act?

Hon. T. C. THEOPHANOUS — I accept what the Honourable Bill Forwood says. Why should the Liberal Party tidy up the bill of the National Party? You have done it for too long and you should stop doing it, because it is not doing you any good! Unfortunately we have run out of time. I wanted to explore the effect of the removal of part 4. I am sure Mr Bishop would have been across all the details, just as he has just shown he is with regard to the question I just asked him! Given that we have run out of time, I am afraid we will have to leave that for another day. It clearly shows that this bill was not thought through, was not understood by the National Party and is yet another political stunt.

Amendment agreed to.

Clause negatived.

New clause

Hon. PHILIP DAVIS (Gippsland) — I move:

3. Insert the following new clause to follow clause 3 —

'A. ***Extension of application of certain provisions***

(1) In section 5(1) of the Principal Act, for "7" **substitute** "10".

(2) In section 33A(2) of the Principal Act, for "2001" **substitute** "2004".

This amendment inserts a new clause which amends the principal act to extend the sunset period in sections 5(1) and 33A(2). The new sunset provisions will come into effect on 30 June 2004.

New clause agreed to.

Long title

Hon. PHILIP DAVIS (Gippsland) — I move:

4. Long Title, omit "indefinitely".

This amendment deletes 'indefinitely' from the long title for the same reasons as amendment 1 alters clause 1.

Amendment agreed to; amended long title agreed to.

Reported to house with amendments, including amended long title.

Remaining stages

Passed remaining stages.

Sitting suspended 1.04 p.m. until 2.17 p.m.

QUESTIONS WITHOUT NOTICE

Melbourne Sports and Aquatic Centre

Hon. I. J. COVER (Geelong) — On 2 November last year the Minister for Sport and Recreation informed the house that 'a substantial review' was being undertaken regarding plans for a new swimming

pool for the 2006 Commonwealth Games. Seven months later, will the minister explain whether the review is complete and, if so, where and when the new pool will be built?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The honourable member may have noticed in the budget papers an allocation of the order of $2 million for design works for the Melbourne Sports and Aquatic Centre.

Hon. M. A. Birrell — Whereabouts?

Hon. J. M. MADDEN — I said where; if you listen, you will hear me. Those design works will take place for the construction of the new swimming facility to complement the existing Melbourne Sports and Aquatic Centre development.

I have on many occasions talked about the great legacy that will come from the lead-up to the Commonwealth Games and beyond. We have within this state a great culture of building facilities that generate their own sustainability and economic viability. One of the key issues about building this facility as part of the Melbourne Sports and Aquatic Centre is it will complement the existing facility, give a broader range of aquatic options for the users, and be a lasting and long-term legacy for the whole of Victoria.

Consumer affairs: trade measurement

Hon. G. D. ROMANES (Melbourne) — Will the Minister for Consumer Affairs inform the house of what action her department has taken to ensure that consumers can be confident that products they purchase are accurately weighted and priced?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — As part of our commitment to ensure that consumers can be confident that what they purchase is in fact what they get, Trade Measurement Victoria has between July 2000 and March 2001 had over 6000 inspections measuring and monitoring equipment covered by the Trade Measurement Act. These inspections are vital to ensure consumer confidence that the products they are sold reflect their correct weight and price.

Honourable members may be aware that on 28 May Coles Supermarkets was fined $15 000, plus $4000 in costs, by the Melbourne Magistrates Court for 11 offences committed under the Trade Measurement Act 1995. These offences occurred between 20 December 1999 and 3 May 2000. The 11 charges were for 293 breaches of the Trade Measurement Act and occurred at eight of their supermarkets. Coles pleaded guilty to the charges.

An honourable member interjected.

Hon. M. R. THOMSON — When the breaches were brought to the attention of store managers, the products were either removed from the shelves or the weighted measurement corrected. This is the first of such charges to be laid, and it demonstrates the government's commitment to providing consumers with surety that we will give them confidence that what they buy is in fact what they get.

Waverley Park

Hon. B. N. ATKINSON (Koonung) — My question is to the Minister for Sport and Recreation and Minister assisting the Minister for Planning. I note that expressions of interest for the development proposals for Waverley Park close on Friday, 29 June. I ask the minister with his dual responsibilities what, if any, involvement he will have in assessing development proposals for Waverley Park?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — As I have mentioned on a number of occasions in this house — and I am always happy to discuss the topic of Waverley Park — the issue of the ownership of that land is with the Australian Football League (AFL), and while we have lobbied very extensively — —

Honourable members interjecting.

Hon. J. M. MADDEN — I will say it again, as I always say whenever I talk on this topic, how vocal the opposition is, but when it was in government it was absolutely silent on this issue.

Honourable members interjecting.

Hon. J. M. MADDEN — Noisy now, silent then! It reinforces the hypocrisy of the opposition. Prior to our election we made a commitment to fight for Waverley Park, and we have continued to fight for it. At no stage did the opposition want to fight for it!

I am appreciative that the expression of interest process will close soon. We are still discussing issues with the AFL, but also the Department of State and Regional Development is currently working with some of the interest groups who are involved in the Save Waverley Park campaign to look at some of the issues that have already been discussed in the house. I think the honourable member for Koonung was involved in some of those issues. I have continued to raise the issue on a

number of occasions. We have worked extensively with the AFL to try to get it to play games there. It has said it will not. We will continue to work closely to see if we can get a great community benefit out of any proposal that takes place at Waverley Park.

Hon. B. N. Atkinson — On a point of order, Mr President, my question was quite specific. I appreciate the answer that has been given and understand there are other departments involved in ongoing negotiations. I accept that. My point of order is, though, what is the minister's involvement? The minister has twin responsibilities, and both of them overlap this issue. I want to know what his involvement is.

An honourable member interjected.

Hon. B. N. Atkinson — My point of order is that he did not answer the question.

The PRESIDENT — Order! The question was what would be the minister's personal involvement. In listening carefully to the minister's answer, he constantly referred to 'We will be having discussions with the VFL, the AFL, and others'. I think that expression indicates what he intends doing along with others, on his behalf or not, so I think the answer has been responsive to the question. I do not uphold the point of order.

Mineral sands: industry development

Hon. D. G. HADDEN (Ballarat) — Will the Minister for Energy and Resources advise the house what action the Bracks government has taken to further develop the mineral sands industry in Victoria?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for her question and interest in this very important industry for Victoria and, in particular, rural and regional Victoria.

I was pleased to have the opportunity to make the opening address at the global mineral sands exploration and investment conference which was held in Melbourne last week. At that conference we were fortunate to have a large number of delegates, including delegates from all of the leading mineral sands companies which are investing in Australia, many of which are already in the process of exploring or initiating projects for mineral sands developments in the Murray Basin.

As some honourable members will be aware, the Murray Basin offers exciting new prospects for the discovery and production of mineral sands, and, even more significantly, downstream mineral processing. World-class deposits have been identified in Victoria. They contain some of the highest grade and most accessible reserves of mineral sands in the Murray Basin. So the government believes the mining industry, particularly the mineral sands industry in the Murray Basin, has the potential to grow strongly and to create jobs and wealth, especially in the regional areas of the state.

I am pleased to say that the first major commercial mineral sands operation in the Murray Basin has already commenced in Victoria at Wemen, and the dredging operation is expected to produce some 40 000 tonnes of rutile and 10 000 tonnes of zircon every year. A secondary separation plant has been established at Thurla, near Mildura, and ore is transported for export from Thurla by road and rail to Portland and to Melbourne.

As part of my address to the global mineral sands conference, I was able to inform delegates of the actions by the Bracks government to further develop the mineral sands industry in Victoria and to encourage their further investment in the state. I was able to point to the state budget which the Bracks government brought down recently where $96 million was committed to rail standardisation across Victoria — a great deal more than was put in by the previous government. Of course this standardisation of the rail link between Mildura — —

Honourable members interjecting.

The PRESIDENT — Order! It has become very difficult to hear the minister. There is a cacophony all around her. I ask the house to settle down and allow the minister to complete her answer.

Hon. C. C. BROAD — Thank you, Mr President. That includes funding to standardise the rail link between Mildura and Portland — which will be of particular interest to some members of the house, at least — which will have substantial regional benefits, including facilitating the export of mineral sands through the port of Portland.

In conclusion I indicate that Victoria has great potential for any downstream minerals processing based on its excellent infrastructure, which is in the process of being substantially enhanced by this government. The government believes its actions in supporting the mineral sands industry will provide real benefits to rural and regional Victoria and continue to grow the whole of the state in accordance with its objectives.

Marine parks: advertising

Hon. P. R. HALL (Gippsland) — My question is to the Minister for Energy and Resources. I note with interest advertising currently appearing in many forms of the media, including the current edition of the *Melbourne Weekly*, which contains a colour spread on two-thirds of a page promoting the proposed marine national parks and sanctuaries and bearing the government's logo. Notwithstanding the fact that the bill is yet to be debated by Parliament, and that therefore the due process of Parliament is being disregarded, I invite the minister to provide the house with details on this matter, including who authorised the advertising program, the extent of advertising, its total cost and, moreover, its purpose.

Hon. C. C. BROAD (Minister for Energy and Resources) — Given the National Party's declared opposition to this initiative and election commitment by the Bracks government, it does not surprise me that it would object to the Bracks government seeking to explain and seek support for what it regards as a very important initiative and election commitment.

The government makes absolutely no apology for seeking to communicate its intentions and the contents of the package, which it has publicly announced, some parts of which are subject to legislation that will be debated in the Parliament.

As to the details the honourable member has requested, clearly those are matters that can be sought, but I do not have them available to me at this time. I wish to state very clearly that this government will continue to argue as strongly as it possibly can for what it believes is a decent and responsible package that it is putting before this Parliament.

Honourable members interjecting.

Hon. C. C. BROAD — The real — —

The PRESIDENT — Order! I cannot hear the answer. I ask the minister to finish her answer.

Hon. C. C. BROAD — The real question here is what the Liberal Party will do. Will the Liberal Party support — —

Honourable members interjecting.

Hon. C. C. BROAD — What is the Liberal Party's position?

Honourable members interjecting.

The PRESIDENT — Order! The minister knows that to a question earlier this week she said, 'All will be revealed when the debate comes on'. Similarly I think her rhetorical question has the same answer. I ask the minister to wind up.

Hon. C. C. BROAD — As I have said, the government intends to continue to advocate as strongly as it possibly can all the reasons why it believes its package on marine national parks is a decent and responsible package and should be supported by the Parliament.

Boxing: control

Hon. R. F. SMITH (Chelsea) — In light of the recent controversy about professional boxing, will the Minister for Sport and Recreation advise the house how he has acted to ensure that Victoria leads the country in regulating this sport?

Honourable members interjecting.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his question, and I am well aware of the interjections from the opposition on this matter since they read about it in the papers a few weeks ago. I would like to shed some light on the matter so the opposition is aware of the issues surrounding professional boxing. I note that a number of quite vocal opposition members are taking different sides in the debate, so it would be interesting for the house to be informed of the issues.

I am pleased to announce a number of key changes that I have approved for the regulation of professional boxing in this state. They relate to mandatory magnetic resonance imaging (MRI) brain examinations or brain scans, as the opposition would be aware. Those brain scans are required upon registration and every three years on registration renewal. Under these changes the Professional Boxing and Combat Sports Board may also direct that a brain scan be taken at any time during the registration period. The compulsory use of MRIs is now in force. Scans will be used to determine existing or evolving brain injury to decide whether it is appropriate for boxers to retain their registration for professional bouts in Victoria.

These changes are the result of outstanding advice I have received from the Professional Boxing and Combat Sports Board. I would like to thank its members, particularly its chair, Mr Bernard Balmer, who are acting on the advice of the board's medical advisory panel, chaired by Dr Paul McCrory.

I am eager to pursue the government's stated objectives which I have mentioned in this house, of not banning boxing — as the federal Minister for Health has recently suggested — but heavily regulating it in order to reduce the potential for damage, injury or death resulting from the sport.

I advise the house that I am currently considering the other issue of a recommendation from the board on the introduction of additional blood tests for professional boxers to determine the potential for possible future, long-term brain damage. Honourable members would be aware that the emerging technology being used will require a fair degree of complex legal and ethical advice. I am seeking that advice from the board, and I eagerly await that advice. The key is regulating the sector to reduce risk of brain injury.

Albert Park: tree removal

Hon. M. A. BIRRELL (East Yarra) — After the previous government built the sports and aquatic centre at Albert Park and the new facilities for the annual grand prix, the ALP issued a policy saying that no more mature trees would be removed from Albert Park. I therefore ask the Minister for Sport and Recreation whether the ALP government now intends to remove mature trees as part of its plans for extended swimming facilities at Albert Park.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I thank the honourable member for his question and for his concerns about the environment. I am very conscious of those concerns among the broader community. It is interesting that on the one hand the opposition is concerned about trees but that on the other it is not concerned about oceans.

We came to government with a commitment on environmental issues, particularly parks, that there would be no net loss of parkland. We stand by that commitment for any sporting facility developments in any parkland. That relates to any of the major developments we have talked about in this house on a number of occasions. I stand by that — there will be no net loss of public parkland.

Hon. M. A. Birrell — On a point of order, Mr President, on the issue of relevance and whether the minister's response is apposite to the question, while that preamble is of interest in setting the scene, my question was whether there is an ALP policy of not removing mature trees from Albert Park. While I accept the preamble, the question was about the removal of mature trees from Albert Park in response to the minister's statement. Mr President, I ask you to direct the minister to answer the question on the specific topic in front of him.

The PRESIDENT — Order! The question was specific and the minister did not address that particular issue. The minister made it clear there would be no net loss of park area, but this was a specific question about the removal of mature trees in a specific park. I ask the minister to address that issue.

Hon. J. M. MADDEN — If the shadow minister has not comprehended my answer I will explain it in more detail. I appreciate the number of occasions the opposition has difficulty in comprehending anything. I have stated there will be no net loss of public parkland. If the issue relating to trees arises, it will be considered in light of that policy commitment.

IRV: business development unit

Hon. KAYE DARVENIZA (Melbourne West) — Will the Minister for Industrial Relations outline the role of the business development unit in Industrial Relations Victoria in assisting investors and existing businesses?

Hon. M. M. GOULD (Minister for Industrial Relations) — The business development unit of Industrial Relations Victoria (IRV) was established to promote Victoria's progressive and cooperative industrial relations climate to potential and existing investors.

A key role of the unit is to provide investors with advice and information on the industrial relations framework and practices in Victoria. By helping investors understand how industrial relations operates, the unit will assist in attracting investment to this state. The business development unit has met with a range of key stakeholders across the business community to inform them of the services it provides and to promote the benefits of a cooperative approach to industrial relations. Business leaders have acknowledged that the unit has assisted them in the understanding and development of their businesses.

Honourable members interjecting.

The PRESIDENT — Order! I ask honourable members on my left to cease interjecting. It is extremely difficult for honourable members and Hansard to hear.

Hon. M. M. GOULD — Business leaders have agreed that developing a cooperative industrial relations practice in their workplaces increases productivity and profitability.

The business development unit works closely with other parts of the Department of State and Regional Development and IRV in attracting and facilitating investment in Victoria by providing industrial relations advice. The establishment of the unit is an important initiative of the Bracks government in its ongoing commitment to attract investment and grow the Victorian economy.

Minister for Small Business: staff

Hon. D. McL. DAVIS (East Yarra) — I refer the Minister for Small Business to the allocation of $3.8 million in the recent state budget and additional funding of $15.2 million over four years to support ministers to more effectively carry out their duties. Will the minister confirm that her allocation of this funding will see two ministerial advisers placed in her ministerial office at a cost exceeding $200 000?

Hon. M. R. THOMSON (Minister for Small Business) — No.

Youth: national media awards

Hon. T. C. THEOPHANOUS (Jika Jika) — I refer my question to the Minister for Youth Affairs. Given the government's commitment to improving the images portrayed by the media of young people in Victoria, will the minister inform the house of Victoria's performance in the national youth media awards held in Sydney last week?

Hon. J. M. MADDEN (Minister for Youth Affairs) — Honourable members will be aware that on a number of occasions I have spoken of my concern about the way young people are portrayed in the media, often as problematic. The government is working hard to ensure that young people are portrayed in a more positive light. This is a good news story, and no doubt the opposition is not used to such good news stories.

Young Victorians scooped the annual national youth media awards in Sydney last Thursday. Victoria won all three prizes in the Be Seen, Be Heard national media competition for secondary students. I congratulate the three winners: Christopher O'Leary from St Bede's College, Mentone, for his award in the print journalism category, Jessica Taylor from Wanganui Park Secondary College in Shepparton for her award in photography, and Jo Apostopoulos from Thornbury Darebin Secondary College for her award in television.

I congratulate community newspapers for creating youth pages in their publications so that young people have a chance to be heard, which endorses and increases the role and image of young people in their communities. It is also heartening to see some of the efforts of the daily newspapers. I congratulate particularly the *Herald Sun* for establishing a regular youth forum section featuring letters and contributions from young people. It shows that putting in the work and doing the networking will result in positive images of young people being portrayed in the media, not in a problematic manner, as has often been the case in recent history.

CORRECTIONS AND SENTENCING ACTS (HOME DETENTION) BILL

Second reading

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

That this bill be now read a second time.

This bill implements a commitment of the Bracks Labor government to consider the introduction of a home detention option to Victoria. As one element in a range of complementary measures, home detention will extend the options for rehabilitation and diversion currently available. This government believes that imprisonment should be used solely as a last resort and restricted to serious offenders. Victoria has a proud record in this regard, and the introduction of home detention will further enhance this.

Home detention will provide a means by which non-violent, low-risk, low-security offenders can serve a period of imprisonment in the community under highly restrictive and intensively supervised conditions.

Home detention will operate both as a sentencing option and as a prerelease mechanism.

For newly convicted offenders it will provide an alternative restrictive sentencing option which can minimise the disruption to family life and employment that incarceration can sometimes cause.

For selected minimum security prisoners, it will assist in their more successful transition back into the community.

Home detention programs operate at a fraction of the costs of conventional imprisonment. I note, for example, that in NSW the home detention program in 1997–98 cost $65 per offender per day, compared to $120.66 per minimum security prisoner per day. I fully expect that similar savings can be made in Victoria where it currently costs over $140 per day to keep a prisoner in minimum security conditions.

This bill proposes the introduction of home detention as a limited three-year pilot. The pilot status of the program will allow for a considered analysis of impact and effectiveness.

Alongside:

the development of a 10-year master plan for the prison system (of which the two new prisons for 900 prisoners will be a centrepiece);

the recent review of Community Correctional Services; and

the development of the community transitional units

this initiative demonstrates the Bracks Labor government's commitment to restoring the reputation for progressive, sound correctional practice for which Victoria has previously been known.

Home detention schemes are a well-established feature of the correctional landscape internationally and are currently available in all mainland Australian states except Victoria. The experience of other jurisdictions indicates that home detention can be an effective means to enhance the prospects for offender rehabilitation without putting the community at risk. The proposed program has been tempered in the knowledge of this experience and developed with Victorian traditions and expectations in mind. Addressing the dual needs of the community and the offender, the program will reliably and securely monitor low-risk, low-security offenders, while at the same time provide a high level of support in order to promote the objectives of rehabilitation and reintegration.

As I mentioned earlier, the home detention program will take the form of a limited three-year pilot, catering for a maximum of 80 offenders at any one time. The program will aim, at the front end, to divert from custody selected low-risk offenders facing terms of imprisonment of 12 months or less. At the back end, it will be a means by which those low-risk, minimum security prisoners who are within six months of their release date, may be able to serve a portion of their sentence.

I wish to highlight the decision-making process at the front end, as I believe it directly addresses the risk that offenders who would not otherwise receive a prison sentence would inappropriately be placed on home detention. The proposed legislation will require the court to first impose a period of imprisonment before then turning to the question of home detention. If the offender meets the eligibility criteria, the court can stay the execution of the order of imprisonment, pending the outcome of an assessment to be undertaken by Community Correctional Services staff. Should that assessment indicate that the offender is a suitable candidate for home detention, then the court can order that the offender serve his or her sentence by way of home detention. Should the assessment indicate that the offender is an unsuitable candidate for home detention, then the court must order that the offender serve his sentence in prison. This mechanism ensures that home detention will only be available to those sentenced to a term of imprisonment and will preclude those for whom a lesser sentence is more appropriate.

This focused approach is reflected in key features of the proposed home detention program which include:

targeted selection;

intensive supervision;

secure and reliable enforcement; and

rigorous evaluation.

Targeted selection

The program will be distinguished by its targeted selection of appropriate candidates. The fundamental principle will be that of ensuring that the protection of the public, in particular that of co-residents, will take precedence over all other objectives. This principle will be expressed throughout all stages of the home detention program. The bill clearly specifies who will be excluded from consideration:

anyone with a history of violence;

anyone with a history of sex offending;

anyone with a history of offences involving firearms or prohibited weapons;

anyone with a history of commercial drug trafficking offences;

anyone with a history of stalking; and

anyone who has breached an intervention order.

This screening process is further enhanced by stringent assessment procedures where the views of a wide range of relevant professionals and especially those of co-residents will be sought and acted upon. Only when co-residents give their consent to the making of the order will an order be made and the currency of that consent will be regularly assessed by supervising officers throughout the lifetime of that order. In addition, appropriate ongoing independent support will

be extended to co-residents to ensure that, as far as practicable, this consent is clearly informed and freely given.

Intensive supervision

The program will be supervised 24 hours a day, seven days a week. It will be delivered by the Department of Justice, utilising the significant skill and expertise that already exists within Community Correctional Services. Specially trained community correctional officers will maintain a high level of contact with the offender, engaging that person in appropriate offence-focused interventions. There will be a strong rehabilitative focus in order to better equip offenders to get their lives back on track and keep them there. Where appropriate and necessary, offenders will be required to participate in substance abuse or gambling counselling. There will also be an emphasis in promoting job training and employment readiness.

Secure and reliable enforcement

A central element of the program will be a condition of curfew and this will only be lifted to allow the offender to engage in activities previously investigated and approved by the supervising officer. Those approved activities might include employment, education or training commitments, or attendance upon the type of offence-focused interventions I mentioned a few moments ago.

The curfew will be monitored by way of an active system of electronic monitoring. This system consists of a signal-transmitting bracelet worn about the wrist or ankle; a monitoring unit installed in the offender's home; and a central computer which communicates with the supervising officer. Should the offender fail to comply with curfew requirements or attempt to tamper with the bracelet, the supervising officer will be automatically notified, resulting in an immediate action, day or night. Widely used in other jurisdictions, active monitoring systems are well regarded for their dependability in monitoring compliance, without causing undue disruption to the home environment.

Should the offender breach the order, either by way of non-compliance or reoffending, the response will be swift and decisive. The adjudicating body will be the Adult Parole Board, which, upon considering the evidence of the breach, will have the ability to send the offender to prison immediately to serve the outstanding balance of the sentence.

Rigorous evaluation

The program will be subject to close scrutiny of its operations and careful evaluation will enable us to ensure that its operation is equitable and appropriately targeted. One of the requirements of this bill is the annual submission to Parliament of a report detailing the implementation and impact of the home detention program. Furthermore, the sunset provisions of this bill will effectively oblige home detention to prove itself to be a worthy addition to the Victorian correctional system.

This bill provides for the prudent and limited introduction of an option that has long been available in other states. The proposed home detention pilot is consistent with existing Victorian traditions of reserving imprisonment for serious and violent criminals. It will be available only to non-violent, low-risk offenders. It will be closely monitored and will offer significant support to promote rehabilitation. This bill represents a responsible, considered and constructive approach to expanding the range of rehabilitative and diversionary options currently available and I commend it to the house.

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

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

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

Hon. BILL FORWOOD (Templestowe) — I move:

That 'the next day of meeting' be omitted with the view of inserting in place thereof 'Saturday, 1 September 2001'.

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

Ayes, 14

Broad, Ms
Carbines, Mrs
Darveniza, Ms
Gould, Ms
Hadden, Ms
Jennings, Mr
McQuilten, Mr
Madden, Mr
Mikakos, Ms
Nguyen, Mr (*Teller*)
Romanes, Ms
Smith, Mr R. F. (*Teller*)
Theophanous, Mr
Thomson, Ms

Noes, 26

Ashman, Mr (*Teller*)
Atkinson, Mr
Baxter, Mr
Best, Mr
Birrell, Mr
Bowden, Mr
Brideson, Mr
Coote, Mrs
Cover, Mr (*Teller*)
Furletti, Mr
Hall, Mr
Hallam, Mr
Katsambanis, Mr
Lucas, Mr
Luckins, Mrs
Powell, Mrs
Rich-Phillips, Mr
Ross, Dr

Craige, Mr
Davis, Mr D. McL.
Davis, Mr P. R.
Forwood, Mr
Smith, Mr K. M.
Smith, Ms
Stoney, Mr
Strong, Mr

Omission agreed to.

House divided on insertion:

Ayes, 27

Ashman, Mr
Atkinson, Mr
Baxter, Mr
Best, Mr
Birrell, Mr
Boardman, Mr (*Teller*)
Bowden, Mr
Brideson, Mr
Coote, Mrs
Cover, Mr
Craige, Mr
Davis, Mr D. McL. (*Teller*)
Davis, Mr P. R.
Forwood, Mr
Furletti, Mr
Hall, Mr
Hallam, Mr
Katsambanis, Mr
Lucas, Mr
Luckins, Mrs
Powell, Mrs
Rich-Phillips, Mr
Ross, Dr
Smith, Mr K. M.
Smith, Ms
Stoney, Mr
Strong, Mr

Noes, 14

Broad, Ms
Carbines, Mrs
Darveniza, Ms
Gould, Ms
Hadden, Ms
Jennings, Mr
McQuilten, Mr (*Teller*)
Madden, Mr
Mikakos, Ms
Nguyen, Mr
Romanes, Ms
Smith, Mr R. F.
Theophanous, Mr (*Teller*)
Thomson, Ms

Insertion agreed to.

House divided on amended motion:

Ayes, 27

Ashman, Mr
Atkinson, Mr (*Teller*)
Baxter, Mr
Best, Mr
Birrell, Mr
Boardman, Mr
Bowden, Mr
Brideson, Mr
Coote, Mrs
Cover, Mr
Craige, Mr
Davis, Mr D. McL.
Davis, Mr P. R.
Forwood, Mr
Furletti, Mr (*Teller*)
Hall, Mr
Hallam, Mr
Katsambanis, Mr
Lucas, Mr
Luckins, Mrs
Powell, Mrs
Rich-Phillips, Mr
Ross, Dr
Smith, Mr K. M.
Smith, Ms
Stoney, Mr
Strong, Mr

Noes, 14

Broad, Ms
Carbines, Mrs
Darveniza, Ms (*Teller*)
Gould, Ms
Hadden, Ms
Jennings, Mr
McQuilten, Mr
Madden, Mr
Mikakos, Ms (*Teller*)
Nguyen, Mr
Romanes, Ms
Smith, Mr R. F.
Theophanous, Mr
Thomson, Ms

Amended motion agreed to and debate adjourned until Saturday, 1 September.

HEALTH (AMENDMENT) BILL

Second reading

Hon. M. M. GOULD (Minister for Industrial Relations) — I move:

That this bill be now read a second time.

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

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

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

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

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

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

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

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

The bill removes unnecessary restrictions on the pest management industry and the potential for duplication and overlap in the controls over that industry as between the two licensing systems under the Health

Act and the Agricultural and Veterinary Chemicals (Control of Use) Act 1992.

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

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

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

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

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

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

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

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

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

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

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

therapeutic goods;

agricultural and veterinary chemicals;

drugs, poisons and controlled substances;

the professional practice of health care providers;

food; and

fair trading and consumer protection.

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

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

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

most helpful and constructive in the preparation of these amendments.

I commend the bill to the house.

Debate adjourned on motion of Hon. M. T. LUCKINS (Waverley).

Debate adjourned until next day.

POST COMPULSORY EDUCATION ACTS (AMENDMENT) BILL

Second reading

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

That this bill be now read a second time.

The main purpose of this bill is to introduce measures to improve the quality of higher education in Victoria consistent with the nationally agreed framework for quality assurance in higher education.

Universities play an important role in providing educational pathways for Victorians to many worthwhile and valuable occupations.

Our universities are internationally recognised for their contribution in many research fields, particularly medical and agricultural research and in the rapidly expanding field of information and communications technology.

As Victoria moves to maximise the opportunities in the emerging industries such as the information and communications technology industries we look to our universities as the major source of skilled workers, and for leadership in research and development.

Victoria has eight publicly funded universities as well as a campus of the national Australian Catholic University.

These nine universities have approximately 147 000 students studying for almost 870 different undergraduate awards. In addition, there are over 40 860 postgraduate students, some of whom will be involved in high-level research.

In 2000 there were almost 31 700 students from overseas enrolled in our universities. This was an increase of 14.8 per cent over the previous year. These students from overseas studying in our universities represented 33.1 per cent of all such students undertaking higher education studies in Australia.

In addition, Victoria has 23 private providers of higher education including Melbourne University Private and the long-established Melbourne College of Divinity, offering 96 awards.

Many students from overseas are attracted to study with these private providers.

Victorians hold their higher education system in high regard and for good reason. Our universities have excellent reputations — here, nationally and overseas. It is also clear that Victorians have a significant personal and financial investment in higher education.

This bill puts in place the necessary safeguards to ensure that our higher education institutions continue to enjoy their well-earned reputations in the rapidly changing world of higher education.

Higher education is a joint responsibility of state and commonwealth governments under which the states and territories regulate the delivery of higher education courses by universities and by private providers.

States and mainland territories have mechanisms for the accreditation and approval of courses offered by non-university private providers, and for the approval of universities.

In 1997 there was a national cooperative approach between the states, mainland territories and the commonwealth towards the establishment of a quality assurance framework for higher education.

In March 2000 this work culminated in the Ministerial Council on Education, Employment, Training and Youth Affairs agreeing to a national quality assurance framework which includes a set of five national protocols for higher education approval processes.

At the same time, ministers gave a commitment to work towards the implementation of these new arrangements by 1 July 2001. These protocols were developed following extensive consultation at state and national levels, and provide for national consistency in the higher education approval processes.

This bill enables the commitment to be met here in Victoria.

Last year, I established a committee to advise on Victoria's policies on approval of universities. The committee supported continuation of Victoria's policy to approve private universities, provided standards are maintained, and recommended a number of changes to ensure the capacity to maintain quality and ensure consistency with the national protocols.

As a result, the procedures for the approval of new universities and for overseas universities have been clarified and strengthened.

New universities will be required to show a commitment to research and scholarship and the systematic advancement of knowledge. When deciding on a new university, national policies and agreements by ministers responsible for higher education on university governance and characteristics will be taken into account.

This bill provides that the responsible minister will have the power, after review and consideration, to establish or deny approval to an overseas university to operate in Victoria.

Universities established by other state and territory legislation are recognised as being able to operate here in Victoria. However, the minister will have the power to review the Victorian operations of another state or territory university and if necessary place conditions on the continuing operation of such a university or suspend or revoke the approval to operate in Victoria.

Development of new forms of educational delivery and recognition mean that from time to time legislation needs to be reviewed. This bill provides for an increased recognition of the importance of maintaining a visible mechanism for quality assurance, both for community confidence within Australia, and internationally.

The bill enables the government to address the many issues arising out of the different arrangements universities are putting into place to deliver their courses. These include an increased use of franchising, licensing or agency arrangements by higher education institutions for delivery of higher education programs across state boundaries, in many cases involving other organisations as delivery agents.

The definition of a recognised university has been restricted to those established by states and mainland territories, all of which have supported the March 2000 MCEETYA agreement on quality assurance in higher education.

The time scale for the initial review of approval for a new university has been amended to five years from commencement of operations and for continuing approval of the approved university provided required standards are being maintained. This will enable any new university to establish itself and to build a solid record in teaching and research before its approval to operate is reviewed. Should something go wrong before that time, there is provision for the minister to review the situation.

Until now the minister has had limited powers to collect data to enable reporting of key characteristics of private providers.

It has been quite unclear as to the minister's power to conduct an investigation of a higher education institution to ensure that conditions of approval are being met, that processes set out in proposals are being implemented, and that if they occur, occasional problems can be investigated. This bill clarifies these powers and provides protection to private providers if the minister needs to exercise such powers.

The bill also complements the work to be undertaken in the publicly funded universities by the new Australian Universities Quality Agency. All universities, private or publicly funded, will be accountable for the provision of high-quality education.

Amendments to the Tertiary Education Act 1993 implement the national agreement by ministers to a set of protocols for approval and accreditation of private providers and their higher education courses. The three forms of approval under that act are retained. Accreditation of a course ensures that it is of a suitable standard at least equivalent to similar or like courses in universities.

Authorisation to conduct a course of study is given to a provider who is able to demonstrate the capacity to deliver the accredited course over a sustained period of time.

The third form of approval is endorsement of a course of study for the enrolment of students from overseas. To gain this, a provider must demonstrate support systems and structures to assist students from overseas to settle into Australia and to achieve their full potential as students.

This bill will allow the minister to conduct an investigation in relation to the continuing endorsement of a course for overseas students or the continuing accreditation or authorisation of a course offered by a non-university provider. Should the minister need to review a provider's operations there are clear procedures to be followed that protect the rights of students and the provider.

The definition of higher education courses has been extended to include diploma or advanced diploma courses that can be classified as higher education in the Australian qualifications framework. This addresses an anomaly in recognition of such courses and at the same

time will allow students of these courses to be eligible for commonwealth benefits.

Inclusion of the reference to a course of study offered in or from Victoria clarifies that courses delivered through the Internet from Victoria will now also be covered by the act.

Changing the term for endorsement of a course of study from three years to up to five years means that providers will need to apply less often and brings the term of endorsement into line with the terms of approvals provided for in the act.

The criteria for assessment of submissions from private providers to conduct higher education courses have been simplified consistent with the nationally agreed quality assurance framework.

This will enable the consideration process of new applications to be streamlined and so reduce the time taken to reach a decision.

Finally, the bill also makes minor amendments to the Deakin University Act and the Victorian Qualifications Act.

A strong, vigorous and high-quality higher education sector is pivotal to the personal and professional growth of Victorians and to the growth of our Victorian and Australian economies. The bill will assist in ensuring we meet those aims.

I commend the bill to the house.

Debate adjourned on motion of Hon. B. N. ATKINSON (Koonung).

Debate adjourned until next day.

CORRECTIONS (CUSTODY) BILL

Second reading

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

That this bill be now read a second time.

The Corrections (Custody) Bill provides another example of the Bracks Labor government's commitment to ensuring that the justice system is fair, accessible and understandable.

The bill contains important improvements to the operation of the corrections system in that it clarifies four areas of the Corrections Act, namely:

the concept of custody;

the powers and functions of those in charge of prisoners in courts or tribunals and during transport — and to achieve this it establishes a new class of officer, namely escort officer;

the provisions relating to the transfer of prisoners; and

some miscellaneous amendments to the act relating to confidentiality issues, prisoners' correspondence, and other technical matters.

The improvement in the provision of correctional services provided by this bill will ensure that the status of individuals in custody will be clear at all points of their incarceration. This will ensure that there will be no doubt about who is responsible for their safe custody and welfare.

The clear and unambiguous allocation of powers and responsibilities within corrections underpins public confidence in the operation of the system. Improving the operation of the corrections system in this way promotes public confidence in the system. Also, importantly, it promotes the confidence of prisoners and prison operators.

The bill will enhance the operation of the corrections legislation in the following areas.

Clarification of the concept of custody

Currently under the Corrections Act, there are two main problems with the concept of custody:

the meaning of the term is unclear because it is used to describe different concepts and responsibilities in different contexts; and

section 4 of the act, which deems a person to be in the Secretary to the Department of Justice's custody and is applied in different parts of the act, lacks sufficient precision for operational needs.

This bill addresses both these issues by ensuring that except insofar as references to custody relate to custody of the Chief Commissioner of Police, the term 'custody' will only be used to mean the 'legal custody' of the Secretary to the Department of Justice and therefore the ultimate responsibilities that the Secretary to the Department of Justice has in relation to a prisoner. Other officers will be given specific powers and duties directly, rather than 'legal custody'.

The Secretary to the Department of Justice's custody will begin when there is an order of imprisonment

(which is defined in the bill) and an officer of the Department of Justice takes physical custody of the person to whom the order relates. Where an individual is transferred between various institutions in which they may need to spend certain periods of their incarceration, the physical transfer will only occur upon the production of appropriate documentation to the person receiving the individual.

Clarification of the functions and powers of those escorting and supervising prisoners or other individuals before the court

When transporting prisoners between institutions and supervising them at court, prison officers currently exercise their functions and powers as an extension of their powers in prison. This arrangement has been a bandaid approach to a complex problem. This bill ensures that the powers and functions of all escort officers are clear. It ensures appropriate protection for both prisoners and escort officers and in doing so, protects the community. The bill does this by creating a new category of prison officer, to be known as 'escort officer', and provides that category of officer with the specific functions and powers necessary for transporting individuals and supervising them outside prisons.

Transfers

The bill streamlines the transfer provisions. It corrects the technical difficulties that may have arisen in relation to certain transfers. It also removes some of the powers that the Secretary to the Department of Justice had to transfer individuals where those transfers are dealt with in detail in other legislation. It also provides the secretary with important powers to take a person who is accepted into the secretary's custody directly to a hospital or other institution rather than back to prison where necessary.

Confidential information

The bill clarifies the notion of confidential information under the act, so that the reforms introduced by the Freedom of Information Act are specifically adopted, namely that a prisoner's personal affairs will include information:

(a) that identifies any person or discloses their address or location; or

(b) from which any person's identity, address or location can reasonably be determined.

While providing greater clarity in relation to protecting prisoners' rights, the bill also supports the needs of victims of crime in the community by permitting the Secretary to the Department of Justice to release certain confidential information to the victim of an offence for which the prisoner is currently serving his or her sentence, provided that it does not in any way compromise the safe custody and welfare of the prisoners nor the security of the prison. The information that can be released in these circumstances is:

details about the length of the sentence(s) of imprisonment that is being served;

the date when the prisoner is likely to be released for any reason (including on bail, custodial community permit, or parole (with the Adult Parole Board's consent)); and

details of any escape.

With this bill, the Bracks Labor government is striving to strike the right balance between the needs of different groups within the community to ensure that everyone has a fair go.

Prisoners' correspondence and rights to confidentiality

In a similar vein, the bill introduces a new regime to deal with prisoners' correspondence to ensure that a prisoner's right to confidential communications is maintained wherever possible, but that in protecting this right, the need to ensure the safe custody and welfare of all prisoners, and the security and good order of the prison is satisfied.

Accordingly, the bill introduces clear protection of the right of a prisoner to communicate confidentially with his or her lawyer and member of Parliament. It also consolidates a range of other legislative rights to confidential communications (including to and from the Ombudsman, Human Rights Commissioner and Health Services Commissioner) to ensure that prisoners and prison officers are clear on prisoners' rights. In this way, the legislation serves a valuable educational purpose.

A range of other technical amendments are also included in the bill.

Disciplinary hearings

Technical difficulties have recently arisen in relation to the operation of disciplinary hearings where a disciplinary officer has 'taken steps to have the matter dealt with under the criminal law' by referring the matter to the Victoria Police.

This poses significant operational difficulties because prison providers need to be able to ensure that they can manage prisoners who commit prison offences, even where these offences are not criminal offences. Accordingly, the bill clarifies the current provisions to ensure that they are consistent with longstanding practices which are necessary for the safe custody and welfare of prisoners.

Section 85 statements

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons why section 55E of the Corrections Act, as inserted by clause 15 of this bill is to alter or vary section 85(5) of the Constitution Act 1975 in relation to the jurisdiction of the Supreme Court.

Clause 20 inserts a new section 111A(4) into the Corrections Act 1986, which provides that it is the intention of the proposed section 55E of the act to alter or vary section 85 of the Constitution Act.

The new section 55E of the Corrections Act states that escort officers will not be liable for the use of reasonable force. In this way, it is intended to alter or vary section 85 of the Constitution Act 1975 to the extent necessary to prevent the Supreme Court from entertaining actions against escort officers in those circumstances.

The reasons for limiting the jurisdiction of the Supreme Court are as follows:

The role of escort officers is exceptional, somewhat more akin to the role of police officers than to that of other Crown servants or agents, because of the escort officer's role in protecting the community. Police officers exercising their duties in good faith are not personally liable for anything done in the course of their duty (section 123 of the Police Regulations Act).

Once prisoners are taken outside the prison walls, the community is vulnerable to escapes and undisciplined behaviour. Escort officers are limited in their capacity to compel compliance with their directions and from time to time, the use of reasonable force may be required. Accordingly, escort officers need to be able to respond to emergency situations as they arise in a swift and decisive fashion. The community would be placed in a perilous position if escort officers were carrying out their duties with the constant threat of legal action from prisoners impeding their functioning.

It would be difficult for escort officers to effectively exercise their functions to ensure the safe custody and welfare of prisoners and the protection of the community if they were liable to harassment from vexatious legal actions. Where officers are exercising their functions whilst legal action is being undertaken against them, this would be a matter of particular concern because it would severely challenge the officer's power and authority and could, therefore, threaten the safety of the community and other prisoners.

Under the Corrections Act prison officers operate with the benefit of an immunity where they use force in prison in accordance with the specifications in the act. It would be inconsistent with the current provisions for escort officers not to have the same immunities as those officers working within the prison.

The limited immunity that section 55E provides to the escort officer is limited to the use of reasonable force by the escort officer and does not affect any other avenues of redress that may be available against the Crown or the escort officer in the event that force is used.

I wish to make a statement under section 85(5) of the Constitution Act 1975 of the reasons why section 9CB of the Corrections Act, as amended by this bill is to alter or vary section 85(5) of the Constitution Act 1975 in relation to the jurisdiction of the Supreme Court.

Clause 20 inserts a new section 111A(3) into the Corrections Act, which states that it is the intention of section 9CB as amended by the bill to alter or vary section 85 of the Constitution Act 1975.

Clause 11 of the bill amends section 9CB of the Corrections Act by replacing the reference to section 11(7) with a reference to part 1A.

Section 9CB, among other things, provides that a person authorised under section 9A(1A) or 9A(1B) to exercise a function or power, who uses reasonable force in accordance with the section is not liable for injury caused by that use of force. Clause 8 of the bill amends the powers of persons undertaking transport functions under section 9A(1B). Clause 5 inserts a new part 1A, which among other things, clarifies the scope of the Chief Commissioner of Police's legal custody under the act. The amendments in these clauses are intended to provide consistency in the transport powers of all those undertaking escort functions and to clarify the law in relation to custody. The amendments to section 9A(1B) alter to some extent the scope of the powers of persons undertaking transport functions. The new part 1A, while a clarification, may arguably alter the classes of persons who may be in the legal custody of the Chief Commissioner of Police and in relation to whom the

powers referred to in section 9CB may be exercised. As a result, it is necessary to vary the jurisdiction of the Supreme Court to extend the existing limitation provided in respect of section 9CB.

The reasons for this limitation on the jurisdiction of the Supreme Court are as follows:

The provision of transport and custodial supervision services under agreements with the Chief Commissioner of Police will at times require authorised persons under those agreements to use reasonable force to ensure that their duties are carried out. Persons undertaking transport and supervision duties need to be confident that in acting in accordance with the section they will be protected from proceedings against them when acting properly. This limitation on jurisdiction remains necessary under the terms of section 9CB as affected by the amendment to section 9A(1B) and the insertion of part 1A.

I commend this bill to the house.

Debate adjourned on motion of Hon. B. C. BOARDMAN (Chelsea).

Debate adjourned until next day.

TOBACCO (FURTHER AMENDMENT) BILL

Second reading

Debate resumed from 3 May; motion of Hon. M. R. THOMSON (Minister for Small Business).

Hon. M. T. LUCKINS (Waverley) — The Liberal Party supports the Tobacco (Further Amendment) Bill before us today. It continues a fine tradition of tripartisan support in the Victorian Parliament for measures to try to deter people from taking up smoking and encourage people who are addicted to nicotine to cease smoking.

Many studies have been conducted over many years that demonstrate the health dangers associated with tobacco consumption. It is estimated that the health cost of tobacco use in Victoria is more than $3 billion per annum and that tobacco is responsible for around 80 per cent of all drug-related deaths.

Many surveys have also been conducted about the proportion of the population that smokes. Most alarming is the fact that 80 per cent of smokers started smoking under the age of 18, and Victoria's school students spend around $25 million a year on cigarettes. The measures we are considering today go some way towards addressing the concerns about access to tobacco and cigarettes by minors and also make other changes relating to banning smoking in enclosed retail shopping centres and requiring retailers to display signs saying it is illegal to sell tobacco to minors. The bill will ban the sale of single cigarettes or cigarettes that are not sold as a pack and will restrict advertising by traders and prevent them from promoting cheap cigarettes or cheap tobacco with signs outside their premises.

It closes some loopholes in the prohibition of the practice of providing gifts with tobacco products that encourage the purchase of tobacco or particular types of cigarettes and also bans mobile cigarette sellers, who are most often present in nightclubs and places where young people tend to congregate.

Since 1987 there has been tripartisan support in Victoria for the Victorian Health Promotion Foundation, known as Vichealth, which runs the very successful Quit program and sponsors major sporting events that in the past were sponsored mainly by tobacco companies. Vichealth also promotes healthy lifestyles among people in the community and in particular age groups and encourages exercise and other measures to prevent disease.

It is a shocking fact that 15 per cent of all deaths in Australia are attributed to smoking-related causes. The government last year introduced measures that will be implemented on 1 July this year banning smoking in restaurants and places where food is prepared. The Liberal Party supported those measures at the time but raised significant concerns of restaurants and caterers about the time frame for the implementation of that policy directive. An amendment was made to the bill to delay the introduction of that ban until 1 July this year.

In similar vein this bill extends a number of time lines because it has become clear to the government that business would find it very difficult indeed to meet the time lines established in the previous legislation. It also tidies up some loose ends and loopholes that have come to light since the passing of the bill last year.

The bill makes changes to the definition of retail shopping centre. Under the previous bill it was an opt-in arrangement for large shopping centres, so they could have endorsed smoke-free premises. The definition in clause 3(2)(b) is consistent with the definition of retail shopping centre in the Retail Tenancies Act. It is defined as a cluster of premises, five or more of which are retail premises.

There are some concerns with that definition in the context of what the bill is trying to achieve. For example, if you have an arcade, which many suburban strip shopping centres have, that has doors at either end, that may be considered to be an enclosed shopping centre. But if the traders or the building proprietors had the doors open during shopping or trading hours, the arcade would not necessarily fall under the definition of retail shopping centre in the bill.

There is another anomaly relating to large shopping centres. An example was given in the debate in the other place about Melbourne Central, where you have a whole floor of a shopping centre taken up by one premises only, Daimaru, as opposed to having five or more retail shops. We accept that the definition is consistent with the Retail Tenancies Act, and that is important, but there are some concerns about how it will be dealt with under the law in the future.

The bill also clarifies that it is an offence consistent with the new definition of retail shopping centre to allow smoking in a retail shop or in a shopping centre. This has certainly been supported by the Property Council of Australia. Clause 6 makes it an offence for an occupier or tenant of a retail shopping centre to contravene the provisions of the act by allowing smoking on the premises. The penalty for an offence is 5 penalty units.

Clause 7 deals with tobacco advertisements not containing trademarks or brand names. It relates to generic advertising by shop proprietors or tobacconists who display 'Cheap smokes' or 'Cheap cigarettes' signs outside their retail premises. I have noted that many shops — I have seen them when driving around my own electorate — have these signs out the front, either on the facia of the building or on sandwich boards. Under this provision all signs outside the shop will be banned, but signs that are inside the shop do not contravene the legislation.

Again there is an anomaly. You could have a window full of signs saying 'Cheap smokes' that are quite visible from outside or to passing traffic or passing pedestrians, and it may be even more effective than having a sandwich board out the front of the shop. That is allowed under the legislation, whereas a sandwich board or a sign outside the premises is banned.

That will be a significant impost on shop owners who will have to change the signage outside their premises. If the business name was Cheap Smokes Pty Ltd, I suppose the shop owners would have an exemption under the act because that is their trading name, but in the future they would have to change the advertising and signage outside their premises to comply with the act.

Clause 8 of the bill deals with the supply of non-tobacco products in connection with the sale of tobacco products. That includes things such as ashtrays, lighters, cigarette cases, even shot glasses and other paraphernalia that are often sold in a pack with cigarettes, mainly by tobacconists. After I left school, from the mid-1980s on, this activity was quite prevalent. There was then an aggressive marketing campaign by cigarette companies. I remember that one particular company would encourage smokers to send in bar codes from packs. By collecting a number of the bar codes they were eligible for different merchandise, such as clothing, bags and so forth. Although this practice has been curtailed over the past 10 to 15 years, the provision in the bill will tighten the restrictions.

The provision basically says that any non-tobacco product is not to be sold with cigarettes, whether or not a separate charge is made for that product or benefit. That covers gifts and prizes, including smoking paraphernalia, that are given away with packets of cigarettes. It exempts the supply of smoking paraphernalia necessary or ancillary to smoking, but it is a breach of the legislation if such items are not sold at a higher price than the combined value — that is to ensure that the lighter or cigarette case is not a gift to encourage someone to purchase the tobacco product. I welcome those changes.

Clause 9 deals with the mobile selling of tobacco products. It provides for quite hefty fines of 10 penalty units for the first offence and 100 penalty units for a second or subsequent offence. Proposed section 13A(2) states:

> (2) A person must not authorise another … to sell any tobacco product that is carried about on the seller's person.

Again the penalties are 10 penalty units for the first offence and 100 penalty units for a second or subsequent offence.

Proposed subsection (3) states:

> (3) A reference in this section to a tobacco product carried about on a person includes a reference to a tobacco product that is intended to be sold from a tray, bag or other container whether or not it is being carried about on the person at the time of sale.

Mobile cigarette sellers work mainly at nightclubs or other large events where a lot of people congregate. From the commencement of this provision on 1 October that practice will be outlawed. That may

have a significant impact on businesses that currently manufacture cigarette trays and so forth. But as smoking can be tempting on impulse while people are out and perhaps slightly inebriated, it is a good thing to ban the mobile selling of these products because such people may not be making a conscious choice when they purchase them.

Clause 10 places a ban on the sale of unpackaged cigarettes. It will be an offence to sell single cigarettes or anything other than a packet of cigarettes. This is very important to deter young people, including children, from taking up smoking. Price is very much an imperative for young people. I recall that when I was younger cigarettes were sold in packs of 10, which was certainly a lot more affordable for school kids. I welcome this provision, because it goes a long way towards deterring young people from taking up the habit.

Smoking is initially a habit. As I mentioned, around 80 per cent of adult smokers started smoking when they were under the age of 18 years. As it is with the use of any drug, a person will take up smoking often because of peer pressure or even a rebellious streak — but once you have one cigarette you are basically hooked. It is an insidious addiction. It is very difficult to give up cigarettes because they are not only physically addictive but also habit forming, and they become part of people's daily lives. There are now many goods available from pharmaceutical companies to assist people with cravings who are committed to stopping smoking, such as chewing gum, patches, inhalers and beta blocker tablets. But the best way to avoid all the pain and suffering and to save your future health is never to start.

Clause 11 provides for no smoking signs to be displayed in retail centres. It requires an owner or owners to display signs in prominent positions at the entrances to any enclosed areas to reasonably identify the areas as non-smoking to people entering the premises. The signs are to be consistent with the regulations. The clause provides for 5 penalty units in the case of a natural person and 10 penalty units in any other case.

Proposed new section 15B(2) refers to a sign having to comply with any prescribed requirements as to size and the information contained on the sign, which will be done through the regulations. The subsection defines 'owner' as including:

> … a person who is, or is entitled to be registered under the Transfer of Land Act 1958 as, the proprietor of an estate in fee simple in the land, or any part of the land, on which the retail shopping centre is situated.

So not just the shopping centre manager is liable where the signs are not displayed, the actual owner of the land upon which the shopping centre is situated is also liable.

Clause 12 deals with signs relating to the prohibition of the sale of tobacco products to minors. Proposed subsection 15C(3) states:

> (3) The occupier of premises on which a tobacco retailing business is carried on must cause to be displayed on those premises in accordance with the regulations a prescribed sign relating to the prohibition of the sale of tobacco products to persons under the age of 18 years.

If the legislation is breached in that case 10 penalty units will apply.

Recently I have raised in this house my concern about the government-sanctioned entrapment of small business operators who are being subjected to spot checks by environmental health officers employed by councils, who in turn are employing minors — children, including students, under the age of 18 — to go into liquor stores and other retail premises throughout Victoria to test whether or not the persons serving behind the counters are checking for identification. Recently I drew to the attention of the Minister for Small Business the case of a Mr Ken Stringer, the proprietor of Sunbury Cellars, who has been in business for 50 years and who was handed a $200 on-the-spot fine for selling cigarettes to a minor.

The mature-looking student was wearing trousers, a shirt and a tie, so he was not dressed in a school uniform. He entered the shop at the behest of council officers, despite prominent signs on and around the premises prohibiting the entry of anyone under 18 years. That practice is inconsistent with the provisions in the bill.

I again raise my concerns about the government's action in using fizzgig stings to entrap business owners who, in the vast majority of cases, are responsible people. Honourable members should empathise with their position when they are behind the counter serving a queue of people. They are often not in a position to check everyone's age, and they must sometimes use their own judgment about whether or not someone looks to be over 18 years. The industry is encouraging the more responsible sale of cigarettes and more stringent attention to identification to check whether the person is a minor. I do not endorse or condone the use of children to entrap business owners. The government has made a mistake with that.

Clause 13 amends sections 36B(2) of the principal act to ensure that inspectors are required to produce

identity cards before exercising their powers. Clause 14 inserts new subsection (2) in section 36E of the principal act to allow inspectors to inspect and measure a tobacco advertisement visible from the customer side of the service area, whether or not the advertisement is in part of the premises open to the public. Again inspectors are responsible to councils and their environmental health officers. They will be doing the government's business monitoring and enforcing the provisions of this bill.

The Liberal Party accepts the section 85 provision in the bill, which is consistent with a similar provision in the Tobacco (Amendment) Act debated in this place last year. Clause 19 inserts provisions relating to the prohibition of advertising. Steep penalties will apply if the provisions are contravened. Proposed section 8(1)(2B), inserted by clause 19, states in part:

> A person must not, in the course of carrying on a tobacco retailing business or tobacco wholesaling business, display tobacco products at a retail outlet or wholesale outlet other than at a point of sale.

The first offence incurs a penalty of 10 penalty units, but the second and subsequent offences carry a penalty of 100 penalty units. There has been some movement by the government regarding the expression 'point of sale', because large supermarkets would have been restricted from selling cigarettes at the point of entry or departure from stores if cash registers were at both ends of the store.

Proposed section 8(1)(2C) allows the display of cigars in an operating humidor or the display of cartons at an on-airport duty-free shop. That provision results from concerns raised by tobacconists, sellers of cigars and duty-free operators who sell cigarettes only in cartons. If they were not able to display the carton, given the way the duty-free system works, they would find it difficult to sell cigarettes to people entering or leaving Australia. Cigarettes are displayed in cartons, and the customer pays for them when leaving the establishment. I am pleased the government has introduced that amendment.

Proposed new section 8(3) deals with the advertising of tobacco products. Again stringent requirements apply regarding the size of the advertisements at the point of sale, the information contained in them and the manner in which they are set out for display purposes.

Clause 20 deals with point of sale advertising and covers intricate ways of displaying cigarettes to the public. It refers to the procedures and limitations of display. It contains provisions relating to an angled stack, packages stacked on top of each other, the point of sale being a vending machine and the display of cigars.

Proposed new section 9(1)(d)(i) and (ii) states that up to 13 cigars of the product line can be displayed in open boxes and that a single closed box full of the product line in the form in which the box is available for sale at the point of sale can be displayed. That picks up on the problems of duty-free shops.

Other provisions refer to stringent requirements for display purposes. I can understand why there is such negative feedback from retail proprietors, because in complying with the provisions of this bill the impost on their businesses will be significant. It was challenging at the departmental briefing to try to visualise what an angled stack, a vertical stack or packages stacked on top of each other were. The limitations in the bill have been inserted for good reason, as have the requirements concerning the display of health warnings. It may be that one health warning or consistent health warnings will be enough to encourage somebody to cease smoking.

One of the reasons for extending the time line for the implementation of the provision is that opposition members heard from small business operators across Victoria that there were not enough shopfitters in Victoria to do the major work to enable them to comply with the amendments in this bill and the Tobacco (Amendment) Act. Concerns have been expressed about storage space. The amendments will create problems with stockpiling or storing cigarettes and other tobacco products, because the operators will be able to display at the point of sale only a limited range of cigarettes and tobacco products.

Proposed new section 15C inserted by clause 22 relates to signage in retail outlets. The occupier of premises on which a tobacco retailing business is carried out must cause to be displayed on the premises in accordance with the regulations a health warning sign or a sign relating to programs assisting in the cessation of smoking. Retailers will be fined 10 penalty units if they fail to comply with the provision. The provision also refers to a sign complying with requirements as to size, containing the specified information, including where people may obtain more information, and the manner in which the sign is set out or displayed.

I reiterate that the Liberal Party supports the bill. It is an important step forward to encourage smokers to cease smoking, but importantly it will assist in preventing young people from becoming physically addicted to a habit-forming drug, which nicotine is universally acknowledged to be. The Liberal Party is concerned

about the impost on shopping centre owners, individual retailers and particularly specialised businesses selling tobacco and cigarette products, but on the whole the measures are necessary. I commend the bill to the house.

Hon. KAYE DARVENIZA (Melbourne West) — As one who has worked as a nurse for many years in the health sector prior to entering politics, it gives me pleasure to speak on the important Tobacco (Further Amendment) Bill which is aimed at reducing smoking in our community, in particular reducing the take-up of smoking by young Victorians.

I take up the point raised by the Honourable Maree Luckins about what she described as entrapment of retailers. It is not entrapment; it is about test purchasing by minors. The strategy is used to validate complaints from the public about cigarettes sold to young children or teenagers. It is an accepted part of an enforcement strategy that is used in Australia and internationally. It clearly does not induce retailers to sell to minors, but provides evidence that retailers have been providing cigarettes to minors. This is about creating an everyday situation and gathering evidence where there are complaints that a retailer has been selling cigarettes to minors. Young people between the ages of 14 and 16 years are chosen because they look as if they are between those ages. The height of these young people is also considered. They do not choose teenagers who are tall for their age or above average height, or boys with facial hair that would make them look older.

If the young people go into a retail store to purchase cigarettes they are instructed that they must tell the truth at all times. If the retailer asks them how old they are they must tell them their age. If the retailer asks for identification they must show it. If they do not have identification they must say so. If they are not over the age of 18 years they are not entitled to purchase cigarettes. The bill is aimed at what the previous honourable member stressed: we must do everything we can do to ensure that young people do not take up the habit of smoking.

It is always pleasing to make a contribution to a debate on a bill that has the support of all parties in the house. Our track record as a Parliament has been one of support from both sides of the house when dealing with important bills like this. When the Tobacco Act of 1987 was first introduced it had everybody's support. I do not have to tell honourable members about the effects of smoking on a person's health, although some might benefit by an outline of the harm that it causes. Having worked in the health sector I understand the terrible effects of cigarette smoking. All honourable members know of someone who has died from tobacco-related disease or is chronically ill as a direct result of smoking cigarettes. Many people have died from lung cancer or heart disease; they have suffered strokes or had emphysema. All of those are shocking and debilitating illnesses which either kill people or at least reduce their quality of life.

The cost of tobacco use in the state is over $3.3 billion a year. Tobacco is responsible for 80 per cent of all drug-related deaths — a staggering statistic. It makes tobacco a bigger killer than alcohol, heroin and other drugs, legal or otherwise. According to recent data, around 21 per cent of Victorian adults smoke. Mr Todd Harper, executive director of the Quit Smoking and Health Program, recently stated in a letter to the editor of a local newspaper:

> In Victoria, every week in Victoria about 73 800 students smoke over 2 million cigarettes.
>
> Eight out of 10 new smokers are children … 13 Victorians die every day from smoking.

They are staggering statistics. Other disturbing statistics show why it is so important for us as a government and as a Parliament to do everything we can to reduce smoking and to stop young people from taking up the habit of smoking. Each year more than 4500 Victorians die from smoking-related diseases, which costs the state around $3.3 billion a year. Tobacco use represents more than two-thirds of the total cost of all drugs, and reducing smoking rates in the state would be the single most effective way to enhance the health of Victorians. That would certainly reduce the significant rising costs of health care to the state. In the 1990s little progress was made in relation to younger adolescent smoking rates. The take-up rate of young women aged between 16 and 17 years is of concern because it has exceeded the take-up rate of young men smoking.

The bill is clearly directed at addressing some of the issues that have been identified, such as inducements to young people to not take up smoking. Around 21 per cent of Victorian adults smoke. Data from a 1999 Victorian secondary school students survey showed that 26 per cent of 16-year-old males and 34 per cent of 16-year-old females had smoked in the previous week. Victorian children spend about $25 billion a year on cigarettes, and 80 per cent of smokers start before they turn 18 years of age. Smoking is clearly a childhood habit that simply continues into adult life.

Everything possible must be done to prevent children taking up smoking. About 15 per cent of all deaths in Australia can be attributed to the tobacco-related causes and diseases that I referred to earlier, such as lung

cancer, heart disease and emphysema. All those diseases are avoidable. As members of a responsible government, Parliament and society we should do everything possible to avoid unnecessary deaths.

In the past 20 years research has shown that passive smoking has harmful effects on people, particularly on children. The ill effects of passive smoking are basically the same as those suffered by people who smoke — that is, lung cancer and heart disease. Also, low birth weights for babies and respiratory problems particularly for children have been identified as a direct result of passive smoking. A range of serious illnesses and diseases result in death and chronic illness, reduced quality of life and high health-care costs for the state. They are unacceptable and should be addressed by Parliament.

The Labor government showed its commitment to reducing the effects of smoking on the community and society with the passage of legislation through Parliament in May 2000. That legislation, which was supported by all sides of the house, was aimed at reducing the uptake of smoking, particularly by young people, and reducing the effects of passive smoking by a range of measures, primarily by regulating tobacco displays in places that sell tobacco, requiring retail outlets to display health warnings and abolishing smoking in Victorian restaurants and eating places.

This bill introduces further reforms to the tobacco legislation and makes technical amendments that will improve the Tobacco Act to make it more workable. I take honourable members to certain aspects of the bill. During her contribution the Honourable Maree Luckins covered many aspects of the bill. The amendments will require retail shopping centres to be tobacco and smoke free. Cigarette hawkers and mobile cigarette sellers will be prohibited. Also banned will be the use of signs that advertise outside tobacco or retail stores the availability of discounted or cheap cigarettes. The bill will require retailers to have appropriate signage regarding the sale of cigarettes to minors. It will delay the commencement of the point-of-sale advertising provisions in the legislation until 1 January 2002.

Clauses 3 to 6 deal with the requirement for all retail shopping centres to be smoke free. Under the act, shopping centres cannot now be forced to become smoke free and be covered by the legislation. The bill strengthens the act so that shopping centres can more easily enforce smoking bans. In 1998 and 1999 Quit Victoria conducted surveys. The results showed that 81 per cent of the people they surveyed in Victoria supported a ban on smoking in shopping centres. Everybody knows about the ill effects of passive smoking on people and the dangers smoking can have on people's health and respiratory systems.

Associations such as the Property Council of Australia and the Shopping Centre Council of Australia have welcomed the bill. It should be noted that exemptions to the smoking ban apply for such places as bingo centres and car parks located near shopping centres.

Clause 9 deals with the banning of mobile cigarette sellers. That amendment is the first of its kind in Australia. Mobile cigarette sellers are a new phenomenon in Victoria. That form of selling cigarettes and tobacco is targeted and attractive to younger people. The most common form we see it is in places frequented by young people, such as night clubs, bars and discos. The hawkers or mobile sellers dress up, often in eye-catching clothes associated with the colours of the packaging of particular cigarette brands. They move about selling cigarettes to younger people, often at discounted rates. The banning of this type of selling is directly targeted at stopping a form of sale of cigarettes that is designed to be attractive to young people.

Clause 7 prohibits the use of signs advertising generic cheap cigarettes or discounted cigarettes outside retail outlets that sell tobacco and cigarettes. We know from research that the price of cigarettes is one of the key driving factors behind particularly young people deciding which cigarettes they will buy. That type of advertising is particularly appealing to younger people. That is one reason the government has prohibited the use of that form of signage outside cigarette retail outlets.

Clauses 2 and 18 are the result of the government consulting widely with retail industries. Retailers have requested that they be given more time to implement the reforms. The government has listened to what they have said and has responded to their concerns.

The introduction of the reforms will therefore be delayed for six months until 1 January 2002, which will give retailers enough notice to put the new arrangements in place. The amendment is a very important concession to small businesses in that it provides them with extra time to prepare for changes. However, at the same time this concession will not in any way compromise the government's policy objective of reforming tobacco advertising.

Clause 12 of the bill requires retailers to display a sign indicating no cigarette sales to minors. Current legislation does not require retailers to display a sign informing people that it is illegal to sell tobacco to

minors. Research done in the western metropolitan region, which is part of Melbourne West Province, has shown that where such signs are displayed there is greater compliance; minors are less likely to request cigarettes and retailers are less likely to sell cigarettes to minors. The legislation is not new; similar legislation already exists in a number of other states and territories such as New South Wales, Tasmania and the Northern Territory. As I said, it is an important part of the government's strategy to reduce the sale of cigarettes to minors.

I turn to the very extensive consultative process that took place in the development and preparation of the bill. All stakeholders were consulted, including local government peak bodies, the Shopping Centre Council of Australia, the Property Council of Australia, duty-free operators at Melbourne Airport and Quit Victoria. The information we received from that process has been taken on board and included in the bill.

I believe this is a good bill. It brings about further tobacco reforms that will make the act more workable. More importantly, it represents strategies the government will put in place with the support of the other parties that are aimed at protecting our community from the very harmful effects of smoking, including passive smoking, and doing all that is possible to stop young people from taking up the very dangerous habit of smoking in the first place. The bill is worthy of the support of us all, and I commend it to the house.

Hon. R. A. BEST (North Western) — It gives me pleasure on behalf of the National Party to support the Tobacco (Further Amendment) Bill. The bill amends the Tobacco Act of 1987 to regulate the advertising and sale of tobacco products, to widen the ban on smoking in shopping centres and to increase powers to deal with inspection and measurement management of tobacco advertisements.

I do not intend to go through each clause because they have been adequately covered by previous speakers who have addressed many of the changes that will occur as a result of the bill. However, I will refer to a couple of issues Ms Darveniza raised in her contribution to highlight some valuable points.

I totally agree with the type of legislation before us that will assist in reducing the impact of smoking in public places. I say unashamedly that I am member of the board of the Victorian Health Promotion Foundation, along with my parliamentary colleague Gerald Ashman in this house and Jenny Lindell, the Labor member for Carrum in the other place. If the government of the day wishes to continue to enjoy tripartite support, the other parties in Parliament need to be involved in the consultation process because unquestionably the introduction of this legislation has been a little sloppy, a little hasty and lacks consistency.

Last year legislation introduced by the government enjoyed tripartite support. It imposed new restrictions on restaurants, pubs and clubs where meals are served. As honourable members will be aware, that legislation will come into effect on 1 July this year. However, the government failed last year to adequately consult with industry, and that is my concern.

Hon. M. M. Gould interjected.

Hon. R. A. BEST — If the Leader of the Government wants to interject I invite her to feel free, because I would like to take up those interjections. The fact is that the government absolutely messed up the consultative process with the restaurant industry last year, to the extent that there had to be accommodation with other health agencies, including Vichealth and the Anti-Cancer Council, to allow the restaurants sufficient time to get planning permits and to make structural alterations to their establishments to conform with the legislation.

I remember meeting with the opposition health spokesman in another place, Robert Doyle, and a number of restaurateurs who were outraged because the government was imposing legislation upon them without sufficient consultation. That is the reality. The issue is smoking — —

Hon. M. M. Gould interjected.

Hon. R. A. BEST — Someone is mumbling under their breath!

An Honourable Member — She is saying we were not great consultants.

Hon. R. A. BEST — It is interesting because I have been a huge sponsor of the introduction of further smoking reforms. The role that has been enjoyed by myself, Mr Ashman and the Labor members of Vichealth has meant there has never been an issue around the table where Vichealth has been political. It is disappointing that the Leader of the Government wants to mutter away under her breath because she is grumpy.

Hon. M. M. Gould — I am not talking about Vichealth; I am talking about your pontificating about consultation!

Hon. R. A. BEST — I am sorry you are grumpy.

Hon. W. I. Smith — Lack of sleep!

Hon. R. A. BEST — Lack of sleep, is it? Okay. Teach her to run the house a little better and make sure that it does not sit all night because the government cannot get its legislative programs — —

Hon. M. M. Gould interjected.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! Mr Best, in making his contribution, is not being overly provocative. I ask the minister to assist Mr Best.

Hon. R. A. BEST — And not cast aspersions on the Chair's ruling! I place on the record that the National Party supports further reforms of smoking restrictions in a range of areas, but it would like to be part of the process. It is disappointing that sections of the community such as the restaurateurs last year were not consulted properly. It is disappointing that there is a lack of clarity in the legislation in defining shopping centres. Those issues need to be addressed to provide better understanding of what is being sought by the introduction of further smoking restrictions.

There has been a cultural change. Legislation was first introduced in 1987, and the Victorian Health Promotion Foundation has been an overwhelming success, due enormously to the original chief executive officer, Rhonda Galbally, and the excellent work currently being done by Dr Rob Moodie. Vichealth has worked very hard with the community.

Hon. Bill Forwood — I am not going to let one party take credit for the establishment of Vichealth.

Hon. R. A. BEST — I agree; it was a tripartite agreement. David White worked with the Honourables Mark Birrell and Bill McGrath to establish Vichealth. One of the successes of Vichealth is that the politics have been left behind.

One of the most enjoyable times we had recently was working with Jan Wilson, an outstanding member of Vichealth. Mr Ashman and I were able to resolve issues that enabled Vichealth not to become political. It is unfortunate that some government members have a contrary view. The fact is that Vichealth sought to buy out tobacco sponsorships. The Winfield Country Championships was an event I contested when representing Bendigo in the football league over many years. Then it became the Vichealth Championships. Racing clubs also had their tobacco sponsorships bought out. The Vichealth Cup, which is held at Caulfield each year, is an outstanding success. Other races have been sponsored at Flemington and Sandown.

Vichealth was able to work with the Melbourne Cricket Ground to create a smoke-free venue. Colonial Stadium has come on board as a smoke-free venue, and many racing clubs have smoke-free areas inside buildings on course. That is fantastic. The message we were able to deliver to the public through our sponsorship of the Fitzroy Football Club, and in more recent times with the Kangaroos, has been enormously advantageous in spreading the message of smoke-free venues and in trying to address the issue of changing community views about smoking. Of course, Vichealth's involvement with country race clubs encourages them to be smoke free through financial incentives.

One of the great successes and one of the great changes that has taken place culturally within many of those community organisations is that Vichealth has taken the industry with it. We have sat down and explained the problems associated with smoking and passive smoking without beating them up. We have worked in partnership; we have created real, ongoing meaningful sponsorships that have led to worthwhile and lasting associations. One need only look at the success of the Vichealth Herald Sun Tour as it travels throughout country Victoria and the exposure it gets about Vichealth's smoke-free message.

An issue I am particularly concerned about is the way opposition members became concerned over an item that was heard on a radio station about a liquor supplier in, I think, Essendon or Moonee Ponds who complained that he was set up with an under-age person coming on to the property to purchase cigarettes. When the sale had been made to the boy, who the proprietor claimed looked older than his years, inspectors came in and advised the proprietor that the person he had served was under age and that he would be issued with an infringement notice. The important issue is that local government is employing these people, which is fine, but the issue of sending that person on to a licensed premises to purchase cigarettes lacks sensitivity about the role of enforcement.

One of the major tremors that has gone right through the hospitality industry has been the recent passive smoking settlement in New South Wales. It is a timely warning to the hospitality industry. It addresses the future issues that will be confronted with regard to smoking in pubs, clubs, casinos and bingo centres. Unquestionably the issue will have to be addressed.

Earlier I raised the issue of the consultation process. I have written to the Australian Hotels Association, the

Anti-Cancer Council and Vichealth urging them to contact the government to undertake a consultation process. I urge the government to invite members of other political parties to be part of it so that an appropriate outcome can be reached.

I am looking for a strategic, coordinated and well-planned agreement about the implementation of further smoking reforms, because issues need to be addressed. Unquestionably the hospitality industry has been given a timely warning that it needs to do some appropriate work on passive smoking issues.

I will seek a commitment from the minister that she pass the issue on to the Minister for Health. Although the National Party was not prepared to support the amendments moved by the honourable member for Gippsland West in the other place regarding the introduction of legislation to see gaming venues solely targeted for further smoking restrictions, the issue is there and we need to work across the Parliament, the hospitality industry and the health agencies to achieve further reform.

As I said, on behalf of the National Party I am prepared to look at further smoking restrictions because at the end of the day I believe they are in the community's interests and in the interests of the public purse and the taxpayers. Every $1 we spend now is $100 we do not have to spend in the future on public health. There is a real opportunity to show some leadership. I have no qualms about it. It is an occupational health and safety issue and if it is not embraced by industry and the Parliament it will be driven by the unions.

There is a great opportunity for the hospitality industry to act. If the issue becomes the war chest of the unions, it has the potential to divide the industry. Sufficient goodwill exists at the moment across party and industry lines, and the minister must act.

I did not recommend to my party to support the amendments moved by the honourable member for Gippsland West because I thought they were lacking in a number of areas. Information was provided to us by the Australian Hotels Association, which I believe was particularly helpful. It showed that the Productivity Commission had identified that only approximately 3 per cent of the population were confronting issues associated with problem gambling, yet the issue of smoking has a far wider jurisdiction.

The hospitality industry has some challenges. Information has been provided to me by Rob Moodie from the Victorian Health Promotion Foundation. The Californian experience is particularly interesting given that in 1995 laws were introduced to make restaurants smoke free. In 1997 laws were introduced to enforce smoke-free bars. The interesting issue that has arisen is that the laws have not affected the sale of alcohol or the overall operation of the businesses. In fact, sales have continued to rise.

I will refer to two tables. In California the second quarter taxable sales figures for food and/or beer and wine increased between 1993 and 1999 by 36 per cent and for food and/or alcohol by 28.5 per cent. In the same period the figures for taxable sales per eating and drinking establishment serving all types of alcohol show an overall increase of 30 per cent. All that was achieved when regulations on smoke-free bars and restaurants were introduced into that American state.

There are compelling arguments to suggest that overseas experiences can be embraced. However, that is not something I want to impose on industry or tell industry it must do. The government needs to have strategic planning and coordination in place and to reach an understanding with industry through negotiation and discussion.

The National Party is more than willing to look at further smoking restrictions. While not every member of this house will agree, the overwhelming community support for current smoking restrictions demonstrates that Victorians will tolerate further restrictions.

The introduction of further smoking restrictions in the past couple of years will unquestionably serve Victoria well by potentially reducing the number of smoking-related deaths within our community. However, there is more work to be done; this issue cannot rest. As honourable members have heard, 80 per cent of the deaths that occur each year are drug related, and, more particularly, smoking related. That is compelling evidence for the government to consider when deciding how the taxpayer dollar will be spent.

I suggest that Minister Thwaites do what the former Minister for Health, David White, did in 1987 — that is, look at ways of introducing further tripartite agreement and reform by working together in a consultative manner for the betterment of public health within our community.

Hon. G. B. ASHMAN (Koonung) — I commence by congratulating Mr Best on his contribution to this debate. He has been — as have other members of the National, Liberal and Labor parties — a very strong supporter of tobacco control for as long as he has been in this Parliament.

We both joined the Parliament in 1988, not long after the deal was struck between the three parties to form the Victorian Health Promotion Foundation. The house should pay tribute to the Honourables Mark Birrell, David White and Bill McGrath for negotiating a successful outcome on what was at the time a very difficult and controversial subject.

The passage of the original tobacco control legislation through the party rooms was not smooth. It took a great deal of negotiation, but since it passed we have had bipartisan support on it. I hope we will continue to have bipartisan support on tobacco control legislation.

The bill is essentially a housekeeping bill. It picks up a number of matters that probably should have been dealt with when we last had tobacco control amendments before the house. The bill highlights to me the fact that the process of negotiation and consultation between the three parties is not as good as it has been in the past. We must address that issue and seek a remedy so that when such legislation comes before the house again it is clear that it has been viewed by all within the Parliament who have an interest in the subject and that it has received broad consultation with the community so we can bring it along with us.

The legislation substantially catches up with what has been and is increasingly becoming the practice out in the real world. There have certainly been some difficulties within the retail, restaurant and hospitality sectors in the application of the Tobacco Act, and there is still some confusion about that, but I note that as of 1 July all shopping centres will be smoke free. However, 70 per cent of them are smoke free now, partly by choice and partly because customers have said to their operators, 'We would prefer to be in a smoke-free environment, and if we are in a smoke-free environment we are more inclined to browse the shops'. As all honourable members know, when customers browse the shops, they tend to have a higher spending pattern than those who rush in, pick up a special product and leave.

A lot of the change that has occurred in smoke-free areas has not been brought about because the government amended the Tobacco Act; it has been brought about because some occupational health and safety issues and serious health issues are involved.

The occupational health and safety issue has been the main driver for change in business. A large number of businesses are now smoke free, whether they be in the retail, manufacturing or service industries. Management is increasingly taking the view that it is good management policy to have a smoke-free working environment, which has led to their addressing the issues of second-hand smoke and passive smoking.

For some time all government buildings in Victoria have had no-smoking policies. Most of the banks and insurance and service industry employers have smoke-free premises. It is a curious sight to see people standing outside buildings on freezing cold mornings or very hot days puffing on their cigarettes. I recall some Chinese visitors visiting the Rialto building a few months ago and commenting on the number of people standing around outside it. They asked what their occupation was; they thought they were male and female prostitutes operating in the area.

Having also spent some time in China over the past 12 months, I can understand why they drew that conclusion because that is the way a number of prostitutes in major Chinese cities pick up their clientele. So it was a curious comparison and observation to make.

The legislation amends the point-of-sale displays which I think is useful. The inspectors are able to measure signs and similar matters, and I question whether the inspections need to be quite as draconian as they appear to be, particularly with businesses that may not be trading at a particular time when the inspector has a right to enter that part of the premises. I suggest that right needs to be exercised with some discretion by the inspectors. A number of security issues could arise with unauthorised people or inspectors entering parts of a premises that are not trading. That could present an opportunity for theft and other crime — not by the inspectors — because the area might be opened by an inspector without the full knowledge of management. This is just a caution that the inspectors should take some care in exercising that power.

There is a great deal of evidence to suggest that Victoria has a significant level of under-age smoking. We know that most people who take up smoking as under-age smokers continue to smoke until they are about 35. That is usually when they make their first serious attempts to give up smoking. All the efforts we can make to discourage the commencement of smoking should be pursued.

We know that about 25 or 26 per cent of 16-year-old males and about 35 per cent of 16-year-old females smoke on a reasonably regular basis. The interesting statistics now are that there are significantly more females taking up smoking than males. There is some evidence coming to hand that suggests that because young females cease sport activity at 13, 14 or 15 years of age, smoking becomes an image issue with them.

Boys are taking it up a little later because they are removing themselves from sporting activities at a slightly later age. However, the clear message to all of us — one that certainly has been picked up by Vichealth, which has pursued it with some vigour over recent years — is that if you can encourage young people to continue in sporting activity, you have a very high chance of their not taking up tobacco consumption.

There is now a very clear understanding with youth that tobacco consumption inhibits sporting performance, and they therefore should be encouraged not to take up smoking on those grounds. It is also interesting to note that if they are involved in the arts, there is a similar response — that is, young performers are less likely to smoke. I note, however, that full-time theatre professionals have a rate of tobacco consumption that is almost double that of the rest of the community.

We are not quite sure what causes that change, but certainly some research needs to be carried out. I am not sure whether it is the stress of acting or the hours they work. Theatre performers tend to be evening workers rather than daytime workers.

I have talked briefly about youth taking up tobacco consumption. One of the arguments about increasing the price is that it limits the number of people taking it up and the level of cigarette consumption. That is clearly supported by quite a strong body of research. I know Quit and others would argue that the excise and taxes on tobacco should continue to be increased as a means of trying to limit the growth in consumption.

It is also worth preventing — the government has partly addressed that in this legislation and in previous amendments — an opportunity for a black market in tobacco. We have had a significant problem in this state with what is called chop-chop tobacco. It is still quite widely available because it is about a third the price of the normally processed tobacco product. I am told you can pick up a pound of tobacco for $20 to $30 about 50 yards from this building. A pound of wrapped tobacco is very large. It is more than several months supply for a smoker. The government needs to redouble its efforts to fight the illegal tobacco market. A number of warehouses around Melbourne are being used for distribution. There is quite a sophisticated almost party-plan distribution network through clubs and some hotels and milk bars. It is out there and the government needs to take more action to curtail the growth in that market.

I refer briefly to non-smoking retail centres. Already a number of concerns are being expressed about what constitutes a retail centre and what does not. Is it the number of retail outlets within a building on different levels? Can different rules apply if you have, say, 10 shops at level 1 and 3 shops at level 2? Under the definitions are the level 2 shops exempt? The definition needs to be refined to include all retail shops regardless of size, shape or location. I would also extend it to ensure that it covers all entertainment venues. We need to revisit the management of smoking within gaming venues. However, initially we need further clarification on how this measure is applied in all retail outlets.

Local government has a role in policing. That was covered to some extent by Mr Best. Some municipalities are meeting their obligations by surveying and policing the retail outlets within their municipalities.

However, I have some concern that young people are being used to test the retailers. I am aware of a couple of instances in which local retailers have said that some of the young people who have come in to test the system to see whether the retailers questioned them about their age or sought some identification have had a very mature look about them. I do not think that is fair on the retailer. The retailer should be able to make a judgment on appearance. If a person's appearance is that of a quite mature person who is probably over 18 years, the retailer should be able to rely on that judgment. That is something we need to be aware of. There is probably not a lot we need do about it, apart from ensuring that as the enforcement process is stepped up we do not overstep the mark and open ourselves to allegations of entrapment.

The final point I would like to address is the advertising issue. While I accept that there should not be discount advertising, I have had raised with me by a couple of retail groups the issue of signage that identifies a business as a tobacconist or a tobacco outlet. One business markets itself as Discount Ciggies. That raises the question of whether that is an advertising sign or a business sign. From the bill I am not able to answer that question. Perhaps in responding the minister may care to give us some guidance on how to address the problem of a business whose registered business name and the name it is trading under is 'Discount Cigarettes', 'Discount Tobacco' or something similar, and whether that constitutes an advertising sign.

The commencement date for the provisions of the bill are important. Some commencement dates are being put back to 1 July and others are being put back to November and January of next year. That is another indication of the need for widespread consultation before legislation of this type comes to Parliament. If

there had been a more detailed discussion among the parties, I do not think we would be here today debating this amending legislation.

It is all well and good for the minister to suggest that the government has spoken to the retailers, the hotels association, the restaurateurs and others, but it would be useful if we could get an undertaking that before any further legislation is drafted and introduced in Parliament to amend the Tobacco Act there will be a commitment to continue the longstanding practice of tripartite discussions. With those words I conclude my comments.

Hon. G. W. JENNINGS (Melbourne) — I am grateful for the opportunity to enter this important debate, which will continue the proud tradition of the continual improvement of the legislative framework that applies to the tobacco industry in Victoria with measures dating back to the 1987 Tobacco Act. That was groundbreaking legislation that established restrictive practices relating to the advertising, sale and distribution of tobacco in Victoria. That process was continued in 2000 with the Tobacco (Amendment) Bill and is being further continued by this bill.

The issue requires continual improvement and vigilance by the government and the Parliament of Victoria. It continues to be an issue that warrants urgent attention in terms of the remedies Parliament may prescribe to address a significant public health issue in our country and globally. To bring the message home, it is estimated that each and every year between 4500 and 5000 deaths in Victoria are in some way attributable to the use of tobacco. It is an acute public health issue, and all honourable members of this Parliament should be extremely mindful of its magnitude. The nature of the tobacco industry and tobacco use in the community is an extreme concern of this government, and it seeks to address major public health concerns — —

Hon. Bill Forwood — You are the only people who have this concern, are you?

Hon. G. W. JENNINGS — No, the Parliament as well. The government has the concern and Parliament has the concern. I would be very happy for Parliament to adopt these reforms.

Hon. Bill Forwood — May other political parties also have these concerns?

Hon. G. W. JENNINGS — I certainly hope they share the concerns the government has in this regard. The opposition parties may choose not to support the government on many of the important social reforms on the government's agenda, but this area does not seem to be one of them. On that basis I congratulate Mr Forwood and his colleagues on their contribution to the debate and their support of the measure.

Hon. Bill Forwood — Thank you very much.

Hon. G. W. JENNINGS — As I was trying to suggest, the reforms are based upon a key concern of the government, which is to address major issues such as heart disease, lung disease, emphysema, stroke and other acute illnesses attributable to the use of tobacco. The bill provides us with an opportunity to debate in the public domain and put on the public record the invidious nature of the tobacco industry and the role it has played over many decades in attempting to deny or refute clear health research findings and other information that supports the proposition that smoking is an extremely dangerous activity.

Many contributors to the debate today have described the tobacco industry as having a shameful history. The Minister for Transport made a particularly powerful contribution to the debate in the other place. He identified a number of activities the industry has used, particularly in the United States of America, where there has been a longstanding policy perpetrated by tobacco companies to deny evidence that shows the health effects of tobacco use. In that country tobacco companies have consistently denied the addictive nature of nicotine. In a perverse way they have meticulously engineered their products to make them more addictive.

A particular concern I have is the way the companies focus their marketing regime increasingly on young people in trying to shore up their market share. The practices of Philip Morris in the United States in focusing on young people were referred to by honourable members earlier in the debate. They are at odds with the view of the government, and hopefully others, of alerting young people of the addictive nature of tobacco use and the safe approach to the use of the product.

The strategy of Philip Morris involved a three-point plan designed to create circumstances where one objective would be a reduction in legislation restricting the use of tobacco products. The second objective was the development of favourable legislation to support the growth of the industry. The third objective was to seek out third-party endorsement within the business community and parent and teacher groups supporting the use of tobacco. A perverse practice of the Philip Morris organisation was to sponsor an award for young opera singers in England. Given that tobacco products significantly increase the chance of people having lung

cancer or throat cancer, it is paradoxical, if not perverse, that the tobacco industry should sponsor an award for opera singers.

The nature of advertising, marketing and exposure to new markets knows no bounds. It is an issue addressed by provisions in the bill, which will strengthen the reforms introduced last year in the Tobacco (Amendment) Act. That legislation banned smoking in enclosed restaurants and cafes, including dining areas in hotels and clubs. That provision will come into practice in Victoria next month. It abolished point-of-sale advertising and limited tobacco product displays to one packet per brand; it required warning signs in tobacco retail outlets; and it improved the effectiveness of provisions aimed at reducing sales of tobacco to minors.

One of the issues noted since the passage of that legislation and raised today during the contributions of honourable members is the enforcement of these measures and what is alleged to be entrapment by the Department of Human Services. I have discussed the issue with officers of the department and they assure me that those young people who are recruited to facilitate the investigation of inappropriate tobacco sales to young people are not, as alleged, more mature than normal 18-year-olds, but are selected because they are representative of that age group. The instructions provided to the young people going into retail tobacco stores is at all times to be honest and if questioned about their age to give their correct age. If asked whether they are part of the department's program they are directed to say that they are. There is no subterfuge. The test any tobacco retailer should apply is to ask the age of the person and specifically whether he or she is part of the department's program. They are instructed to give the correct answers; there is no orchestrated attempt to entrap tobacconists who legitimately go about their business. This provides the necessary certainty when tobacconists adhere to the regulations.

The measures in this bill augment the initiatives contained in the Tobacco (Amendment) Act 2000. The legislation will require all retail shopping centres to be smoke free. It will ensure that displays of tobacco products are limited to point of sale in retail outlets. It will prohibit the use of signs outside retail outlets advertising the availability of cigarettes. It will close off loopholes in legislation that currently allow the provision of gifts or benefits with the purchase of tobacco products. It will require retailers to display signage saying there will be no cigarette sales to minors.

An interesting initiative is that it will specifically prohibit the invidious practice of tobacco companies using a technique where models promenade at young people's events, nightclubs and so on, offering free cigarettes at those venues. The measures will incrementally add to the regime readdressing the notion that in some way tobacco is a glamorous or 'with it' activity. They mitigate against those undesirable traits employed in the name of marketing this extremely dangerous product to our younger generation.

Last Thursday, 31 May, was World No Tobacco Day. I had the good fortune to be invited to a launch of a new program that has been introduced by the Liquor Hospitality Miscellaneous Workers Union in Victoria. It is a program designed to support those working in the Victorian hospitality industry who are subjected to high degrees of passive smoking. On that occasion the union was joined by the Australian Medical Association, Quit Victoria and solicitors Slater and Gordon to launch a program that provides for the registration of the health status of those working in the industry. It will play a significant role in establishing a data base for potential common-law claims for damages that may occur to those individuals subjected to passive smoking.

At that press conference the secretary of the union, Brian Daley, referred to a recent case in New South Wales where a bar worker, Marlene Sharp, was successful in a judgment delivered by the New South Wales Supreme Court to provide for compensation for health deterioration, pain and suffering. I shall refer briefly to the press release issued by Brian Daley, in which he says in part:

> In the wake of the recently successful New South Wales case where passive smoking was found to have caused a hospitality worker's cancer, insurance companies are going to be more cautious if they fear the prospect of common-law cases based on extensively documented histories of hospitality workers affected by passive smoking at work.
>
> It is our aim to bring direct pressure on the insurance industry to stop offering workers compensation insurance to the hotels and gambling venues who will not introduce smoke-free workplaces.

This initiative taken by the union comes in support of its program to distribute to its members packages of information about maintaining healthy workplaces and providing advice on seeking medical treatment and support for any illnesses that may occur in the workplace, and this significant payment of $466 000 made to Marlene Sharp in New South Wales was on World No Tobacco Day. It also comes at a time when the insurance industry is looking at appropriate insurance premiums based on a number of factors, of which occupation health and safety is one.

The debate today comes one day after this Parliament considered a support package for those who suffered at the demise of the HIH insurance group, which in part was due to the inappropriate level of premiums, the structure and the asset base of the insurance company. This reinforces the initiative of the union to say that one of the key ways in which occupational health and safety will be addressed in terms of passive smoking in the future will be to make employers in the hospitality industry acutely aware of their potential insurance liability if they do not address the question themselves. The union is making a pre-emptive effort to underpin future claims.

I suggest to honourable members that this initiative will play a role as a wake-up call to both employers in the hospitality industry and the insurance industry to ensure that safe workplaces are delivered in an increasingly timely fashion. It comes at a time when mounting evidence is provided by a range of authorities that there is a growing demand, particularly in the Victorian community, for smoke-free environments consistent with the approach that has been taken in the series of bills covering tobacco products.

Information compiled by the Australian Hotels Association (AHA) in 2000 shows that 25 per cent of respondents to surveys immediately identified under the heading 'Main weaknesses of pubs and hotels' that those venues are too smoky. That was the top item from the respondents to the survey about what is wrong with pubs and hotels in Victoria. The AHA may not wish to commission in-depth research, because it probably feels that this results in self-inflicted wounds relating to a number of important industry concerns.

In recent debate in the Tasmanian Parliament reference was made to the AHA research on tobacco use and the quality of the environment in hotels. The research was funded by the cigarette companies. It was reported in the Tasmanian Parliament that Philip Morris and the British American Tobacco Company had undertaken a range of research on behalf of the hotel industry in Australia. There is clear evidence in the Victorian community that this issue is on the agenda. The Quit organisation issued a media release on World No Tobacco Day, which was reinforced by the research it undertook in November last year based on a sample of 2000 Victorian adults, which showed that 67 per cent of the Victorians surveyed are in favour of a government ban on smoking in gambling areas.

The interesting thing about that research is that not only were 67 per cent seeking restrictions on smoking in gambling areas, but only 28 per cent of smokers favoured unrestricted smoking in gambling venues, which is ironic. Not surprisingly, almost 90 per cent of non-smokers supported smoking bans or restrictions in gambling areas. That is a significant proportion of the Victorian community expressing a serious concern. I thank the Quit organisation and Mr Todd Harper from Quit who provided the information to the Victorian people, because it is clear, as he concluded in his press release, that:

> The study also found that the number of Victorians who try to avoid smoky venues has increased by almost 10 per cent in a year, with 61 per cent of those surveyed reporting they try to avoid smoky venues.
>
> And it's not just non-smokers who tried to avoid smoky places — over a quarter of smokers said they tried to avoid smoky venues.

Evidence of the health effects is clear and has been repressed for too long. Evidence of this being an issue of concern to many Victorians is mounting. Clearly the AHA, which up to this point has been a proponent of the availability of smoking in venues, is saying that smoking venues are on the nose with its members' clientele.

The Quit organisation says that 67 per cent of Victorians surveyed are in favour of governments placing restrictions on smoking in gambling areas. There is a significant amount of public opinion, let alone empirical health data, that suggests that this is an issue for the times, and will provide ongoing pressure consistent with the approach that has been taken by the Labor government. The Tobacco Act was introduced in 1987 and various amendments have been introduced during the term of the Bracks government.

In particular the government is most concerned to ensure that it addresses the deceptive and unfortunately overt practices of the tobacco industry seeking market share among generations of young Victorians. We must take urgent action to ensure that the connection to that marketplace is restricted and, to use a metaphor, that it suffers more profound strangulation than the unfortunate effects on health of smoking.

On that basis, the bill adds to the important legislative regime in Victoria. It will play a positive role in supporting the maintenance of the health of Victorians now and will contribute significantly to protecting the health of future generations of Victorians. I wholeheartedly support the bill.

Hon. BILL FORWOOD (Templestowe) — At the outset I state that the Liberal Party supports the Tobacco (Further Amendment) Bill and that I also support it. Some honourable members are aware that for many years I served as a member of one of the

committees of Vichealth and that I have had a longstanding interest in the area.

I have a number of criticisms to make of the bill, so I state again that while I criticise the government strongly about many aspects of how it has gone about preparing the bill, my criticism should not be mistaken for lack of support for the principle or for the bill itself. I want to be very clear on that because I do not want anybody to say later that I did not support the bill.

Hon. M. M. Gould — Now we've got that out of the way!

Hon. BILL FORWOOD — Now we've got that out of the way, let's get on with it. The minister's second-reading speech states:

> In addition to these changes, government realises that the tobacco advertising changes introduced last year are significant.

Well, bully! Really? Gee, we introduced legislation last year and this year we realised that they are significant changes! Congratulations! It took a while, but the government got there in the end.

As I said, the Liberal Party supports and does not have a problem with the matters outlined on page 2 of the speech the minister read at the commencement of the second-reading debate. However, the reason the bill is being debated tonight is that the government mucked it up last year. It got it wrong last year and had to fix it up. So what did it do? It brought in some more changes, which we support, to camouflage the fact that last year it got it wrong.

Members of the Liberal Party are happy to say that when the government got it wrong the first time, with our assistance it amended the implementation dates, didn't it? They were to be 1 November, and the government pushed them out to 1 July this year. Congratulations! I suspect the government thought that might give it long enough to get the regulations in place and perhaps to educate people. That is why it allocated the $500 000 to run the campaign through to 1 July this year. Was it sufficient? Did it work? Was the government capable of doing it? No, no, and no. Let us be really clear: the reason we are debating the bill today is to fix up last year's mess. What was last year's mess about? It was not about making restaurants smoke free; it was about the effect of the changes on small business.

I am addressing the bill today not as a health issue but because I am the shadow minister for small business and consumer affairs. I say that the Minister for Small Business ought to come in here and participate in the debate and defend her role in the government's muck-up of the legislation. I look to the advisers box, as I am allowed to do, and say that it is good to see that the health department is represented here today, as this is a health bill, but there is nobody from the small business sector. There is no-one from Small Business Victoria or the Department of State and Regional Development. Why? Lack of interest — as it has been from the beginning.

I have a stack of letters here that I can go through one by one. They are from retailers around Victoria who are affected by the legislation which was brought in last year and which they were told was going to have to be in place on 1 July this year. Unfortunately the government subsequently discovered that could not be done, so it has now pushed the date out by six months — hasn't it? On reading the bill you discover it defers the implementation of most of last year's legislation by an extra six months. I am happy to go through in detail not just the letters but also the proposed tobacco regulations, which are still not in place after all this time.

Let us go to the issue of how much it might cost small business. Page 10 of the regulatory impact statement has a chart headed 'Cost of new display shelving by segment'. The segments are listed, with columns for the number of premises, the cost per premises and the total cost for the segment. The first is: milk bars, newsagencies, petrol stations, 5092; cost per premises, $1500; total segment cost, $7.638 million. I could go on. The next segment is convenience stores, 500; cost per premises, $4000; total segment cost, $2 million. The next is: grocery, excluding large supermarkets, 980; cost per premises is also $4000; total cost, $3.92 million. According to the chart the total cost of new display shelving by segment is $21.811 million. What does the regulatory impact statement say that the actual cost to business will be? It says that the estimated cost of $21.8 million represents the gross cost of new shelving and that is a significant overestimate of the costs that can be properly attributed to the regulations. It is a very funny document.

To cut this part of the story short, they decided to apply an arbitrary 50 per cent discount figure. They ended up saying that the cost of the proposed regulations for display units is $10.9 million. The crucial thing is at the beginning of the document. At the very outset they limit what they include in the regulation impact statements and state:

> The costs associated with the regulations have been assessed as being approximately $10.9 million —

that is, divide the $21.8 million by 2 because that seems like a good idea —

> all of which would be incurred within the first year of operation of the regulations.

They are saying, 'Let's put this impost on small business around Victoria'. It continues:

> These costs relate solely to the requirement to renovate display areas to achieve conformity with the new regulations. A significant proportion of this cost should, arguably, be attributed to the primary legislation …

That is another sleight-of-hand mechanism used by the government to switch the costs. It states further:

> A number of other, smaller costs have been identified …

But they have not been calculated or put in here because they are not attributable to the regulations. It further states:

> In some cases, these costs are believed to be attributable to the primary legislation.

It is a con. We know that there were many people in the small business sector legitimately selling tobacco who suddenly were told that they would have to have new shelving in by 1 July. It was not possible to do it. How long did it take the government to wake up to that and why did it eventually wake up? It was not because of any action by the government, was it? Every time those people wrote to the Minister for Small Business, she would send them a nice letter saying, 'This is not a small business issue, this is a health issue. Don't talk to me; talk to the health department'. They did, and guess what they got? They got the health line; they did not at any stage get the small business line. Not at any stage did they get any help from Small Business Victoria — until about March this year. I am happy to quote a few of my own press releases.

Hon. S. M. Nguyen — Boring!

Hon. BILL FORWOOD — Yes, boring. I started on 24 January, when I published a press release under the heading 'Thomson neglects small business in tobacco reforms'. It states:

> The state opposition fully supports any attempt to reduce the number of young people taking up smoking, but it must be done in a commonsense and practical way.

That was the information the opposition was receiving. That press release was published after the shadow Treasurer and the shadow Minister for Health in the other place, and I, had met with a bunch of retailers and retailer representatives the government would not meet with. That is why we published the release. They had a number of issues, not the least of which was cost and the practicality: how would it work? Did the government know how it would work? No.

I was able to arrange a briefing, for which I thank departmental officers and the staff of the Minister for Health. They told me at the time that they did not have some of the answers to the practical questions being asked about shop fascias, size and so on. They were being coy about the fact that the regulatory impact statement (RIS) was to be prepared.

I never received a reply to my letter to André Zamers asking who was to handle the RIS process. Nicola Quin told me I had to put the issue in writing to André Zamers. Why am I not surprised that he did not reply?

Hon. M. M. Gould — You taught him well, Bill.

Hon. BILL FORWOOD — True, but this is a serious issue. There is no doubt that at the end the reason the bill is before the house is that there was no capacity or time to put in place the government's regulatory regime, nor was there time for shops to physically get their shelves changed. It is nonsense to suggest that the bill is anything other than an excuse to cover up the fact that the government got it so wrong.

As I have already said, a great deal of money was spent on advertising the issue and what the government had decided to do. On 28 May 2000 David Hanna from the Department of State and Regional Development wrote to John Catford at the Department of Human Services. The suggestion had been made that the minister should write to the Minister for Health, but the Minister for Small Business did not want to do that. She told her executive director, state and regional development policy, to write on her behalf. So, instead of communication from minister to minister it became bureaucrat to bureaucrat. He wrote:

> Minister Thomson is receiving an increasing volume of correspondence from small businesses and their representative organisations and is concerned about their claims of inadequate consultation.

In other words, in May 2000 the minister's executive director said the minister was concerned about certain things. He suggested:

> … it would be useful for DHS and DSRD to form a joint working party to manage the development and implementation …

A response was received from Professor Catford, who wrote a handwritten note on the bottom of that letter saying he was keen to work closely with the department over those matters.

But the list of members of the retailers advisory committee does not include even one member of the Department of State and Regional Development. At the end, despite the fact that the Department of State and Regional Development wanted to work closely with them, it did not happen. Time after time retailers wrote to the Minister for Small Business, but they got the flick pass to the Department of Human Services, which then took the health approach — not the practical approach or the approach that is required of a minister responsible for small business issues.

I refer to a letter from Michael Daly, the chairman of IGA Everyday, who eventually, after some time, got to see the Minister for Small Business. The opposition knows that David Feeney from the Australian Labor Party — the ALP secretary, money man, bag man — had a conversation with Philip Morris, which suggested he should talk to some retailers about the effect this was having on them. As a result, Mr Feeney spoke to the Premier, who spoke to the Minister for Health and the Minister for Small Business. He suggested that maybe they should start to talk legitimately and realistically to the small business sector.

Eventually Peter Jowett from the Convenience Stores Association and Michael Daly and colleagues got to see the minister on about 20 March. I shall read to the house a section of the letter Michael Daly wrote:

> Dear Minister,
>
> Thank you for finally meeting with us today regarding the issues that we have in relation to the Victorian Tobacco (Amendment) Act 2000. Our concerns are certainly not with the Department of Human Services whom we have continually been handballed to. It is interesting to note you finally agreed to meet with us only after the shadow Minister for Small Business and Consumer Affairs, Mr Bill Forwood, issued a media release that basically showed the frustration we have all encountered in trying to be heard fairly and squarely on the implications of these regulations. I have instructed all our members to display this media release blown up to an A3 sheet size in their stores so that customers can see what is actually going on. I'd like to list our concerns in a bulleted list format but, before I do, can I remind you of a few very pertinent quotes from the shadow minister's press release:
>
> > For the last three months the Victorian opposition and numerous retailer groups have been highlighting the impact of the regulations on small business —
>
> but nobody wants to listen!

That is an example of the supposed open, honest, transparent and consultative Labor government. The second quote states:

> > While the opposition supports any regulation that attempts to reduce the number of young people taking up smoking, they must be implemented in a commonsense and practical way.
>
> Surely on this point you would agree, minister we do.

They are not arguing, they are saying, 'Let us get some practicality into the situation'.

Mr Daly of IGA then gives his third quote:

> > Unfortunately the Labor government has not been prepared to listen to the many practical implications of the regulations —
>
> This is the unanimous view of thousands of small business operators!

To its credit, eventually the government started to listen.

Hon. G. W. Jennings — We are listening now.

Hon. BILL FORWOOD — Thank you very much. The result of that listening is that the bill is being debated, which, I reiterate, the opposition supports.

I have two other issues I wish to deal with in my brief contribution to the debate. The first is to say I note that once again the second-reading speech contains a section 85 statement.

I have to say we do not object to its use, but I simply point out — to use a term I sometimes hear from government members — the hypocrisy of these people who said it was wrong to use section 85s to such an extent. Before moving on to my final point I should also put on the record a wonderful quote from Kim Beazley on Perth Radio 6PR on 7 August 2000. It is a pleasure to see that the Minister for Small Business has been able to join us; this quote is entirely appropriate for her. Kim Beazley states:

> We have never pretended to be a small business party.

Hon. M. R. Thomson interjected.

Hon. BILL FORWOOD — You have never pretended to be a small business party because you are not! Never have been, never will be! You are a union party; you are not a small business party. As I have comprehensively demonstrated over the last 10 minutes, you are a party that had absolutely no intention of listening to the concerns of small business until you were dragged, screaming, to do it. I could quote the minister's letters — —

Hon. M. R. Thomson interjected.

Hon. BILL FORWOOD — I am very pleased, Minister, that ultimately you did agree to meet with

Peter Jowett; ultimately you did agree to meet with Michael Daly and other people who had been trying to get into your office for seven months!

Hon. M. R. Thomson — Rubbish!

Hon. BILL FORWOOD — For seven months! And you know that it was the greatest artificial consultation process ever undertaken by anyone. You can walk around the state: go to Mildura and see John Green; go to Korumburra. I am happy to show the list I have here. I am happy to go through letter after letter: Jeff Logan from Mildura; Foodworks; Coldstream Supermarket; Stratford IGA; and Bruce Maher from Warrnambool. I can go through them, letter after letter. They all say, 'We got nothing from the Minister for Small Business. We got a letter, flicking us over to the health department and they won't listen'.

Anyway, as I said before you arrived, Minister, I give you credit for eventually coming to the party and for delaying the implementation of the regulations until 1 January.

I do need to finish on one issue, that of product line definition. That is one of the issues where practicality has gone out the window. Given that you introduced this legislation, there is still the capacity to get this bit right. I ask you to consider this genuinely, Minister, and I ask the same question of the health department: have you got the product line definition right? I am sure you understand what I am talking about. The Australian Capital Territory's Tobacco Amendment Act 1999 distinguishes characteristics under its product line and includes 'the number of items in the immediate package by which it is sold' — 25s, 30s or 50s, I do not know because I do not smoke any more. New South Wales also has a product line definition which includes 'the number of them contained in the retail package in which they are sold'. Tasmania has 'the number of cigarettes or cigars in the packet'. Queensland has 'the number of items in the package in which it is sold'. And Victoria has 'but not by the size of the package containing the tobacco product'. We are the only state that has decided to take this route.

Is there justification for it? None of us wants the display — 2 metres in the regulations — structured in such a way that people can put packets of cigarettes in there to build a marketing display. We do not want that; the legislation is designed to do away with it. We are not arguing for it, but we are saying this legislation needs to be practical. Some of the really big sellers in Victoria are different sizes of the same brand, and your legislation says they cannot put them in the display. Can we just get practical? Can we get realistic about this? One of the problems is that the health department is so paranoid about being dudded by Philip Morris or big business or I do not know who, that they will not address the issues with the people who have to practically implement them. So I am absolutely pleading with the minister to revisit this issue and see if she can get it right.

Let me finish on a different note. The Liberal Party supports the legislation. I support the legislation. I want to see further development of this legislation. I would like to see it done in a tripartite way. That does not mean that the government announces what it wants to do and then says, 'Now we demand that you support us'. We want to be involved with you, with the industry, in the development of the next rounds.

I cannot speak for the National Party — it can speak for itself. But if you ask National Party members, they will say that they were there when Mr Birrell, Mr White and Mr McGrath did it in 1987 and they will be with us this time. If you want to keep moving in this area, for the good of Victorians, for the good of the health of Victorians, then we will be there too. But don't bring in legislation and demand that we support it. Involve us in the process, be genuine about it. With those few mild words, I conclude by saying I support the proposed legislation.

Hon. S. M. NGUYEN (Melbourne West) — I am delighted to speak in support of the Tobacco (Further Amendment) Bill. Both sides of politics today agree very strongly in supporting the bill. The reason we support it — I support it and my party supports it — is that we put the interests of public health into this bill. We have heard many times over many years about how we can improve public health to make the Australian community healthier at minimum cost to taxpayers.

The Victorian Health Promotion Foundation has done a very good job for the Victorian community. It has involved itself in the Quit program. It has done many things to support community health projects, advertising — anyway it can — even at sporting events such as football, through the arts and at all major events.

The government did a lot as well, but we would like to do more and more for the Victorian community. We want to let people know that every year about 4500 people die each year from illnesses related to smoking tobacco. The cost of Victorian health is very high — about $3.3 billion, which is a huge cost to fix health problems related to smoking. About 15 per cent of all deaths in Australia can be attributed to

tobacco-related causes. They include lung cancer, heart disease and emphysema. The big thing is that we can stop it. People risk their lives and die because they smoke too many cigarettes.

Last year we debated banning smoking in restaurants and the introduction of smoke-free dining. That initiative was supported by all parties. The government now wants to go a little further and ban smoking in retail shopping centres in Victoria.

I listened to the contribution of the Honourable Bill Forwood and his attack on the Minister for Small Business for not looking after the interests of small business. His comments were very unfair. The bill relates to health issues rather than issues surrounding small business. It was necessary to balance the smoking-related costs to the community with costs to small business.

The bill will make it difficult for people to buy cigarettes because of restrictions on tobacco advertising or promotion. The government has tried to ensure the public is not reminded about smoking. If people go to shopping centres they will not be able to smoke; if they go to restaurants they will not be able to smoke. There is no reason for people to think about buying cigarettes.

Smoking is banned in public places such as office buildings. The only place people can smoke is outside in open spaces. Many people I know now smoke less because if they are working in an office they have to stop, and they can smoke only when they have a lunch or dinner break. From 1 July this year people will not be able to smoke in restaurants, and I believe as a result people will smoke less. I know retail tobacco shops will sell less than before because fewer people will buy cigarettes.

The government is trying to save the $3.3 billion that is spent every year dealing with health problems related to smoking. It is not fair on other people, especially young people, who smoke more today than in the past. The bill includes high penalties for retailers who sell cigarettes directly to people under the age of 18 years and will introduce strict penalties to ensure that younger people do not buy cigarettes and do not smoke as much. When I was young and in high school I knew a lot of kids of 15 or 16 years of age who smoked a lot in the toilets, the schoolyard or elsewhere outside school. The bill will make it harder for such young people to enjoy smoking.

The bill is concerned about small business. The government made a concession to duty-free stores at the Melbourne Airport. People who have a passport and are travelling overseas can buy cigarettes. Those stores are allowed to display the names of the cigarettes they sell so that people travelling outside Australia can buy them.

As I said, the government is concerned about small business, and it has made concessions. Strong penalties have been put in place to deter people from promoting and selling cigarettes. We have heard stories, especially in America, of shoppers suing companies or shopping centres because they have developed lung cancer. Many people do not understand the dangers of smoking. Some people have poor health and have to work in the same place as smokers. The legislation will ensure that people going to shopping centres will feel more comfortable and be able to enjoy fresh air, without having to worry about people smoking or smelling cigarette smoke. Many people in Australia suffer from asthma, and they will be pleased to see the bill passed because it will protect their health in public places.

The ban in restaurants will take effect from 1 July, and retail shops will have six months before the provisions of the legislation that affect them come into force. From next year people will not be allowed to display signs promoting cigarettes. I know some small businesses are concerned about losing their income because they already rely on small margins. However, I believe in the long term the government must try to reduce the number of people who consume tobacco. Approximately 21 per cent of Victorian adults smoke. However, data from the 1999 Victorian secondary school students survey shows that 26 per cent of 16-year-old Victorian males and 34 per cent of 16-year-old Victorian females had smoked in the previous week. They are very high numbers.

The bill will also keep an eye on people who give cigarette products as a gift to young people. It will ensure we do not encourage young people to smoke. The government will try to keep cigarettes away from young people as much as it can. In the next few years I am sure data from the health department will show a reduction in the cost of treating smoking-related illnesses.

In conclusion, I believe the government has made the right choice in introducing the bill. It will help to improve the health of Victorians, and I commend it to the house.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Hon. K. M. SMITH (South Eastern) — The Tobacco (Further Amendment) Bill, on which my

colleague the Honourable Bill Forwood presented very good arguments, is a fob-off by the government. Mr Forwood did not put it quite as well as I will: the government has stuffed up this legislation. It has had to postpone it on two occasions and I do not think it has it right even now.

The government is part of the anti-smoking group that constantly tries to stop people who want to smoke from smoking. Cigarette smoking is legal and the selling of cigarettes is legal, and for those reasons I always find it difficult to support this type of legislation.

I agree with my colleague Mr Forwood that this bill is another hit-out at retailers and small business people who make their money from selling cigarettes. Anyone reading the legislation and the government's second-reading speech would think children were the only people being sold cigarettes by these tobacco shops. The people selling cigarettes are legitimate business people who are plying a legitimate trade selling a legitimate product, yet anyone would think they were trying to murder, kill and maim the people of Australia. It is not true.

People smoke because they want to smoke and because it is an outlet that relaxes them. Yes, some people get addicted to smoking, just as others get addicted to gambling, alcohol use, racing their cars too fast or getting up in Parliament and making speeches that go on for too long.

Hon. R. F. Smith — Obviously!

Hon. K. M. SMITH — I am not liable to do that, and Mr Bob Smith on the other side of the chamber is not liable to do that either, because he cannot put on a speech that goes for too long unless someone else has written it for him.

Hon. R. F. Smith — Grandstanding! Supporting purveyors of death!

Hon. Bill Forwood — Out, you!

Hon. R. F. Smith — Don't point that finger at me — I'll shove it up you know where.

Hon. K. M. SMITH — What concerns me most of all is Wednesday nights after dinner when we have to come back and listen to Mr Smith. What you said will probably get recorded in *Hansard*, and deservedly so.

I have never been a cigarette smoker, and I have no desire to be. I hope my children never smoke cigarettes, but they have freedom of choice and if they wish to smoke, they will. They will make up their own minds about that because they are all adults.

I come from a family of smokers. All my family smoked for various reasons. My dad did not live for a long period; he certainly had some heart problems, and whether they were brought about by smoking or by stress, I am not quite sure. However, I am sure he was included in the statistics of people who died because of smoking.

I noticed in the second-reading speech that the government is now saying that about 15 per cent of all deaths in Australia can be attributed to tobacco-related causes such as lung cancer, heart disease and emphysema. Those deaths are avoidable, yes; but whether they have all been caused by people smoking cigarettes, I am not quite sure. However, I know that governments — whether Liberal or Labor — always feel good being able to say that all these deaths are caused by people who smoke.

When I first came to this house about 12 years ago, approximately 27 per cent of the population died because they smoked. That statistic has certainly gone down, but it has not stopped people from smoking. An average of 27 per cent of the population are still smoking.

A large proportion of those smokers are young women. It is awful to think that young women or young men find sticking a cigarette in their mouths an outlet that gives them some sort of satisfaction, relief, relaxation or whatever it may be that drives them to light up the first time.

I do not know if smoking tobacco is any different from seeking some sort of relief by smoking marijuana or putting a needle in your arm. Some kids nowadays think it is better for their health to use heroin than it is to smoke cigarettes because of the propaganda that has been put out about smoking over the years. I find that deplorable. I would much rather that my kids stuck cigarettes in their mouths than needles in their arms to inject heroin.

As I said, it concerns me that the government has again brought in the legislation it brought in last year providing for smoke-free dining and the regulation of tobacco advertising and tobacco displays in retail outlets. Is that a problem? Does tobacco advertising draw people into those shops to purchase cigarettes, or does it not?

Are people encouraged to enter shops or to take up smoking because signs are displayed outside advertising cheap smokes, cheap tobacco or free gifts to

go with cigarettes packets? From what I can understand from the kids' point of view, those who already smoke may change brands because they see a cigarette brand advertised somewhere. It does not make them go out and have their first cigarette. That is done by peer group pressure rather than advertising by shops.

Tobacco has not been advertised on television or in newspapers and magazines for 15 or 20 years. I can still remember the television advertisements — I go back a fair way — with doctors having cigarettes and saying how good they were because they relaxed them. They recommended either Capstan, Turf or Craven A filters. They were the in thing because doctors or actors who were talking about being doctors were recommending them. I could see how that would encourage people to think that smoking might be okay for them. But such advertising has not been seen for a long time.

However, a large number of our kids take up smoking. As I said, regardless of whether it is young women or young men, I find it unfortunate that they do so. I do not think it is because of advertisements in the shops for cheap smokes.

I recently came through customs at Melbourne Airport where people could not help but stick a carton underneath their arms. In the original legislation cartons were to be banned from display where people could pick them up. It would have been mandatory for people to go to the counter and say, 'I want a carton of cigarettes'. Then the lady — they are usually ladies at the counters — would have to go away and bring back a carton of cigarettes. By then a long line of people would have developed. At least commonsense has prevailed and packets of cigarettes and cartons can be displayed and easily picked up.

Smoking in retail shopping centres will be banned. I do not have a problem with that because most shopping centres have already banned smoking anyhow. I was in an airport recently — this would probably work very well in shopping centres — that had a smoking room where people could go and sit. It had a number of chairs around the walls and plenty of ventilation. People who wanted to smoke could go in, have a cigarette and sit back in a comfortable chair while the fumes were removed. That complied with all the necessary regulations and when the people had finished their cigarettes, they could wander out and go back to do what they wanted at the airport.

That could probably occur at shopping centres, because some people like to have fags when they are doing their shopping. After this legislation passes they will not be able to go into shops and have a smoke. However, a bit of commonsense could prevail whereby shopping centre management may wish to provide people with the opportunity to have cigarettes.

As I said, shopkeepers will not be allowed to display A-boards outside their premises with signs saying 'cheap smokes' or 'cigarettes at cut prices'. I understand the legislation will allow shopkeepers to have signs in their windows to that effect. I do not think that will have a great deal of effect on drawing people into those particular shops. If people want to go out looking for fags they will go into those shops to buy them anyhow because they know it is legal for them to do so.

When I read through the bill I was concerned that it is very open; if people are not able to go into shops and get packets of cigarettes with free gifts — regardless of whether it is cigarette lighters, ashtrays, or whatever — they will not be able to go into shops to get anything else that may be discounted. They could get a loaf of cut-price bread in the same shop, but it may look as though it was an enticement for them. There are plenty of shops like Safeway, Woolworths and so forth that have cigarettes as well as cut-price groceries. Someone in the advisers box might have a look at that, because prosecutions may be made.

The other point of concern that was brought to my notice concerns the description as to what can be advertised. Mr Forwood mentioned this point as well. It was brought to our attention by Philip Morris, which certainly has an interest in cigarettes. That company sells cigarettes and lots of other things as well. It is very open about saying it does not want to encourage kids to buy cigarettes and start smoking.

Before becoming a member of Parliament I did not have an association with the company. I do go to the football with the company, and these are things that honourable members should know. I am open, and I know honourable members on the other side of the house also participate in that activity. However, I have never thought the company tried to encourage kids to smoke.

The legislation talks about not being able to sell single cigarettes. I have never seen Philip Morris package one cigarette for sale. There may well be people who will buy packets of 15, 20, 25 or 50 cigarettes and then sell them to kids. Those people should be condemned. Philip Morris representatives raised with me, as they raised with a number of other honourable members, the fact that Victoria is putting a different interpretation on what is able to be displayed in retail shops. I am talking

about small businesses where people have a legal right to sell a legal product.

We are saying in Victoria that we are allowed to show only one packet of a particular line of a particular size with a particular number of cigarettes of a particular brand. People are aware that, like most companies, Philip Morris start their packets in lots of 20 and then the pack sizes range up to 25s, 30s and 50s. They sell the gigantic packs of cigarettes that you often see sticking out of people's pockets. That applies to probably about 10 or 12 different brands produced by Philip Morris. I know there are a lot of other brands in different places.

People may not see a variety of cigarette packs or different brands. Their choice may therefore be determined by what the retailers are forced to put in their shop windows. It may be one packet of 20s — I was going to mention Craven A, but I do not know if you can still buy them. It may be that a particular shop will sell only Marlborough, Benson and Hedges or cigarettes from British Tobacco. Customers may well not see in those shop windows the types of cigarette they like. It is silly if shopkeepers are not able to advertise them. It will be one packet per product or product line, but only in one pack size. Retailers who are selling a legal product should be able to display that product to its best advantage. They are not allowed to display cartons. There is some discrimination here because under the new legislation retailers at Melbourne Airport are allowed to display cartons of cigarettes. I do not have a problem with that, but the legislation prevents other retailers from doing so.

I have already mentioned that retailers are allowed to display only one packet per product line. Under the act 'product line' means a kind of tobacco product distinguishable from other kinds by one or more of the following characteristics — trademark, brand name, nicotine or tar content, and flavour. We know that there are different nicotine and tar levels in cigarette packets. They are all marked on the front with warnings such as 'Smoking kills' and those sorts of things. Each packet is marked with the tar and nicotine content and the flavour of that cigarette — and they come in a variety of flavours. Under the bill retailers will be restricted from being able to display what they want to display and to put on a decent display so people can have the freedom of choice in this country, where smoking and the selling of cigarettes is legal.

I have always had a very open position on smoking. However, I have some concerns about some statements made in the second-reading speech about passive smoking. It is my understanding that there has never been a case presented to the courts that has been won on the basis of scientific proof that passive smoking is injurious to people's health. Nowhere around the world has a case been tried before a court to enable a judge or a judge and jury to determine whether passive smoking is dangerous to people. We have heard the minister's second-reading speech and listened to people from Quit talk about passive smoking and how dreadful it is. But no legal decision has been made on the basis of scientific proof that it has actually caused people to die. Yes, a lot of court cases have been settled, but none have been won on the basis of the cases being proven. I have a problem with that. I am sure members of the community have been misled over a long period.

I have no doubt that cigarette smoking will kill people. But after someone smokes a cigarette, goes back for their second, and takes it out of a packet which says, 'Smoking Kills', they make the decision to smoke another cigarette. Nowhere is it more blatantly shown that something you do will kill you. I cannot think of anything else. When you get into a car there is no flashing sign on the dashboard saying, 'Driving a car too fast will kill you'. There are signs along the roadside saying that 'If you drink and drive, you're a bloody idiot', but they do not say that it will kill you. Cigarette cartons have those warnings on them, and people still make a freedom-of-choice decision to smoke cigarettes.

I do not encourage smoking. As I have said before, it is not something that I have chosen to do or that I would like my kids to do, but it is something that people do with the full knowledge that it will kill them. Over a number of years I have changed my position. I support what has been introduced here — or it might be better to say that I do not oppose it — but a number of restrictions have been put on people, particularly in the retail industry. This will cause people who are legally selling a legal product some grief, and a number of retailers will probably be put out of business because of it.

Hon. E. C. CARBINES (Geelong) — As an honourable member for Geelong Province I am pleased to speak on the Tobacco (Further Amendment) Bill. It builds on the significant reforms the Bracks government introduced last year to reduce the major health threat that tobacco smoking poses to Victorians.

The minister's second-reading speech states that it is estimated that each year 4500 Victorians die due to smoking-related diseases. The other day I was in the chemist and picked up the Quit pamphlet, 'Quit because you can', because I was interested to read some statistics about tobacco smoking. I would like to

contribute these to the debate. Under the heading 'Smoking kills' the pamphlet states:

> Every year, about 19 000 Australians die from diseases caused by smoking. One in two lifetime smokers will die from their habit. Half of these deaths will occur in middle age.

Under the heading 'Cigarettes are full of poisons' it states:

> Tobacco smoke contains over 4000 chemicals. As well as tar and nicotine, there is also the gas carbon monoxide (found in car exhaust fumes), ammonia (found in floor cleaner) and arsenic (found in rat poison). At least 43 of the chemicals in tobacco smoke are known to cause cancers of the lung, throat, mouth, bladder and kidneys. Tobacco smoke also contributes to a number of other cancers.
>
> Nicotine is the addictive drug in tobacco. The mixture of nicotine and carbon monoxide in each cigarette you smoke temporarily increases your heart rate and blood pressure, straining your heart and blood vessels. This can cause heart attacks and stroke. It slows your blood flow, cutting off oxygen to your feet and hands. Some smokers end up having their limbs amputated.
>
> Tar is made up of many chemicals, including gases and substances that cause cancer. It coats your lungs like soot in a chimney. Changing to low-tar cigarettes doesn't help because smokers usually take deeper puffs and hold the smoke in for longer, dragging the tar deeper into their lungs.
>
> Carbon monoxide robs your muscles, brain and body tissue of oxygen, making your whole body — especially your heart — work harder. Over time, your airways swell up and let less air into your lungs.

On the next page under the heading 'Smoking causes disease' the Quit pamphlet states:

> Smoking is a slow way to die. The strain put on your body by smoking often causes years of suffering.
>
> Emphysema is an illness that slowly rots your lungs. People with emphysema often get bronchitis again and again, and suffer lung and heart failure.
>
> Lung cancer is caused by the tar in tobacco smoke. Men who smoke are 10 times more likely to die from lung cancer than non-smokers.
>
> Heart disease and strokes are also more common among smokers than non-smokers. Smoking causes fat deposits to narrow and block blood vessels which leads to heart attack. Smoking causes around one in five deaths from heart disease. In younger people, three out of four deaths from heart disease are due to smoking.

In those two short pages of the Quit pamphlet are plenty of reasons for Victorians to act to reduce the threat to their health from smoking. Earlier this year in the historic sitting in the other house on illicit drugs health professionals told us that there is a link between smoking and illicit drug use.

A small article headed 'Smoking linked to dementia' appeared on page 3 of the *Age* of 23 May. I will also contribute some passages of that article to the debate. The article states:

> Being a smoker increases the risk of getting dementia, researchers say.
>
> …
>
> Associate Professor Osvaldo Almeida of the University of Western Australia said smokers were more likely to develop memory difficulties and cognitive impairment associated with dementia.
>
> 'Even though the data we currently have available cannot guarantee that smoking increases the risk of Alzheimer's disease, we are in a very strong position to say that smoking increases the risk of dementia', Professor Almeida said.

The Minister for Industrial Relations said in her second-reading speech that around 21 per cent of Victorian adults smoke, but the data from the 1999 Victorian secondary school students survey showed that 26 per cent of 16-year-old Victorian males and 34 per cent of 16-year-old Victorian females had smoked in the previous week. It is a damning indictment of the impact of smoking on our society.

The government has an obligation to reduce the rate of smoking. I am proud of the Bracks government's commitment to reduce the smoking rate and therefore Victorian's passive smoking rate. I was pleased to contribute to the debate last year on the Tobacco (Amendment) Bill, which is shortly to be enacted. It will ban smoking in dining areas such as enclosed restaurants, cafes and dining rooms in hotels and clubs from 1 July. The legislation is being received enthusiastically by Victorians. Indeed, many Victorians eagerly anticipate its implementation on 1 July. I am one of those Victorians.

Recently I was dining with friends in Pakington Street, Geelong. Two of my friends were health professionals, one a Geelong general practitioner and the other an oncologist at Geelong Hospital. Both of my friends are keen to see the introduction of smoke-free dining on 1 July and spoke about the positive benefits it would bring not just to their patients but to all Victorians.

Last Friday I dined with my family at our favourite Chinese restaurant in Highton, the Flaming Wok. I was pleased to note that the restaurant was taking an active role in line with the new legislation that will commence on 1 July. The Flaming Wok is already a smoke-free restaurant, which is fortunate. I congratulate the owners of the restaurant on their commitment to the health and comfort of their patrons. When I went to pay the bill I found on the counter information on a note the size of a business card promoting smoke-free dining beginning

on 1 July. The information is succinct and directs people to Information Victoria, with a phone number and web site being shown on the back of the docket. It has the caption, 'Now everyone can breathe easier'. It is a good initiative that will increase public awareness of the legislation ensuring smoke-free dining.

The bill adds to the reforms introduced last year. Its passage will see the banning of smoking in enclosed retail shopping centres. I congratulate the many shopping centres that have already banned smoking. The bill also seeks to ban the sale of single cigarettes. The Honourable Ken Smith said that Philip Morris did not package cigarettes singly and did not intend that its cigarettes should be sold singly. It has not stopped its cigarettes being sold singly across Victoria. It is an insidious way of encouraging young people to smoke. The bill aims to significantly reduce the access to cigarettes by Victoria's under-age youth.

Tough regulations are being introduced concerning retailing. When passed the bill will require retailers to display signs stating that it is illegal to sell cigarettes to minors. Research has shown that retailers who display such signage are more likely to check with their customers whether they are old enough to buy cigarettes. The bill will also ban advertisements drawing attention to cheap or discount cigarettes from outside shops. Mobile cigarettes sellers will also be banned.

I am pleased that the practice of luring tobacco purchasers with the offer of free gifts will also be prohibited. It is an insidious marketing device used by cigarette companies to lure young people to buy their products.

The bill is the result of extensive consultation, and I congratulate the Minister for Health on his determination to see the impact smoking has on the health of Victorians significantly reduced. When 13 Victorians die every day from smoking cigarettes, the government has a duty to act in the community's best interests. I am proud that the Bracks government takes that duty seriously. I commend the bill to the house.

The ACTING PRESIDENT (Hon. R. H. Bowden) — Order! The question is that the bill be now read a second time. As there is not an absolute majority of the members of the house present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in Chamber:

The DEPUTY PRESIDENT — Order! So that I may be satisfied that an absolute majority exists, I ask honourable members supporting the motion to rise in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Third reading

Hon. M. M. GOULD (Minister for Industrial Relations) — By leave, I move:

That this bill be now read a third time.

I thank all honourable members for their contributions and the support of all parties in this place.

The DEPUTY PRESIDENT — Order! I am of the opinion that the third reading of this bill requires to be passed by an absolute majority. So that I may be satisfied that an absolute majority exists, I ask honourable members supporting the motion to rise in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

URBAN LAND CORPORATION (AMENDMENT) BILL

Second reading

Debate resumed from 5 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. P. A. KATSAMBANIS (Monash) — The Urban Land Corporation (Amendment) Bill amends the Urban Land Corporation Act. The bill contains two substantive parts, the first of which is a change of name of the Urban Land Corporation (ULC) to the Urban and Regional Land Corporation (URLC). Of itself it is not an amazing change but it sends a particular message that it is giving the authority a new agenda, if you like, that it will not only concentrate on urban areas but on regional areas. That is the message the name change is intended to convey.

If you look at that in the abstract, you would imagine that for the corporation to concentrate on regional areas would be something new and unique and something that was not happening today, and in some way that name change will be empowering. That is what the ordinary citizen in the street would think, as would many honourable members. It is instructive to go to the 2000 annual report of the Urban Land Corporation, and the first project it is involved in is the Horsham saleyards at Horsham. Horsham is not urban but regional.

The Urban Land Corporation is already involved in Horsham, in regional projects. What is the name change doing? It is not giving the Urban Land Corporation any new powers by the name change. It is clear that under its current charter and the act it is already involved in regional centres.

The Labor government is about spin and style at the expense of substance. The name change is nothing but a pyrrhic name change. It does nothing in practice. It is another indication that the government is rebadging, relabelling and relaunching existing programs and ideas. It has no original ideas of its own — it has found an act and decided to change its name.

I do not for a moment think the change of name will be earth-shattering, but it should be highlighted in this place and pointed out to Victorians that that is what the government is doing about its busy legislative program: it is changing names. With changing names comes changing letterheads, signs and all sorts of things that eat into budgets. The government is about rebadging and relaunching, not about doing anything new or innovative. Do not for one moment think that by introducing this legislation it will enable the Urban Land Corporation to perform duties in regional Victoria because it has always had the power to do that, as witnessed by the lead project in the 2000 annual report at the Horsham saleyards. The government did not need a new act of Parliament to give it that power.

The people of Victoria can judge for themselves why the government has chosen to change the name of the corporation, which has been in existence for 25 years. It has a wonderful name in the industry, has done a lot of good work in Victoria, has carried out much innovative building and in many ways is a leader in good building practice in the state. The name change is simply a matter of spin for the government's own political purposes, not for the good operation of the corporation.

The second substantive change has more substance than the first by replacing section 6 of the Urban Land Corporation Act. Currently the functions of the corporation, as set out in section 6(1) are:

(a) to develop residential land in Victoria; and

(b) to develop other land in Victoria where this is incidental to a residential development; and

(c) to provide consultancy services in relation to the development of land whether within or outside Victoria or outside Australia; and

(d) to carry out any other functions conferred on ULC by this Act.

The bill alters the functions provisions of the act. Clause 6 substitutes proposed new section 6(1) so that the functions of URLC will be:

(a) to purchase, consolidate, take on transfer or otherwise acquire land in metropolitan and regional areas for development for urban purposes; and

(b) to carry out development of land alone or in partnership or to enter into arrangements or agreements for the development of land; and

(c) to develop land in Victoria for residential and related purposes to provide a competitive market for land in Victoria; and

(d) to promote best practice in urban and community design and development, having regard to links to transport services and innovations in sustainable development; and

(e) to contribute to improvements in housing affordability in Victoria; and

(f) to provide consultancy services in relation to the development of land whether within or outside Victoria or outside Australia; and

(g) to carry out any other functions conferred on URLC by this Act.

Essentially the added functions are in relation to best practice in urban design, having regard to transport services and links, and innovation and sustainable development.

The second change is a contribution to improvements in housing affordability in Victoria. Of themselves, those goals are noble.

There is no difficulty in the concept of sustainable development. It is a movement of the present and of the future. The Urban Land Authority (ULA), the predecessor to the ULC, and the corporation itself have been innovators in good building practice in Victoria for many years. In many ways the ULC can act as an incubator or pilot to show that new ideas can be successful and to encourage sustainable development,

which can lead to further developments in all sorts of areas including new energy sources such as wind or solar energy. It could be in areas such as the reuse and reticulation of grey water or the use of rainfall in permeable areas to ensure sustainability.

The ULC can operate in ways that show other builders and developers exactly how innovative concepts can be incorporated into building generally in Victoria. There is nothing wrong with that; I do not think we need legislative change. The ULC has been an innovator in many ways. However, there is nothing wrong with incorporating its functions into the act, and no member of the opposition would suggest otherwise.

So far as improvements in housing affordability are concerned, that too is a laudable aim. Over the years the ULC and the ULA have proved quite decisively that they can contribute to improvements in housing affordability. They have been doing it, it has not needed to be a specific function. There is nothing wrong with incorporating it into the act, either, but it is something the ULC has been doing for years. It has ensured that land in Victoria is best utilised and brought onto the market to make new housing affordable for Victorians, especially for first home buyers in new estates in developing urban areas.

The ULC has a proud record, which was achieved without specific functions being written into the act. The understanding was that that is what it would provide. When one considers that these are the things the ULC has been doing since its inception and that now the government is incorporating them into the act, one wonders about the agenda. The corporation's purposes have been put into black-letter law.

What is the government's intention about the future of the Urban Land Corporation? Will it continue with its existing vision, business plan and managerial structure or will the dark hand of government guide it into another direction? The government has not said that, but through the bill it has flagged that it is interested in changing the way things happen at the ULC. That could be positive, because much of what the ULC has done over 25 years has been extremely positive and beneficial to Victoria.

I am pleased that the qualification that the functions of the ULC must be carried out on a commercial basis, has been retained in proposed new section 6(1). That is an extremely important qualification, because the ULC competes with private developers and private builders in the market.

It is important that elements of competitive neutrality are maintained. That is one aspect of the ULC carrying out its functions on a commercial basis — that it does not crowd out the market, that it does not utilise its status as a statutory corporation with tax and other benefits, particularly in cost of capital, to exert undue market influence against private developers and private builders. That is extremely important for the long-term sustainability of the building trade in Victoria.

Last night during debate on the HIH legislation I spoke about the extreme importance of a healthy building sector in Victoria. So far the ULC has contributed to the creation of a healthy environment for the building industry and the land development industry in this state. I think I speak for both sides of the house when I say I hope it continues.

But there is another element to the qualification that the corporation must act on a commercial basis in proposed new section 6(1) that should be pointed out. That element is a protection for the taxpayers of Victoria, because when the corporation operates on a commercial basis with proper business plans and proper guidance and direction, the taxpayers of Victoria will be protected from speculative and marginal schemes that could expose them to unacceptable risk.

It is always open to a statutory corporation to commit itself to projects that may not be viable on a purely commercial basis because access to capital and accession to borrowings can be obtained at rates that are not available to private operators in the same market. They can take advantage of their status as corporations backed by the state of Victoria to obtain differential borrowings and lower rates and can obtain capital at a lower cost.

It is when assessments of risk are made on those different costs of capital that exposure to undue risk can come about. It has happened before in Victoria, and unfortunately it has happened under Labor governments. We should take heed of the fact that where speculative schemes were entered into because money was cheap a different assessment of risk was made because the money was cheap. The taxpayers of Victoria will be protected only if all assessments of risk are made on a full commercial basis, because that is where the market risk resides.

When looking at changes to the functions of the authority it is important to realise that, in promoting best practice in urban design, sustainable development and so forth, and contributing to improvements in housing affordability, that element of commerciality must be at the forefront of decision making by both the

government and the corporation itself. That is essential; without it, Victorians will be exposed to risk they should not be exposed to.

I have great faith in the management and board of directors of the Urban Land Corporation. They have proven themselves over a long time. They have undertaken their valuable and important role in society faithfully and have paid due attention to commercial risk. They have conducted due diligence on all projects based on full consideration of all costs, and they have made their assessments properly. The proof of the pudding is in the eating. The outcomes of the Urban Land Corporation, based on its developments, the fulfilment of its social charter and its impact on the Victorian Treasury, which has been very positive, simply underline the fact that they have done their job very well.

It is however paramount that those commercial considerations continue to be taken into account in the future, because undertaking marginal projects that expose Victorians to undue risk places the financial health and stability of both the corporation and the state at grave risk. Today all we as an opposition are doing is ringing the alarm bells and warning the government not to deviate from this long-established and proven path when dealing with the Urban Land Corporation. The Urban Land Corporation has been innovative, it has been a leader in development and building in this state, and I believe it will continue to be so without the black hand of government guiding it along the wrong path.

I flag that during the committee stage of the bill the opposition will seek assurances and further explanation from the government as to its intention for the future direction of the new Urban and Regional Land Corporation. I hope we will get concrete answers that will allay not only the fears of the opposition but also the potential fears of the Victorian public.

I highlight one other matter to do with the bill, and that is the potential conflict of interest of the lead minister, the Minister for Planning, who is responsible for the Urban Land Corporation as well as for approving planning schemes in some circumstances. We have seen a number of examples of this minister having grave conflicts of interest — Federation Square, the Queen Victoria site, the project at Epping that the Urban Land Corporation was undertaking. The minister has public support for the proposed project, which sounds fairly good, but lo and behold we find out from the locals that a panel was convened to hear objections and concerns about the rezoning of the land in Epping. The panel hearing had not taken place at the time the minister made effusive comments about the development, and because it had not had its hearing it had not yet reported to the minister. Therefore the minister publicly supported a project while he was still awaiting the results of the panel hearing on which, as the responsible planning authority, to base an impartial determination as to whether the project should go ahead. That should ring the alarm bells loud and clear.

Another issue concerns the St Helier site at Abbotsford, another Urban Land Corporation project. The minister has had a planning panel report on that site since November of last year, and he is still sitting on it.

Hon. G. R. Craige interjected.

Hon. P. A. KATSAMBANIS — They are announcing it tomorrow, Mr Craige tells me. I do not know about that, but the minister is still sitting on it. All I am doing is highlighting the potential for conflict of interest — a conflict that exists not just for this minister but for all planning ministers. It is a fine line, but for the sake of good, impartial and objective planning ministers should not cross that line by coming out and praising projects prior to considering a planning panel report on objections to the projects. And for goodness sake, ministers should not sit on planning panel reports for six months when developers, residents and other objectors are waiting to get on with their lives. That is not good planning, and it gives rise to allegations of potential conflicts of interest. It is a very sensitive area, and when toeing that fine line the minister should have great regard to what he is going to say publicly before he says it so he does not expose himself to the risk of conflict of interest in the future.

With that, Mr Deputy President, I reiterate that the opposition does not oppose the bill. We praise the Urban Land Corporation for its achievements during 25 years and believe that, unhindered by undue government interference, it will continue to derive good benefits for all Victorians for many years to come. But we do put the government on notice that we will be watching and monitoring what it does about the new Urban and Regional Land Corporation — it is a new name. We will be watching to ensure that the corporation's functions are delivered properly for all Victorians and are not used in some endeavour that will end up exposing the Victorian taxpayer to undue and unacceptable financial risk.

Hon. G. D. ROMANES (Melbourne) — I am pleased to speak on the Urban Land Corporation (Amendment) Bill, which amends the Urban Land Corporation Act of 1997. It seeks to change the act in

two ways, the first of which is to change the title of the Urban Land Corporation to the Urban and Regional Land Corporation to reflect the fact that the corporation will have a focus on more than the metropolitan area and in particular the outer suburbs.

The other is to change the functions of the Urban Land Corporation to give effect to a number of pre-election commitments made by the Bracks government. Those new functions, which are outlined in clause 6 of the bill, include development of land in Victoria for residential and related purposes, promotion of best practice in urban and community design and development, having regard to links to transport services and innovations in sustainable development and contribution to improvements to housing affordability in Victoria.

A range of consequential amendments in clauses 7 to 11 follow on from the change of title, and they relate to a range of financial arrangements.

The corporation is a major player in the housing market in Victoria and brings approximately 1500 to 2000 lots onto the market per annum. That represents approximately 12 per cent of the market. Given the strength of its position in the market it has the capacity to provide leadership through innovation in housing. It has the capacity to provide leadership in delivering a public benefit to the people of Victoria.

Its predecessor, the Urban Land Authority, was created about 25 years ago to do just that. That was under the aegis of former Premier Hamer and the federal Minister for Urban and Regional Development at the time, Tom Uren. The Urban Land Authority was not created just to replicate what the commercial market is doing; it was created to add value, to influence the market and to inject new ideas and innovation into it.

It was also given the task of facilitating projects that private industry would be unlikely to take on and to implement government policy. Some of those areas are the more difficult urban renewal projects that it has undertaken at different times, and it was also to encourage the implementation of government policy with regard to urban consolidation and developing more mixed-lot developments so that there was more diversity of lot sizes in estates. We have seen that happen in housing developments such as Kensington Banks in inner Melbourne.

In spelling out the new functions for the corporation in clause 6, the government is making it clear to the corporation that it wants it to seize the day and to demonstrate best practice in a range of areas. Some of those relate to energy efficiency measures, the recycling of waste water or other initiatives to promote environmental sustainability, and in doing so to show that housing developments that take into account best practice in such areas are good for the community, good for the environment and good for business.

The government is saying to the corporation, ‘Demonstrate to us what can be achieved in these areas and still be good for business’. It would be a great benefit to the people of Victoria if the corporation could build community expectations so that the community comes to expect that this is the way to undertake housing developments in an environmentally sustainable fashion and to change the whole orientation of the market. The corporation could take on that leadership role, rising to the challenge of the aspirations set out in the bill.

The Urban Land Corporation has undertaken some innovative projects, but over the past decade it has not done it often enough. Under the Kennett government the corporation became mainly a profit-making organisation; it lost its way. It lost opportunities to be an innovator. It has become more of a land developer in the outer suburban regions of Melbourne rather than a source of ideas for achieving government objectives in housing, best design or integrated urban and transport planning. It has missed many opportunities to put in place the public transport infrastructure needed to provide choices for more sustainable communities in a range of transport options.

Where is the railway station at Roxburgh Park and the enticement to the government to extend the rail line for the community out there? Why, contrary to the government policy of urban consolidation and mixed developments, did the corporation use section 173 agreements on titles at Roxburgh Park to allow larger block sizes to realise higher returns? That can be contrasted to the expectations it puts on the private sector to provide increased density and a mix of housing lot sizes. Why has the Urban Land Corporation not been actively building on the Olympic legacy left to us by the events of last October in Sydney in terms of innovative and environmentally sustainable housing at the Olympic Village? Why hasn’t it learnt from the successful City West development in Sydney and been zealous in transferring some of the lessons from other groundbreaking developments in Australia to housing developments in this state?

Other speakers on the bill in the other place, and Mr Katsambanis in this place, might define ‘successful’ as making money in terms of the commercial elements of the work and the objectives of the Urban Land Corporation. However, I would prefer to redefine the

word ‘successful’ and ask whether the Urban Land Corporation has been successful over the past decade if it has been ignoring industry best practice.

The functions outlined in clause 6 are designed to shift the focus of the corporation and to provide a new direction. The commercial imperatives are still there, but a broader focus has been given to the work of the Urban Land Corporation, and changes are beginning to take place. Examples include the solar precinct for the Jackson Hill development at Sunbury and the Epping development that was recently announced by the minister, where public transport infrastructure will be integrated from the outset into planning for housing in that area. The Horsham saleyards project is one of the new ventures in regional Victoria to be undertaken by the Urban Land Corporation. The Niddrie quarry project might be considered to be more difficult, and might be ground where perhaps most private industries would prefer not to tread.

The challenge for the Urban Land Corporation in becoming the Urban and Regional Land Corporation will be to show that it can still be effective commercially while meeting broader objectives, and that will be an interesting matter to track through the future activity of the corporation in the coming years.

Mr Katsambanis and the honourable member for Box Hill in the other place have expressed doubt about the bill changing the name of the Urban Land Corporation. According to the honourable member for Box Hill it is unnecessary because there is no change to the business objectives, and the fact that it already has a regional project in Horsham means a name change is not needed to direct the corporation to look beyond Melbourne. We have had only one regional project, and the importance of the change in name cannot be overestimated. It is not just a spin on the situation.

A name change can be critically important in putting into effect the mission statement and objectives of a business or organisation. If it were not critically important, a whole lot of businesses, organisations, agencies and departments would have to question what they do on a regular basis in their business and corporate planning when looking at mission statements and objectives and trying to marry those with titles, names, badging and so forth.

Hon. N. B. Lucas — I think you got it right the first time; it’s a spin.

Hon. G. D. ROMANES — That was Mr Katsambanis’s term, not mine. It is important to spell out what the government wants the Urban and Regional Land Corporation to achieve; its name must therefore accurately reflect what the corporation is on about.

It is no surprise that shires and councils around the state are very happy to see the incorporation of the term ‘regional’ into the title of the Urban and Regional Land Corporation. I am sure Mrs Powell will have something to say about that when she speaks next.

The name change reflects this government’s interest in extending the work of the former Urban Land Corporation beyond the urban boundaries of metropolitan Melbourne and into regional Victoria. It will make a difference in those quarters of this state as well. The government expects that badging the corporation in that way will provide a lead and a direction to the thinking and focus of the organisation.

The URLC is entering a very exciting new phase in which it will play a key role in urban development in metropolitan and regional areas. As I said, that change has been widely welcomed by councils and shires across the state.

Before finishing, I will comment on the contribution of Mr Katsambanis who referred to the minister’s possible conflict of interest with the authority’s project at Epping North. That project is not the subject of a panel hearing. It has not yet been put on exhibition, and it will be subject to a full and proper process through the Whittlesea council. Mr Katsambanis had the wrong project. Given the way the former Minister for Planning and Local Government, Mr Maclellan, conducted himself in the Kennett government it is a bit rich for Mr Katsambanis and the Liberal Party to talk about conflicts of interest.

I draw the attention of honourable members to the ministerial statement released to the Parliament in the past week by the Minister for Planning in the other place, the Honourable John Thwaites, which highlighted the stark contrast between his actions and the actions of his Liberal predecessor, Robert Maclellan.

The report showed that Mr Thwaites, in 16 months in office, has used his ministerial intervention powers in 78 cases involving a total of 84 applications; that compares with the former minister’s average of one intervention every working day — that is, 284 cases in the 1997–98 financial year, and 211 cases in 1998–99.

Further, the minister has, in tabling his report, spelt out to the Parliament the reasons for decisions he has made as Minister for Planning. That again is in stark contrast

to the lack of transparency of the previous government with Mr Maclellan as planning minister.

I conclude by drawing attention to the fact that the changes in name and functions are intended to give a new focus and direction to the Urban Land Corporation, which will become the Urban and Regional Land Corporation. I look forward to the innovative best practice and exciting developments that will emanate from the work of that corporation under this government.

Hon. E. J. POWELL (North Eastern) — I am pleased to speak on the Urban Land Corporation (Amendment) Bill and to put on record that the National Party will not oppose it. The National Party is pleased to support any bill that it believes will provide opportunities for country Victoria.

As a number of speakers have said this bill has two main purposes. The main one is to amend the Urban Land Corporation Act 1997 by changing the title and the functions of the corporation. Under the bill the title of the Urban Land Corporation Act 1997 is to become the Urban and Regional Land Corporation Act 1997.

As a member of Parliament who represents rural and regional Victoria, I am very supportive of the initiatives that this new concept will bring to country Victoria and I am very eager to see the development and progress that will come into country Victoria as a result.

The new functions of this organisation will include the development of land in Victoria for residential and related purposes; the promotion of best practice in urban and community design and development; having regard to links to transport services; innovations in sustainable development; and a contribution to improvements in housing affordability in Victoria.

The corporation, as honourable members have already heard a number of members say, has been going for about 25 years and has a very good reputation. It is already a major land-holder. It currently holds in excess of 1000 hectares and has over 12 500 potential residential lots in 12 projects around the Melbourne metropolitan area. Each year it brings approximately 1500 to 2000 lots on to the housing market. Being able to operate in country Victoria will increase the corporation's housing development and substantially increase its land ownership.

The corporation's price range is very affordable. It is able to offer a price range of between $55 000 and $200 000, which allows plenty of scope for a large market of people wanting homes. Most people would find something affordable in that price bracket to suit their pockets.

At the end of June 2000, 61.9 full-time equivalent employees worked for the corporation. The corporation has six estate offices open seven days a week. Given the new focus on country Victoria, I would like to think we will soon be seeing one or two offices opening in country Victoria to enable country Victorians and councils to access these services locally.

The bill will allow the corporation to have a much broader and more flexible role. It will allow the corporation to be a sole developer, a partner in a development, or, by agreeing with others, to help develop land.

That could mean the corporation could work with local government, as I know it has in the past, to identify a need for a certain type of development, to identify the parcel of land and then to work with the corporation to develop the land.

In researching the bill I sent letters to a number of councils in my electorate, and the honourable member for Wimmera in another place, the Honourable Hugh Delahunty, who spoke on the bill in the other house, also sent letters to his local councils. There was not much objection to the bill; in fact, quite a number of councils felt there were open opportunities for them to be able to take on officers of the corporation and work with them. As I said before, I believe local councils will take advantage of the services.

If a subdivision development starts in a new area, it can give confidence to other people who want to develop in the area. Sometimes in country areas large tracts of land are not developed because nobody will go in first due to a lack of confidence. Given its reputation, when the corporation starts developing an area we will, I hope, see piggyback developments in that area as well, and that will be in the best interests of those municipalities.

I raised some concerns at a briefing by the Department of Infrastructure. I take this opportunity to thank Maria Marshall, the minister's adviser, for organising a briefing with the Honourable Hugh Delahunty and me. Often she does so at short notice and makes sure that departmental representatives are accessible to us so we have full briefings on bills that come before the house, and I thank her for that.

One of the concerns I raised was that the corporation going into smaller communities may be too competitive for existing developers. I was assured that the corporation will be able to buy land only on the same terms and conditions as other organisations. The

corporation will not have a competitive edge; it will have to buy on the same terms and conditions. That was the only concern I had with a corporation of the magnitude of this one going into country Victoria. I hope that in smaller areas the corporation will work with councils and smaller project developers for the betterment of those areas. I was assured that that was the intention of the Urban and Regional Land Corporation, as it will now be called.

The second-reading speech states that the government does not propose that the corporation will become a construction company or a housing developer. It can influence construction on its land by various means for overall public benefit, and the government does not propose that the corporation will be a landlord for public housing development. That is good news to us because over the past 25 years the corporation has had a unique area of interest. I understand it will continue doing the things it does well, and hope the communities of country Victoria will now have access to that expertise and knowledge held by the corporation and its staff.

In some estates in my electorate great work is going on already by some developers in the area of environmentally sensitive homes. The trouble is there are probably only one or two in a development. They might design a house specifically for asthmatics where they provide things like special carpets, dust-resistant materials and vacuum cleaners in walls. Many materials conducive to asthmatics are used, including certain types of vacuum cleaners, so that dust does not settle and stay around. Pilot programs are being developed.

This is where the corporation can go in and design specific houses for specific needs. Sometimes, as I said, this is a risk in smaller communities because they do not have huge markets. The corporation has an opportunity of working with a number of smaller developers and allowing its expertise and great knowledge gained over 25 years to make the housing innovative and, more importantly, affordable.

In Shepparton a number of years ago the council subsidised solar heating panels so that new or existing homes could place solar panels on their roofs and receive rebates from the government. That is not going on at the moment, but it worked quite well in the past. There is obviously an opportunity to look at solar housing being continued, particularly in areas of high sunshine such as Shepparton.

As I said, there will also be an opportunity for the corporation to work with builders and developers to promote best practice and innovative best practice and housing design where the smaller developers may not want to take the risk. The corporation is working in Victoria in areas like Horsham. The Honourable Glenyys Romanes spoke about Horsham as one of the corporation's projects in country Victoria. This was a major undertaking, and I shall quote from the *Weekly Advertiser* of 17 May, which describes the developments in Horsham as follows:

> Five proposals for a unique redevelopment of Horsham saleyards have been forwarded for a tender shortlist to Victoria's planning minister John Thwaites.
>
> The proposals were formed by local and interstate developers with the assistance of the state's Urban Land Corporation and Rural City of Horsham.
>
> The corporation has encouraged innovation in design for the redevelopment.
>
> The corporation's manager of government business Matt Faubel said his team was responding to broader market needs and was encouraging innovative ideas such as solar orientation and water treatment methods.
>
> He said the corporation had been working with the Horsham council to put into place planning guidelines for the former saleyards.

Mr Faubel went on to say:

> We received proposals from local developers, some combining their tenders with Melbourne developers and there have also been responses from interstate …
>
> Any of the developments tabled will be good but now we need to get to the next stage and make sure the best development is chosen and we get the best value from it.
>
> The winning developer will be announced in August.

This is a huge development. It is on about 2 hectares of land and it is hoped to be completed in 2002. I am sure the council will look forward to working with the corporation.

As well as Horsham, other rural councils have already been in discussion with the corporation. I refer to the property section of the *Australian Financial Review* of 11 May. As well as referring to another project, it mentions its rural concept and states:

> In a bid to reflect its new rural focus, Victorian state agency the Urban Land Corporation has changed its name to the Urban and Regional Land Corporation. The URLC is in discussions with a number of regional councils, including Horsham, Wodonga and Warrnambool, to develop new residential sites.

I was pleased to read that because Wodonga is also in my electorate and it is one of the fastest growing rural cities in Victoria. I had the pleasure today of having a cup of coffee with the Honourable Ian Sinclair who is heading up an independent public consultation process

to look at amalgamating Albury and Wodonga. The governments of New South Wales and Victoria have appointed Mr Sinclair to consult with the community and come up with some way that amalgamation will be possible. The Honourable Bill Baxter, the other local member, and I have assured Mr Sinclair that we would be happy to stay in discussions to ensure that Wodonga thrives and prospers.

The corporation, as we saw in the annual review, is in a good financial position. The Honourable Glenyys Romanes spoke about how that does not need to change. The 2000 annual report reported a net profit after tax of $20.4 million, sales revenue of $141.9 million, and a return on equity of 11.6 per cent. It has obtained industry awards in planning, development, engineering, marketing and public relations. The new initiatives are of course regional development and affordable housing. I understand there are measures in place to ensure the corporation remains viable and meets certain guidelines. The annual corporate plan must be approved by the minister and the Treasurer, and the corporation must be audited by the Auditor-General. So we are looking forward to seeing some new initiatives and developments in country Victoria. I wish this bill a speedy passage through the house.

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — It is a pleasure for me to speak on the Urban Land Corporation (Amendment) Bill. The Urban Land Authority has to be one of the greatest success stories of government participation in private sector activities. Dare I say, it is probably one of the few success stories of government's participation in the private sector.

Given that the notice paper is full, the house has already heard some very worthwhile contributions during the debate and the fact that the bill will be dealt with in committee, I do not intend to make a particularly long contribution. The other reason that I do not intend to speak for long is that this bill has relatively few functions.

Before turning to the provisions of the bill, I shall pick up on some of the comments made by the Honourable Glenyys Romanes. It was interesting to listen to Ms Romanes and Mr Katsambanis speak about the role of a planning minister in planning matters generally and how they relate to the Urban Land Corporation (ULC). Ms Romanes drew a point of difference between the current Bracks government and the previous Kennett government in which the Honourable Rob Maclellan was the planning minister and referred to the different approach the two governments take with respect to intervention in planning matters.

It is a very topical issue in my electorate. I am pleased that Ms Romanes has raised it tonight because it gives me an opportunity to talk about the issue. I suggest that one of the reasons the Minister for Planning has made so few interventions in planning matters is that he is a part-time planning minister. The man who holds the planning portfolio — we accept that planning is a significant portfolio responsibility — the Honourable John Thwaites, also holds the health portfolio, which is another large government responsibility. So we have a part-time planning minister who is also a part-time health minister.

From my experiences in my electorate I can say that Mr Thwaites is failing both as a planning minister and as a health minister. By way of example of what is happening in the health portfolio, I indicate that 18 months after the Bracks government has come to power we are still no further advanced on the construction of the Berwick hospital. In fact, last week the Berwick hospital plans collapsed, with the withdrawal of the Mercy group from the tendering process.

On the planning side, a very serious situation has occurred in Nar Nar Goon at the Pakenham end of Eumemmerring Province. A broiler farm has been proposed to be built on the edge of Nar Nar Goon township and the Minister for Planning has failed to act. An application was made to the local council, but it was subsequently rejected. On appeal to the Victorian Civil and Administrative Tribunal the planning permit was granted. The council is now obligated to provide a planning permit for a broiler farm on the upwind side of the Nar Nar Goon township. If it is built the farm will have a detrimental effect on Nar Nar Goon. Simply, this situation would not have arisen had the minister adequately executed his role as planning minister. The Minister for Planning had three opportunities to prevent this situation arising in Nar Nar Goon.

The first opportunity was to release the broiler farm guidelines. When the Bracks government came to power in 1999 the draft guidelines had already been prepared for the former minister the Honourable Rob Maclellan. In the 18 months since those draft guidelines were prepared the Minister for Planning has done nothing — until yesterday. Eighteen months after coming to power the Bracks government has finally released the broiler farm guidelines. But it is too late for the people of Nar Nar Goon. They are facing the situation of having a broiler farm on the upwind side of the town.

Hon. G. D. Romanes — On a point of order, Mr Acting President, Mr Rich-Phillips is talking about

matters relating to broiler farms, and the subject of the bill before the house is the Urban Land Corporation. Could you bring him back to the topic of the bill?

Hon. G. K. RICH-PHILLIPS — On the point of order, Mr Acting President, the comments I am making relate to the conduct or the modus operandi of the current planning minister. During her contribution Ms Romanes contrasted the previous planning minister with the current planning minister. I am merely providing a response and contrast to the points the honourable member raised.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! There is no point of order, but I would ask Mr Rich-Phillips to conclude the comments he is making about broiler farms and focus on the central issues of the bill before the house.

Hon. G. K. RICH-PHILLIPS — The point I was clearly making is that Ms Romanes said the Minister for Planning has not intervened in a number of planning issues, but that is not necessarily a good thing. There are times when the minister should have intervened but has failed to, and that has caused planning problems.

The Urban Land Corporation (Amendment) Bill has two functions. The first is to change the name of the Urban Land Corporation, and the second is to change its functions. It is interesting to reflect on what Ms Romanes said about the name change. She indicated that it was the government's view that changing the name of the Urban Land Corporation would help to change its focus. I found that to be an extraordinary proposition. I wonder whether it will be in a similar vein to changing the slogan on vehicle numberplates in Victoria. Does the fact that we have gone from being the state that is 'On the move' to being the state that is apparently 'The place to be' — or 'The place to be what?' — reflect a change in the role and outlook for Victoria? Perhaps this government is of the view that it can operate by slogans and that by changing slogans it can effect different outcomes. That is the only conclusion I can draw from the honourable member's comments.

I will now provide some background to the Urban Land Corporation because it is one of the great successes of a public sector activity in what are traditionally private sector areas.

Hon. N. B. Lucas — You aren't going to talk about the bill, are you?

Hon. G. K. RICH-PHILLIPS — Yes, Mr Lucas, I will indeed talk about the bill. The Urban Land Corporation had its genesis in the Urban Land Authority, which was formed 26 years ago. Since the formation of the Urban Land Authority and subsequently the Urban Land Corporation, the corporation has developed in the order of 25 000 home sites.

The minister's second-reading speech contain some interesting statistics. It states that currently the Urban Land Corporation holds in excess of 1000 hectares of development land, with the potential for 12 500 housing sites on 12 different projects. The minister indicated that the corporation had released in the order of 1500 to 2000 housing sites per annum. In fact, its current operations represent around 12 per cent of the Melbourne housing land market, which is quite an extraordinary statistic for a public sector corporation.

The Urban Land Corporation is of particular importance to my electorate of Eumemmerring Province. Two of its key developments are located in Eumemmerring. The first or original development was the Timbarra development in Narre Warren between the original Narre Warren development and Berwick. This development started in the early 1990s, and potentially 6000 residents will move into the Timbarra estate on 1600 housing sites. The Timbarra development is a testament to the whole-of-government approach taken to residential development by the Kennett government. In her remarks Ms Romanes was critical of the previous government, but she failed to recognise the approach taken by the previous government with developments such as Timbarra. That particular development is a testament to the approach taken by the former government with such projects. It is a well planned development and it has gradually provided the infrastructure that such a growing area needs.

The ULC site of the development is a credit to the former minister and honourable member for Pakenham in the other place, the Honourable Rob Maclellan, and the infrastructure which has developed around that project is a credit to the local members, the honourable member for Berwick in the other place, Dr Robert Dean, and my colleague the Honourable Neil Lucas, who worked assiduously to have the infrastructure provided, and also to the ministers in the Kennett government.

I think particularly of the work former minister Gude did providing schools for the area, the work done in the provision of local government facilities and so on. The Timbarra development stands out as a model for the Urban Land Corporation against which other developments can be measured. The greatest feature of the development is the strong residents association.

Recently I met with the Timbarra Residents Association and talked with them for some time about issues developing in the estate and the new demands for infrastructure as families grow older. The City of Casey administers a trust fund established by the Urban Land Corporation that responds to the needs of the association.

I refer also to a new Urban Land Corporation development in my electorate, the Lynbrook estate. Last December I attended the official opening of the estate with the Minister for Major Projects and Tourism and Mr Des Glynn, the managing director of the Urban Land Corporation. It is a new project with very few houses on it at this stage, but it is incumbent on the government to ensure that the development of the project follows the precedent established by the Timbarra development, which is leading the way in the south-east.

My colleague the Honourable Peter Katsambanis canvassed extensively the provisions relating to the change of name and the functions of the corporation and the inclusion of the new functions provided for in clause 6. The minister's second-reading speech did not explain what is expected to be achieved by the changes, and it is incumbent on the government to give that explanation. Everything set out in proposed new section 6(1), inserted by clause 6, could be achieved by the corporation now. The minister's one-page second-reading speech did not explain what the government hopes to achieve.

Although I do not oppose the bill, I hope the minister can adequately explain to the chamber and to the customers of the Urban Land Corporation what the government hopes to achieve by these amendments.

Hon. B. N. ATKINSON (Koonung) — The Urban Land Corporation has had a strong and proud history of independence and innovation. It has a history of establishing new housing opportunities and developing new concepts for housing in Victoria. The Honourable Glenyys Romanes criticised the former Kennett government for supposedly using the Urban Land Corporation as a funding source for projects that it believed were important to its agenda. I ask Ms Romanes to stretch her mind back further to the days of the former Minister for Planning and Housing in the Kirner government, the Honourable Andrew McCutcheon, who tried to take $25 million from the corporation to pay the wages of public servants to meet that government's commitments because it was going broke. When the then chief executive officer of the corporation, John Lawson, resisted the minister he was sacked. The then Labor government intervened in the operation of the corporation, which was unfortunate, given its interesting history and the work it did.

The integrity of the corporation has been without question for many years. The people who have served on the board and held management positions have done a great job over many years and are to be commended for their achievements both in the context of the corporation itself and, more importantly, in the context of developing housing in Victoria.

Some years ago when I was a councillor of the City of Nunawading the council wanted to develop a housing plan that would cater for the changing needs of its residents, particularly an anticipated ageing population, which has transpired. Councillors consulted widely with industry to get some input to develop the strategy. What concerned me at the time was that whenever we asked architects, developers and real estate agents about future trends they invariably told us what they sold most of last week rather than what the opportunities would be in the future.

In the 1970s people involved in the housing industry resisted change such as new concepts in land subdivisions and housing, particularly housing that maximised the use of sunshine, minimised overshadowing, created smaller units for people who did not work, and so on. Industry said there was no market or demand for those developments. The Urban Land Corporation developed projects that provided a range of diverse housing that would work in the Melbourne market. The corporation was innovative, and it has had a long tradition of innovation. It has made a great contribution to Melbourne and Victoria, which is acknowledged by the government and the opposition.

The bill does not make great changes to the Urban Land Corporation, but I am concerned about a couple of clauses and the direction the government may take with the corporation, which is not immediately obvious. Clause 6 sets out the functions of the new corporation, which indicates a subtle but significant change in its activities. The movement in the corporation's activities into the regional area does not concern me a great deal. In the past its services were not needed much outside metropolitan Melbourne. In many ways much of its work was designed to ensure continuity in the supply of land to overcome the boom-and-bust situation with land development. For many years the industry had many casualties. As the corporation developed it created greater certainty in the housing market and played an important role in creating a balance in land subdivisions in metropolitan Melbourne. That was not an issue for most areas outside metropolitan Melbourne.

In her contribution to the debate the Honourable Jeanette Powell referred to the Shepparton area, but throughout regional Victoria by and large there has been a supply of affordable housing and there have been some innovative housing projects for local regional markets and private developers responsive to local needs. The role of the corporation as an innovator and a body that has created some certainty in the industry was not as crucial in regional areas.

Whether there is a role for the new corporation outside the metropolitan area remains to be seen. It is possible, particularly in some of the major regional centres, that it could have a role. By and large the private sector has comfortably met the demands of those communities, even in the context of affordable housing. In most cases around Victoria outside of Melbourne affordability of housing is good. There could be exceptions that individual members might highlight, but as a generalisation it is fairly good.

As I said, there might be a role for the corporation in those areas, but the area that concerns me is a subtle shift in the functions described in proposed new section 6(1)(a) and (b), which are:

> (a) to purchase, consolidate, take on transfer or otherwise acquire land in metropolitan and regional areas for development for urban purposes; and
>
> (b) to carry out development of land alone or in partnership or to enter into arrangements or agreements for the development of land.

It then goes into the other functions of the new corporation. That subtle but important change effectively gives the Urban and Regional Land Corporation, as it is now to be known, an opportunity to become involved in commercial, industrial and retail development. It is a different focus from residential development.

The Honourable Glenyys Romanes alluded to an integrated approach to development. I can accept that there is some value in an integrated approach to development, such as retail facilities, land subdivision and other employment opportunities in those areas. It is valuable in creating communities as distinct from simply subdividing land. But the question is: who does it, and how is it done? In the past the Urban Land Corporation has provided transport links, community facilities and retail centres within subdivisions without undertaking those projects of its own volition. It has kept its major focus on the residential land subdivision, but has established ancillary facilities by bringing in private sector partners and private sector developers for those projects.

It has not been constrained from doing that in the past, but it has done it in a different way from what might be anticipated from the provisions in proposed new section 6(1). While it has not been picked up by honourable members of the other place or been referred to by honourable members in this house, from my experience of having worked with the Urban Land Corporation in the past and having observed it through local government and certainly having been aware of and overseen some of its work to some extent in the context of my role in this Parliament, I am concerned about that subtle but important potential change of direction.

I caution the house to take some note of that. The Honourable Glenyys Romanes referred to the Kennett government's approach to the Urban Land Corporation. During the Kennett government's period in office the Urban Land Corporation was not simply a fundraising area for government. I refer Ms Romanes back to the days of Andrew McCutcheon, when the then government was looking at fundraising and its aspirations for those funds, but I suggest the Urban Land Corporation continued to be an innovative authority through those years. It played a crucial role in developing a number of sites that were problematic and brought a number of areas of metropolitan Melbourne into the housing market, allowing for redevelopment and, in some cases, allowing for suitable housing projects.

The Urban Land Corporation played a key role in the sale of some sites after schools were closed in areas where the school populations did not continue to support the existing level of school facilities. The Urban Land Corporation also played a role in cleaning up contaminated sites and proved to be effective in being a leading agency that was capable of providing experts and consultants to treat land problems.

No other government agency had the capacity to address those problems. It did a lot of important work. It is interesting to observe that when the Labor government came to office and concern was expressed over the future of Waverley Park, one of the first people to beat a path to the corporation's door was the Minister for Sport and Recreation. He went to the Urban Land Corporation and said he was in a bind and asked whether it could come up with a development proposal for Waverley Park that might allow the government to keep the football ground that nobody wants to play on.

The Honourable Glenyys Romanes also referred to community facilities, particularly the integration of transport links and so on. She referred to Roxburgh Park. The Urban Land Corporation played a significant

role in creating what is a new suburb at Roxburgh Park, an exciting development that was on the drawing board in the years of the Kirner Labor government. The development was advanced and subdivision started under the Kennett government. Shopping facilities were constructed and there were plans for railway facilities and a station in the area. It was not something that was ignored or overlooked.

The culture of the Urban Land Corporation over many years has been to look at building communities, not simply to subdivide land. It has been mindful of the need to integrate community facilities, to provide retail facilities in areas as diverse as Meadow Mews, a centre just north of Broadmeadows, Roxburgh Park and facilities in Mont Park. It has always been mindful of that.

The bill is appropriate. I believe the new body will continue to do the fantastic, innovative work the Urban Land Corporation has done over the years. I urge the Urban and Regional Land Corporation to pursue further areas of housing development and subdivision that might involve sustainable housing. I am particularly interested in the introduction of a greater range of technology, such as solar power involvement in housing, schools, factories, shopping centres and so on.

As I have said before, schools have a great deal of roof space and it is possible to capture that solar power and reduce our demand on the grid, which will help our non-renewable energy resources. It is also possible to encourage the greater use of grey water to reduce the use of freshwater and to incorporate other aspects of design, including the siting of blocks and so on, to make maximum use of sunlight and thus reduce energy demand.

We can do a lot more. The community is looking for a greater diversity of housing from traditional housing that many developers have sought to provide. I must say that it was not just of their own volition. One of their problems — the Minister for Sport and Recreation probably knows more about this than many others in this place — came up when I used to challenge those real estate agents, developers and architects about their failure to come up with more innovative concepts. They would say, 'Even if we wanted to, we have this problem with the banks in getting finance for our developments because they are not sure that the market demand is there for that sort of product. Even if we wanted to have that sort of product, we found that the banks risk-averse policies were requiring us to duplicate the housing developments that really were starting to become dinosaurs in the market'. As I said earlier, the Urban Land Corporation made a significant break with those sorts of attitudes and allowed us to create a much more diverse housing market. That will be even more important in the future.

I do not have a problem with the newly named body moving into regional areas, although I am not sure that the demand for its services will be quite the same as they were in the metropolitan area. The reason it was based and functioned in the metropolitan area was quite specific. That is not a problem.

I express my reservations about the potential of paragraphs (a) and (b) of clause 6(1) and about where the corporation might go in the future. The best way of the corporation maintaining the integrity that has been built up over many years and continuing to be an effective and innovative agency of the government is to ensure it has an effective, competent, and independent management and board of directors.

The challenge for the government is to ensure that the best people are appointed, particularly to the board positions. When one changes the name of a organisation there is an opportunity to change those who sit around the board table — sometimes it is the only motivation in changing the name of an organisation. I am not sure and hope that is not the case here. I certainly hope the government is prudent and careful in the way it selects board directors in particular for the new corporation to ensure that it continues its good work and the innovation of which it has a proud history.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The Urban Land Corporation (ULC) has always been able to operate throughout Victoria but I suppose it had never done so under the previous government. This government's focus on regional areas has encouraged it to become involved in different things, as was mentioned earlier in the debate, such as the Horsham saleyards.

The government has been quite open about having a slightly different focus in policies. The bill is no different. It reflects the fact that the government's agenda is different from that of the previous

government. That involves recognising the needs of regional Victoria and is also reflected in part in the changes to the former Urban Land Corporation, including the name change. Those changes reflect a commitment to that agenda.

The bill has been introduced also in the interests of openness and transparency in government. The government has presented the name change and the modifications to the functions as provided by the bill so that they can be tabled in Parliament and put on the record. It should not be seen as a secret agenda but as one that can be debated publicly and openly. The government considers that to be a comment on open government, particularly with this bill.

I note also that opposition members have raised the potential differences in governance. The Urban Land Corporation (Amendment) Bill makes no changes to the composition of the board or the governance structures of the ULC. I reinforce that. The legislation will continue to provide that there may be up to seven members of the board. All the current members were appointed prior to October 1999 and many of them have already been reappointed. In making those reappointments though, consistent with the government's position of having an open and transparent process for board appointments generally, the government has called for expressions of interest from suitably qualified and experienced people to sit on the board of directors of the corporation.

To that end, an advertisement was placed in the *Age* of 3 March, seeking suitable expressions of interest. As is often the case with such appointments, many representations have been made about who might be appropriate appointees. In each case advice was given of the application process, as indicated in that advertisement. In the end, the board members appointed by the previous government have been reappointed, having already indicated their willingness to work with the government on the delivery of the government's new agenda for the ULC.

Clause agreed to; clauses 3 to 5 agreed to.

Clause 6

Hon. P. A. KATSAMBANIS (Monash) — In relation to the new functions given by clause 6 to the Urban Land Corporation, will the minister explain briefly what practical changes there will be to the direction, scope and condition of the corporation as a result of the changes in function from those in the existing act to those contemplated by the bill?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — As has already been raised in the debate, in relation to the new functions as articulated in clause 6, I am advised that a number of words highlight the potential difference between what might have been carried out by the Urban Land Corporation and what will be carried out by the Urban and Regional Land Corporation. They were highlighted by members of the opposition and I will highlight them again.

Clause 6(1)(a) provides that the emphasis is on the development of the land for urban purposes. When read in context with paragraph (d), which relates to community design, the emphasis is also on links to transport services and innovation and sustainable development. They really encompass a focus on where the potential direction may well move to, in innovative developments and not just, as has already been mentioned, the traditional land development subdivision. While the traditional model was effective commercially it may not necessarily be entirely appropriate for potential regional locations.

It also may not be entirely appropriate to develop land in isolation as subdivisions and not necessarily consider those other potential services or community links with the emphasis on community design, as specified in proposed new section 6(1)(d), which is necessary to articulate it clearly for better community building generally as well as better development and subdivision.

Hon. P. A. KATSAMBANIS (Monash) — I hear the minister's answer, but I seek an explanation about the functions and practices the new Urban and Regional Land Corporation will be able to undertake once the bill has passed that the present corporation is unable to do today under its current legislative functions.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — This matter was raised in the second-reading debate. It highlights the issues surrounding the traditional delivery of urban subdivision and the potential for other developers in the traditional market; that includes whether they are prepared to make a shift. I suppose there is an opportunity for them to articulate where the URLC may consider providing innovation in relation to the issues I mentioned before concerning community design and to potentially establishing innovative consideration in relation to community development and design and urban design, thereby leading what is often a conservative sector into innovative areas that may provide for sustainable development as expressed in proposed new section 6(1)(d).

Hon. P. A. KATSAMBANIS (Monash) — I hear the minister's answer. Based on his answers to the previous two questions will the minister confirm that the change made by the clause to the principal act is a change to target or direct the corporation's focus on certain activities rather than to enable it to perform functions and activities that it is currently not able to do under the provisions of the act?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — It is more about emphasising where potential innovation may lie and not necessarily articulating how that may occur in practice, because no doubt they are decisions for the board and management or for the Treasurer or Minister for Planning to direct the authority. As I emphasised earlier the management and board will remain unchanged.

It would not be expected that significant changes would be made in the direction of the corporation, but potentially there would be an emphasis on innovation and leadership of the sector in consideration of other new issues arising, such as sustainable development, environmental concerns and community design, which a more traditional model of market delivery may not necessarily potentially consider beyond what has been the traditional mode of delivery.

Hon. P. A. KATSAMBANIS (Monash) — I take it from that answer that the answer to my last question was yes. Given that it is, as the minister said, a change in emphasis, has the government issued any directions, guidelines or instructions to the corporation as to how to interpret the changing functions and emphases? If so, what are those guidelines, instructions or other directions or comments? If not, does the government intend to do so at some time in the future?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is why we have clearly articulated those matters in the subclauses of clause 6. The directions to the URLC have been articulated in a transparent manner, hence the second-reading debate about issues raised by the opposition. We aimed to put the issues on record, but the subclauses are actually directions to the board.

Hon. P. A. KATSAMBANIS (Monash) — Will the minister confirm that there are no intentions to issue other guidelines or directions over and above those contained in the legislative provisions and that the board will be able to interpret the new functions in the way it sees fit?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that there are no other issues considered outside the subclauses. It is a matter of transparency, putting them on record and having them as part of open and transparent government.

Hon. P. A. KATSAMBANIS (Monash) — Based on that, is the government satisfied that the composition of the current board has the skill set to undertake the new functions or emphases, as the minister said, that the government has placed upon certain functions of the corporation with this legislative change?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised, and I reinforce what I said earlier, that we have reappointed the board members who were appointed by the former government and that they have already indicated their willingness to work with the government on the delivery of its new agenda. That reinforces our confidence in the board members and the government structure, and reinforces their confidence in their ability to work within that structure and with those new changes.

Hon. P. A. KATSAMBANIS (Monash) — Does the government intend to supplement the existing board members with the appointment of any new board members so as to facilitate any of those new functions or in pursuance of good governance of the corporation?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised there is potentially one more vacancy on the board and that for gender balance within the board a female may be considered for the position.

Hon. P. A. KATSAMBANIS (Monash) — Do I take it from the minister's comment that only female candidates will be considered for that board vacancy?

Hon. M. M. Gould interjected.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is not the case but we would be looking for an opportunity to appoint a woman for gender balance.

Hon. P. A. KATSAMBANIS (Monash) — I find the last two answers extraordinary. One answer said that for gender purposes the government was looking for a female board member, yet following the interjection of the Leader of the Government the answer to my most recent question contradicted the answer to the second-last question.

I now seek a final position on this from the minister. Is it to be taken that the government intends — —

Hon. M. M. Gould interjected.

Hon. P. A. KATSAMBANIS — I pick up on the interjection of the Leader of the Government. The only person who put words into anyone's mouth was the Leader of the Government, who directed the minister at the table to answer my question. But I seek a final assurance: is it the intention of the government that the vacancy as outlined be filled by a female and a female only?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — No, I am advised that is not necessarily the case. As I indicated, for gender balance we would be looking to appoint a woman if that were possible, but the position would be filled by somebody with the appropriate skill set.

Hon. P. A. KATSAMBANIS (Monash) — By what process will the contemplated board member be appointed to the board?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it would be consistent with the government's process for making any other board appointments generally, which is to call for expressions of interest from suitably qualified and experienced people to sit on the board of directors.

Hon. P. A. KATSAMBANIS (Monash) — What time frame is contemplated for the expressions of interest and the appointment of this board member?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that there is no immediate time frame, that the board currently has a quorum and that it is able to act with that quorum.

Hon. P. A. KATSAMBANIS (Monash) — Will the necessity for the appointment of a new board member be determined by the government or by instructions received from the current board of directors of the corporation?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that issue will be discussed with the board.

Hon. P. A. KATSAMBANIS (Monash) — In answer to a previous question the minister suggested that the skill set of the potential appointee would be taken into account. What in summary would be the nature of the skill set that the minister or the government would contemplate a potential member of this board would have?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — While I do not have exact details of the sort of skill set that might be considered, it would be seen as complementary to the skills of existing board members and appropriate within the sector. The skills would certainly be in the areas of finance, law, personnel-type experience and experience in the construction and development industry. We would always look for the best possible appointment to a position of this nature.

Hon. P. A. KATSAMBANIS (Monash) — In the range of skills the minister just outlined — finance, law, human resources, et cetera — is there any identified or perceived lack of that particular type of skill with the composition the current board?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that that is not case, but certainly, as I said previously, discussion would take place with the members of the board, and they might advise as to the sorts of additional complementary skills the board could potentially use.

Hon. P. A. KATSAMBANIS (Monash) — Would experience in urban design and development and/or experience in areas such as sustainable development be considered a skill set that is available generally with the composition of the current board?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that skill sets of that nature certainly might be worth considering, but, as is often the case with many of these positions, board members do not necessarily make appointments based on one skill set alone. In the vast majority of cases there are a number of complementary skills, and that would be the expectation with any further appointments.

Hon. B. N. ATKINSON (Koonung) — Will the Minister help me with some of the definitions — for instance, the expression 'urban purposes' is used in proposed new section 6(1)(a). What exactly does the minister mean by 'urban'?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — That can take on a broad range of definitions. In this situation urban would probably relate to a subdivision of a more built-up nature, and I use that term generally. It would not be limited to the traditional quarter-acre blocks but rather to development that might relate to an urban setting.

I suppose in some ways it would be development that we may consider appropriate for different demographics and the changing nature of those demographics in future years as well, considering that those issues would need to be taken into account in the light of development generally. But as well as that, it would be development well into future years,

potentially on the demographic shifts that may take place in regional Victoria, where there may be needs for certain developments that do not now exist but may be in demand as a result of shifting demographics in years to come.

Hon. B. N. ATKINSON (Koonung) — I picked up a lot about shifting demographics! Had I been trying to achieve just what the minister's answer provided me I would have used the expression 'residential purposes' not 'urban purposes'. Will the minister explain whether urban purposes encompasses factories, offices, retail facilities, entertainment venues and so forth?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that in that instance 'urban purposes' should be considered in the light of proposed subsections (a) and (d) to complement one another. Proposed subsection (d) relates to best practices in urban and community design, transport services and sustainable development. So it may well include some of the issues Mr Atkinson has raised in relation to complementing community building and community design.

The term 'urban purposes' is more of a holistic approach to land development or development generally, rather than just the traditional subdivision of land per se.

Hon. B. N. ATKINSON (Koonung) — Will the minister also clarify for me what is meant by 'development' in the context of the land that is to be produced by the Urban Land Corporation in future? In other words, development can have several connotations, as the minister is aware. Will he clarify what 'development' means in the context of this legislation?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it could mean a number of uses. It could relate not only to the physical development of land per se but also to the economic criteria under which development takes place. That is nothing new either, because the traditional role of the Urban Land Corporation has been connected to both the physical and economic development of the land to enable the traditional subdivision process to occur. Therefore development in that context would not be different. It would mean the physical infrastructure development as well as the economic flow-on and potential profit or commercial relationships extending from that, based on the physical development. So it is both physical and economic development in conjunction.

Hon. B. N. ATKINSON (Koonung) — Will the minister explain to me in the context of this legislation what 'partnership' means? In proposed subsection (b) the government talks about the corporation being able to carry out development of land alone or in partnership. Presumably that means in partnership with private sector parties or perhaps other government agencies. Will the minister clarify the meaning of the word 'partnership'?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that 'partnership' could relate to either commercial partnerships or government partnerships, but again that is nothing that is potentially new with regard to partnerships that may have traditionally taken place with the Urban Land Corporation. I suppose if there are any innovative ways to enter into partnerships, that would be considered by the board accordingly, based on the expertise of its members.

Hon. B. N. ATKINSON (Koonung) — Will the minister provide an example of a partnership the ULC has previously been involved in that might explain how this partnership will go forward?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that a good example of such a partnership is the development taking place in Horsham and the partnership arrangement with the local government body and the way that has been able to deliver that land for development purposes. I believe that stands as an example of an innovative partnership where both local government and state government have significant priorities and are able to bring them together in a manner that complements the needs of the community where the development is taking place.

Hon. B. N. ATKINSON (Koonung) — I am interested in how the Horsham development has proceeded ahead of this legislation, which would seem to be the legislation that enables that development or the opportunity for the corporation to proceed there. The minister may reflect on that point. However, I also wonder just what is the nature of that partnership with the council. Is it a joint financial venture or is it simply the council's housing development aspirations being met by that project?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am not sure whether the first part of the honourable member's remarks was a question. There was a comment then a question, and I am not sure whether there are two questions or one.

Hon. B. N. ATKINSON (Koonung) — There is part (a) and part (b). I am interested in how we have become involved in the Horsham project ahead of the legislation. That is a question. Then, what is the nature of that partnership with the council? Is it financial?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the answer to part (a) of the question is that this is not enabling legislation as such. The reason it has been brought to the house is that it is part of clearer, more transparent government, enabling the issues to be debated, as they have been, and laid out on the table for all to see.

With regard to the second part of the honourable member's question, although I do not have the exact financial details on the land development in Horsham, if there are particular issues of interest to the honourable member, I can ask the Minister for Planning to make those details available to him.

Hon. B. N. ATKINSON (Koonung) — I would be interested in that information, but my question went more towards what the minister means by the word 'partnership'. I am not sure that was entirely answered. I wonder if the minister would advise me whether the legislation, in particular paragraphs (a) and (b) of proposed new section 6(1), will enable the government to become involved in the development of industrial parks, particularly in regional Victoria?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that there is potential for different types of subdivisions, but also different types of community design, as mentioned in those paragraphs, and different types of development generally. Appreciating that in regional Victoria the issues of residential development and of locating jobs near residential developments may serve as a facilitator for adding value to any development, I am sure the corporation might potentially consider combinations of them to better facilitate urban and community design to make any potential development more livable in many ways.

Hon. B. N. ATKINSON (Koonung) — Can I just explore the process by which a minister might give directions to the Urban and Regional Land Corporation in the context of that answer? What are the provisions in the legislation for the minister to give directions to the board?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Will the honourable member repeat the question?

Hon. B. N. ATKINSON (Koonung) — I am interested in the opportunities of a minister to influence, require or encourage the Urban and Regional Land Corporation to pursue particular projects in the interests of the greater good of Victoria. I am interested in what provisions there might be in the bill for handing ministerial directions to the Urban and Regional Land Corporation.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that proposed new section 6(1) requires the ULC to carry out its functions on a commercial basis and that the ULC may be directed by the Treasurer, after consultation with the Minister for Planning, to perform non-commercial functions that the Treasurer considers to be in the public interest. If it satisfies the Treasurer that it has suffered financial detriment as a result of being directed to perform a non-commercial function, the ULC may be reimbursed from the consolidated fund an amount determined by the Treasurer.

Hon. B. N. ATKINSON (Koonung) — Thank you. Is it the government's intention to explore incentives through land packages for industries in regional areas as part of the innovation charter of the corporation?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Can the honourable member repeat the question, please?

Hon. B. N. ATKINSON (Koonung) — Is it the government's intention to explore land incentives for industry in regional areas as part of the innovation component of the corporation?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that in matters relating to circumstances like these it is not easy to qualify a hypothetical issue. However, certainly those issues would need to be considered closely in conjunction with the board and the management of the Urban and Regional Land Corporation.

Hon. B. N. ATKINSON (Koonung) — On the issue of housing affordability referred to in proposed new section 6(1)(e), how does the government intend to pursue housing affordability through the corporation? Is that by way of subsidies or some other device? Could the minister elaborate, please?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I can repeat the clause I have just read on directions by the Treasurer, but I do not believe I need to because the honourable member has an understanding of that point. The issue really pertains to a subsidy by government based on what the Treasurer

would be directing the Urban and Regional Land Corporation to consider. The Urban and Regional Land Corporation would thereby be seeking reimbursement from the consolidated fund.

However, in terms of housing affordability, the emphasis should be housing affordability in the light of innovation. The honourable member would be well aware that innovation often comes at a cost, which sometimes makes the affordability of innovation in housing difficult for purchasers. The corporation might be encouraging the culture of certain innovation within the housing sector and thereby hoping to lead what is a traditionally conservative market into areas with a value-added potential or into areas of commercial benefit to the entire sector.

Hon. B. N. ATKINSON (Koonung) — Finally, I seek clarification of a point raised by the Honourable Peter Katsambanis. The corporation could now move into the development of industrial parks, it could provide land for a new industry in some part of Victoria, and it could develop a shopping centre or such like; I understand all that. Do I also understand correctly that the minister suggested to my colleague earlier that the corporation will receive no guidelines from the government to accompany these new responsibilities?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I could repeat the subclauses the honourable member is already aware of in the act which I am advised direct the Urban and Regional Land Corporation on what its priorities should be. However, that should be considered in the light of the other comments I made relating to proposed new section 6, which requires the URLC to carry out its functions on a commercial basis.

I qualify that by saying the URLC may be directed by the Treasurer after consultation with the Minister for Planning to perform non-commercial functions that the Treasurer considers to be in the public interest.

In light of that comment, there may well be in the future — although again it is a hypothetical situation — issues raised by the Minister for Planning and the Treasurer that the Urban and Regional Land Corporation will be required to consider or take on board. That issue and the way in which the URLC may need to be reimbursed from the consolidated fund are matters for the Treasurer, in particular, and for the Minister for Planning.

The clear emphasis is on residential development, and that will be the main role of the Urban and Regional Land Corporation, but there is potential for other areas as well. The expertise of the corporation lies with residential development, and that is what the Urban and Regional Land Corporation has traditionally delivered.

It is not expected that the board, which already exists and has existed for some years, will experience a radical shift overnight in relation to those issues. Issues will be well considered on a commercial and economic basis.

Hon. P. A. KATSAMBANIS (Monash) — I place on record my thanks to the minister for his cooperation in the committee stage, and in particular for taking heed of my comments to him that I would be seeking to have certain issues clarified in committee and coming up with the statement he did in relation to clause 2. That certainly expedited the committee process, and I thank him for it.

Clause agreed to; clauses 7 to 11 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

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

That this bill be now read a third time.

I thank honourable members for their contributions. The level of debate on the bill has been significant in clarifying the reasons for bringing it to the house.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ADJOURNMENT

Hon. M. M. GOULD (Minister for Industrial Relations) — I move:

That the house do now adjourn.

Berwick Primary School

Hon. N. B. LUCAS (Eumemmerring) — I wish to raise a matter with the Minister for Sport and Recreation representing the Minister for Education in the other place. It concerns the relocation of Berwick Primary School. Page 3 of today's *Pakenham-Berwick*

Gazette contains an article by Jim Mynard which includes what I think is an unprecedented comment by the chief executive of the City of Casey, Mike Tyler. He expresses the view that the Department of Education, Employment and Training has failed the Berwick community. He is quoted as saying:

> … that DEET officers were doing a poor job in implementing the government commitment to a new school for Berwick.

I have mentioned this matter in the house before. Basically it relates to the fact that there were two sites for this proposed relocation and the site chosen by this Labor government is different from the one indicated by the former Minister for Education, Mr Gude, as being the proposed location. Mr Tyler is quoted as saying in relation to issues involving the site chosen by this government that the site:

> … included poor ground conditions, which added an estimated $1.5 million to the cost of constructing the new school, traffic and parking problems, uncertainties surrounding the timing of servicing and road construction and schedules planned by the landowner.

He goes on to say:

> It was indeed surprising in any event that the site suitability report was not considered before the announcement of the site, rather than have to reverse the decision after the site had been publicly announced.
>
> This is an example of the bumbling which has dogged this school relocation project.

Mr Tyler is further quoted as saying:

> Not only did DEET select a poor site, and is now encountering problems because of the poor decision, it is not exercising powers which it has to bring this matter to a conclusion.

The people of Berwick are very concerned about this, particularly those whose children are at the primary school which is totally overcrowded. This is the third time I have raised this matter in this house and I still do not have an answer from the Minister for Education. The people of Berwick are sick and tired of the whole issue. Will the minister give the necessary instructions to her department to achieve some finality on the site of the relocation in order that construction activity can commence as soon as possible?

Crime: Ballarat victims assistance

Hon. D. G. HADDEN (Ballarat) — I raise a matter for the Minister for Small Business representing the Attorney-General in the other place. I am aware that the Bracks government is conducting a review into services for victims of crime and that the working party is chaired by the honourable member for Burwood in the other place. I note that the terms of reference for the review are: the identification of government-funded agencies which provide services to victims of crime; evaluation of the efficiency of service delivery; identification of any duplication and any gaps in service delivery; and identification of any changes to service delivery.

I would therefore be pleased if the Attorney-General could ensure that the working party seeks submissions from the Ballarat Centre Against Sexual Assault, the Women's Resource and Information Support Centre in Ballarat, the Ballarat community health centre, the Women's Health Grampians Family Violence Outreach Service and Wimmera Uniting Care in Horsham as these highly regarded organisations provide an invaluable service to victims of crime in the Grampians region of rural Victoria.

First home owners grant scheme

Hon. B. W. BISHOP (North Western) — I raise with the Minister for Energy and Resources as the representative in this house of the Treasurer the first home owners grant scheme. It is a great scheme. However, a constituent of mine who has never owned a home before, either solely or jointly, apparently is precluded from applying for the scheme as his wife of 12 months had previously owned a home. My constituent states that his wife owned a home during her previous marriage, she was not entitled to any assistance at that time and the house was sold on dissolution of the marriage.

My office contacted the State Revenue Office and I must say that its response was very fast and very courteous, as I have observed with previous representations made to it. It was a very complete response. I understand the process so I will not go through the whole answer, but I will refer to three paragraphs of the letter. It states:

> One of the principles on which the grant scheme was based was that to be eligible, an applicant or their spouse must not have owned a home prior to 1 July 2000, whether jointly, separately or with some other person.

The letter further states:

> As a consequence of Mr Bishop's constituent's spouse owning residential property prior to 1 July 2000, they are, unfortunately, not eligible for assistance under the FHOG scheme.
>
> While I appreciate and empathise with the circumstances that have led to the constituent's request, I regret that the commissioner is unable to allow any exception in circumstances such as those set out.

I ask the Treasurer to examine issues such as these. Clearly my constituent's wife gained little or no benefit from the previous home ownership due to the marriage break-up. Perhaps an asset-type exemption for those in a relationship where one party has owned a house and then lost that advantage due to no particular circumstances might be considered.

Police: Knox speed radar

Hon. G. B. ASHMAN (Koonung) — I raise a matter with the Minister for Sport and Recreation representing the Minister for Police and Emergency Services in another place. The City of Knox has recently committed $4000 of ratepayer funds to purchase a radar speed detector. I understand that this device has a life of about 10 years. The device has been purchased for supply to the Knox police and use by the traffic operations group. The rider that comes with the donation of this radar detector is that it will be used only within the City of Knox. This raises a number of issues in terms of police resources and the municipality seeking to direct the police on how they conduct their operations. A number of people have raised with me the concern that in utilising this radar gun the police may be diverting resources from other policing activities.

I am seeking from the minister an assurance that there will not be any adjustment of policing priorities within the traffic operations group and the broader police service in that outer eastern region to accommodate any demands which are made by the City of Knox for policing of its minor roads with this radar gun.

Powercor: customer complaints

Hon. E. C. CARBINES (Geelong) — I would like to draw to the attention of the Minister for Energy and Resources an article on the front page of today's *Geelong Advertiser* entitled 'Shock to the system'. The article has a subheading that says:

> Named: Powercor tops the list of complaints against state electricity companies.

I would like to read a little of it. It states:

> Powercor is the most complained about electricity provider in the state, and the company wants to apologise to Geelong.
>
> …
>
> Powercor topped a list of complaints against Victorian electricity companies compiled by the Energy Industry Ombudsman and released yesterday.
>
> A total of 86 complaints lodged against Powercor comprised almost half the complaint investigations undertaken by the Ombudsman against all five electricity companies.
>
> …
>
> Powercor pegged up by far the most inquiries to the Ombudsman — with a total 652 or 32.2 per cent of the state's total — and the most consultations, with 138 or 38.5 per cent.
>
> …
>
> The report showed a significant rise in calls to the ombudsman in the six months to the end of last year on the same period for the previous year.

I can certainly attest to the level of dissatisfaction with Powercor by Geelong residents. We regularly experience blackouts, as I am sure the minister has heard me say in this house before. Constituents often raise the unreliability of the electricity supply with me, so I am not at all surprised that the Energy Industry Ombudsman has received so many complaints about Powercor. I ask the minister to outline what actions are proposed in response to the report.

Courts: jury payments

Hon. P. R. HALL (Gippsland) — I raise with the Minister for Small Business, representing the Attorney-General in another place, the matter of jury service. Jury service is an important function and members of our communities are called upon to serve from time to time. In most instances people do it willingly and do a great job.

It has been brought to my attention by one of my constituents that the current rate of pay for doing jury service is $36 per day for the first six days and $72 per day thereafter. If one is a self-employed person, a small business person or a farmer, serving on a jury is at great financial expense to the person who has to sacrifice a day's pay — and often it is not just a single day's pay; it is many days pay. So although I think people are generally prepared to serve their communities in a way, they also feel they should at least be adequately compensated for the loss of salary incurred in doing so.

My request to the Attorney-General is to look into this matter and to revise the payments made to people doing jury service, and particularly to ensure that self-employed people are better compensated for doing jury service.

Waverley Park

Hon. B. N. ATKINSON (Koonung) — I raise a matter for the Minister assisting the Minister for Planning. I notice that the Australian Football League, through agents, has advertised Waverley Park for sale with expressions of interest to close on Friday, 29 June. I am mindful that the minister has previously told the house that last year he met with and instructed the Urban Land Corporation to prepare a redevelopment proposal for Waverley Park with a view to assessing

potential development options for the venue. Will the minister inform the house whether he has had any further meetings with the Urban Land Corporation about the redevelopment of Waverley Park in the past six months, and does he expect the Urban Land Corporation to lodge a submission for a tender for Waverley Park?

Syndicate Club

Hon. R. F. SMITH (Chelsea) — I raise a matter with the Minister for Consumer Affairs. I have been made aware of a fundraising scheme called the Syndicate Club that is being peddled to sporting clubs around Australia, including Australian Football League clubs in Victoria, as a way of raising much-needed funds.

A South Australian firm is promoting the Syndicate Club. There is also a web site for the club. The scheme is apparently peddled on the basis that sporting clubs will be able to raise up to $50 000 in the first year by encouraging members to participate in lotto games three times a week. The scheme is dependent upon players finding new members of the syndicate to increase the money received by the club. I am concerned that this scheme may in fact be an unlawful pyramid selling scheme, which like all pyramid schemes will eventually collapse and leave those who joined last out of pocket.

Is the minister aware of this scheme, and if so, what are she and her colleague the Minister for Gaming doing about it?

Goulburn Valley Centre for Disability Services

Hon. E. J. POWELL (North Eastern) — I raise an issue with the Minister for Small Business, representing the Minister for Community Services in another place. I recently had a letter from the chief executive officer of the Goulburn Valley Centre for Disability Services, Mr Bruce Giovanetti, who gave me a copy of a letter he sent to the Minister for Community Services. His organisation has been going for about 50 years providing adult training and support services for people with disabilities. It also has residential care.

The issue the centre wanted me to raise with the minister, because it still has not received a response and is starting to get concerned, relates to productivity savings. Mr Giovanetti says:

> I am aware that the disability services division is preparing a recommendation to you concerning productivity savings for the disability sector for the year 2001–02 budget.
>
> Last year your department, through the state budget, recommended that a 1 per cent saving on consumable items be introduced, the first budget cut since the early years of the Kennett government.

He goes on to say:

> With the considerable inherited surplus that the government has available to it, the imposition of product savings requirements on funded disability service providers is totally unjustified. As a non-government service provider we believe the current unit cost funding allocated by your department is inadequate, this is reinforced by the recent Auditor-General's performance audit of ID services in the state.

The letter continues:

> It was interesting to note that the Auditor-General found that non-government services are providing services to clients at 30 per cent less than similar services provided by your department.

Mr Giovanetti goes on to say that they operate with limited administration and management infrastructure, and yet still meet all the reporting and accounting requirements under the funding and service agreement.

The board has asked me to seek an assurance from the minister that there will be no further requirements for productivity savings by non-government agencies that receive state government funding for the provision of services to people with disabilities for the 2001–02 financial year.

Berwick hospital

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — The matter I raise for the Minister for Industrial Relations to direct to the attention of the Minister for Health in the other place relates to the proposed Berwick hospital. I will provide honourable members with some background. Prior to the last election in 1999 the former government underwent a tender process for the construction of a privately owned and operated public hospital in Berwick.

Prior to the last election the Ramsay group was announced as the successful tenderer, but unfortunately the election intervened and the contract with Ramsay was never signed. Subsequently the Ramsay group pulled out of that project and the government went to the second tenderer, the Mercy group.

For the past 12 months the Bracks government has been involved in negotiations with the Mercy group for the construction of the Berwick hospital. Unfortunately in that 12-month — now 18-month — period nothing happened, until about three weeks to four weeks ago when the Minister for Health announced that he had purchased a site in Berwick for $2.6 million for the

construction of the hospital. But two weeks after the minister's announcement that he had purchased the site, the Mercy group announced that it was pulling out of the construction of the Berwick hospital.

Eighteen months after the change of government, no progress has been made towards the construction of the Berwick hospital. The situation is of increasing concern to my constituents in Berwick and to the broader community in the south-eastern suburbs. It also creates issues for surrounding hospitals about what they will do and how they will have to structure their services towards the operation of the new public hospital.

I ask that the Minister for Health ensures that the project is put back on the agenda and that the residents of Berwick have their public hospital delivered. Had the Ramsay tender, as had been decided on by the previous government, been proceeded with, later this year we would be walking into a new hospital in Berwick. Because of the change of government and the change of tenderers, nothing is happening on that site. Time has been wasted and it is time the people of Berwick had their hospital.

Skate parks: insurance

Hon. W. I. SMITH (Silvan) — The matter I raise for the attention of the Minister for Sport and Recreation concerns skateboarding, in-line skating and BMX riding. Matthew Jones, a youth worker and teacher at the Ringwood Secondary College, has written to me — I am happy to give the minister a copy of the letter — about funding of the facilities and who takes responsibility for the facilities insurance-wise. Local government and the public sector build these facilities, and they take responsibility for any injuries liability.

The United States of America and Australia are similar in that local councils take responsibility for building these facilities. In 1990 the legislation in the United States was amended so that the liability went from the vendor to the user. Apparently there was a huge increase in the facilities being built in the United States. The suggestion is that the same occur inside Victoria, so that local government and the private sector can construct facilities to cater for these sorts of activities. In his letter Matthew states:

> As a youth worker, secondary school teacher and skateboard enthusiast, I personally believe that making it legally appealing for individuals to build indoor facilities to cater for the abovementioned interests would enable the demand for such venues to be met. Just as important it would provide a safer alternative for users than what is presently available, i.e. streets, car parks, walkways.

I direct the matter to the attention of the minister. I will encourage Matthew to approach the minister. I will give him a copy of the letter and ask him to take the issue on board. There is no doubt that increasing some of the facilities for youths in the Ringwood and Croydon area would be a great incentive for the kids who are out on the streets with skateboards. I ask the minister to pick up the matter and look at the possibility of changing the legislation, the Victorian Occupational Users Act 1983.

Graffiti

Hon. P. A. KATSAMBANIS (Monash) — I raise an urgent matter for the Minister for Small Business to forward to the Attorney-General in the other place. It relates to an emerging and very serious problem in inner Melbourne, particularly in areas of my electorate, to do with a new and rather insidious form of graffiti, which seems to be commercial advertising spray-painted with indelible paint — either water-based or enamel-based — onto footpaths and buildings in local areas. It is manifest in some areas of the central business district, but particularly in and around the Chapel Street, Prahran, area in my electorate where you can walk for hundreds of metres and see many logos spray-painted on footpaths.

Hon. M. R. Thomson — They are commercial logos?

Hon. P. A. KATSAMBANIS — They are generally commercial logos advertising either products, companies, or events in the main. They are clearly a visual eyesore and add significantly to the problems with graffiti that are emerging in my local area.

It is nothing more than an urban blight in which our public footpaths and buildings are being used for commercial advantage. That is nothing more than corporate vandalism.

If honourable members cared to stroll down Chapel Street or Commercial Road and the streets around that area they would see the graffiti almost everywhere. We all know that it is generally difficult to catch the culprits because they wait until the dead of night. This graffiti is advertising either a product, a business or an event, so it is clearly traceable. I call on the Attorney-General to examine ways the law can be utilised to prosecute these people to ensure that this visual eyesore does not continue in our local area and does not spread to other areas in Melbourne.

Winton Raceway

Hon. BILL FORWOOD (Templestowe) — I raise an issue with the Minister for Energy and Resources in

her capacity representing the Minister for State and Regional Development in the other place. On 27 and 29 June a planning panel is being convened to consider planning scheme amendment C4 for the Shire of Delatite in relation to the Winton Raceway. This is an important issue in the area and goes to the heart of the future of the Winton Raceway.

I ask the minister to instruct his department to give factual evidence at the planning scheme hearing on the importance of the Winton Raceway for the region and the region's viability. This is a practice that I know has occurred in the past. It is in no way anything other than sensible factual information being provided by one department to another part of government so that the other part of government is fully informed of important and crucial issues and information that may not be readily available from elsewhere. I ask the minister to address this issue quickly as the panel hearing is taking place on 27 and 29 June and it is a matter of some urgency. I hope the government will be able to instruct the department to participate in the proceedings.

GST: stamp duty

Hon. ANDREW BRIDESON (Waverley) — I refer the Minister for Energy and Resources, as the representative of the Treasurer in the other place, to an issue concerning a constituent, Jennifer Downes of Wheelers Hill. Ms Downes has written a colourful letter and states that she writes on behalf of all taxpayers of all persuasions. She complains bitterly and passionately about the gross inequity of having to pay 10 per cent stamp duty on top of a grossed up amount which includes GST on top of house and contents insurance as well as car insurance. She strongly objects to paying a tax on a tax. She cited a couple of examples. She pays $27 GST on her car registration and on top of that stamp duty of $29.70. On her car insurance she pays GST of $39.09 and stamp duty of $43. I said that she writes a colourful letter. She states:

> We fair-minded Australians who understand the necessity of taxation are sick and tired of being kicked in the guts for their efforts and told, 'Thanks very much, we'll have a bit of that as well'.

On behalf of my constituent I ask what the Treasurer's rationale is for putting a tax on a tax. Does the Treasurer intend to remove stamp duty from insurance and registration or does he intend to keep kicking fair-minded people?

Skate parks: Port Phillip

Hon. ANDREA COOTE (Monash) — The Minister for Sport and Recreation has spoken in this chamber on a number of occasions about skateboards and about how good skating is for young people because it encourages them to be involved in a healthy recreation and encourages leadership in the community, among other things. The City of Port Phillip has a severe drug problem and has many young people who have limited opportunities to do things. It has been suggested that a skate park be built in Elwood. The City of Port Phillip has put in for funding for the skate park but missed out on that funding, a matter I have raised in the house before. Last time I asked what they had done wrong and the minister said they needed to follow the guidelines, to go through the guidelines and reapply. The council did reapply and did not get funding. What must the City of Port Phillip do to receive financial assistance for this excellent and much-needed skate park facility?

Minister for Sport and Recreation: staff

Hon. K. M. SMITH (South Eastern) — The Minister for Sport and Recreation would be aware of an allocation of $3.8 million or $15.2 million over four years in the recent state budget for additional funding to support ministers to more effectively carry out their duties. Will the minister indicate to the house in his capacity as the Minister for Sport and Recreation, the Minister for Youth Affairs, and the Minister assisting the Minister for Planning that, as with the Minister for Small Business, that he will not have any access to this additional funding for ministerial or parliamentary staffing for his office to support him to more effectively carry out his duties?

Minister for Energy and Resources: staff

Hon. E. G. STONEY (Central Highlands) — I seek the assistance of the Minister for Energy and Resources and refer to the allocation of the additional $15.2 million in the recent state budget:

> … to support ministers to more effectively carry out their duties.

Will the minister indicate to the house that in her capacity as the Minister for Energy and Resources, Minister for Ports, and Minister assisting the Minister for State and Regional Development that, as with the Minister for Small Business, she will not have any access to additional funding for ministerial or parliamentary staffing?

Minister for Industrial Relations : staff

Hon. D. McL. DAVIS (East Yarra) — I ask the Leader of the Government — —

Honourable members interjecting.

The PRESIDENT — Order! I cannot hear the honourable member.

Hon. D. McL. DAVIS — I ask the Leader of the Government in her capacity as Minister for Industrial Relations and Minister assisting the Minister for Workcover, and as a minister who has a history of staffing and office issues, in relation to the recent budget allocation of $3.8 million or $15.2 million over four years for the support of ministers to more effectively carry out their duties, whether the same guarantee can be provided by her as was provided by the Minister for Small Business today, that she will not have access to any of the additional funding for ministerial or parliamentary staff?

Responses

Hon. M. M. GOULD (Minister for Industrial Relations) — The Honourable Gordon Rich-Phillips raised for the Minister for Health a matter regarding the potential development of Berwick Hospital. I will raise that issue with the minister and ask him to reply in the usual way.

The Honourable David Davis asked me a question about ministerial officers, and the answer is no.

Hon. C. C. BROAD (Minister for Energy and Resources) — The Honourable Barry Bishop raised for the Treasurer a matter regarding the eligibility criteria for the first time home owner grant scheme. I shall pass on the request to the Treasurer and ask him to respond in the usual way.

The Honourable Elaine Carbines raised complaints against electricity companies in the recent report by the Energy Industry Ombudsman and asked what action is proposed in response to the latest findings from the ombudsman. The government strongly supports the role undertaken by the ombudsman and believes it is an important element in the overall legislative regulatory regime designed to protect Victorian consumers. The ombudsman has recommended to companies that they should undertake an upgrade of their billing systems and ensure greater focus in resolving billing issues in the early stages to prevent the escalation of these cases which ultimately businesses end up paying for under arrangements where the ombudsman levies businesses. Indeed, the ombudsman has taken it a step further and provided assistance to the businesses to address these billing issues by identifying several ways in which the issue could be addressed. The government strongly endorses the actions taken by the ombudsman in suggesting how these problems can be addressed.

The Honourable Bill Forwood raised for the Minister for State and Regional Development a matter concerning the future of the Winton Raceway and asked that the minister instruct the department to submit to the panel hearings as a matter of urgency. I will pass on that request to the minister.

The Honourable Andrew Brideson raised for the Treasurer a matter concerning an objection by a constituent to certain stamp duties. I will refer that to the Treasurer.

The Honourable Graeme Stoney raised whether I have access to additional ministerial resources and the answer is no.

Hon. E. G. Stoney — On a point of order, Mr President, I understand the minister has said no to my question, and if that is the case the answer is ambiguous because it is not clear whether she is saying no, she will not answer the question, or no she is not getting any additional parliamentary staff.

The PRESIDENT — Order! I understand the minister was saying no to any additional parliamentary staff, is that so?

Hon. C. C. Broad — My answer was responsive to the question.

The PRESIDENT — Order! It is in the interests of the house for the minister to give a clear answer. The Honourable Graeme Stoney has raised a question about it — —

Hon. T. C. Theophanous interjected.

The PRESIDENT — Order! Will you keep quiet.

Hon. T. C. Theophanous interjected.

The PRESIDENT — Order! The Honourable Theo Theophanous continues to demonstrate his absolute ignorance of the procedures of this house. If he wants to object to the procedures of the Chair he should use the appropriate procedure.

Hon. T. C. Theophanous interjected.

The PRESIDENT — Order! If Mr Theophanous ever sought to quote a rule or a standing order I would be happy to entertain it. He has never once done that other than — —

Hon. T. C. Theophanous — Neither have you.

The PRESIDENT — Order! Sit down. I said there is some doubt about the response of the Minister for

Energy and Resources. I am giving the minister the opportunity to clarify it. If she is not prepared to do so, that is entirely up to her.

Hon. C. C. Broad — I believe my answer dispatched the question.

The PRESIDENT — Order! It certainly does. I was trying to resolve an ambiguity. You are quite right, because your answer does — —

Honourable members interjecting.

The PRESIDENT — Order! I call the Minister for Small Business.

Hon. M. R. THOMSON (Minister for Small Business) — The Honourable Dianne Hadden raised for the Attorney-General a matter regarding the review of services of victims of crime and seeks to ensure services are provided for Ballarat community groups and areas surrounding Ballarat. I will pass that on to the Attorney-General.

The Honourable Peter Hall raised a matter for the attention of the Attorney-General seeking a review of payments for jury service to reflect community circumstances. I will pass that on to the Attorney-General for a response.

The Honourable Bob Smith raised the matter of the Syndicate Club. My department has made me aware of this game, and Consumer and Business Affairs Victoria is examining the lotto scheme operated by the Syndicate Club. The initial indications are that it could be a pyramid selling scheme that uses lotto tickets as the basis for the scheme.

The South Australian Australian Football League clubs that have been approached are Port Adelaide and the Adelaide Crows. Consumer and Business Affairs Victoria has been in contact with the South Australian Office of Fair Trading, and they are working together on this issue. The Victorian clubs and the AFL have also been spoken to warning them about the possibility of this being a pyramid-selling exercise. Investigations into the matter will continue.

The Honourable Jeanette Powell raised a matter for the attention of the Minister for Community Services about the Goulburn Valley disability service in Shepparton and productivity savings. She asked that there be no productivity cuts for non-government providers.

The Honourable Peter Katsambanis raised a matter for the attention of the Attorney-General — I am not sure if it would be better referred to the Minister for Police and Emergency Services — concerning what appears to be commercial graffiti that is appearing on footpaths and buildings. He asked that the Attorney-General examine how the law could be used to prevent this practice from continuing.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Last night I raced out of the house and was unable to answer a question put to me by the Honourable Bill Forwood about Scotchmans Hill Vineyard and Scotchmans Road. I will refer that matter to the Minister for Major Projects and Tourism in the other place.

The Honourable Neil Lucas raised a matter regarding a new school at Berwick. I shall refer the matter to the Minister for Education.

The Honourable Gerald Ashman asked about speed detectors and the traffic operations group in the City of Knox. I will refer it to the Minister for Police and Emergency Services.

The Honourable Bruce Atkinson asked about Waverley Park. Although I am aware, as was discussed in a recent debate, about the Urban Land Corporation's best practice with difficult site development, I am not aware of any specific proposals in my role as Minister for Sport and Recreation or my role as Minister assisting the Minister for Planning. I recommend that the honourable members seek further information from the appropriate ministers.

The Honourable Wendy Smith asked about the Matthew Jones letter and skating facilities. I will seek to have a member of my department contact Matthew Jones to discuss the issue.

The Honourable Andrea Coote asked about the Elwood skate park proposal by the City of Port Phillip. I have had representations from Crs Julian Hill and Dick Gross, who made strong representations about the project, which looks to be a good one, but I believe there are some planning issues that require resolution. The honourable member would appreciate that planning issues are a significant matter in the establishment of any skate facility. I would encourage the City of Port Phillip to clarify those planning issues, and I look forward to a resubmission of the application for funding in future years.

In relation to the question asked by the Honourable Ken Smith, the answer is no.

Motion agreed to.

House adjourned 11.40 p.m.