PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

7 June 2001

(extract from Book 6)

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By authority of the Victorian Government Printer

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CONTENTS

THURSDAY, 7 JUNE 2001

QUESTIONS ON NOTICE

TUESDAY, 5 JUNE 2001

CONTENTS

THURSDAY, 7 JUNE 2001

Thursday, 7 June 2001

The DEPUTY PRESIDENT (Hon. B. W. Bishop) took the chair at 10.03 a m. and read the prayer.

PAPERS

Laid on table by Clerk:

Statutory rules under the following acts of Parliament:

Supreme Court Act 1986 — No. 50.

Supreme Court Act 1986 — Corporations (Victoria) Act 1990 — No. 49.

Transport Accident Act 1986 — No. 48.

Subordinate Legislation Act 1994 — Minister's exception certificates under section 8(4) in respect of Statutory Rules Nos. 49 and 50.

RACIAL AND RELIGIOUS TOLERANCE BILL

Second reading

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

That this bill be now read a second time.

The purpose of this bill is to enact laws to make racial and religious vilification unlawful.

Honourable members will be aware that Victoria is the most culturally diverse state in Australia.

The people of Victoria come from many different ethnic backgrounds and indigenous cultures and observe many different religious faiths.

Victorians take considerable pride in the fact that people from these diverse backgrounds live together harmoniously in our community.

This diversity has enriched Victoria.

This bill intends to ensure that we continue to reap the benefits of our multicultural society. It is surprising that Victoria is the only state which does not already have legislation of this type.

The main purpose of this bill is to enact racial and religious vilification laws. Before outlining the key elements of the bill however, it is important to put the legislation into context.

While the rule of law can influence behaviour, I want to emphasise that the government sees legislation as only one plank of the strategy in dealing with racial and religious vilification.

Most importantly we will focus on a range of non-legislative measures designed to promote tolerance and mutual respect, and to deal with conduct that vilifies.

The major means by which we will combat prejudice will be through education.

The Bracks government recognises the significant role that education plays in promoting tolerance and respect and we will put in place a range of measures designed to combat prejudice through the implementation of a comprehensive and long-term education campaign.

The government is committed to encouraging participation in the political process and creating a partnership between the people and their government.

In keeping with this commitment we consulted extensively, giving all Victorians the opportunity to have input into what form the bill should take. We held public and specific meetings throughout regional and metropolitan Victoria and carefully considered all submissions put to us.

The government has taken particular care in this bill about the implications for free speech. It is not intended to target trivial comment, impolite remarks or legitimate discussion.

The government recognises that freedom of expression is crucial to our democratic society and to the operation of democratic values such as the equal participation of every citizen in our society.

This bill is closely modelled on the equivalent New South Wales legislation and its impact on freedom of expression is extremely limited.

It is confined to prohibit only the most noxious form of conduct which incites hatred or contempt for a person or group on the basis of their race or religion.

Regrettably, there have been instances of abuse and harassment of this serious nature against ethnic or religious groups in Victoria.

The effect of this abuse is substantial. Victims feel the loss of reputation and a sense of not belonging to the broader community.

Society, as a whole, is the loser from their reduced participation.

The bill

I now turn to the substance of the bill.

A preamble stating the background and rationale has been included together with an objects clause to aid in the interpretation of the bill.

The bill provides for both civil remedies and an offence for racial and religious vilification.

The civil provisions apply only to conduct that, objectively, promotes the strong emotions of hate, revulsion or contempt against a person or group on the basis of their race or religion.

As conciliation will be the preferred approach in dealing with these matters, it is expected that all potential complainants will approach the Equal Opportunity Commission in the first instance.

The role of the Equal Opportunity Commission will be to determine whether, in fact, there is a prima facie case to answer.

The Equal Opportunity Commission will advise complainants of all the options available to them. Where a matter cannot be resolved by conciliation it may ultimately be referred to the Victorian Civil and Administrative Tribunal for hearing and decision.

In suitable cases the Equal Opportunity Commission will advise complainants of the existence of the criminal offence and the option to pursue that avenue.

A protocol will be developed between the Equal Opportunity Commission and Victoria Police on this matter.

Any person who suffers an impairment or who is reluctant to make a complaint on their own behalf can do so through another person or representative body authorised to act for them.

Exceptions are provided for conduct or discussion which is engaged in reasonably and in good faith in relation to an artistic performance or exhibition, as part of any statement or discussion for an academic, artistic, religious or scientific purpose or any other purpose in the public interest.

This exception clause is based on exceptions already existing in equivalent legislation in New South Wales and other jurisdictions.

These exceptions are not a shield for unrestrained abuse.

The case law demonstrates that the requirement that the conduct be done ‘reasonably and in good faith’, prevents immoderate or inflammatory conduct from being protected.

It should also be emphasised that these exceptions apply to discussion by any citizen, not only commentary by artists, academics or the media.

An exception also exists for private conversations or behaviour, which occurs in circumstances that indicate, objectively, that the parties did not intend to be seen or heard by anyone else.

For example, a private conversation in a private home will be taken not to have been intended to be heard by anyone else and will escape liability. The erection of an offensive sign in the front yard of a private home, which can clearly be viewed by any person passing by, however, is a different matter.

The bill provides for an offence where a person engages in conduct which intentionally incites hatred against a person or group or threatens harm to them or their property by reason of their race or religion.

This offence will be prosecuted by the police before the Magistrates Court with a maximum penalty of a $6000 fine or six months imprisonment.

A prosecution for this offence can only be commenced with the written approval of the Director of Public Prosecutions.

Consistent with the operation of the Equal Opportunity Act 1995, the bill also prohibits the victimisation of persons who have made a complaint or the assisting of another person to contravene this bill.

Employers will also be vicariously liable for vilification in the workplace which they have not taken steps to prevent.

The bill strikes an appropriate balance with freedom of expression by imposing liability only upon the most repugnant behaviour which actively urges and promotes hate.

Freedom of expression has never been an untrammelled freedom of any person to do or say what they please.

This is evidenced by the present limitations on freedom of expression recognised in our law such as defamation, blackmail and sedition laws.

It is important that Parliament state that extreme behaviour which has no regard for the rights of others to participate in society is unacceptable.

A clear message to the victims of vilification that the community at large rejects that behaviour is equally important.

I trust that all members will support the bill as appropriate legislation to combat racial and religious vilification.

I commend this bill to the house.

Debate adjourned on motion of Hon. C. A. FURLETTI (Templestowe).

Debate adjourned until next day.

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

Second reading

Debate resumed from 5 June; motions of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. PHILIP DAVIS (Gippsland) — In speaking on the Gas Industry Bill and the Gas Industry (Miscellaneous Amendments) Bill I indicate that the opposition does not oppose the legislation. My comments will be relatively brief because I do not think the legislation contains significant issues of controversy. It is, however, important to lay before the house the nature of the matters being considered.

The purpose of the bills is to provide a framework to facilitate the further development of the competitive gas market and to regulate the industry. It attempts to streamline the existing legislative framework so that the industry will end up with what is effectively a clean act, which will be its primary reference — that is, the Gas Industry Act 2001 — and a residual statute, the Gas Industry Act 1994, renamed the Gas Industry (Residual Provisions) Act 1994, which relates to the powers requisite to establish the present industry structure but not applicable to the ongoing regulation of the industry.

It is important to note that the gas industry has been through the same process as occurred with electricity reform — corporatisation and privatisation — and gas is now on the path towards full retail contestability. The mechanisms required to set up corporate governance and the subsequently privatised framework have ceased to be of significance in facilitating the change. There are, however, matters that require government oversight to ensure the proper and efficient delivery of services to Victorian customers.

Most pertinent for discussion is that the bill is part of a framework to progress the implementation of full retail contestability. Domestic gas customers can look forward to entering in September this year the retail competition environment. Because rules must be in place to govern the operation of that market, the bill provides for the development and approval of retail gas market rules. Those rules will provide for the various processes, systems and other matters required to enable customers to elect to purchase gas from different retailers. They will also allow the development of a settlement process for the wholesale gas market.

A new provision allows for the grant of limited exclusive gas franchises, which will provide an alternative way of dealing with the extension of existing gas pipelines and the recovery of costs. Probably this is one of the issues of significant interest to the opposition because of its implications for people who are not presently gas customers. Many communities around the state do not have reticulated gas, especially in rural areas where there is a high dependence on bottled gas. The price of bottled gas has of recent times increased substantially as global hydrocarbon markets have taken off, and we are seeing no diminution of those prices, so there is a keen interest among rural communities, whether from potential customer groups or local government, in the extension of gas pipeline networks. Clause 27 of the Gas Industry Bill seeks to provide an alternative way of dealing with gas pipeline extensions. I advise the house that the opposition will look forward to exploring that provision during the committee stage.

The bill also simplifies the cross-ownership requirements. Provision is now made to allow authorisations or determinations by the Australian Competition and Consumer Commission under the relevant merger or acquisition powers of the Trade Practices Act, which will then suffice to exempt applicants from duplicate Office of Regulator-General approval — in other words, it streamlines the procedures that presently exist to enable satisfactory transactions to take place in matters of the proprietorship of gas businesses.

It is also important to note that as was considered with recent electricity industry legislation, the government proposes to change the nature of the relationship between gas customers and distribution companies. Currently there is a conceptual issue of relationships between customers, retailers and distributors being referred to as the straight-line model, and as with electricity there will now be deemed contracts, which will create a triangular model. So there will be a deemed contract between a gas customer and distributor.

The deemed contracts provide certain duties and obligations on both customers and distributors to ensure the satisfactory management of the distribution, retail and customer issues. It is important to consider the nature of the legislation before us as not being a significant policy initiative by government as such, but a proposal in legislation to simplify the law and ensure that it is contemporaneous with the structure of the present industry. The situation has obviously moved on since the former Kennett government implemented the Gas Industry Act of 1994.

We have been through the extraordinarily challenging path of developing an alternate structure to that which was in place as a monopoly industry, and which was completely integrated, into an industry structure today which is disaggregated, where there is competition, a different operating environment and a much lesser role for the government. As a consequence there is a great deal more private sector interest in investment, such as recent developments in investment from additional exploration in Bass Strait and the Otway Basin. There is also additional onshore exploration occurring now. In Gippsland and western Victoria we are seeing extensions to pipelines in a wholesale market sense.

Honourable members will be aware that Bass Strait gas now produced out of Esso's Longford facility is going directly to the Sydney market via the energy pipeline connecting Longford to Sydney. A proposal is now on foot by Duke Energy to connect Longford to Tasmania. I am sure honourable members will be pleased to know we are likely to see additional producers entering the market as alternatives to what has been almost a monopoly in terms of production in Victoria. That will reduce the risk to supply, but also what is coming out of this is that communities are increasingly looking at how they might extend their gas reticulation access.

A number of communities with whom I have had discussions recently indicated a strong desire to extend gas reticulation. Indeed, that issue has been raised in this house. We have heard about government commitments on the Bellarine Peninsula. I am sure that as a result of that commitment to provide government funding to facilitate that pipeline extension many communities around the state now have high expectations of the government to provide equivalent support.

During the course of the debate I invite government members to outline how equity will be provided to communities across Victoria in that regard because we know the government has contributed $1.75 million to the gas pipeline extension and reticulation in the Bellarine Peninsula. I have had meetings with various local government officers around the state who have indicated a strong desire to see further extensions. The extensions will not just create a new reticulation area that has not previously had gas reticulated, but will involve extensions to existing communities that have expanded and where there is a difficulty in providing additional services because of the marginality of the rate of return from that capital investment.

Recently, and on a continuing basis, discussions have been held, for example, at Barwon Heads about the extension of pipelines. I have had discussions with the Northern Grampians Shire Council in the context of supply at Stawell, and I am sure the minister has had the opportunity to hear from the council on that issue. Some progress towards extensions has been seen where government has provided support. I was interested to see not that long ago in the Shire of Baw Baw the state government provided a grant of $100 000 to extend the natural gas pipeline to allow Flavorite Tomatoes to tap into gas services.

One of the things that consistently comes up is that there does not seem to be what I would describe as a uniform approach to these matters by government. It will be of some interest to opposition members to hear during the course of the debate, and particularly in the committee stage, as to how the provisions under clause 27 will operate so that the house might be informed of the alternative path I mentioned for the creation of an alternative mechanism for investment and cost recovery by gas reticulators to ensure new reticulation projects can proceed.

I am particularly interested to know how the Office of the Regulator-General will view these arrangements in the context of national agreements, and if indeed it will be possible for the distribution companies to have approvals from the ORG to ensure there is not adverse consideration as to the way that that return can be factored into the approved regulated rate of return that currently the ORG oversights.

I have had discussions with the Greater Bendigo City Council in recent times about the desire to extend reticulation systems at Bendigo. It is an example of another rural community looking forward to extensions. We have heard some debate in the house in recent days about gas extensions to Creswick, and I am sure the Honourable Dianne Hadden would be interested to know how the changes to the legislation that are incorporated in this rewrite of the gas industry legislation will affect opportunities for those extensions.

In their usual way opposition members have consulted with industry and other stakeholders about the impact

of the legislation. I must say not a great deal of concern has been expressed, but some industry participants have repeated the concern expressed about deemed contracts introduced by recent electricity legislation.

I am sure the government is aware that certain suppliers take the view that the deemed contract provisions are less than adequate in the sense that they are an unwarranted intervention in the way the market presently operates. It is probably true to say that those objections are consistent with the position taken by some of the electricity retailers. The representations have not been strong, but they have been made.

Some concern is held about the clauses covering cost recovery in connection with full retail contestability. Clause 69 of the Gas Industry Bill provides for Vencorp to recover costs arising from full retail competition. The concern relates to both the extent of the power to recover whatever the costs shall be deemed to be and the timing of the recovery of those costs. The concern is genuine, and there is a view that the legislation does not clearly reflect what the industry was comfortable with and what some industry participants felt was agreed.

Given the nature of the legislation, which essentially restructures existing provisions, the new provisions in general seem to the opposition not to be unreasonable. On the basis of both the endorsement and the lack of concern expressed by industry stakeholders, the opposition has no difficulty with the Gas Industry Bill — apart from it not being clear how clause 27 will operate in the extension of pipelines — and it will therefore not oppose it.

Hon. E. C. CARBINES (Geelong) — I am pleased to contribute to the debate in support of the Gas Industry Legislation (Miscellaneous Amendments) Bill and the Gas Industry Bill, which are being discussed conjointly. I am pleased to hear the opposition is not opposing the bills. Together they provide for the restructure and rationalisation of Victorian gas industry legislation. They will prepare Victoria for the introduction of full retail contestability of the gas industry by October 2002.

The bills virtually mirror legislation that has already been passed in relation to our electricity industry and provide for the ongoing regulation of the gas industry. They are especially important given that the privatised gas industry provides an essential service in Victoria. The Gas Industry Bill, which is the major bill, largely involves a re-enactment of the provisions contained in the Gas Industry Act 1994. However, significant new provisions are contained in the bill that reflect the move towards full retail contestability.

I am particularly interested in clause 27, which introduces the concept of the grant of licence for exclusive franchise. This clause will allow the Office of the Regulator-General to grant an application for limited exclusive franchises to gas distribution companies. This will be an added incentive for companies to invest in the necessary infrastructure for the provision of gas to Victorian townships that currently do not have access to a reticulated gas supply.

The passage of the bill will give companies that have been granted a licence for an exclusive franchise the security that, for the period of the licence, no other licensee will be authorised to provide services or sell gas in that area.

People who live in metropolitan Melbourne take the provision of and access to natural gas for granted, but in many rural and regional areas across Victoria, Victorians have no such access. A township in my electorate of Geelong Province, Barwon Heads, is one such example. The people of Barwon Heads have tried for many years to gain access to natural gas. The number of residents in Barwon Heads is steadily growing and a new resort, the 13th Beach resort, is currently being developed and is provoking much interest in the Barwon Heads area.

People in Barwon Heads who have gas appliances are forced to buy bottled gas, the price of which has escalated dramatically since the privatisation of the bottled gas industry by the former Kennett government. The current price around Geelong is about $72 a bottle. That is imposing financial hardship on many of my constituents, and since my election I have been very pleased to assist the residents of Barwon Heads on this matter.

I acknowledge the hard work of the Barwon Heads Association, and in particular Steve Craddock and Bob Gibson, who represent their community so well in its quest to gain access to a reticulated gas supply. Last year our local gas distributor in Geelong, TXU, sought and gained the support of Barwon Heads residents when they applied to the Office of the Regulator-General for a variation in the access arrangements in order to facilitate the provision of natural gas to Barwon Heads. TXU advised the Barwon Heads community and me that the Barwon Heads project had the in-house support of TXU and was a viable project. On that basis the Barwon Heads Association was very happy to support the application to the Regulator-General on behalf of TXU.

When the Regulator-General advised of its draft decision late last year, TXU advised me that under the

draft decision it could suffer financial penalties imposed by the Regulator-General should it commit to the Barwon Heads project. Accordingly, I made a submission to the Regulator-General based on his draft decision, asking him to clarify that point in light of the financial insecurity it posed for TXU, which put the future of the Barwon Heads project in jeopardy. I was very pleased when the Regulator-General brought down his final decision in February. He advised that his office was implementing an interim policy that would mean there would be no regulatory barrier to prevent TXU from proceeding with the Barwon Heads project. The financial insecurity for the Barwon Heads project had been removed, which was good news for the people of Barwon Heads.

The passage of the Gas Industry Bill is therefore an added incentive to TXU to proceed with the provision of a reticulated gas supply to Barwon Heads, and the residents look forward to TXU's commitment to the project. Indeed, I met with the Barwon Heads Association on this very matter last week, and the association and I have written to TXU seeking its commitment to the project. We are looking forward to its advice of the time line.

Clause 30 of the Gas Industry Bill outlines that the minister will determine the fees and charges to be specified in respect of a licence. These fees will reflect the cost of performing full regulatory functions. Clause 48 contains the provisions for deemed distribution contracts between gas consumers and the gas companies.

This clause mirrors the one introduced already in the electricity industry — the Electricity Industry Acts (Further Amendment) Act 2001. Clauses 60 to 68 detail the rules relating to the facilitation of retail competition across the gas market.

Part 5 of the bill is devoted to significant producers and details the provisions relating to them. Clause 112 provides that a review of the provisions relating to significant producers must occur before 30 June 2003. Part 6 relates to cross-ownership restrictions, and clause 129(3) aims to streamline regulation between the Office of the Regulator-General and the Australian Competition and Consumer Commission.

The minor bill being debated concurrently today — the Gas Industry Legislation (Miscellaneous Amendments) Bill — repeals provisions of the Gas Industry Act 1994, which is renamed the Gas Industry Act (Residual Provisions) Act 2001 and provides for amendments consequential upon the restructure of the Gas Industry Act.

The provision of gas to Victorians is obviously an essential service. I hope my constituents in Barwon Heads will see the benefits of the provisions in these two bills and that they provide the further incentive to TXU to provide reticulated gas to that township. I therefore commend the bills to the house.

Hon. P. R. HALL (Gippsland) — I am pleased to make a few comments on the Gas Industry Bill and the Gas Industry Legislation (Miscellaneous Amendments) Bill. This is a cognate debate and we are debating both those bills. I have said before in this house that legislation relating to electricity and gas is invariably complicated, and these bills are no different in that regard. It is interesting to link the two bills together to understand exactly the connections between them.

My succinct summary of the purposes of the bills goes something like this. The Gas Industry Bill for the most part is a re-enactment of the regulatory provisions that were contained in the Gas Industry Act 1994, but some new provisions are necessary for full retail competition — that is, customers being able to choose their retailers. The new Gas Industry Act 2001 will contain the provisions required for the ongoing regulation of the gas industry.

The other bill, the Gas Industry Legislation (Miscellaneous Amendments) Bill, amends the existing Gas Industry Act to transfer the necessary regulatory provisions to the new act. It will retain some provisions that are transitional in nature as the gas industry is restructured. It also renames the Gas Industry Act 1994, which becomes the Gas Industry (Residual Provisions) Act 1994. There is a fairly complicated relationship between those two bills. It is interesting that the Gas Industry Legislation (Miscellaneous Amendments) Bill changes the name of the Gas Industry Act to the Gas Industry (Residual Provisions) Act but does not actually change the year. The year stays the same. I am still not sure why we have a bill in 2001, renaming an act, but keep 1994 as the date of that old act. Nevertheless, people who know better than I about these things tell me that is in order.

The gas industry, like the electricity industry, has undergone significant change in recent years. Where once we simply had Esso as a producer of natural gas in Victoria and the Gas and Fuel Corporation as the distributor and retailer, we now have a much more complicated structure for the production, distribution and retailing of gas.

The old Gas and Fuel Corporation became Gascor, and in March 1997 the then government announced that Gascor would be disaggregated into new businesses,

and commenced operations as divisions of Gascor in July 1997. They went through a process of corporatisation in December 1997 and then were sold to the private sector in early 1999. There was a separation of the functions of distribution and retailing.

Victoria has three major distributors operating under the names of Westar, Stratus and Multinet. As new areas open up to gas distribution, some special arrangements provide for distribution into those areas and they become the subject of special distribution and retail arrangements, particularly areas like Mildura and East Gippsland in my electorate which is currently going through the process of getting a natural gas distribution network in place. They are subject to special distribution and retail arrangements.

On the retail side of the gas industry, three main retailers followed the disaggregation of Gascor — namely, Kinetik Energy, Energy 21 and Ikon Energy. There are additional licensed retailers in this state now, and some of those retail gas to some of the large users around the state.

Overseeing all those arrangements within the gas industry, as with the electricity industry, is the Office of the Regulator-General. I said recently in debate in this house that I continue to be impressed with the work of the Office of the Regulator-General, both in the work it is doing with the electricity and the gas industries, and I hope when it becomes the office of the essential services commissioner, that fine work will continue and continue with other utility areas as well.

The gas industry now has quite a complicated structure. Unlike the electricity industry, we do not have the same national market arrangements for gas due to the limited connections between states and the physical differences between commodities like gas and electricity. While we have a national electricity market with good connections, particularly with the eastern seaboard states, we do not have the same level of connections for gas, although some connections exist between New South Wales and Victoria, and connections have been upgraded since some problems arose with gas supply with the fire and explosion at the Esso plant at Longford a while ago. Some improvements have been made, but there is not the same interstate network connection as there is with electricity.

In recent years the eastern gas pipeline, which connects Longford to areas just south of Sydney, has been an excellent infrastructure project that has assisted with the supply of gas into the Sydney market. Duke Energy is currently involved in the planning process of another project that will link Victoria and Tasmania with natural gas. That will be a decided acquisition, particularly for Tasmania, which will have a very good supply of natural gas once that connection is made. It will certainly assist with its power production, because I understand one of the reasons the pipeline is going ahead is that there will be a connection to a power station at Bell Bay in Tasmania. They may be able to use gas-fired generation to produce electricity for that state.

As I said, the reason we do not have a national market for gas is because of the different physical properties of gas compared with electricity. I am told by people in this area that gas has directional flow so that if a pipeline connects Victoria and New South Wales, for instance, with the gas flowing from Victoria to New South Wales, it is not a simple matter to reverse the flow of gas and bring it in the other way. Gas is a much more complicated commodity to direct than electricity.

While we have a national electricity market controlled by Nemmco, the National Electricity Market Management Company, the only near equivalent for the gas market is the national gas pipelines advisory council.

The bills before the house provide for further steps towards full retail competition in the gas market. Retail competition currently exists for large users, but small households and businesses do not have the right of choice of retailer as yet — they are expected to have it by the target date set by the government of September 2001. But I understand that it will be very unlikely that householders will have the option of choosing their retailers at that time because of difficulties with the metering technology. It is believed a lot of work needs to be done quickly on the development of efficient and reasonably priced metering systems to enable households and small businesses to select their retailers by that date and full retail competition to take place.

I refer the house to a statement in the minister's second-reading speech on the Gas Industry Legislation (Miscellaneous Amendments) Bill, which states:

> … Victoria has moved to the stage of oversight of a private industry — one that provides an essential service.

I have two comments about that statement. The first is that the National Party is pleased the government is now embracing the privatisation of electricity and gas and can see some benefits. In her contribution the Honourable Elaine Carbines spoke about the benefits being achieved with the extension of the gas pipeline in her area. That has been possible only because of the efficiencies within the industry that have been driven by privatisation.

The other comment I make is that the second-reading speech contains repeated comments about the recognition of natural gas as being an essential service. I am pleased that that recognition is given, because I agree with it — I think gas is an essential service. Yet it should be recognised that significant parts of country Victoria in particular do not have access to that essential service. They are limited by the fact that they have to use bottled gas instead of natural gas. We should all recognise and concede that natural gas is an essential service and that a great effort should be made by the government and industry to work to ensure that all Victorians enjoy the benefits of those essential services.

That leads me to a point which has been one of the major focuses of the contributions from both the Honourable Philip Davis and the Honourable Elaine Carbines. It is in respect to clause 27 of the Gas Industry Bill, which deals with the granting of exclusive franchises to gas distribution companies or gas retailers. Firstly, that appears to be inconsistent with the general thrust of and the direction in which the industry is going. We are moving towards full retail competition within the industry, yet clauses in this bill still enable some distribution and retail companies to be granted exclusive franchises for an area. I repeat that that seems inconsistent with the general thrust and direction of change within the industry.

I agree with the comments of the previous two speakers that recognising that natural gas is an essential service is a very important and necessary part of the whole change within the gas industry. If that essential service is to be extended to new areas of regional and country Victoria, special arrangements need to be put in place. Even though the vast majority of gas in Victoria is produced in Gippsland, significant areas of Gippsland still do not have access to natural gas, particularly South Gippsland. Many parts of East Gippsland are about to get it with the eastern gas pipeline, but all of South Gippsland does not as yet have access to natural gas. Yet that is where the natural gas is produced, at the Esso plant at Longford.

It is a matter of economy as to whether natural gas can be extended to some of these areas in South Gippsland and other places. In order for that to occur there have to be some guarantees to encourage some of the investment companies to invest in distribution and retail systems. Unless an exclusive franchise is granted for the distribution and retail rights, the networks will never extend to some of those areas.

Clause 27 of the Gas Industry Bill, entitled ‘Grant of licence for exclusive franchise’ is an important part of this legislation. It outlines the role the Office of the Regulator-General can play in granting an application for a licence to provide distribution or retail services on an exclusive basis. Clauses 28 and 29 of the bill further elaborate on that.

It is interesting that no time limit is set for an exclusive franchise for distribution or retail. The only time frame suggested is that it be for the period specified in the licence. That is appropriate because it will enable commercial arrangements to be entered into which are attractive to people investing in the distribution and retail systems. They are very important provisions for country Victoria. I repeat that if natural gas is to be regarded as an essential service, those sorts of provisions are necessary to enable more people in Victoria to access that essential service.

I also want to comment on the amendment to the cross-ownership provisions of part 6 of the Gas Industry Act. It is a commonsense amendment. Currently both the Office of the Regulator-General and the Australian Competition and Consumer Commission must make an assessment of the impact of an acquisition or a merger within the industry. That is a duplication of effort. Essentially, the amendment to part 6 of the Gas Industry Act will have the effect that only the ACCC’s approval will be required for a merger or acquisition. That will come into effect on 1 July 2002. That is a commonsense provision.

As to what the community thinks of this legislation, as the Honourable Philip Davis said, people with an interest in this subject have not expressed a lot of concerns. I am thankful for and I publicly recognise the efforts of the company Multinet Gas, which replied extensively to my inquiries. I appreciate the comments it has made. The Honourable Philip Davis has referred to some of its comments about deemed contracts. There have been a few queries about those. But generally the issues are minor and I think the gas company and government officers can work through them to achieve a sensible outcome. So in terms of consultation, a significant number of issues have not been raised by those the National Party has consulted with. I particularly want to thank Multinet Gas for its comments on the bills.

The National Party is not opposing the proposed legislation. It recognises that it is a further step towards full retail competition. It is complicated but at the same time commonsense legislation. Our members have particular interest in the extension of natural gas connections to other parts of regional and country Victoria. We will be strong advocates for and watch that issue with a great deal of interest. We trust that

those parts of this legislation relating to that work well and encourage the necessary investment for the essential service to be extended to all Victorians. The National Party will not oppose the bills.

Hon. C. A. STRONG (Higinbotham) — I also wish to make a contribution on the Gas Industry Bill and the Gas Industry Legislation (Miscellaneous Amendments) Bill being debated cognately today.

It is worth touching on what these bills do. Essentially the main purpose of the bills is to restructure the existing Gas Industry Act 1994. Most honourable members who have been here for a while, or even those who have been here for only a short time, will know that in every sessional period generally one or two gas bills pass through the house. Amendments have been ongoing, as the whole process of disaggregation, restructure, privatisation, staged deregulation, et cetera, has flowed through. In fact, the whole market and the whole industry has restructured and evolved into a totally different industry to the one it was 10 years ago.

The net impact of the changes is that the Gas Industry Act 1994 has been extensively amended. It is about time that the evolutionary process winds down and the provisions are tightened.

Honourable members will recall that a similar process took place recently with the electricity industry, with the debate and passage of the Electricity Industry Acts (Further Amendment) Bill. All the provisions and amending sections relevant to the restructure of the electricity industry were placed into a residual provisions act, and a similar thing is taking place here, with the new provisions and amendments being put into a residual provisions act — in this instance, it is the Gas Industry Legislation (Miscellaneous Amendments) Bill, which does most of the work in restructuring the gas industry.

It would be unimaginable in dealing with the gas or electricity industries not to have further amendments to the legislation coming before this place. Although the main purpose of the gas legislation is to restructure the existing acts, further amendments are being made to the industry structure as it continues to evolve, and it is worth referring to some of those and why this process is taking place.

The changes to the industry have been going on for many years. The technology and the terminology are changing constantly, and keeping the terminology the same, so far as is possible, in both the gas and electricity industries has clear benefits for those industries. One of the things the bills do is to update the terminology and where possible establish some uniformity of terminology between the industries.

As I have noted previously, the restructure process has taken place over many years, and as a result amendments have been made to laws in various jurisdictions, particularly commonwealth laws and regulations dealing with the Australian Competition and Consumer Commission (ACCC) and the Trade Practices Act. New provisions have also been added as a consequence of these changes.

I will now refer to some of the more significant changes as distinct from the restructure terminology and updating uniformity between the electricity and gas industry amendments. One of the key issues as the industry is evolving is to better define the structures and processes for introducing full retail contestability. The Gas Industry Bill deals with a few of those issues. As honourable members have noted previously, clause 27 provides for exclusive distribution of retail franchises for distributors and retailers. I will discuss some of those issues in more detail and, as already noted, the opposition will flesh out some of those procedures during the committee stage of the debate.

Significant changes have been made to the significant producer provisions, some of which arise out of changes to federal laws. They are important in ensuring that the provisions in the bill are up to date. There are also what I refer to as double-jeopardy regulatory provisions, which I also referred to in the electricity legislation debate. These amendments try to resolve the same issues in gas legislation. Essentially they involve the ACCC and the Office of the Regulator-General going over the same territory. The amendments clarify the issues and ensure that there will be only one regulatory hurdle to pass, whether that is the ACCC or the Office of the Regulator-General.

I will now deal with some of the provisions in more detail, particularly clause 21, which provides for the regulation of tariffs for prescribed customers. A similar provision was introduced in the electricity legislation. The original timetable provided for full retail contestability to come into effect at a certain date, the regulation of the industry and the setting of the tariffs to protect customers during the regulated period and expire at what was to be the date for full retail contestability. As full retail contestability will not be achieved by the prescribed date — the same thing occurred with the electricity industry — transitional arrangements were introduced for the period between the finish of the fully regulated market and the start of the fully contestable market. The provisions will allow the government to continue to regulate tariffs during the

transitional period. The transitional period is not really transitional, it is slippage in the deregulation program. It is that slippage I want to discuss in more detail.

Clause 21 will allow the government to fix tariffs for certain classes of customers, basically domestic and small business customers — those who are currently not deregulated. The provision will sunset on 31 August 2004, which allows a generous period for slippage of full retail contestability.

I turn to the history of the process of deregulation and structural change which has been going on for many years — I cannot put an accurate figure on it but certainly it has been 15 years to date. It started with an Industry Commission report into the electricity and gas market, initiated by the Hawke government. That was picked up by the Keating federal government, was further expanded through the Hilmer reform process and at the state level the initial implementation of these reforms to the sector in Victoria was started by the Cain and Kirner governments. That continued and accelerated in the coalition government period and is continuing under the current Bracks government.

The point of going through that history is to make it clear that something that crosses party lines has been happening for some time. By any measure, demonstrably Australian consumers have benefited from the process, and it is important that the process continue. Any process that has been going for at least 15 years comes under certain pressures. Times change, nothing stays the same, and the commitment to these schemes waxes and wanes over time. However, consumers have seen enormous benefits.

The changes have not necessarily been loved and embraced by the industry. Essentially if consumers have benefited, from where has the benefit come? In essence, it has come from the industry. The industry has experienced enormous changes that have stripped out industry costs, and the benefit of that has been transferred to the consumer in the form of lower prices. It is not necessarily something that is loved and appreciated by the industry, because its sacrifices have been transferred to the consumer. Those in the industry, be they in management with their not overly stressful, cushy jobs in the old soft, easy and comfortable label of the former SEC, or at other levels, were seen as having lifetime employment and an easy go of things.

The owners who provided the capital in the new industry were not happy with the amount of capital they could take out. The industry does not necessarily agree with all this competition because it has experienced significant pressures both from a productivity and an operating level, and the capital has been effectively destroyed by owners in the process.

Many people in the industry would be happy to see it re-regulated. If it were, their incomes and capital would be guaranteed by the government. Over the past few years the industry has lost a huge amount of benefit that has been transferred to customers. Many people would be happy to see the industry re-regulated. The fear is that the longer full retail contestability is delayed, the more the game changes and the more the pressure is placed on protecting the customer by re-regulation.

History shows that the customer has not been protected by re-regulation or by regulation; it is the industry and the people in the industry who have benefited from regulation. In the gas area nothing stays the same. Victorian gas has been supplied at very competitive rates with contracts that were negotiated many years ago when gas was seen as a by-product of petroleum and was basically given away. Therefore gas contracts were enormously favourable to the parties who took them out. Some of those contracts, which were of great benefit, have expired and more of them are due to expire over the next few years.

Victoria has the new eastern gas pipeline, which takes gas from Bass Strait into other markets that are accustomed to paying higher prices for gas than Victoria. There is a gas pipeline going west to South Australia. The availability of gas from the South Australian field is reducing, but South Australians are used to paying higher prices for gas than Victorians, therefore significant cost pressures are in place which can increase the cost of gas.

If that happens at the same time as full retail contestability arrives for consumers, the government will express concern and say that we should re-regulate to protect the customer. It is critical to move fast to get full retail contestability in place before those changes take effect. It is more critical in the area of electricity because the same thing is happening. The so-called transitional provisions, or the time period, which is a slippage of the deregulation program that has gone on for more than 12 months and which will probably go on even longer, is such that we are facing significant increases in the cost of electricity that will inevitably have to be passed on to consumers who will, of course, not like it. It will be difficult, and therefore there will be a natural inclination for governments to say, ‘Maybe we should do something about this. We should re-regulate’, which would be enormously disadvantageous.

I have raised these issues in this place and with the minister before. An interesting article in today’s *Age* by

Stephen Bartholomeusz deals with this issue. It is worth quoting to highlight some of the problems. He refers to what we all know is happening: the wholesale price of electricity and the forward contract prices for electricity are increasing significantly, and that must inevitably flow through into retail prices. To beat the drum that I have beaten in this place before, he says in his article, which is enormously true:

> It would also help if the New South Wales government allowed its generators once again to offer hedge contracts so that retailers had the capacity to lock in future prices. An element of the malfunctioning of the market relates to the lack of availability of hedging contracts …

On other occasions in this house I have raised the arrangements New South Wales has in place, which in many ways have taken it out of the electricity market. New South Wales is the largest generator of electricity in Australia, and its removal from the market cannot but have an effect. Victoria and in fact the entire national market should pursue that problem with great vigour. We need to apply pressure through the ACCC, Nemmco and whoever else to ensure that New South Wales comes back into the national market in a full-blooded way, because its absence will affect the national market, and certainly Victoria. Its absence is already affecting Victorian prices.

The article turns to a telling issue:

> Price caps, as the Californian experience so dramatically demonstrated, prevent —

the appropriate cost signals going through and therefore deter any attempts to let those cost signals deal with the capacity issue. All honourable members will recollect the dramatic events in California. The article also states:

> The Victorian government could retain price controls and prevent retailers from passing on the full market price of electricity to their customers. That would almost inevitably, given the extent of the rise in wholesale prices, send the retailers broke or force them out of the market.

That again is the Californian scenario. In its conclusion the article refers to the two references, if that is the correct term, the minister has given to the Office of the Regulator-General (ORG): to consider amendments to the transitional pricing and, more importantly, to advise on how to deal with the regulatory issues in the deregulated market. It states:

> … the government has asked ORG to look at arrangements for overseeing retail tariffs in the future. Hopefully, the regulator will understand the peril involved in regulating, as opposed to overseeing, those tariffs.

That again refers to the Californian situation. I hope the government also understands the perils of trying to regulate that market and the dangers that can easily befall it, which could easily be of the Californian type. That is why I say with enormous passion: go fast, because time is not with us on this issue. We need to get into full retail contestability as soon as possible. Time is not with the minister; we need to go fast.

Given that I have made something of a meal of that, I will move to deal with other provisions of the legislation that will also be dealt with during the committee stage. They include the granting of exclusive franchises, with which the Liberal Party has no problem, but it would like to better understand the process.

I must admit that one of the amendments in the Gas Industry Bill that intrigued me is clause 30, which gives the minister the ability to determine fees for ORG doing various works. As I understand it those fees have happily been levied over the past few years, although there appears not to have been any power for ORG to do so. It is highly appropriate that that power be given to ORG to continue doing what it has been doing.

Amendments made to the provisions dealing with supplier of last resort are similar to those made to the electricity legislation; the house debated them recently. Clause 48 deals with deemed distribution contracts. That concerns the straight-line model versus the triangular model. The opposition still fails to understand why the straight-line model cannot effectively work. Most people in the industry with whom the opposition has consulted have expressed the same opinion. As with the electricity industry, the opposition does not understand why the provision is required, but I hope the problems will be worked out.

Clause 60 and the following provisions in division 2 are new provisions that deal with the ability of ORG and Vencorp, in particular, to make rules on how the new fully contestable retail market will work. That goes to my previous comments about the processes needing to move quickly. They should be able to move more quickly with gas than with electricity simply because the whole area of gas is not as complicated with national jurisdictions. I can only urge speed, speed and more speed, because the longer we take, the more the environment in which we are working changes, and as the environment changes there will be a need for more changes in the legislation to deal with those changes. Speed is of the essence.

Other significant changes are made in division 3, which covers prohibited interests. They tighten, make clear and bring into line with federal law the provisions in the Electricity Industry Act. I emphasise my earlier plea:

the ground is changing quickly in the gas and electricity markets. The 15-year process we have been involved in needs to be brought to a conclusion quickly, otherwise we could well find ourselves basically at the finish line of the process and at great risk of those changes overtaking us and greater traction to re-regulate, when at the end of the day the only beneficiary of re-regulation will be the industry. It will not be the consumer. If there is anybody we in this place should be protecting it is the consumer. I conclude my remarks, noting that clause 27 will be dealt with during the committee stage.

Hon. R. F. SMITH (Chelsea) — I support the Gas Industry Bill and the Gas Industry Legislation (Miscellaneous Amendments) Bill, which the house is debating conjointly. Secondary features of the legislation have already been delivered. I am pleased that it appears from the contributions of members of all three parties that there is consensus on the bills. I believe they go a long way towards providing improved benefits to Victorians, particularly those who use gas and those who will benefit from being able to gain access to gas, although as Mr Strong has said the suppliers may be the ones who will derive some current benefits. Nonetheless, it is to the betterment of Victorians in general.

The purpose of the bills is to restructure and rationalise Victoria's gas industry legislation and to prepare Victoria for full retail contestability in the industry by 2002. The bills mirror electricity industry legislation and provide for regulation of the gas industry. They also introduce a number of other amendments to the Gas Industry Act, including technical amendments covering the operation of customer safety-net provisions. Those provisions are consistent with the amendments approved by cabinet for the Electricity Industry Act 2000.

It needs to be understood that the two bills differ in their purposes. The Gas Industry Legislation (Miscellaneous Amendments) Bill contains detailed amendments for the restructuring of legislation. Its provisions have been separated in that bill to avoid the Gas Industry Act becoming too cluttered. That happened with the electricity industry legislation last year, so there is consistency in that approach.

The Gas Industry Bill contains provisions for the ongoing regulation of the gas industry. The newly named Gas Industry (Residual Provisions) Act 1994 reflects the Gas Industry Act 1994 minus its regulatory provisions, which will be in the Gas Industry Act 2001. That act will contain the provisions used by previous governments to restructure the gas industry as well as the provisions that give statutory authorisation for competition law purposes to the gas sales agreement, by which Gascor buys gas from, for instance, Esso-BHP, and the master agreement that sits under the gas sales agreement and was put in place to allow new gas retailers control over gas purchases by Gascor from Esso-BHP.

Another purpose of the scheme of acts applying to the Victorian gas industry is to provide for the ongoing regulation of the gas industry. They are separate from the provisions used by the previous government to privatise the industry. Another purpose of the bills is to introduce miscellaneous amendments to various acts governing the energy industries, including amendments to the Electricity Industry Act 2000, so that it conforms where appropriate with the Gas Industry Act 2001, and the Gas Pipelines Access (Victoria) Act 1998 to improve consistency between Victoria and the other states in access regulation. There are also a number of other miscellaneous amendments, including updating penalties, eliminating unnecessary administrative processes and conforming and updating drafting as between the Electricity Industry Act 2000 and the Gas Industry Act 2001.

The bills also remove ministerial involvement in regulatory decisions that are more properly made by the Office of the Regulator-General. Full gas retail competition is required to commence in Victoria by September 2001. Full national competition policy comes into effect in October 2001. The bills ensure that Victoria will be ready.

From the contributions of the other speakers, particularly the Honourable Peter Hall, it is clear that there is not a lot of concern about the bills in the general community, particularly among people in business. That indicates that the bills will be well received and are on the money. For those reasons I commend the bills to the house.

GAS INDUSTRY BILL

Second reading

The DEPUTY PRESIDENT — Order! I am of the opinion that the second reading of this bill requires to be passed by an absolute majority. I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The DEPUTY PRESIDENT — Order! I am of the opinion that the second reading of this bill requires to be passed by an absolute majority. In order that I may ascertain whether the required majority has been obtained, I ask members who are in favour of the question to stand.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. C. C. BROAD (Minister for Energy and Resources) — I welcome the statements by the opposition and National Party that they will not oppose the bill. I believe I can respond to the matters raised in the second-reading debate by clarifying the appropriate clause or clauses.

Firstly, I will respond briefly to the question about the timetable for the introduction of full retail contestability for gas. The only delay in contestability for the 5 to 10 terajoule customer group arose from the need to ensure that cost-effective metering was available. Now that those matters have been addressed and the provision of a safety net is also in place, it will proceed on 1 September of this year.

The introduction of contestability for the remaining 1.4 million domestic and small business customers was not scheduled to commence until 1 September of this year. It has been agreed that it will not in all likelihood proceed until the second half of 2002 as a result of the time required to have in place customer transfer systems and processes. As soon as the government is in a position to do so it will announce a realistic and firm revised set of dates for that final group of customers, in accordance with the staged provisions in the act for introduction of gas contestability.

Clause agreed to; clauses 3 to 26 agreed to.

Clause 27

Hon. C. A. STRONG (Higinbotham) — Clause 27 allows for an exclusive franchise for distribution into a particular area and/or for a retail licence to be exclusive to one area, giving the holders of those licences total rights and power over the customers in that area for a length of time specified in the licence.

In essence, the amendment is sensible. The industry is currently structured to ensure that providers of the piped network make that network available on a common carrier basis. In other words, if a network provider were to put in a pipe system, that provider would have to allow any other retailers to use that distribution system. On any economic analysis of whether it is a good idea to invest hundreds of thousands or millions of dollars in a piece of infrastructure, that would increase the provider's risk. It therefore makes good sense to give an infrastructure provider exclusive rights. It certainly removes significant investment risk and makes it very much more likely that the provider will invest, which in turn makes it much more likely that Victorians will get the benefit of reticulated gas more quickly than they otherwise would have. The amendment is therefore highly desirable.

Our questions are as to how it will work with the powers of the Regulator-General and, in particular, the process of that. For example, presumably the first question asked by any investor looking to invest in infrastructure will be: as a result of these investments, can I deliver gas at a price equal to or less than that of bottled gas? If the answer is yes, he will probably say, 'Okay, this will stack up'. But if the cost of delivering gas is more than the cost of delivering bottled gas, he will decide against investing the money because he won't sell any gas. So he immediately has a cap on the price of his product — namely, the price of bottled gas.

Then he goes through the whole exercise of asking, 'Does this stack up on an economic basis?'. He is able to look at other parameters. He asks, 'Over how many years can I amortise this expense — 5, 10 or 15 years?'. The length of time over which he amortises that investment will depend on the tariff he will have to charge as a result. Therefore when the Regulator-General considers all those issues in granting an exclusive franchise or whatever — this comes to the core of the question — will he be setting the tariff at the same time as he gives out the exclusive franchise? In other words, will he say, 'I will give you a franchise in this area for five years and the maximum you can charge is so much per terajoule'?

Therefore the first question is: will that exclusivity bring with it a price? If so, we can guess how to work it out. Then if it is for 5 or even 10 years — the Regulator-General normally has the power to regularly review network tariffs — the distributor could go into an area in 2002 with a price worked out on the assumption of a population of 100 000 people, therefore estimating to supply so much gas; then two or three years later down the track a new, big industry opens up

and suddenly the amount of product sold in that area significantly increases. Does the Office of the Regulator-General have the ability, as part of the normal network price settings, to review the tariff set for that exclusive franchise? The ORG regularly reviews network pricing because those networks are for everybody to use and therefore they are for all consumers, so it is fair that he does it. But where it is exclusive and not everybody is using it — if I have the franchise and it is just me using it — will the ORG be able to review my network tariffs in that exclusive area?

There are two issues: firstly, will this franchise have a price attached to it in a network tariff; and secondly, what powers will the ORG have to change that tariff if it is set by the ORG in the first place as part of any review?

Hon. C. C. BROAD (Minister for Energy and Resources) — It is important to briefly explain the background to the clause because it predates the bill. The background is the Natural Gas Pipelines Access Agreement 1997, which is directly referred to in clause 27(9). The agreement was entered into by all of the jurisdictions under the previous Kennett government. The agreement required all jurisdictions to phase out exclusive gas franchises. However, it provided for an exception which was created to apply to new areas that had not previously been reticulated with gas. For those new areas the agreement provided that exclusive franchises could be granted provided that they did not exceed 10 years for gas distribution and 5 years for retail. The exception was set out in the franchising principles annexed to that agreement.

The clause provides for the making of an order in council to give force to those principles. It provides that the Office of the Regulator-General may grant an exclusive distribution or retail franchise for these areas, and that it may also vary an existing retail or distribution licence to provide for this exclusive franchise, or indeed grant a new licence. The important point is that this exclusive franchise can only be granted consistent with the criteria determined via order in council as provided by clause 27(8) and clause 27(9), and those criteria must not be inconsistent with the franchising principles contained in the intergovernmental agreement (IGA). A series of checks and balances is in place.

The franchising principles referred to in the IGA contain a set of criteria, and I will briefly run through them. They include significant greenfields projects, where there is evidence that investment in pipelines would not otherwise occur and the franchise has been justified on the balance of public interest — the so-called net public benefit test. Also, any retail franchise is limited to customers consuming no more than 1 terajoule per year, essentially small customers, and is limited to a period of no more than 10 years for distribution and 5 years for retail. The pipeline operator is to be selected through a competitive tender process and conditions considered necessary to protect the public interest are met through that process.

On the matter of price, which has been raised, the franchising principles provide that there is prices oversight by an independent body for franchise customers for the duration of any proposed franchise. Despite full retail contestability, if an exclusive franchise is to be granted — we do not have any to point to at this time — other licensees are prohibited from providing services in the relevant area for the period of the franchise, as would be expected in that sort of exclusive arrangement. Therefore when granting these exclusive franchises the office will exercise its discretion in determining whether the criteria specified by order in council are satisfied.

The office and its successor, the Essential Services Commission, are independent bodies so they must have the capacity to exercise a certain amount of discretion within the principles set down under the IGA. That will include the application of the net public benefit test — namely, that the benefit to society at large from granting the exclusive franchise is outweighed by any detriment arising from the limitation of competition for the period of the grant. With regard to this prices oversight role, we are not talking about the Office of the Regulator-General setting a price or a tariff but its having the capacity to oversight and publish information on prices so that it is publicly available and transparent to the public at large. I stress that it is an oversight role rather than a regulatory setting of the price.

Hon. C. A. STRONG (Higinbotham) — I thank the minister for that explanation. The minister explained the rationale behind allowing the exclusive franchises, which is not a question that we are pursuing, so I believe that is quite clear. However, in trying to interpret what the minister has said in terms of the pricing issue I will put a proposition forward to see if I understand it correctly.

Is the minister saying that when a distributor tenders for a particular area under that process, you would expect that part of the tender would incorporate a price? The distributor would probably say, ‘Yes, I’ll distribute in this area to this number of houses and as a result of that I will have to charge X, Y or Z’. So I would

anticipate — I ask the minister to let me know whether my anticipation is correct — that part of that tender process would be a price for supply of gas.

I then move downstream from that scenario. In essence the minister is saying that over that five-year period there would be no regulatory control. If the distributor were granted a five-year licence to distribute and the price he put forward when he tendered for that was X, then over the five-year period there would be no power for the Office of the Regulator-General to come in and change that. That is the question I pose. I seek only to understand; I do not seek to do anything more than that.

Hon. C. C. BROAD (Minister for Energy and Resources) — In response to those specific questions, the tender, as would be expected, would certainly include price and it would not be expected that within that period there would be any capacity to further intervene once the price was in place and once the assessment had been made.

Hon. C. A. STRONG (Higinbotham) — I thank the minister very much for her clarification.

Clause agreed to; clauses 28 to 236 agreed to; schedule agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Hon. C. C. BROAD (Minister for Energy and Resources) — I move:

That this bill be now read a third time.

I thank all honourable members for their contribution to the debate and the Liberal and National parties for not opposing the bill.

The DEPUTY PRESIDENT — Order! I am of the opinion that the third reading of this bill requires to be passed by an absolute majority. 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 in favour of the motion to stand where they are.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

GAS INDUSTRY LEGISLATION (MISCELLANEOUS AMENDMENTS) BILL

Second reading

Motion agreed to.

Read second time.

Third reading

Hon. C. C. BROAD (Minister for Energy and Resources) — By leave, I move:

That this bill be now read a third time.

I thank all honourable members for their contributions to the debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

RACING (RACING VICTORIA LTD) BILL

Second reading

Debate resumed from 5 June; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. I. J. COVER (Geelong) — It is with great pleasure that I speak on the Racing (Racing Victoria Ltd) Bill, and I indicate at the outset the Liberal Party's support for the bill.

Members of the Liberal Party are great supporters of the racing industry in Victoria, and a bill such as this, which will assist with the governance and administration of Victoria's great racing industry, deserves such support. The industry itself has played a major role in the shaping of this bill in the same way as it has played a role in shaping and running racing in Victoria for many years.

Just a few weeks ago in this house we were debating another racing bill which dealt with far less significant

matters than does the current bill. This bill provides for a major change to the governance and administration of racing in Victoria, and it is arguably as big a change as any the thoroughbred racing has undertaken in its history.

Talking of the history of racing in Victoria, I note for the record that the Victoria Racing Club was formed in 1864 by the amalgamation of the Melbourne Race Club, the Victoria Turf Club and the Victoria Jockey Club. The VRC became the trustee of Flemington racecourse, a venue that had been hosting meetings since the 1850s.

As I stand in the chamber I reflect on the fact that construction of this Parliament House commenced in 1856, which predates the formation of the VRC by only eight years, and that Parliament House and the running of racing at Flemington by the VRC have continued almost in parallel.

The Victoria Racing Club assumed peak body status in the racing code during the mid-1880s when it decreed that racing clubs throughout Victoria must submit programs to the VRC secretary for inclusion in the racing calendar and that meetings must be conducted under VRC rules. Any horse competing in a meeting not covered by the rules was perpetually disqualified from competing at Flemington.

In 1929 the government granted the VRC legislative recognition as the controlling body of the thoroughbred code primarily to enforce a new prohibition on proprietary racing. While the government got into the act back in 1929, the racing industry of course has operated with its own vision and direction, and has done so admirably over many years. Of particular note is the performance of the racing industry in more recent times, given that it has not always been on the up, and indeed moves within the racing industry, particularly through Racing Victoria in the 1990s, have led to the legislation that is before the house today. The racing industry, in taking control of its governance functions through Racing Victoria, identified that there were challenges, if not problems, for racing in the early 1990s. Having addressed those issues, which I will elaborate on in a moment, it faced further challenges to keep taking the racing industry in Victoria forward and, as such, formulated its own plan which was put to government — and I will also elaborate on that — which has led in large part to the outcome that will be debated and passed by Parliament.

It is interesting to note that the racing industry through Racing Victoria has, as I said, had a part in arriving at this bill. Even over the past 12 months or so it has not been a smooth path in bringing this bill to the house. I will briefly address how the bill has come to fruition. It is the result of a review of the VRC industry governance function, which goes back to October 1999 when the VRC announced its intention to transfer its industry governance function to a new independent body.

Interestingly enough, Racing Victoria had been working on this issue earlier than that when an internal review of the industry's governance structure was identified as a key task in the industry's business plan, and that was commenced in September 1998. A governance review group was formed with representatives from the three metropolitan clubs and the Victorian Country Racing Council to conduct research and have consultation with the clubs and industry participants to determine the most appropriate structure to take the industry forward.

It is worth noting in the 2000 annual review of Racing Victoria just what extensive research and consultation had to be undertaken, given the extent of the thoroughbred racing industry in Victoria. The annual review of 2000 that I am referring to indicates that in Victoria there are 58 racing clubs and 56 racecourses. In 1999–2000 there were 537 race days, and 495 of those included TAB meetings.

The Victorian thoroughbred racing industry is Australia's leading thoroughbred racing industry. The performance highlights, as outlined in the annual review of 2000, bear testament to that claim. The sales of Victorian thoroughbred wagering product increased by $30 million to $2.62 billion in 1999–2000, and out of every dollar wagered nationally, 38 cents is spent on Victorian racing. So there are people throughout Australia making an investment on Victorian racing. The Victorian thoroughbred racing industry is the largest distributor of prize money and other returns to owners. In 1999–2000, according to the annual review, returns to owners were up $8.3 million to $112 million. Returns to owners had increased by 87 per cent since 1994 and were projected to exceed $118 million in the year 2000–01.

Victoria is the leading state for investment and employment growth. Quite often when we talk about racing we think of it in terms of just horses going around the track, and for those who take an interest in having a punt, in having a bet and seeing whether you won or lost. But it is an enormous employer of people in Victoria, particularly in country Victoria where racing clubs are located and where they might have stables and trainers housed. Indeed it is a very key and vibrant part of many country communities. Not only are

we aware of that with thoroughbred racing, but also in other forms of racing, particularly harness racing, where there are centres of harness racing, breeding and training in country Victoria. But in terms of investment and employment growth through thoroughbred racing in Victoria, that investment and employment in the Victorian racing industry continues. In 1999–2000 horse numbers alone increased by 2 per cent, and there were around 9265 racehorses in Victoria

Hon. R. A. Best — I had one up until last week and we sacked her!

Hon. I. J. COVER — The Honourable Ron Best, by way of interjection, indicates that he had one until recently. It does not diminish the number of horses in the state, but it has diminished him as an owner, no doubt!

Hon. R. A. Best — We sacked the horse and not the trainer.

Hon. I. J. COVER — Yes. I am saddened to hear that it sounds like Mr Best has had a tragic outcome for his investment in his racehorse.

Hon. R. F. Smith — The punter's lament!

Hon. I. J. COVER — The punter's lament, indeed, Mr Smith. The key part of thoroughbred racing in Victoria is the Spring Racing Carnival, which is the absolute highlight of the racing year, not only in Victoria, because national and international eyes focus on Victoria during the carnival. In this annual review of 2000 the economic impact of the Spring Racing Carnival is reported as $238 million, and I understand that when figures were released last year after the 2000 spring carnival it was over $300 million. Attendances during 1999–2000 at racing in Victoria were almost 600 000. As I said, the industry does help provide employment. Estimated full-time jobs created in 1999–2000 by the Spring Racing Carnival alone was more than 2500. Again, those few figures, and there are many of course in the annual review, bear testament to the Victorian thoroughbred racing industry's pre-eminent position in Australian racing. And with those few figures, I think we get a fairly good indication of what an important and successful industry it is.

It has not always been like that, particularly during the 1990s. Back in 1994, in reviewing where it was at and where it was going, the industry discovered that both racing and non-racing activities were operating at a loss, that operating cash flows had declined by $3 million, that contributions from club race day activities were declining, that TAB turnover was declining, that there was declining on-course patronage — that is, people coming through the gate to go to the races — and that there were inadequate returns to owners.

A few moments ago we heard from Mr Best not only the punter's lament but also the owner's lament. Being an owner has its challenges; it is not all chocolates and champagne. You do not go into the industry just to win stake money.

Hon. R. A. Best — We went from chocolates and champagne to boiled lollies very quickly!

Hon. I. J. COVER — But if you were to go into it you would look to see that there would be some adequate return or reward if your horse was fortunate enough to be successful, unlike the one Mr Best has just — —

Hon. R. A. Best — It won a race.

Hon. I. J. COVER — It won a race, but you would like to think there would be adequate returns to owners. Clearly in 1994 there were inadequate returns to owners. Racing Victoria looked at it and worked out how to improve the situation across the board. It did so through a plan called Leadership 2000, which identified seven key strategic initiatives to arrest the declining trends I have just outlined to the house.

The key strategic initiatives were: to increase the attractiveness of thoroughbred racing; to market thoroughbred racing more effectively; to improve returns from club activities; to reduce industry level costs; to invest in projects with positive returns; to increase returns to owners; and to streamline the industry structure and processes. Clearly back in 1994 in that Leadership 2000 plan the racing industry was already identifying that the industry structure and processes needed to be streamlined and formulated in such a way as to take the industry forward. That was an even earlier signal than the formal review process commenced in September 1998.

The Leadership 2000 plan delivered for the racing industry in Victoria in the following terms: sales of Victorian product increased by more than $300 million — Victorian product accounted for 38 per cent of the national wagering market; returns to owners increased from $60 million to $104 million — that is a tremendous increase; the horse population was also seen to increase, along with investment from owners and breeders; and industry employment increased by 2200, which enabled Racing Victoria to describe its industry as arguably the fastest growing racing industry in the world. I do not think there are any arguments about that.

Having put its Leadership 2000 plan into action, the next step for the racing industry was to move forward and look at the next five years, which it did with a business plan called Challenge 2005. It was in preparing this business plan that Racing Victoria also identified the need to make further governance structure improvements and refinements, and it put together a plan for precisely that.

As I mentioned, the plan was put to the government in May 2000, just over 12 months ago. Racing Victoria presented to the government its preferred model for the governance structure, and shortly thereafter — in July 2000 — the government, through the Minister for Racing, raised some concerns about the proposal. The minister got together with the racing industry, and agreement was reached to establish a joint government industry advisory panel to review the governance issue.

There were six members of the advisory panel. Three members were selected by the VRC. They were: the VATC chairman, Kevin Hayes; the VRC vice-chairman, Rod Fitzroy; and the Victorian Country Racing Council vice-chairman, George Corones — all outstanding contributors and administrators of racing in Victoria with a clear understanding of the industry, at both metropolitan and country levels. They brought great experience and knowledge of the industry to that advisory panel. Three members were appointed by the minister. They were: Kate McAllister-Joel, who is a member of the VRC and the VATC and has a great interest in and knowledge of racing and who, prior to her appointment to the panel, had assisted the government with a harness racing summit at Moonee Valley; the former federal Attorney-General, Michael Duffy — well known to honourable members on both sides of the house, but particularly on the other side of the house — who is also a very keen racing person; and the former Victorian Government Solicitor, Ron Beazley. So three members were appointed by the racing industry people and three members were appointed by the minister. Their task was to report back to the minister by November last year with recommendations for the right structure with which to take the racing industry forward.

Clearly the Racing Victoria submission that precipitated the establishment of that advisory panel was to form the basis of a lot of the submissions and reporting recommendations that were to be made by the panel. The Racing Victoria plan was very thorough and well thought out and was clearly the basis around which the advisory panel was to do its work.

As I mentioned, the panel was to report by last November. There were some concerns that, in seeking not only to appoint the advisory panel but also to have it forward recommendations to him, the minister was clearly not supportive of the Racing Victoria proposal and wanted to have his two bob's worth on the governance issue. But there are ways of going about things. The minister's approach did not win him many friends in the racing industry.

An articulate assessment of what was happening around this time was given in an article written by noted sports columnist Patrick Smith in the *Australian* of 23 August, shortly after the appointment of the advisory panel. The article by Patrick Smith is entitled, 'State's streamline of racing hits hurdle.' The article comments on how well run Victorian racing is, which is what I have been saying in my introductory remarks, but he goes on to state:

> Victoria does racing better than any other state in Australia. That cannot be disputed. Facts and figures overwhelm arguments to the contrary. There are only a few places in the world — and you can pick whatever criteria you like — that come close to the quality of racing and its administration in Victoria. Great races can be happenstance, great racing cannot be. It has to be managed, nurtured, disciplined, policed. It has to be driven by people of experience and expertise to retain its integrity, excel as a business as a sport and as entertainment. That has been the recent history of thoroughbred racing in Victoria.

His article is an articulate assessment of racing in Victoria. I wish I could put it that well myself. He refers to the Racing Victoria plan and describes it as a sound, well-researched submission. He goes on to state:

> Unfortunately, the progressive move to streamline and redefine the administration of racing in Victoria has hit a hurdle. The state government, or more specifically, the Minister for Racing, Rob Hulls, has taken the Victorian industry's initiative as the chance for some random review of racing. That in itself is hardly a bad thing but while Hulls stalls, racing cannot progress.
>
> Worse, it would appear Hulls is using the review as a tool to find an excuse rather than a reason to intervene in the racing industry.

The minister's approach was not winning any friends in the industry. In fact, it was destroying the goodwill that previously existed between the people in the industry and the government. A former Minister for Sport, Recreation and Racing, the Honourable Tom Reynolds, had a marvellous record as the racing minister and a marvellous understanding and relationship with the industry.

Hon. R. A. Best — I still see him occasionally.

Hon. I. J. COVER — Tom Reynolds has been appointed a trustee of the Caulfield Racing Club and often attends its race meetings. The Patrick Smith

article goes on to refer to the Minister for Racing using the opportunity to intervene in the racing industry. He further states:

> He is making all the moves of a man who wants to exercise his power, not because it is required, but only for the reason that he has it.
>
> Ideally, any board that runs racing should have no-one with direct allegiance to any particular stakeholder — be it a club or whatever. But the clubs are initially reluctant to give up their influence because Hulls has no track record.
>
> By his own admission, Hulls says Victorian racing has been run brilliantly.

At least that was a complimentary observation by the minister and one that I am sure he still believes. The article continues:

> He'd be a fool to say otherwise. The minister's biggest problem is that while the present racing administration has bona fides, he has none. While the industry has a five-year plan and vision, Hulls has none. While the people who run racing have a mandate from their constituents, Hulls does not. He is kidding himself if he thinks Labor is in power on the back of a policy to revamp racing.
>
> The minister cannot articulate what he demands of racing other than it should be independent, with lots of young folk, especially women involved. As a plan to set up racing for the 21st century, it is hardly sophisticated, it has no substance and it is unworthy of someone who stresses he wants only the best for racing.
>
> And this is Hulls's problem. He might have the power but he does not have the respect. He should think about that. Everyone else is.

That article was written in August last year and the legislation has been introduced into this house in June. The racing industry's position and the recommendations of the advisory panel largely, if not completely, were embraced in the legislation. Perhaps the minister took on board the fact that he should think about it and try to earn the respect that may have been lost by his approach during the early stages of the process.

Indeed, there were indications he still wanted to impose some of his ideas and intervene in the industry as recently as in January this year after the advisory panel had reported in November and its recommendations were embraced. The racing industry has stuck to its guns and is to be complimented for that and for not being intimidated by the minister's approach during this process. It is now apparent that the minister has given greater thought to the process and is prepared to accept it and to reach agreement with the industry to adopt the advisory panel's recommendations, which has led to the legislation being debated today.

The industry is facing some time pressures, given that it would like the structure to be in place for the start of the new racing season on 1 August. Apart from the legislative procedures some processes still need to be gone through — for example, there is a need to appoint a board of directors for Racing Victoria. It will comprise 11 members, 5 of whom will be appointed by a newly created appointment panel; 1 person will be nominated by the Victoria Racing Club; 1 person will be nominated by the Victoria Amateur Turf Club; 1 person will be nominated by the Moonee Valley Racing Club; 2 persons will be nominated by the Victorian Country Racing Council; and the chief executive of the company will be appointed by the board.

In referring to the chief executive officer, I am reminded that the current chief executive of Racing Victoria and the Victoria Racing Club, Mr Brian Beattie, last week signalled his intention to retire from that position that he has held for many years. He has been a key player in the redirection and revitalisation of the industry, which I mentioned earlier in my contribution. While I am sure that when the time comes for him to clean out his desk for the last time at racing headquarters, people will say what a good job he has done and his style and characteristics will no doubt be commented on, because he was a strong and dynamic individual. Some people might not have embraced his style, but they would all agree that he did an outstanding job as a the chief executive officer in taking racing forward in Victoria. I wish him well for the future.

In a recent debate on the racing industry I paid tribute to the chief executive officer of the Geelong Racing Club, Mr Doug Hall, who has returned to South Australia to work at the Balaclava Racing Club. I was remiss not to mention and welcome his replacement, Denis Cox, the new chief executive of the Geelong Racing Club, who is a good man. He had been with the VATC for some 19 years before joining Geelong. It was reported in the *Geelong Advertiser* recently that he had moved into a house in Geelong on the Saturday, started his new job on the Monday and had a race meeting the very next day. He was busy straightaway in his new job as CEO of the Geelong Racing Club. I wish Denis Cox all the best. He comes well qualified, with not only those 19 years with the VATC, where he held a number positions, including sponsorship manager and looking after various aspects of the Caulfield and Sandown racetracks. He is obviously someone who has had racing in his blood from a young age. The *Geelong Advertiser* states:

> Denis Cox grew up with posters of turf greats on his bedroom wall. He started work at 17 with the VATC as the office boy.

We wish him well at the Geelong Racing Club. When I have the opportunity to catch up with him one day at the races I will be keen to find out which turf greats adorned his bedroom wall.

Hon. R. A. Best — Jockeys or horses?

Hon. I. J. COVER — Clearly they would be horses, Mr Best, but then again we have produced some great jockeys in Victoria.

Next Wednesday night the inaugural Australian Racing Hall of Fame inductees will be announced at a special function being put on by Racing Victoria. We look forward to seeing the names, and no doubt some of those great jockeys will be announced as legends or inductees.

I note the *Herald Sun* in recent weeks has been running a series asking prominent racing identities to nominate who they think are the best legends or whatever in a number of categories from horses, trainers and jockeys even to members of the media who have covered racing in Victoria and Australia. That is an event to look forward to. It again reflects the approach to the marketing of racing in Victoria. It is certainly a welcome idea and something that is to be applauded. People like to see these things and have the conversations about who they think is the best horse, jockey or trainer, and it all brings attention and focus to racing in Victoria. It is not only a well thought out idea in itself but it also has the spin-off effect of helping to market racing and place it before the broader public.

Before I got sidetracked I was referring to the structure of the new board. The racing industry has been involved in the development of the new structure not only at the metropolitan level but throughout country Victoria. I have had the opportunity to speak with many people involved in the racing industry, both as administrators of racing clubs and as owners, breeders, trainers and jockeys. I have spoken with people across a range of activities in the racing industry.

There has been widespread support for the proposals. It is good to see that support and to know that the people who participate in this industry have had the opportunity to provide feedback through a series of meetings that were conducted by people such as George Corones, who was on the advisory panel and who is also the vice-president of the Victorian Country Racing Council, and Terry Fraser, who is known I believe by honourable members on both sides of the house as having wide sporting interests not only in racing but also in tennis. They have undertaken a lot of consultation with people in country racing. It is important to put on the record that country racing is vital to country Victorians and to the townships where it plays a significant role in employment and other activities.

It is also important to note that it is being recognised under this new structure, with two directors being nominated by the Victorian Country Racing Council. A third director will be among the five appointed by the appointment panel, into which the Victorian Country Racing Council also has input. Country racing will have an improved say at the board table and will also have an improved opportunity to consult with the board through procedures that will be formally spelt out in the constitution of the new Racing Victoria board. That consultation process will apply not only to country racing but also to a broad range of bodies and stakeholders involved in the industry. That consultation is spelt out in schedule 2, which states:

> The Board must establish proper procedures for consulting with the following bodies —

these are the bodies involved in making appointments to the board —

> (a) the Australian Jumping Racing Association —

I am sure the Honourable Bob Smith will enjoy the next one —

> (b) the Australian Services Union (Victorian Branch);
>
> (c) the Australian Trainers Association (Victorian Branch;
>
> (d) the Australian Workers Union (Victorian Branch);
>
> (e) the Media and Entertainment Arts Alliance —

given there is a lot of entertainment in racing, and indeed members of the media who cover racing might be members of the alliance —

> (f) Thoroughbred Breeders Victoria;
>
> (g) the Thoroughbred Racehorse Owners Association;
>
> (h) the Victorian Bookmakers Association;
>
> (i) the Victorian Jockeys Association.

It is a good range of people involved not only in helping to make an appointment to the board but also having the opportunity to consult with the board in the future through a process that will be established to allow them to do so.

There will also be further openness, accountability and transparency — words the government seems to love. I

think we all do, but we would like to see the thought practised a little more by the government — of Racing Victoria through the annual general meeting of the board being open to the public. That is a further opportunity for people in the industry, or outsiders for that matter, to hear what is going on in racing and to have a say where they feel they wish to do so.

Country racing will have an increased say in the governance of racing in Victoria through the new Racing Victoria Ltd body. The Victorian Country Racing Council is one of the member shareholders of Racing Victoria Ltd, together with the Victoria Racing Club, the Victoria Amateur Turf Club and the Moonee Valley Racing Club. Positions on the board will give country racing an increased say. Country racing should be given the opportunity to continue to improve its position. A good deal of faith is being placed in the members of the new board, whoever they may be, to continue to deliver for and improve the lot of country racing.

The challenge is there for the appointment panel to appoint the best people who are able to address all the needs across not only the racing industry but also business and marketing. I imagine legal skills would come in handy for at least one member of the board. Criteria have been drawn up to assist the appointment panel as its members go through the process of forming the new board through the nomination and appointment procedures. I hope the new board has on it the best people and I hope they do a good job, but at the same time they must be mindful of the obligation to deliver a good outcome for racing in general and particularly for country racing.

As I have said, country racing has been playing its part in the Victorian scene in recent years. I compliment country racing on its achievements. I refer again to the 'country racing' section of the *Annual Review of Racing Victoria 2000*. It says:

> Country racing —

during the previous year —

> continues to meet the many challenges of a highly competitive leisure and entertainment market by providing entertaining events, improving returns to owners and sustaining growth in regional and rural Victoria.
>
> …
>
> The VCRC —

that is, the Victorian Country Racing Council —

> has been an important voice for country racing in the industry governance debate.

That led to the introduction of the bill. As the review says on page 19:

> The primary objective of board members involved in the discussion was to ensure country racing receives a fair and equitable say in the future of the thoroughbred racing industry.

I trust the new board will deliver on that primary objective of the VCRC board members to ensure country racing receives a fair and equitable say in its future.

It is also worth noting from the annual review some of the highlights of country racing in the previous year. Over three days on the last weekend of May the Yarra Valley Racing Club staged the Yarra Valley Great Victoria Racing Carnival. That event combined steeplechase and flat racing and provided action for its patrons through the entertainment provided by the club. It also showcased local food, wine and art. That race meeting is an illustration of how country racing is embracing marketing ideas and combining horse racing with a good day out.

As my colleague and friend the Honourable Cameron Boardman is in the chamber I am reminded that on the Sunday after Derby day last year — that is, the Sunday preceding Melbourne Cup Day — the Mornington Racing Club, after putting its idea to Racing Victoria, was able to hold a special race day at Mornington.

Hon. B. C. Boardman — The Carlton Draught Spring Cup.

Hon. I. J. COVER — That's right. The event also had family entertainment. It was good to attend that meeting with Mr Boardman and see the families sitting on the grass in front of the grandstand with their picnic hampers and rugs and enjoying a great day out. The crowd also took the opportunity to partake of the local wines displayed in a marquee at the rear of the grandstand. Unfortunately for Mr Boardman and me the marquee was strategically placed between the entrance gate and the grandstand, so we took quite some time to get to the grandstand! We felt it was important to support the local wine producers who had set up stalls.

I compliment the president of the Mornington Racing Club, who is a man well known to sports fans throughout Australia. Frank Sedgman has been a towering figure in Australian tennis history.

Hon. R. A. Best — A legend.

Hon. I. J. COVER — A legend — thank you, Mr Best. He was also a part-owner of a smart horse

named Hareeba, which was successful over time for Frank.

It is interesting to note from the annual review that at the country racing awards for 1999–2000 the Mornington Racing Club won the award for the country racing club of the year. My visit with Mr Boardman to Mornington made clear to me why the club won the award; it richly deserved it.

The most effective marketing strategy award for 1999–2000 was won by the Avoca Shire Turf Club. Only a couple of weeks ago the shadow cabinet visited Maryborough in the Shire of Central Goldfields. After that meeting I had the opportunity to visit the Avoca club to see what a picturesque venue it is, situated as it is at the foot of the Blue Pyrenees. I learnt from the people involved of the great work the club does in marketing its three race days during the year. They are held on the long weekend in March, Anzac Day and the meeting that coincides with Caulfield Cup Day is the one at which the Taltarni Cup is run. The Avoca club has used the attractions of that wine-producing region to form partnerships and display local wares at the racetrack, particularly at its October meeting.

An interesting initiative it took over its long weekend meeting in March was to invite people to camp at the racetrack. Visitors could park their caravans, set up tents or whatever. They had the opportunity to use the long weekend to visit country Victoria and take in a country race meeting at the same time. Visitors were encouraged to tour beyond or around the region and to enjoy all the area has to offer. The club is doing its bit not only for racing in country Victoria but also for marketing the whole region over and beyond the racetrack.

The other race meeting of note that becomes the focus of country racing in May each year is the Warrnambool Grand Annual Racing Carnival. I take this opportunity, Mr President, having noticed the release in the past few days of the sitting dates for the spring sessional period, to challenge whoever organises the government business program to be mindful of important race dates in Victoria. Whoever organised the government business program for next spring seems to have again missed that point in their scheduling of the sittings of Parliament during Melbourne Cup week. Also, these parliamentary sittings coincided with the week of the Warrnambool Grand Annual Racing Carnival.

Perhaps it might be an opportunity to get bipartisan support for a review of the sitting dates. I look forward to Mr Bob Smith's contribution on those issues.

Hon. R. A. Best — What about tripartisan support?

Hon. I. J. COVER — Tripartisan support is bound to be given by members of the National Party because they know the value of country racing to Victoria.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.01 p.m. until 2.05 p.m.

QUESTIONS WITHOUT NOTICE

Marine parks: abalone fishery

Hon. PHILIP DAVIS (Gippsland) — The Minister for Energy and Resources has confirmed the significance of the illegal take of abalone and the government's commitment to increase enforcement effort. Will the minister advise if this increased enforcement effort will be implemented whether or not proposals for marine parks proceed?

Hon. C. C. BROAD (Minister for Energy and Resources) — The honourable member has raised this matter previously. I can imagine it may well be part of current Liberal Party discussions about what its position will be, if it has not already determined it, on the government's marine national parks package. For our part, the government's position is very clear. Enforcement is an important part of the government's package on marine national parks and the government is putting it forward as a complete package.

As to the hypothetical question of what the government may do should the Liberal Party reject the package, the government is committed to getting this package through Parliament. It is a decent and responsible package and the Liberal Party should support it.

IRV: business development and strategic advice units

Hon. JENNY MIKAKOS (Jika Jika) — Will the Minister for Industrial Relations outline how the business development and strategic advice units work together to facilitate a cooperative industrial relations environment in Victoria?

Hon. M. M. GOULD (Minister for Industrial Relations) — The business development and strategic advice units are both within Industrial Relations Victoria. They are dedicated to working closely with employers and employees, industry and unions to promote Victoria's cooperative industrial relations policy.

The motto of Industrial Relations Victoria is 'Partners at work' — something I know the opposition finds hard to understand. Those units work in partnership to deliver proactive and strategic advice to the business community and employees. Naturally, the primary aim of those units is to ensure that our industrial relations climate is good for Victoria, good for business and encourages growth.

As I have said, the business development unit works at the front end of investment projects along with the other sections of the Department of State and Regional Development to identify, attract and facilitate investment in Victoria. The strategic advice unit plays a monitoring role through its networks of employer organisations and individual employers and unions in a range of industrial activities that take place throughout the state.

It also assists in avoiding or minimising any industrial disputation that may occur in the state. Representatives from both units regularly visit businesses and key industries to promote Victoria's industrial relations role of assisting in disputations and encouraging investment. The establishment of that role consolidates the Bracks government's commitment to a cooperative partnership approach to industrial relations.

This government will not do what the opposition did when it was in government. It will not wash its hands of this important issue. It will work together to grow this state — the whole of the state — not just look after the big end of town!

Questions interrupted.

DISTINGUISHED VISITORS

The PRESIDENT — Order! I interrupt the proceedings and ask honourable members to join me in welcoming boys and girls who are visiting our Parliament from Chernobyl in the Ukraine. We hope you have a most enjoyable time while here in Melbourne with us.

Honourable Members — Hear, hear!

QUESTIONS WITHOUT NOTICE

Questions resumed.

Marine parks: abalone fishery

Hon. E. G. STONEY (Central Highlands) — I refer the Minister for Energy and Resources to a statement she made to the house on Tuesday that if abalone poaching were reduced by half it would offset the impact on the legal catch of abalone in areas that are to be removed from marine parks. Given that it is accepted that poaching abalone could be as much again as the tonnage of legally taken abalone, I ask whether this means that the proposed marine parks no-take zones contain up to half the available abalone resource in Victoria?

Hon. C. C. BROAD (Minister for Energy and Resources) — No, that is not correct. The statement I made about the illegal catch as estimated by the Marine and Freshwater Resources Institute is that it is around 30 per cent of the total allowable catch. The government has indicated on the basis of modelling from MAFRI and the best available advice that a reduction of between one-third and one-half, depending on which areas are being taken into consideration, would be more than sufficient to offset the impact of marine national parks on the abalone fishery.

I have also indicated that the abalone fishery has been very stable as a resource over the past 10 years, and I believe that is a further indication of the veracity of the advice to us from MAFRI.

Consumer affairs: payday loans

Hon. R. F. SMITH (Chelsea) — Will the Minister for Consumer Affairs inform the house of the current status of regulating the activities of payday lenders and access to credit?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — Honourable members will be aware of recent media attention that has been given to the burgeoning level of personal debt in Australia. Issues have been raised of credit limits being increased without request and credit cards being offered without the most basic checks being conducted on those being offered the credit. In recent times there was an example of a 10-year-old boy in New South Wales being offered a credit card that had been approved to the value of $3000.

However, that is not the worst of the situation. An abusive form of payday lending is being carried out around the country, and certainly in Victoria — payday loans. The government has been pursuing the issue of payday loans nationally to include payday lending in the consumer credit code. It is concerned that the most vulnerable of consumers are the ones who have to pay huge amounts of money in interest to payday lenders. It is a very exploitative loan practice, and government

members are pleased to have the Consumer Law Centre working with us on these issues.

Coverage under the consumer credit code will see the maintenance of the 48 per cent cap on interest rates in Victoria. Payday lending is to be included in the credit laws agreement: Queensland introduced it into its Parliament on 29 May and it has moved the second reading. It is expected that the legislation will be debated and passed in late August, and it will cover all jurisdictions and will see coverage across the country.

However, the Victorian government is concerned that ways may be found around the credit code, so New South Wales, Victoria and Queensland are currently working on possible further amendments to ensure that a range of fees and charges, including such things as membership fees, are considered to ensure reasonable rates of interest are in place and that exploitation will not occur through this form of loans.

Honourable members would also be aware that the Bracks government has been considering changes to the Second-Hand Dealers and Pawnbrokers Act. At the next meeting of consumer affairs ministers we will be calling for more action from the federal government on credit issues.

Fishing: rock lobsters

Hon. P. R. HALL (Gippsland) — I refer the Minister for Energy and Resources to her decision to introduce quota into the rock lobster fishery. If the total allowable catch for the eastern zone is being set at 60 tonnes, of which 18 tonnes or 30 per cent will be lost through the closure of some of those fishing grounds for marine national parks, how will the fishery be guaranteed sustainability with a concentration of fishing effort into a smaller area?

Hon. C. C. BROAD (Minister for Energy and Resources) — The government is committed to ensuring a sustainable rock lobster fishery into the future, both for the sake of the fishery resource and for the sake of the local communities and the industry that depend on it. Unlike the former government, which commissioned reports and made statements about the drastic decline in the rock lobster fishery, this government is acting to ensure sustainability of the rock lobster fishery.

The government has clearly indicated, in response to the query about the impact it will have on the rock lobster fishery, that because the transition is not able to be done in a way that will not have an impact on fishers in that industry it will provide assistance, unlike the previous government, which was not prepared to provide any structural adjustment assistance. This government will provide assistance through the Rural Finance Corporation to the industry to enable it to move to a sustainable basis and ensure that fishers in the industry are assisted in the move to sustainability through quota management of the fishery.

The impact of this, in comparison with the impact of marine national parks, is much more significant. The process of setting the total allowable catch occurs on an annual basis. Our expectation is that as a result of moving to quota management of the fishery we will see a recovery in the fishery and as a result we will see the total allowable catch and quotas go up. This will far outweigh any impact in the short term from marine national parks.

Reclink

Hon. S. M. NGUYEN (Melbourne West) — Given the Bracks government's commitment to provide recreation opportunities for all Victorians, what steps has the Minister for Sport and Recreation taken to achieve this outcome?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am pleased to advise the house that I am able to confirm that for the next two years the government will provide funding of $42 000 each year to Reclink, an organisation some members of the house might be aware of. I am sure some honourable members on the other side of the house who have their constituencies in St Kilda and the Port Phillip area will appreciate the significant work that Reclink does. It provides sporting and recreational opportunities for some of Victoria's most disadvantaged members of the community.

It provides recreational services for a variety of organisations such as Ozanam House and others of that ilk. Reclink facilitates sporting events for homeless men and women, people with drug and alcohol dependencies and people from broken homes. I am not trying to make it a political issue, but it should be of significance for honourable members opposite. The government is committing funds to assist some of the most vulnerable in the community, and honourable members opposite are not interested. Obviously they are not aware of Reclink, but they are still not prepared to listen.

I commend those who provide the services at Reclink. The organisation was featured in a 1-hour special some months ago on television. I encourage all members of the house on both sides of the political spectrum to visit the organisation to see the fine work it does. I

particularly congratulate the individuals involved on their tireless efforts in organising sporting opportunities for people who would not normally be able to access them.

This organisation gives those individuals a reason for living and certainly motivates them to make adjustments in their lives accordingly. Again, I congratulate those at Reclink, in particular those who have lobbied me extensively for funding for the organisation and for the vulnerable in the community.

Marine parks: Ricketts Point

Hon. M. A. BIRRELL (East Yarra) — I ask the Minister for Energy and Resources: what is wrong with Ricketts Point being a marine park?

Hon. C. C. BROAD (Minister for Energy and Resources) — I am very pleased the Liberal Party is carefully examining the government's package in response to the recommendations of the Environment Conservation Council (ECC) recommendations. I hope it will soon be able to come to a position of supporting the government's package on marine national parks.

The government has said in response to representations from organisations across the spectrum — conservation groups and recreational and commercial fishing groups — that it has made a number of adjustments to the ECC's recommendations. In the case of Ricketts Point, the government very carefully listened to the representations made to it by the peak body for recreational fishing interests and considered the very heavy regular use of that area by a large number of Victorians and the fact that the area does not have unique characteristics in terms of the representative system of marine national parks.

Having taken into account all the representations made to it, in an attempt to come up with a decent and responsible package, the government decided that on balance it was not necessary to include the Ricketts Point recommendation in the package.

If the Liberal Party has some proposals for what areas it believes should or should not be included in response to the ECC's recommendations, the government — and I am sure all Victorians — would be very pleased to hear about them. We would be very pleased to hear what the Liberal Party's position is. In the meantime — —

Honourable members interjecting.

The PRESIDENT — Order! It is becoming increasingly difficult to hear the minister's answer with the barrage of interjections. I ask the minister to come to the end of her answer and I ask other honourable members to allow her to be heard.

Hon. C. C. BROAD — In the meantime, the government will continue to advocate for its package, which it believes is a decent and responsible response to the ECC's recommendations and the representations that have been made to the government following that report.

Consumer affairs: incorporated association register

Hon. KAYE DARVENIZA (Melbourne West) — Will the Minister for Consumer Affairs inform the house how the Bracks government is fulfilling its responsibility to ensure the accurate maintenance of the register of incorporated associations?

Honourable members interjecting.

The PRESIDENT — Order! I ask both sides of the house to keep quiet so I can hear the Minister for Consumer Affairs.

Hon. M. R. THOMSON (Minister for Consumer Affairs) — Unlike the previous government, this government takes its responsibilities very seriously. In the area of consumer affairs, the previous government was nowhere to be seen!

Honourable members interjecting.

The PRESIDENT — Order! Question time can be easily terminated if that is what honourable members want. If honourable members want the minister to be heard I suggest the house settle down and allow her to complete her reply.

Hon. M. R. THOMSON — One of the government's responsibilities is to maintain the register of incorporated associations. For the seven years that the Kennett government was in office, the register of incorporated associations was totally without maintenance. Associations failed to lodge their annual returns and they did not keep their contact details up to date. The previous government did nothing to rectify the situation.

The Bracks government has had a good look at this register and Consumer and Business Affairs Victoria (CBAV) has written to over 10 000 associations that have not lodged annual returns for over three years. It intends to cancel the incorporated associations that do not meet their obligations under the act, and it has set those incorporated associations aside on a tentative cancellation list.

The government has placed notices in the *Herald Sun*, the *Age* and regional papers urging associations still in operation to contact CBAV. We have also placed the list on the web site and established a telephone inquiry line and email address.

Seven hundred associations have responded saying they are in existence. We expect they will now provide their unlodged annual returns and bring their contact details up to date. We also extended the deadline to 31 May to enable associations to comply. Consumer and Business Affairs Victoria has also contacted councils and peak bodies to establish the status of associations in their jurisdictions.

Honourable members interjecting.

The PRESIDENT — Order! I ask the house to settle down. The minister might also help by abbreviating her answer.

Hon. M. R. THOMSON — The deadline has now expired and we will be cancelling the incorporated associations on the list that have not provided the information they are required to provide under the act.

This action demonstrates the government's commitment to ensuring that the register contains reliable and accurate details and that people can rely on the register being as accurate as possible. It also demonstrates the previous government's neglect of consumer affairs issues.

Workcover: premiums

Hon. W. I. SMITH (Silvan) — I ask the Minister for Small Business to make an unequivocal commitment — I am not talking about the usual Labor promise — to the house that the Labor government will not increase Workcover premiums for small business.

Hon. M. R. THOMSON (Minister for Small Business) — I have been informed that the Victorian Workcover Authority has made a public announcement about forthcoming premiums — that is, the Workcover premium rates for small businesses with a turnover of $1 million or less will not be increased over the next 12 months. The rate will be stabilised and will not change, and the review will continue to be finalised.

Aquaculture: funding

Hon. E. C. CARBINES (Geelong) — Will the Minister for Energy and Resources advise the house of the Bracks government's funding commitment to support the development of the aquaculture industry in rural and regional Victoria?

Hon. C. C. BROAD (Minister for Energy and Resources) — I thank the honourable member for her question and for her interest in this very important industry in her electorate. The Bracks government is committed to improving investment opportunities in the aquaculture industry and building on its strong growth prospects throughout regional and rural Victoria.

The government has provided some $3.5 million over four years beginning in 2001–02 to support aquaculture development through the Department of Natural Resources and Environment. That funding will support the delivery of key aquaculture services, including licensing, administration, policy development extension and research and development for the industry.

In addition to that a further $1.1 million has also been provided to implement the government's response to the Environment Conservation Council's (ECC) marine coastal report on marine aquaculture. These funds will be used to establish aquaculture zones, to prepare management plans for each of these zones and to undertake baseline and environmental monitoring of aquaculture development.

It is estimated that these 12 new aquaculture zones will increase the industry's production value to some $50 million over the next four years and will employ up to an extra 700 people in regional Victoria — a very important source of future employment. Indeed, Portland is one location where an aquaculture zone, as recommended by the ECC, will provide significant employment growth and new opportunities to expand significant existing aquaculture projects in the region, particularly for abalone.

The Bracks government's strong support and funding commitment of $4.6 million over four years for the aquaculture industry recognises the important contribution the industry is already making throughout regional and rural Victoria and its exciting future prospects.

QUESTIONS ON NOTICE

Answers

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

> That so much of the standing orders as require answers to questions on notice to be delivered verbally in the house be suspended for the sitting of the Council this day and that the answers enumerated be incorporated in *Hansard*.

Motion agreed to.

Hon. M. M. GOULD — The question numbers are: 1684, 1686, 1718, 1728, 1741, 1742, 1744, 1745, 1747, 1751, 1752, 1755–1757.

RACING (RACING VICTORIA LTD) BILL

Second reading

Debate resumed.

Hon. I. J. COVER (Geelong) — It gives me pleasure to resume my contribution on the Racing (Racing Victoria Ltd) Bill. Before lunch, we were talking about the history of racing in Victoria, its recent history here and the resurgence racing has experienced firstly under the Leadership 2000 program and then its draft Challenge 2005 program, which has been very much the forerunner to this bill covering the restructure of the governance of racing in Victoria.

Prior to the luncheon break I was commenting on country racing and some of the highlights of country racing in recent times. I was referring particularly to the 1999–2000 country racing awards and the honours that were bestowed upon the Mornington Racing Club and the Avoca Shire Turf Club and commenting on the Warrnambool Grand Annual Racing Carnival. In talking about the Mornington Racing Club I referred to Frank Sedgman, who is the president of the club, and his wonderful sprinter, Hareeba, an outstanding racehorse that was trained by Kevin Newman, one of the state's outstanding trainers. Hareeba was an outstanding sprinter.

In drawing my contribution to a close, I have spoken of the challenges ahead for the new board as well as for the people charged with the responsibility of making the appointments. I also take the opportunity to congratulate the advisory panel on the work it did in reviewing the governance structure and making recommendations to the minister and the government. It handed down its recommendations in November last year. I recall attending the press conference and meeting the advisory panel when it released its recommendations and commented on the task it had been involved in. It also made the point that holding the press conference was the panel's last official duty, that its work was completed and that it had no further comments to add because the recommendations were being handed there and then to the minister.

I clearly gained the impression that the advisory panel did not expect ever to work again, but of course it is now reconvening to assist with the appointment process. In thanking panel members and acknowledging the work they did last year, we also wish them well in their latest role in reconvening to assist with the appointments to the new board of Racing Victoria Ltd.

As I said earlier, the opposition has consulted widely and has received a range of responses, both written and verbal, from people in the racing industry. I believe it is important to get them on the record to show that the racing industry is fully supportive of the legislation. Of course that is not surprising, given the pivotal role the industry has played in driving these changes.

I will start by mentioning a selection of stakeholders. We all know that the racing industry involves a range of parties. The Victorian Bookmakers Association, through its chairman Gavin Marantelli, who is a good man and a fine bookmaker, wrote to me after I had contacted him with the bill and the second-reading speech to say:

> … as an industry stakeholder … our association supports the bill.

He also noted that his association, as an industry stakeholder, had the opportunity to take part in the consultative process. I pointed out before lunch how important that consultation process is going to be for stakeholders in the racing industry in Victoria.

The Victorian division of the Australian Trainers Association, through its chief executive John Alducci, said in a letter to me that it has no concerns with the content of the bill or the second-reading speech and looks forward to playing a constructive role as a stakeholder in the selection process for the appointment panel.

The Thoroughbred Racehorse Owners Association, met with members of the Liberal Party including the honourable member for Polwarth in another place, Mr Terry Mulder, who I have pointed out in a previous debate is a keen racing man and is involved with the Colac Racing Club, and me. Subsequent to our meeting Greg Buckingham, the executive officer of the association, wrote to say:

> We believe that the proposed changes are consistent with our views for an independent governing board and therefore fully support the proposed changes to the bill.

It is important that people recognise the role racehorse owners play in Racing Victoria because without racehorse owners there would be no horses to allow us to conduct racing in Victoria, and they are keen to play an even more active and involved role.

Mark O'Sullivan, the group general manager of Country Racing Victoria, pointed out that the Victorian

Country Racing Council fully supports the bill. He was joined in those sentiments by Terry Fraser, the chairman of the Victorian Country Racing Council, who in a letter of 15 May to me states:

> … the bill provides precisely for the arrangements that the industry agreed following panel recommendations and accordingly I would appreciate your giving it your support and those of the team in the house.

Finally, the chairman of the body which has the responsibility for running racing in Victoria, Racing Victoria — which has evolved into Racing Victoria Ltd — Andrew Ramsden, wrote to me on 14 May saying:

> At a meeting of chairmen and our governance working group on Friday, 11 May, we advise that we are completely happy with the legislation and the proposed structure for the future of racing in this state.
>
> It has taken a long time to achieve this result and we would appreciate your support of this bill.

There is probably no more appropriate way to conclude my contribution than to say, 'Well done' to Andrew Ramsden, the chairman of Racing Victoria, and to Racing Victoria for the work they have done in making Victoria the leading state for racing in Australia. I conclude by wishing the new Racing Victoria all the very best as it takes over the role of governing racing in Victoria. I support the bill.

Hon. R. F. SMITH (Chelsea) — I shall make a small contribution on this bill, which is very important not only for the racing industry but for Victoria in general. I congratulate Mr Cover on his fine contribution to debate on a bill which supports an industry of which he obviously has a great love.

This is an important bill. It amends the Racing Act of 1958 and other acts, and it allows for the structuring of a new governing body to take racing in Victoria into the future. I would argue that racing in Victoria is every bit as important to our culture and psyche as Australian Football League football, cricket or any other major sport. Regardless of what sport you prefer, everyone has some sort of affinity with or gains some sort of enjoyment from horseracing at some time in Victoria, particularly in springtime.

Racing, often referred to as the sport of kings, is now really no longer a sport, but a genuine billion-dollar-plus industry. Hence the absolute importance of putting in place a relevant professional structure to govern the body. Racing contributes in the order of $1.2 billion to the Victorian economy, and that says it all about the importance of racing to this state. It employs over 16 000 people throughout the state, two-thirds of which are employed in country Victoria. That again demonstrates the impact this sport has on our state, particularly on rural and regional Victoria. One only has to go to meetings at, for instance, Hanging Rock, not to mention the other major country meetings at Warrnambool, et cetera, alluded to by the previous speaker, to understand the contributions it makes.

Over 100 000 interstate and international tourists flock to Melbourne for the Spring Racing Carnival. They make a huge contribution, both financially as well as culturally. They are from very diverse cultures. We are now seeing a huge increase in gentlemen attending from the Middle East, including sheikhs, who are fanatical horse lovers and racing enthusiasts. They are now making a regular trek to Melbourne for the spring carnival — and are having fair success, I might add, much to the annoyance of the locals in some quarters!

The monetary contribution from these people attending the spring carnival is somewhere in the order of $300 million. While the previous speaker stated the number of jobs created as being about 2500 permanent jobs, it would be more accurately described as 2500 full-time casual jobs, because they are created during that time and do not continue permanently. I say that certainly not as a criticism but to define it accurately.

Given the contribution racing makes to country Victoria, I would argue that in many ways it is the lifeblood of many country Victorian towns. It enhances them not only financially and economically, but also culturally. The long-term benefits are that some people who visit the major country carnivals go back to the towns at other times during the year as tourists, and the obvious benefits flow.

The new governing body has come about as a direct result of a recommendation by the current leadership of the Victoria Racing Club (VRC). In October 1999 it recommended to the government that a new body ought to be constructed to take racing into the future, and it should be congratulated for that. I congratulate its current administrative head, Mr Beattie. I would say he has done a very fine job for racing in Victoria. I do not know of anyone or any section of the racing industry or community who would not agree. I am sure some have had their to-dos on the odd occasion, such as a previous organisation to which I belonged, among others — that has to be said. Is he a hard nut? Yes. Fair? Yes. Professional? Yes. If rumour is correct, he may be moving offshore to Dubai. I wish him every success, and I am sure they will be significant beneficiaries of

his talents. I hope he has as much success with the camel jockeys as he had with the jockeys in Victoria.

Hon. I. J. Cover — They already have Les Benton.

Hon. R. F. SMITH — Yes. As the bill outlines, the new board should be independent, accountable, accessible and committed to promoting, developing and managing thoroughbred racing in Victoria. The VRC has successfully governed racing in Victoria for about 151 years, since 1850 — no, that is not correct. Racing has been conducted at Flemington since 1850, and I think what is now known as the VRC formed in about 1864. Mr Cover is giving me a nod of approval from the other side, so I am obviously right. The VRC came about as a result of an amalgamation between the Melbourne Racing Club, the Victoria Turf Club and the Victoria Jockey Club. The VRC became trustee of the major racing centre then known and still known today as the Flemington racecourse. As I said, racing has been conducted there since the 1850s.

The bill represents an historic moment for Racing Victoria. As I said earlier, racing is now moving out of the sporting, social club activity category to being a major business that is of vital importance to the state. It is accurate and fair to say that the Victoria Racing Club has governed racing well for more than 100 years. Victoria has had nowhere near the scandals other states have had, and when they have occurred they have been dealt with efficiently and openly. During a previous debate we talked about scandals such as Big Philou and so on.

The bill has the intent of taking the industry forward. It will enable the transfer of governance to a not-for-profit company known as Racing Victoria Ltd. All of the players in the industry will have their voices heard. Without wanting to be to critical, it is fair to say that many people associated with the industry at the lower end of the spectrum may have felt they had no voice in it, that they were bit players, and that the sport of kings was controlled by the top end of town. The bill will ensure a greater balance and representation of all sectors of the industry — jockeys, strappers, owners, breeders, unions, country racing and so on. It will ensure better outcomes for the industry, and therefore the public will be better served by the new governing body.

The bill will encourage young people, particularly women, to be more involved and to participate in the industry. That is a smart move that will assist the long-term interests of the industry. To see the truth of that one need only look at the increasing popularity of Oaks Day during the past decade. It has gone ahead in leaps and bounds because the marketing strategy has been directed specifically at young women who, if you like, have taken up the challenge. During the racing carnival it is hard to find young women not being enthusiastic about the industry.

Hon. E. J. Powell — What is wrong with older women?

Hon. R. F. SMITH — They attend the meeting on the previous Saturday. The marketing strategy is healthy from a business point of view. Where the fillies gather the colts will appear! The record crowds on Oaks Day are clear evidence that the marketing strategy is working. The bill is the product of the extensive consultation that started in 1999, after the administration of the Victoria Racing Club initiated the review.

The Honourable Ian Cover said the relationship between the Minister for Racing and the administration of the Victoria Racing Club has not always been good. There may have been some difficulties in the past, but they seem to have been overcome. It is certainly my hope that they have been overcome.

Racing Victoria will have transferred to it all the powers and functions currently invested in the Victoria Racing Club. It will represent stakeholders in the industry under the Australian rules of racing, particularly entities such as Tabcorp and the Australian Racing Board. It will represent the racing industry in the state. The members of Racing Victoria will be the Victoria Racing Club, the Victoria Amateur Turf Club, the Moonee Valley Racing Club and the Victorian Country Racing Council. The Racing Victoria board will comprise 11 members. Five persons will be appointed by the specially created appointment panel; one person will be nominated by the Victoria Racing Club; one person will be nominated by the Victoria Amateur Turf Club; one person will be nominated by the Moonee Valley Racing Club; two persons will be nominated by the Victorian Country Racing Council; and the chief executive of the company will be appointed by the board.

The chairperson and deputy chairperson will be appointed by the appointment panel. I reiterate what was said by the Honourable Ian Cover, the appointment panel will comprise one person who is the joint nominee of the Victoria Racing Club, the Victoria Amateur Turf Club and the Moonee Valley Racing Club; one person will be the joint nominee of the Victoria Racing Club, the Victoria Amateur Turf Club, the Moonee Valley Racing Club and the Victorian Country Racing Council; one person will be the

nominee of the Victorian Country Racing Council; one person will be the nominee of the minister; and one person will be the joint nominee of the Australian Jumping Racing Association, the Australian Services Union (Victorian branch), the Australian Trainers Association (Victorian branch), the Australian Workers Union (Victorian branch), the Media and Entertainment Arts Alliance, Thoroughbred Breeders Victoria, the Thoroughbred Racehorse Owners Association, the Victorian Bookmakers Association, and the Victorian Jockeys Association. The panel will have the capacity to add persons or bodies to the list.

If the panel cannot reach a two-thirds majority when selecting a nominee for the first appointment panel, the advisory panel will appoint the nominee and the subsequent nominations will be made by the appointment panel. The board of directors will not be able to hold other offices in the racing industry. They must be independent and free from any real, perceived or potential conflict of interest, but in the interests of providing continuity during the transitional period the metropolitan racing clubs and the Victorian Country Racing Council may nominated a serving office-holder of a racing club to occupy the position of director for the first year.

The body selecting members of the appointment panel must take into account knowledge or experience in business, finance, marketing, technology or administration and a knowledge of the thoroughbred racing industry. The appointees must have a diversity of skills that will enhance the status of the board. Racing Victoria will have its status enhanced by being incorporated under the Corporations Law. It will be subject to all the legal reporting and probity obligations applying to public companies, including reporting to the Australian Securities and Investment Commission, to ensure disclosure and accountability.

The object of Racing Victoria will be to develop, encourage, promote and manage the conduct of thoroughbred racing in Victoria, which will be achieved by promoting Victoria as the centre of excellence for thoroughbred racing.

There is no doubt that currently few places in the world would outshine or perform better than Racing Victoria. Evidence shows that other places such as Dubai, a significant competitor that is pouring millions of dollars into its industry, was headhunting talent from Victorian racing administration. On one hand, that is a compliment, but on the other it is a problem because Victoria loses real talent. We must be smart enough to ensure that replacements are available and succession planning takes place.

The other objectives of the company are to promote probity in the conduct of thoroughbred racing, which is vitally important for punters to feel confident that their industry is being administered properly, fairly and tightly, and it is extremely important from a government perspective. Gambling taxes and so on are all impacted on if the industry is not seen to be open, fair and accountable.

The company will provide effective and efficient management of the industry's business performance and customer service. Who would deny the importance of that? It will promote the widest possible participation in thoroughbred racing, particularly participation by women and young people, and promote the provision of economic benefits to the state, which comes in the form of increased tourism, spending in the general economy and taxation.

The bill ensures that the thoroughbred racing industry is governed by an independent body that is responsive to all of Racing Victoria. I have no doubt the bill will assist this great Victorian asset. Given the current track performance of the administration to date it will continue in that vein. We have a healthy industry. Before commending the bill to the house, I refer to the immortal words of Kramer, giddy up!

Hon. R. A. BEST (North Western) — It is with enormous pleasure I support the establishment of Racing Victoria Ltd. As most honourable members know, I am a keen participant in the racing industry. I offer my congratulations to all sections of the racing industry on their maturity in establishing this new structure that will govern racing in Victoria.

I do not think we appreciate what a large employer the Victorian racing industry is. There is in excess of 16 000 people employed in the Victorian racing industry, and two-thirds are employed in country Victoria. By its very nature the industry is very important to country Victoria. Jockeys, trainers, strappers, attendants, office staff, stewards, gate attendants at race meetings and food vendors — the list goes on — are associated with race meetings and the racing industry. We should acknowledge and put on the record what a huge tourism driver racing is. It is estimated that it attracts more than 100 000 people a year. One has only to look at the success of the different racing carnivals that have already been mentioned, particularly the Melbourne Spring Racing Carnival, which is an outstanding event.

The marketing of the Spring Racing Carnival has become so successful that it has moved from being a

race meeting around horses racing to be an event where people just want to attend.

Hon. I. J. Cover — It is a festival.

Hon. R. A. BEST — It is a festival, Mr Cover. One has only to look at the antics that occur on the lawns and other areas of the Flemington racecourse to see the carnival-type atmosphere that people bring to those four days of the racing carnival. We should not forget the wonderful carnival the Victoria Amateur Turf Club (VATC) holds around the Caulfield Cup, which is a prelude and an introduction to the Spring Racing Carnival.

Not only the metropolitan area has success in conducting these carnivals, it is very much part of the country fabric around cup day events, such as the Warrnambool Racing Carnival which occurs in the first week of May every year, and something that has to be witnessed to see the influence and impact it has on the town. Motels and hotels are virtually booked out from year to year. Once the event is over one re-books for the next year. That must be an enormous financial injection into the economies of many towns, particularly Warrnambool in this instance. Mr Deputy President, it also occurs this weekend in your home town of Swan Hill.

Hon. W. R. Baxter — Waitchie?

Hon. R. A. BEST — No, the Deputy President lives in Swan Hill. He does not live on the farm, as was asserted yesterday uncaringly by Mr Theophanous. The Swan Hill Racing Carnival on this coming long weekend is a fantastically successful carnival that provides an enormous financial injection into the economy of Swan Hill. They do it well. It has an effective small club run as a coterie-type arrangement with the Swan Hill Racing Club. It is fantastic the way it assists the racing club and the community of Swan Hill.

The wonderful atmosphere allows country Victorians to emulate the Melbourne Cup. The Bendigo Cup is a wonderful example where people feel they have to be. In another life when I ran Golden City Frozen Foods, I put a tent on the lawns of the Bendigo racecourse.

Hon. W. R. Baxter — A marquee, I am sure!

Hon. R. A. BEST — Yes, a marquee, not a tent.

Hon. I. J. Cover — In your case, it probably was a tent!

Hon. R. A. BEST — I assure you, Mr Cover, it was not a tent. Because it is a public holiday in Bendigo people are invited on the specific condition that they enjoy themselves, and I was able to continually ensure that there were ample supplies of food and refreshments of choice to ensure that people enjoyed themselves.

The Bendigo Cup Carnival is a two-day event and has been marketed that way. Corporate sponsorships and businesses in the town all take the opportunity to offer hospitality to a range of clients which creates a carnival-type atmosphere where again young people come to the races to have a party and a lot of fun. That has been one of the great successes of the strategies in marketing that Racing Victoria has undertaken. It has made Victoria the envy of every other state around the nation. Unquestionably the administrative expertise in the governance of the racing industry has outperformed any other jurisdiction in racing by any form or use of statistics.

Hon. I. J. Cover — On and off the track.

Hon. R. A. BEST — That is a very good point, Mr Cover. The Melbourne Cup has become an international event. I remember 20 years ago when holidaying with my brother in Queensland up the coast in a four-wheel-drive vehicle I wandered into a pub on Melbourne Cup Day hoping to listen to the race on the radio. I found that the bar was full because the small town in country Queensland had stopped to listen to the race. Sometimes we underestimate the impact that a race on a particular day — no, I should say the race on the first Tuesday in November — has on Australia.

The legislation brings to the racing industry the opportunity for other states to look at the Victorian model. The important components of the bill are that it has been totally driven by the industry. The number of times we have seen governments try to manipulate outcomes and unsuccessfully create structures where a lack of cohesion, lack of support and loss of power interrupt or in some way diminish the performance of a structure is of concern. As Mr Cover pointed out so brilliantly in his contribution, what has been achieved in the racing industry is that every component of the industry has been given its say through making submissions — and I will refer to that shortly — about structures and how each will play a role in the future.

Yesterday I had a call from a National Party adviser from another state asking about the Victorian racing legislation and what is likely to happen in Victoria. I was able to provide him with a briefing on what was occurring. A problem in Queensland, for instance, is that it has racing clubs whose people do not speak to

each other. There is such a divide between metropolitan and country racing that it cannot be doing the industry any good. The achievement in Victoria is that a lot of local parochialism has been broken down. Some racing clubs have lost meetings in country Victoria but no acrimony occurred within the industry because of the way that was done.

It is important to acknowledge the role of people who have driven the racing industry. It is important to congratulate Andrew Ramsden, chairman of the Victoria Racing Club (VRC) and his committee for the way they have administered racing until now. The proof is in the reading of the statistics and the participation rates in the industry. The proof is also in the amount of prize money on offer and on the strength of the Victorian horseracing industry. They have demonstrated foresight and leadership through having put the interests of the industry ahead of personal interests.

While I am acknowledging people it is important to acknowledge those who have been on the administration side of the industry and who have made racing so successful. I think of the former secretaries of race clubs, particularly the VRC, and the role of Rodney Johnson, a man who had an enormous amount of goodwill and harmony. He was able to mix with different levels of people throughout the industry and carry himself so well. I think of David Bourke who was an outstanding ambassador for the racing industry and a wonderful human being. He has a close association with our colleague the Honourable Neil Lucas; I hope he passes on to him my acknowledgment of the fantastic role David Bourke has played in not only the VRC but racing throughout Victoria. Another is the present chief executive officer, Brian Beattie. Brian has a different style; however, he has been successful.

A person at the Victoria Amateur Turf Club (VATC) with whom I was associated, but who has now gone to Racing Victoria, is Dale Monteith. During my time as a board member of the Victorian Health Promotion Foundation the relationship between the foundation and the VATC has been fortuitous and excellent.

Hon. I. J. Cover — Even better, he barracks for Geelong.

Hon. R. A. BEST — I did not realise he was flawed, Mr Cover. I thought he was a wonderful man! Through their administrative skills those people have been able to bring a level of professionalism that is the envy of other codes and other sports, which is important.

In July 2000 an advisory panel was announced by the Minister for Racing. That followed a meeting between the minister and Andrew Ramsden of the VRC. They agreed to establish the joint panel to provide recommendations on the new governance structure for the thoroughbred racing industry. The panel membership structure provides for six members, with three members being nominated each by the minister and Racing Victoria. At various times Mr Cover and I were able to have discussions with the chairman; on one occasion he gave us a tour through the new stand at Flemington. I acknowledge the outstanding job that Rod Fitzroy did as chairman of that panel. The other members of the panel were Ron Beazley, George Corones, Michael Duffy, Kevin Hayes and Kate McAllister-Joel. I do not want to cover the same information that Mr Cover has so eloquently put on the record, but it is important to remind the house of the prime objective of the panel. According to the November 2000 report to the Minister for Gaming it was:

> … to present a report to the Victorian government and Racing Victoria making recommendations in respect of a new governance structure for the Victorian thoroughbred racing industry.

That meant there would need be an enormous amount of consultation. All sections of the racing industry were given the opportunity of making submissions. It is important to acknowledge that 78 submissions were received, 25 of which were from racing clubs or associations of racing clubs; 51 supported the governance model proposed by Racing Victoria, either in its entirety or with minor amendments. The industry was consulted by the panel and was given an opportunity to have its say. On 29 November last the report was handed down, following which the full panel was gracious enough to provide Mr Cover and me with a briefing to explain the structure. That is an example of the professionalism that exists within the racing industry.

That is what I was trying to explain yesterday in my contribution to debate on the tobacco legislation regarding future policy changes. When you are informed and are part of the process it is easy to understand all the issues emerging at any one time. It is easy to then support the outcomes. The Minister for Health should be conscious of the need to consult.

I come into the house as the National Party spokesperson on racing, having presented to my party a predetermined recommendation that it should support the bill because there is absolutely no reason to oppose it as the process has been open, consultative and fun.

Nothing more needs to be said than that probably the only disappointment in the whole process is that although the report was handed down in November last year, here we are debating the bill in June — more than six months later — when so many things need to be put in place, particularly establishing panels to appoint future directors. That is the one disappointing aspect and it is certainly not the fault of the racing industry, by any means.

Shortly I will read into the record the responses I got through January and early in February to letters I sent out seeking comments. Again, the industry responded very quickly, but five months down the track from that the house is only just debating the bill.

For the record, the purposes of the bill are to create Racing Victoria Ltd, which will be incorporated under the Corporations Law as a company with limited guarantee. It will be subject to all the legal, reporting and probity obligations applicable to public companies. Racing Victoria Ltd will include the Victoria Racing Club, the Victoria Amateur Turf Club, Moonee Valley Racing Club and the Victorian Country Racing Council and its members. It will have a board of 11 directors and honourable members have heard how it will be comprised. I should put on the record the appreciation and acknowledgment of the strength of country racing and the future representation it will have on the new board.

Racing Victoria Ltd will act as the representative of the Victorian thoroughbred industry in dealings with bodies such as Tabcorp and the Australian Racing Board. Racing Victoria Ltd will be responsible for the national and international marketing of Victorian thoroughbred racing. Each year as we approach the running of the Melbourne Cup there are many articles in the media advising us of who is coming to Melbourne for the race, which horses are being attracted and the like. It makes very interesting reading, particularly given that the Spring Racing Carnival has become such a huge event.

As I said, the bill has been driven by the industry. It has been recommended to the government that it embrace the report commissioned by the industry. During January some concerns were expressed that the minister would not put his imprimatur on the proposal. I am pleased that commonsense has prevailed and the minister has acknowledged the value of the report that was provided to the racing industry and has agreed in total with its recommendations.

On 3 May I received a letter from the minister acknowledging that the legislation was to be introduced. The letter, which is addressed to me as the National Party Shadow Minister for Sport and Recreation and racing, states in the last two paragraphs:

> While I would welcome any early indication of support for the bill, my specific purpose in writing to you is to request your endorsement for the reconvening of the advisory panel and the subsequent establishment of the appointment panel.
>
> Should you wish to discuss this matter, please do not hesitate to contact [me].

Again, I am disappointed that in trying to have the new structure implemented by 1 August, the start of the racing year, today we are debating the bill when so many structures need to be put in place to ensure that we can meet the time frames that have been established.

Hon. I. J. Cover — Given the goodwill and the professionalism of the racing industry, it will probably respond to the challenge.

Hon. R. A. BEST — I have no doubt that because high-quality professional people are employed in the racing industry they will achieve the very tight time frames.

Along with Mr Cover, I wrote to many of the players in the industry. I shall acknowledge those who have replied to me by reading their responses into *Hansard*. I received a letter from the Australian Trainers Association Victorian division supporting the bill. However, it wants to have representation of its organisation on the panels.

I received a letter from my home club of which I am a member, the Bendigo Jockey Club, which states:

> Thank you for the copy of the advisory panel's findings and recommendations.
>
> I advise that the Bendigo Jockey Club is broadly in agreement with the advisory panel's recommendations.

The letter is dated 1 February. As I said, during January there was an undertone of concern that there may have been some interference from the government.

I received a letter from Terry Fraser, the Chairman of Country Racing Victoria, who states:

> Thank you for your interest in the current governance issues in respect of thoroughbred racing.
>
> …
>
> The unanimous recommendations of the panel had been accepted unanimously by our 55 member clubs at our annual general meeting and the agreement in relation to the implementation of these recommendations will I believe be well received by our clubs.
>
> Thank you once again for your interest.

A letter from the Kerang Turf Club states:

> We are satisfied that the advisory panel has negotiated a fair proposal …

The Moe Racing Club has written:

> We are pleased to advise that the club fully supports the recommendations contained in the report, and looks forward to embracing this important change as we begin the current millennium.

I have a letter from the Mortlake Racing Club, from David Charles at Tabcorp, and from a dear old friend, David Lauritz, president of the Thoroughbred Racehorse Owners Association. I shall read some of that letter into the record because of my former association.

Hon. I. J. Cover — In racing?

Hon. R. A. BEST — Yes. He states in his letter:

> Thank you for your letter of January 19, 2001 concerning the review of the governance structure of thoroughbred racing in Victoria.
>
> On a personal note I should say that I look forward to catching up with you again when time permitting we may indulge in some nostalgia about the happy days that surround Bill Strauch, Ron Burgess, Rod Humphrey and the Bendigo team. I haven't had nearly as much racing fun recently as I had in those days!

As I said, I have been a participant in the racing industry for a long time. David Lauritz, Rod Humphrey and I raced horses out of the Bill Strauch stable and, Ronnie Burgess, whose wife is now a trainer, is a Bendigo-based jockey who has had enormous success throughout country Victoria.

Hon. I. J. Cover — Did you have the front bit or the back bit of the horse?

Hon. R. A. BEST — That depended on the result! I am one of the very fortunate people involved in racing. Mr Cover said there were 9265 horses racing in Victoria between 1999 and 2000. After last week there is one less racing. The first preparation of Cappielow, a horse formerly raced by a syndicate of which I am a member, was terrific. We thought that she was going to be something. She was by an outstanding sire out of a Dane Hill filly, so she was very well bred. Unfortunately her second preparation did not measure up to her first. In her first race she ran second at Warrnambool, being just beaten past the post by a short half head. She then went to Moe and won by six lengths, and we thought: how good is racing! Unfortunately in this preparation I think fifth is the closest she has finished and she has finished down the track in the other four runs. We decided, speaking through our pockets, that we would no longer be involved with that particular filly, so there is one less horse running in Victoria.

Hon. I. J. Cover — You'll be back!

Hon. R. A. BEST — Yes, that is it — because of the fun it generates, I will unquestionably be returning. The last letter I shall read into the record is from the Wangaratta Turf Club and was received at my office on 7 February. It states:

> In reply to your letter of 19 January 2001 in regard to the proposed governance structure of thoroughbred racing in Victoria:
>
> My club fully supports the stand of Country Racing Victoria and the industry generally that the government allow the industry to continue to govern racing in Victoria.
>
> Recent information suggests that the governance of racing will be through legislation, to which we are fully opposed.

I do not want to labour the point, but as honourable members are aware, during January the minister, having received the report in November, indicated that there may be some government interference in the way the structure may proceed and that all aspects of the proposed new structure had not been endorsed. However, that is all in the past, and I am pleased to say that Minister Hulls has embraced the total report.

Finally, I would like to put on the record that racing is part of our social fabric. It allows different levels of our community to race horses in the sport of kings. I would also like to put on the record that I often have conversations with Michael Stubbings, one of our attendants, because Michael participates in the racing industry. He is involved with Group One Racing Syndicate no. 2, Group One Racing and the Winners Circle no. 3. While we may come from different backgrounds and have different professions, the fact is that racing allows many people from different stations in life to compete at the same level — and I have to tell you there is no leveller like racing. While you go to the races with the thought that your horse is going to do well, the way you enter the course is not necessarily the way you exit the course, both emotionally and financially!

Racing is very much part of our social fabric. It is one of the things that makes Australia a great country and one of the things that makes Victoria such a fantastic state. The nation stops for the Melbourne Cup. The marketing of the Spring Racing Carnival has been absolutely fantastic, with horses coming from around the world to contest the Melbourne Cup. I have to agree with the Honourable Bob Smith, Fashions on the Field

is an event that should not be missed, and it provides a financial impetus to many of the designers, clothing manufacturers and fashion houses across Victoria. As a country Victorian I am aware of the rich and wonderful atmosphere created around our country cup carnivals. As I said, two-thirds of the 16 000 people involved in racing in this state are employed in country Victoria.

Finally, I reiterate my thanks and appreciation for the foresight and maturity of the Victoria Racing Club and its chairman, Andrew Ramsden. Unquestionably they have put the industry before self-interest. I know Andrew is a keen participant in racing and a huge supporter of racing financially and emotionally. It is now part of history that he was one of the owners of last year's Melbourne Cup winner, Brew, so he has tasted success at all levels in the past 12 months.

It is particularly delightful for me as the National Party spokesman to acknowledge the people who have been the drivers in the industry who have made this legislation come to fruition. I put on the record as a token and mark of the day that I have worn my Melbourne Cup carnival tie from last year, which again highlights the magnificent marketing and promotion of the Spring Racing Carnival.

Finally, on behalf of Mr Cover and myself, I very much thank Mark Close from the Office of Racing, who has been prepared beyond the call of duty to provide us with information to ensure that we are kept informed so that the decisions we make benefit racing throughout this state.

Hon. I. J. Cover — And Tony White was very helpful, too.

Hon. R. A. BEST — He was, thank you, Mr Cover. I hope that also gets on the record. With those remarks I have pleasure in supporting this legislation.

Hon. S. M. NGUYEN (Melbourne West) — I speak in favour of the Racing (Racing Victoria Ltd) Bill, which, like the Racing and Betting Acts (Amendment) Bill debated not so long ago, is important for the racing industry of Victoria. The bill is fairly straightforward and has received bipartisan support.

The racing industry is very important for Victoria, and provides one of its richest events, which attracts thousands of tourists and others every year to enjoy the racing carnival and to do business. Racing in Victoria is not a small industry. It has created jobs — it employs about 16 000 people — and generates $1.2 billion each year. The Melbourne Cup attracts more than 100 000 spectators every year.

My friends and I go to the Melbourne Cup every year, and every year it grows bigger — more people attend, especially tourists from overseas. The whole of Australia now recognises the Victorian racing industry. I remember a Melbourne Cup Day years ago when I was I was in a mall in the shopping precinct of Sydney. Everyone in the street stopped to watch a big screen that showed the running of the Melbourne Cup. So not only Victorians enjoy the race. Everyone in Australia, whether through watching television or by listening to the radio, is interested to follow the cup to see who wins on the day. This is one of the richest cultural events we have in Victoria.

Many of my friends from Hong Kong and China visit Melbourne during the Spring Racing Carnival because they like to follow a horse and win a bet. Some people study the history of the horses. Many women buy new dresses because Australian fashions create a great deal of interest. The Australian fashion industry is assisted because people are able to advertise their garments at the races and many garments are sold. Many hotels and motels attract people to them, so the sport is good for many other industries.

When I went to Hong Kong two years ago I met two people and we talked about where we were from. I said I was from Melbourne, Victoria, and they mentioned Melbourne Cup Day and said they always followed the racing industry in Victoria. I know very little about horseracing and I could not advise them which horses were good.

People are aware of what is happening in Australia, especially in the racing industry. Many visitors from Hong Kong and China would like the Australian racing industry to invite them to come to Australia to learn how to set up a horseracing business in China or other countries. Living standards are improving and people can afford to enjoy entertainment. Racing is a big market that they look at for its potential. It is not easy to set up a business and people from overseas would prefer to get someone from Australia to help them.

The racing board ensures that there will be no corruption, bad deals or bad gambling; people know it is an industry they can trust. Australia has a good reputation because we make sure there are no set-up arrangements before a race starts.

The bill amends the Racing Act 1958 and introduces a new governing body for racing in Victoria. The structure of the board will ensure it is independent and more accountable to the industry. It will listen to and consult with more people. It will work with a range of people in the industry to improve the task of

developing, promoting and managing the conduct of racing in Victoria.

The Victoria Racing Club has been around for more than 120 years, and that is very important. It was established at the beginning of the settlement of Victoria, and the racing industry has been around for a long time. It is time to restructure and improve communications, and it is important to be united and work together for the benefit of all parties involved in the industry. It is important to get all people in the industry together and ensure that everyone puts the common interest before self-interest.

I am sure the board will perform well and will look after racing not only in metropolitan Melbourne but in the whole of Victoria, especially in regional communities. Many members of the house come from rural areas, and it is important to recognise regional communities. Many festivals are held in regional Victoria, which relies on racing events that bring people together from different places. People come to enjoy a bet and also the friendship of the races.

The government recognises it is important for major events to have strong support in regional communities. It acknowledges the important contribution by the people involved in the industry, such as trainers, jockeys, owners, breeders, stable hands and bookmakers. These people work to ensure the industry will improve and attract more people to come to the races. They work to make sure people feel comfortable about the board and that there is no corruption. People believe the industry is clean, which is important not only for Victoria but because the model can be exported to help people establish racing industries in other countries.

The government is keen to see the board perform and attract more people with expertise and a commitment to the racing industry who will be able to put ideas forward. I am sure the public will have confidence in it.

The government is keen to see the bill pass. It will assist members of Racing Victoria Ltd, which include the Victoria Racing Club, the Victoria Amateur Turf Club, the Moonee Valley Racing Club and the Victorian Country Racing Council. The bill will look after the interests of those members and the interests of the public.

For example, the Werribee Racing Club is in my electorate and the Flemington racecourse is beside the Maribyrnong River, which is near my area, and every year they are packed with people. The Moonee Valley Racing Club is used not only for horseracing but also for special annual general meetings, conferences and so on, and I have been there many times both to watch the racing and to attend social functions. The expansion of racing clubs to cater for the needs of the business community is an important development. I note that some racing clubs now have poker machine licences, and the machines help them to make profits to improve the running of their clubs.

Under the bill the board will retain the powers and functions it currently has to help run the racing industry. I am pleased to support the bill. I am sure all honourable members will be keen to see how the new board performs and to see its recommendations in next year's report. I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

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

That this bill be now read a third time.

I thank the Honourables Ian Cover, Bob Smith, Ron Best and Sang Nguyen for their contributions to the generous debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

BUILDING (SINGLE DWELLINGS) 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 opposition does not oppose the Building (Single Dwellings) Bill. However, it is important to raise a number of concerns that arise from the bill and from the government's recently released Rescode, which is its blueprint, if you like, for planning in Victoria into the future. This bill cannot be separated from Rescode, because the bill provides the framework for the building of single dwellings in Victoria as part of the overall provisions for planning as envisaged in Rescode.

Rescode is the replacement of the *Good Design Guide*, and although in the lead-up to the 1999 election both major political parties recognised the need for significant change to the *Good Design Guide* and in particular to the numerical standards included in it, the government has taken 19 months to come up with a replacement scheme. That scheme is in the form of Rescode, which the government released only a couple of weeks ago. It has taken the government 19 months to get it here!

In the period between October 1999 when the government came to power and last month when Rescode was finally released, the government failed to bring in interim planning controls to address the matters that both sides of the political fence had identified during 1999 as needing to be addressed. In fact we in the opposition called for those interim planning controls in 1999 to protect our suburbs and towns and their residents while the new government deliberated on its Rescode.

The opposition offered its bipartisan support for the introduction of interim planning controls. The government chose not to go down that path, thinking it could bring in a new code quickly. Since that time the road to the final development of Rescode has been a continual series of mistakes, blunders and roadblocks on the part of the government and the planning minister.

In June of last year we saw the first draft of a new code, which was universally panned across the board as being a complete disaster, and the less we say about that document the better. The government had to go back to the drawing board and get some experts in. It then came up with its December draft, which it released in January of this year. It was a technically detailed and accurate document that needed significant work before the government released what I believe is the final version a couple of weeks ago.

The government has taken 19 months to release that document, and in that time it has had to do a complete backflip from its original proposal of June 2000, which had a lot of hidden nasties in it. In the main it included provisions that would have returned Victoria to the bad old days of Andrew McCutcheon, the former planning minister and mentor of the current planning minister, in which dual occupancy was an absolute right and backyards were ripped up all across Melbourne as a result of the original Viccode.

That is similar to what the original Rescode draft envisaged but with a different formula; instead of having one house at the front of a block and another at the back, there were to be two terrace houses on the one block. Nevertheless, it would have ended up allowing dual occupancy as of right where single dwellings exist today. The draft had many other hidden nasties, a lot of which have been ironed out.

I turn to the document the government has now released as Rescode, which has two clear and distinct parts to it. One part regulates the building of single dwellings, and it is the intention of the government that the building of single dwellings be governed by building regulations rather than planning regulations and the planning scheme. The other element of Rescode relating to the building of multiple dwellings on a site is to be covered by the planning rules.

The government has not got even that right in a number of ways, because it fails to remove the uncertainty, it fails to set clear rules and, importantly, it also fails to ensure the autonomy of the local planning authorities — local councils — which was one of the cornerstones of this government's commitment in the lead-up to the last election.

We can discuss Rescode and its effect on the planning process for ever and a day. I dare say over the next few years the public of Victoria will discover that rather than having a better planning scheme they have just got a new planning scheme — one which will require a new interpretation, some new standards and new guidelines. It will not give them any more certainty. There will be no more certainty for residents and no more certainty for developers. There will be little or no autonomy for local councils and, in particular, little or no flexibility for local councils.

I will not highlight all of the concerns that the opposition and many other groups in our community have for Rescode today, but you cannot divorce Rescode from this bill. This bill is simply a part of Rescode. It should be put on the record that the lack of flexibility for local government will be one of the things that comes back to haunt this government in relation to Rescode and our planning system. You need only look at an area like the neighbourhood character overlay, where a municipality will be able to choose to change the numerical standards and add additional neighbourhood character objectives into its planning scheme in a particular area that it designates to be of significance. That sounds good in theory, but the minister has indicated quite clearly that he will only approve these neighbourhood character overlays for neighbourhoods that he himself regards as special. If the minister does not regard that neighbourhood as special, there will not be an overlay approved.

What is so important about neighbourhood character overlays? A number of things protect the character of a particular area, and in particular these overlays are the only real means by which to avoid the process and the concept of what has become known as moonscaping that is available under Rescode. Moonscaping is where a developer moves onto an established block of land with a house, trees and vegetation on it, brings in a bulldozer and razes everything to the ground, including mature trees and vegetation, and you have effectively the equivalent of a clear-felled block of land. There is no opportunity to protect the vegetation or the mature trees unless you have a neighbourhood character overlay; and unless the minister says it is a special area, you cannot have that overlay. That is not a good thing. As Rescode pans out over the next few years, local government will find it extraordinarily difficult to introduce these neighbourhood character overlays to protect residents and their municipalities.

Another issue that is of major significance in Rescode and of major significance to the people of my electorate is the power that the minister claims he is giving local government to vary the numerical standards — standards such as setbacks, building heights, site coverage, fence height and the like — which are the objective numerical standards of the planning process.

However, as good as that sounds in theory, the only power that Rescode gives local government to make these variations is on a municipality-wide basis. If a municipality wants to vary the numerical standards, it will need to apply it across the board. So even if a municipality decides that it wants to designate a specific area or a specific zone or a specific set of areas for medium-density development, and therefore vary the standards that apply in that area, it will have to apply those standards across the whole municipality. It is a one-size-fits-all approach which will lead to extraordinarily bad outcomes. My constituents are particularly concerned. If you look at the areas in the electorate that I share with the Honourable Andrea Coote, you will find that what is good planning for Prahran may not necessarily be good planning for East Malvern, and what is good planning for the Gascoigne estate may not necessarily be good planning for South Yarra. If you leap over into the City of Port Phillip, you may find that what is good planning for Elwood is not necessarily good planning for South Melbourne. Even within Elwood and South Melbourne there are areas where medium-density housing might need to be encouraged and areas where it should not be encouraged. Unless councils are given proper autonomy to designate areas for medium-density development, we will find that the inflexibility and lack of autonomy in Rescode will come back to haunt us all.

Planning is always a balance, and it has to be a balance — not a one-dimensional balance but a balance of all sorts of things. It is a balance between development and maintenance of the current character of an area; it is a balance of amenity for both residents and visitors. Allowing others to share that very amenity is what makes a place attractive. It is a balance between setting a statewide strategy and framework for planning and planning controls and giving local government proper autonomy to determine what is best for their particular areas and for their residents.

It is unfortunate that Rescode misses the opportunity to strike a good balance in those situations and instead creates further uncertainty, complexity and frustration for everyone involved in the planning process. That leaves us with a continuation of the need for far too many planning applications and planning disputes to end up at the Victorian Civil and Administrative Tribunal which, at the end of the day, has to play the final, policy-making role. That is not satisfactory either from a local autonomy perspective or, importantly, from a time perspective either, because the delays in getting to a hearing at VCAT frustrate residents, developers and the local council. So in the context of Rescode and its further complexity, its increased uncertainty and lack of local government autonomy, we need to take into consideration the specific provisions of the Building (Single Dwellings) Bill.

This bill is the framework by which the element of Rescode dealing with single dwellings is to be implemented by this government. Essentially this bill creates a framework whereby anyone who wishes to build a single dwelling in Victoria will firstly need to comply with the amenity regulations set out by the government — the numerical standards that have been set out.

Recently the government issued a list of 14 numerical standards that need to be complied with. In the first instance it will be a tick-a-box process. The questions will relate to setback, height, bulk, site coverage, and so forth. If a building meets the objective standards contained in the regulations, a building surveyor — any building surveyor, be it a council building surveyor or a private building surveyor — will be able to certify the building and issue a building permit, and the building will be able to go ahead.

If a building does not meet the numerical standards in the regulations, the developer will have two choices: firstly, to vary the development to meet the standards in the regulations; or secondly, to make an application to the local council to approve a variation to the numerical standards, based on guidelines that will be issued by the

government. In this instance the local council will take into account the guidelines and whether any adjoining properties are likely to be affected.

If so it will be incumbent on the local council to notify the adjoining property owner. It is envisaged that within a 15-day process the council will deal with the issues of the adjoining property owners and will make a determination on whether or not the variations to the standards, as proposed by the developer, are to be approved or not approved. The council could also issue an approval with some variations and some other further conditions attached.

Debate interrupted.

DISTINGUISHED VISITORS

The PRESIDENT — Order! I shall interrupt the honourable member for a moment. I acknowledge and welcome to the gallery Mr Jim Ziglar, the Serjeant-at-Arms of the United States Senate, who is accompanied by Mrs Linda Ziglar. They are also accompanied by Mr David Lyon, the United States Consul General, who is a long-term friend of this Parliament. Welcome to you.

BUILDING (SINGLE DWELLINGS) BILL

Second reading

Debate resumed.

Hon. P. A. KATSAMBANIS (Monash) — I welcome our distinguished visitors.

Assuming that the building regulations process takes place within the 15 days, it will be incumbent upon the local council — we do not yet know whether it will be the building department or the planning department, because the government has not told us — to then issue a notice either to proceed or not to proceed.

If a determination is made against the developer who has proposed the development, that developer will have a further right of appeal to the Building Control Commission. But if the determination is made in favour of the developer and against any objecting resident or residents, the resident or residents will have no further right of appeal anywhere, and that will be the end of the determination.

That immediately gives rise to an imbalance in rights between the developer and any affected residents. It also creates the circumstance where the building approval process all of a sudden starts to smell, sound, and look like a planning process. Prior to this local residents did not have a say in the approval of buildings under the building regulations.

I do not necessarily think it is a bad thing to give residents a say. It is just a matter of how it will be handled to ensure fairness and equity for all parties. It is also a matter of how residents will be given notice of these issues by local council.

I hear Ms Romanes saying that that is not true. This process has always existed. However, affected adjoining property owners have had no right to participate in the process; it has been a process between the developer and the council only. This is a new step.

Hon. G. D. Romanes interjected.

Hon. P. A. KATSAMBANIS — This is clearly a new step. Many people have mentioned to me that they are concerned about how it will work in practice. No-one thinks it is a bad thing; they are concerned about the process.

Save our Suburbs has said that the notification process of an application for a building permit or a variation from the standards is of concern to it. How will residents of adjoining allotments be notified? What time frames will apply? How will they be able to get their viewpoint across to council? Will it be by verbal comment or by written application? How will that whole notice process work? It would be good if the government could clarify that. Not just the opposition but local residents, Save our Suburbs and everyone involved in the planning process is concerned.

One of the other concerns Save our Suburbs has raised is a concern I pointed out earlier — that there seems to be an imbalance in rights. A developer can go to the board, but the aggrieved adjoining property owner has no opportunity to appeal to the board. Another concern raised by Save our Suburbs, which I hope the government will address, is that this legislation does not provide an express provision that the minister's own guidelines are to be taken into account and applied by the board in hearing any appeals before it.

Clearly there are concerns about how this scheme will operate in practice. There are also concerns relating to what will happen if there is non-compliance with these regulations and guidelines. For instance, what will happen if a building surveyor issues a building permit saying that a building complies with the regulations, the building proceeds, but all of a sudden the people next door see the building going up — most likely it will be the first time they find out about it — and see there is something wrong, and they are concerned so they

notify their local council or the Building Control Commission and say, 'Hey, there is something going on here.'?

There are some legal remedies, but in practice if a house is half built what will the remedy be for the home owner who has started building a house, based on a certification from a surveyor, innocently thinking they were fully compliant? Where is the real remedy there? Getting the property owner to knock it down will not be fair on the person constructing the building. It will also not be fair on the resident next door.

The bill does not foresee what will happen when building permits are issued in error. If the developer of a property conspires or connives with the surveyor to deliberately flout the law — we have examples, particularly in the City of Port Philip, where builders have built in contravention of existing building or planning permits — I have no problem with that builder facing the full consequences of the law. But where that has occurred because of a mistake made by the surveyor the penalty would be unfair if it fell upon the developer of a single dwelling. That person would not normally be in the business and would often be simply building a dwelling as a residence. By not foreseeing this possibility, either through error, omission or malfeasance, the government is leaving this matter in the lap of the gods, to the remedies available at common law, and the pursuit of surveyors through the courts to ensure that the aggrieved parties receive some form of restitution. If a government is undertaking this process it should foresee these possible issues and deal with them in the act or the regulations rather than leave it in the lap of the gods.

The opposition does not oppose the bill. It agreed with the government in 1999 that changes were required in the planning law so that there was more certainty, clarity and local autonomy. Since that time somehow the government has taken the wrong track. Rescode does not provide that certainty. In fact it provides more uncertainty. It provides clarity of some standards and it provides guidelines to vary those standards. Rather then providing more local autonomy it creates question marks about the powers local councils will really have when they try to make variations to reflect local concerns and needs.

Similarly with this bill, insofar as it provides new numerical standards reflecting the needs of our community, it is a good thing. Insofar as it provides a clear framework for the building of single dwellings, it is a good thing. But if it becomes a process that is as tortuous, time-consuming and divisive as the existing planning permits process can often be, it will not lead to good outcomes. The proposed legislation clearly has omissions. I have highlighted one already, where a dwelling is built with a building permit that does not objectively comply with the standard set. The government has done nothing to address that issue.

It is incumbent on the government to explain why during the 19 months since it came to office it has deviated so far from the policy it took to the people at the last election. It is incumbent on the government to spell out to the public of Victoria its real motivation behind creating a complex and uncertain scheme like Rescode. It is incumbent on the government to explain how the bill will work for the betterment of the process rather than create more uncertainty. The opposition does not oppose the bill and welcomes many aspects of it, but it hopes the government will address the issues that have been highlighted.

Hon. G. D. ROMANES (Melbourne) — The amendments in the Building (Single Dwellings) Bill form part of the government's new residential code package and, therefore, I take the opportunity to congratulate the Minister for Planning, the minister's advisory committee, the minister's adviser, Maria Marshall, staff of the Department of Infrastructure, stakeholders, particularly in planning areas, local government, local communities, residential organisations and individuals who have made submissions during the consultation process that has taken place over the past year.

As a result of the efforts of so many different people and through the cooperation of all those groups a resolution has been achieved of a number of vexing and outstanding issues that had to be dealt with to produce the residential code two weeks ago. Everybody except the opposition likes it.

The approach of the government is in stark contrast to that of the previous government. The Honourable Peter Katsambanis mentioned the proposals put forward by both the current government and the former government prior to the 1999 election to amend the *Good Design Guide* and the planning regime. Insofar as the previous government is concerned, the changes were too little and too late. The advisory committee appointed by the former Minister for Planning, the Honourable Rob Maclellan, suggested planning improvements to the building system in 1996 and 1997, and those concerns and pleas for improvements to the *Good Design Guide* and the planning and building systems were echoed again and again by many different municipalities and community groups. Yet the former Minister for Planning failed to act. In fact, he became increasingly stubborn about not acting until he was

forced to put forward some changes during the 1999 pre-election period.

By contrast I refer the house to the approach of the current Minister for Planning. In December 1999, a few weeks after the Bracks Labor government took office, the minister launched the *State Planning Agenda — A Sensible Balance*, which detailed the government's vision of a planning system that is fairer, more efficient and more reliable. Nine of the key actions the government put forward in that agenda in December 1999 have already been honoured and are listed in the minister's second-reading speech. They include such matters as consistency between building and planning permits and setting in place the consultative process for, and producing a draft of, the proposed new comprehensive residential code to replace the *Good Design Guide for Medium-Density Housing* and the *Victorian Code for Residential Development — Subdivisions and Single Dwellings*, formerly known as Viccode 1.

A number of key actions have already progressed in this place through a range of bills. A consultation draft of Rescode was produced in the middle of 2000. There were workshops — I attended two workshops for local government, one in Melbourne, which was attended by about 400 local government representatives from around the metropolitan area, and a second in Bendigo, which was also attended by hundreds of local government representatives from rural and regional Victoria — and other consultations in the community, submissions and advisory committee hearings. As a result of that activity the advisory committee put forward a report in January this year and proposed road testing of its recommended model from the first quarter of this year. Much work was taking place before the launch of the final version of Rescode two weeks ago.

The Honourable Peter Katsambanis derided the government because of the time that passed between the election of the government and the resolution of these issues. That time has been well spent in consultation with the right people in the community. Hundreds of thousands of people participated in the discussions on Rescode. As Mr Katsambanis has said, many of the points at issue have been ironed out in this process, and that cooperative process is a positive way to deal with differences in the community about issues as complex and as vexed as planning and building.

One of the particular problems to be addressed in Rescode was how to raise single dwelling standards so that there would be improvements in design, neighbourhood character and amenity. Many of us would know from either working as members of Parliament in our electorates or being involved in local government, as some of us have, that massive efforts have been put into getting it right or at least getting a better result for medium-density developments through the application of the *Good Design Guide.* But despite all those attempts, in areas where there are no planning permit requirements, as is the case with single dwellings, thousands of dwellings rose from the builders' rubble that were bulky, oversized, featureless, intrusive, ugly and out of character with the neighbourhood.

While we were busy tackling problems that related to medium and high-density developments, single dwellings were slipping out from under us and causing great angst and grief to many people throughout our community. The problem of how to raise the standards of single dwellings without clogging up the local government planning permit system, which was already under pressure, particularly in the boom times of the past few years, remained.

The purpose of the bill is to introduce additional controls in siting and design on single dwellings which currently, for various reasons, lie outside the planning permit system and through that approach achieve greater coherence across the planning and building systems and coherence between building and the new Rescode provisions. The advisory committee to the minister recommended road testing its preferred model for Rescode, and through that road testing emerged a further recommendation: that for single dwellings there be a single approval process through the building regulations.

Encapsulated in clause 6 is the insertion into the Building Act 1993 of a new head of power to make regulations and to introduce through those regulations prescriptive, non-discretionary standards to provide greater control of various amenity issues, such as overlooking, overshadowing, heights and setbacks, coverage of an allotment by impermeable surfaces, open space, and the preservation of trees, architecture and heritage features, as well as to address other issues such as car parking, the amenity of nearby buildings and allotments, and to have regard to energy efficiency, fences and boundary walls. That head of power provided in clause 6 will be worked through under the regulatory impact statement process, the normal process for introducing regulations into the building control arena.

Clause 3 introduces proposed section 188A, which provides for the minister to issue guidelines on the design and siting of single dwellings to be considered

when dispensation from the normal building regulatory standards is sought.

Clause 4 provides for those decision guidelines of the minister to further guide the Building Appeals Board in consideration of appeals by applicants against a reporting authority's decision to refuse a variation or to impose conditions on a building permit. Although that is a situation that currently exists in the building control area, it clarifies the fact that the Building Appeals Board is the body for those appeals and makes it clear that they will not find their way to another authority, such as the Victorian Civil and Administrative Tribunal (VCAT).

Clauses 5 and 7 make explicit what happens currently in the building area under a 1994 ministerial direction to building surveyors and provides that a reporting authority must have regard to the guidelines issued by the minister under proposed section 188A. It also provides for consultation in circumstances where there is a requirement for a reporting authority, such as a council, to provide a report and consent, but where the proposal that is the subject of the application may cause detriment to a nearby allotment the owner of the nearby allotment is given an opportunity, as currently happens in building practice, to make a submission to be involved in the consultation as to how such a building permit may affect that person living nearby.

Proposed section 4A(2)(d), inserted by clause 7, makes it clear that the reporting authority must refuse the building permit application if the application has not complied with the guidelines of the minister. The guidelines provide the parameters for decision making in the building arena. If an application for a building permit cannot fit those parameters, no permit should be issued.

In order to allow time for such consultations by the reporting authority with neighbours who may be affected detrimentally by a building permit application, the time for the reporting authority to make a decision is intended to be extended from the current 5 days to 15 days.

That means the reporting authority has more time to engage in those processes and to decide whether it should vary the standards as they apply to the building regulations. At that stage the process is one where the building applicant has a right of appeal to the Building Appeals Board but the neighbours do not have third-party rights.

A judgment has been made that that retains a sensible balance in the system, that it will avoid those lengthy processes that occur in the planning arena, as Mr Katsambanis described them, and the system will provide an opportunity when neighbours are affected detrimentally for them to have input without tying up the system in lengthy appeal processes.

The issue of compliance continues to concern a number of people, including Save Our Suburbs, as was mentioned earlier. Compliance with the new regulations and guidelines will be watched closely to see how effectively the new regime of building regulatory control over single dwellings is applied.

One of the first steps will be to inform and encourage building surveyors to become familiar with the new regulations and in what situations variations may be applied for. A series of workshops will be held across the state in which education and training of surveyors will concentrate on Rescode and the requirements for decision making on building standards, and for report and consent variations.

That is the encouragement, information and education or training approach. The government hopes it will be successful in its prevention of any errors and its encouragement of full compliance. Where that is not the case, given the human factors, the Building Control Commission has the authority to conduct audits and to deal with situations where the law is flouted and errors occur and, where necessary, ultimately the Building Practitioners Board would need to deal with certain situations.

The bill, which is part of the Rescode package, is important. It takes Victoria forward on issues concerning single dwellings which, in many ways, have complicated the planning and building concerns surrounding medium-density dwellings. People have become confused about the changes taking place with housing developments in the community because the same controls have not applied to single dwellings as have applied to medium-density multi-unit dwellings. That has resulted in unfortunate blights on our neighbourhoods and in the resultant building landscape.

The Shire of Campaspe has made its feelings known. It regards the new system in the building arena as requiring extra rigour but says it should produce the results we want, including improvements and changes. It allows for coherence between the planning and building systems without introducing onerous provisions of third-party rights and appeals on building permits for single dwellings. The government believes it will lead to improved amenity, efficiency, reliability and certainty. I commend the bill to the house.

Hon. E. J. POWELL (North Eastern) — The National Party does not oppose the bill, but I must record the absolute mismanagement by the minister of consultation in country Victoria; I will provide evidence of that later.

The purpose of the bill is to amend the Building Act in relation to the siting and design of single dwellings. The bill inserts proposed section 188A, which is headed 'Decision guidelines on design and siting of single dwellings'. The proposed section provides that the minister may from time to time issue guidelines relating to neighbourhood character; design and siting; availability of light; overshadowing of nearby buildings and allotments; privacy and overlooking — I shall return to privacy considerations later; the height of buildings; boundary distances; preservation of trees; architectural or heritage features; the effect of drainage and run-off; energy efficiency of buildings; and matters relating to fences and boundary walls. The provisions give the minister more power than are contained in the principal act. The Building Act 1993 prescribed rather specific guidelines on the role of the minister. Section 188 provides:

> The minister may from time to time issue guidelines relating to —
>
> (a) … fees to be charged for applications for permits and approvals …
>
> (b) … charges to be made for services provided by the commission …
>
> (c) the functions of municipal building surveyors and private building surveyors under this act …

The minister has had specific guidelines under the act, but his powers will now be much broader. Some people I have spoken to say the new powers are a good idea; some say they are too prescriptive.

As the Honourable Peter Katsambanis said, the amendments to the Building Act will form part of the Rescode package. Later I will refer to the details of Rescode. As has been said, Rescode is the Labor government's response to the replacement of the former government's *Good Design Guide for Medium-Density Housing* and the *Victorian Code for Residential Development — Subdivision and Single Dwellings*, which is better known as Viccode 1. The Honourable Peter Katsambanis talked about the former government understanding the need to make changes to planning regulations.

I refer to the former coalition parties' agenda for planning and local government on which it went to the election and made strong commitments. It states, in part:

> The coalition is also reviewing building design and planning issues, with the objective of delivering greater protection for residents.
>
> …
>
> It has undertaken a review of the *Good Design Guide* to address community concerns that many new developments are out of keeping with existing streetscapes, particularly in the inner and middle suburbs.
>
> Following this sweeping review, new rules will be put in place for new development.
>
> The revised *Good Design Guide* will include new requirements on the minimum setbacks of residential developments from property boundaries, to reduce the likelihood of overshadowing onto neighbouring properties.
>
> It will also include stricter provisions for greater protection of visual and acoustic privacy in residential areas, such as requirements on the placement of windows.
>
> Councils will also be given the power to increase minimum resultant lot size for subdivision in established suburban residential areas to 500 square metres as opposed to the current 300 square metres stipulated in the current *Good Design Guide.*

Those proposals sound almost like Rescode; the former government was obviously on its way to making a number of recommendations similar to those in Rescode.

Honourable members have heard that the consultation draft of Rescode was released in June 2000. I will refer to some of the information sessions held in July of that year that were bungled in country Victoria. While the Honourable Glenyys Romanes said it was accepted by all, many of my constituents would have liked more time for input because they understood the huge implications for country Victoria. I received many phone calls and letters in my office from people saying they had been to the information sessions but there was not enough time for the councils and the major stakeholders to research the information properly before the time for submissions closed. There were also complaints that some of the departmental officers were not able to satisfactorily explain parts of the information contained in the substantial document that came before the councils.

The press release of the Minister for Planning of 25 July 2000 headed, 'Mildura to host Rescode information centre' states:

> Now is the time for the people of Mildura and surrounds to have their say about what they want to see in a new residential code for Victoria …

> … an information session scheduled for Mildura next week would provide the general public … with the opportunity to have input …

That was one week for them to prepare their submission; the submissions had to be in by 11 August. The press release was dated 25 July and the meeting was scheduled for the following week, which meant the people of Mildura had one week in which to go to the meeting, talk to the information officers and prepare a detailed and comprehensive submission to the minister.

An Opposition Member — Just one week?

Hon. E. J. POWELL — One week, and that did not happen just in Mildura.

Hon. G. D. Romanes — For five years councils have been preparing submissions on this — five years!

Hon. E. J. POWELL — The councils actually received the Rescode package in June. The packages were sent to many of the councils. They waited to have the information sessions, which they were told they would have in July, to ask questions of the officers and to discuss it with their councils. So in that one week not only did council officers have to attend the information sessions and try to digest all the material, they also had to go to council and persuade it to allow them to make a submission, put together a submission with other council officers and then say to the council, 'This is a submission we as a council would like to put before the government, is it okay?'. That takes about a month.

Hon. G. D. Romanes interjected.

Hon. E. J. POWELL — Ms Romanes, you have been in local government; you know it is not that quick. It needs time to make a detailed submission on those sorts of issues. In Warrnambool the minister's press release came out on 25 July and again it said it will allow the people of Warrnambool and surrounds to have information on Rescode at an information session scheduled the following week. That was the first week in August and the submissions had to be in by 11 August. So the City of Warrnambool had a little more than one week in which to prepare a very comprehensive submission.

The same thing happened in Wodonga, but it was worse there because they held their meeting on 31 July. In Benalla the meeting was held on 17 July. So it went on and on. In many of the towns in country Victoria councils and residents did not have the opportunity to digest the huge comprehensive kit that they received, to speak to the departmental officers who were there, or to make a comprehensive and detailed submissions on how it would affect their councils.

I know there was community concern because I received many letters, which was why I asked the minister to extend the time line. A letter of 9 August from Gavin Cator, the chief executive officer of the Moira Shire Council, about Rescode states:

> I refer to our recent phone conversation relating to council having some difficulty in complying with the 11 August deadline for submissions to the amendments to the draft residential code.
>
> As the workshops were only held very recently, and as it would appear that if adopted the residential code will affect greatly the required resources of rural councils such as Moira, council is of the belief that more time is required to make an appropriate response.
>
> Council would appreciate your assistance in having the closing date for submissions extended.

Another letter from Brian Pethybridge of Peps Plans Pty Ltd in Shepparton mentions the Rescode consultation draft and states:

> Firstly, I attended the seminar conducted at Benalla, which was very scary with major new requirements to be thrust upon the people of Victoria and the way that they chose to construct and/or alter their residences.

The following is very interesting:

> The large number of items/questions raised in this and other seminars that were not recorded at that venue was most disappointing; the group discussion resulted in many suggestions and questions that will hardly be addressed in individual submissions.

Mr Pethybridge further states:

> The requirement for 100-metre radius site analysis planning footprint with aerial photography basically required on each and every project seems a major imposition upon potential home builders. Surely the inclusion of the adjoining properties would suffice.
>
> …
>
> A stated direction of the Rescode requirements is to reduce the lengthy and often traumatic appeals to VCAT which have proved so disruptive to the development process. The changes envisaged will only lengthen this process, as a large number of single dwellings and multi-dwelling proposals will have to attend VCAT to resolve all of these additional requirements.

I have a letter from Dixon's First National Real Estate in Wodonga. Rob Mulqueeney, licensed estate agent, states:

> I write to confirm my telephone conversation with you today about the proposed amendments to the residential building code in Victoria and the consultation draft paper provided to me at an introduction meeting last Monday.

> The paper is very extensive and would have a dramatic affect to the method of processing planning permit applications submitted to councils for approval.
>
> …
>
> Initially, however, the time allowed for submissions is stated as being up to 11 August 2000 and does not provide sufficient time to study the document adequately and thus not enough time for a properly research submission.
>
> Accordingly, we request you investigate the possibility of the minister allowing an extension of time for submissions, to avoid another possibility of a disaster caused by hastily drafted and enacted legislation.

There were many others but the last one I will put on the record is from Land Management Surveys in Shepparton, which also has an association with Wangaratta and Echuca. Manager Michael Toll states:

> In regard to the Rescode 2000 changes, we request that you seek an extension of time for submissions to enable many smaller firms to respond.

Given that Land Management Surveys is a fairly large organisation, it did have the resources to put in a submission but was concerned that many of the smaller organisations would possibly not have the resources to give a detailed response in the time allowed. So after all those requests of me to ask for an extension of time, I wrote on 7 August to the minister and asked would he consider an extension of time. Because of the urgency, I faxed the letter on the same day that I posted it. I will read some of the points I made:

> I am writing to you with an urgent request for an extension of the closing date for submissions for the draft residential code for Victoria (Rescode).
>
> During the last week I have been contacted by numerous stakeholders in the draft residential code who are wanting to prepare a written submission to constructively make meaningful input into the development of the new integrated residential code for Victoria. Interested people from local government, real estate agents, planners and developers are asking if the closing date can be extended to give them time to make a detailed submission.
>
> Local government representatives who attended the information sessions last week have stated that they need more time to draft their submissions in time to be ratified by councillors and to be submitted by the August 11 closing date …
>
> Councils and other interested people have told me that the information sessions did not clarify issues of concern.

My last paragraph states:

> As it is important that the general public, planners, architects, developers, builders, land surveyors, councillors and council staff have the opportunity to have input into future housing in their area, I am asking you for an extension of time of at least one or two weeks to allow more people, particularly in country areas, to respond.

I received a response from the minister two weeks later, on 22 August. It states:

> Thank you for your letter regarding the closing date for submissions … You propose in your letter that there be a general extension of time for submissions to the advisory committee.
>
> I do understand your concerns, and the concerns of your constituents, that detailed submissions may not be completed by the closing date of 11 August. I do not, however, wish to hold up the work of the advisory committee by asking the committee to consider a general extension of time. I am keen to see the committee's review of the code progress, and a general extension of time could limit the committee's capacity to plan its work and its public hearings program.
>
> Therefore I consider that it is preferable for those people and organisations who intend to make a late submission to advise the advisory committee as soon as possible that they intend to make a late submission, and the date when they expect to submit. This advice that a late submission will be forwarded will be useful to the advisory committee in organising the committee's work program for the next few months.

It is interesting that at the end of the letter the minister states:

> Thank you for your interest in this matter. The regional perspective on the code will be vital in its refinement, and I look forward to reading the points of view put forward in the submissions from the north-east of the state.

The same day that the minister wrote this letter to me thanking me for my concern and understanding over the issue I raised with him, he put out a press release. The press release was dated the same day as his response to me — 22 August 2000. The press release states under the heading 'Silence from opposition parties on Rescode':

> Victoria's draft code for residential development has been met with great interest from the public but stony silence from the opposition …
>
> More than 350 written submissions have been received on Rescode since the draft was released on 7 June, but not one Liberal or National Party MP — let alone their shadow planning ministers — has bothered to respond …
>
> It shows the lack of policy from the opposition and their distaste for public debate. Instead of joining in the process of policy development and review, Robert Clark and Jeanette Powell have carped from the sidelines instead of contributing positively to the debate.

I thought it was staggering that on the day he wrote to me saying I could not have an extension of time, he put out a press release saying I was not doing anything, despite the fact that I had alerted the minister to the concerns of the people in my area and told him that they needed an extension of time. It is an extraordinary situation.

As soon as I knew they were unable to have an extension of time but were able to put in late submissions, I sent letters to all 47 rural councils letting them know and advising them where to respond. I also raised the issue on the adjournment debate on 30 August, just a few days later, asking the minister to assure me that late submissions would be accepted by the advisory committee on the draft Residential Code Victoria and that future country information sessions would allow sufficient time between the sessions and the closing date for submissions. That shows that I was very concerned that country people and all of the stakeholders in country areas should have access to putting on the record some of their concerns.

I turn to the panel report, because it goes to what I have been discussing. The report of the advisory committee was released on 20 September, and it talks about submissions and hearings. It states:

> Submissions to Rescode closed on 11 August 2000, although many submissions arrived after that date.

The report further states:

> The committee was surprised that it did not hear from more councils as part of the hearing process and that it did not get at least a written submission from every municipality in Victoria. All metropolitan councils made a written submission but a number of regional councils failed to do so. This was of concern, firstly because the committee wondered whether these municipalities lacked the resources to respond to this important document, secondly because it was concerned that some municipalities may have failed to appreciate the full implications of Rescode and thirdly, if those municipalities generally supported Rescode, then why did they not make a response that indicated such a view? Rescode impacts on all residential development in all areas, it is not just a city or town-based code.

I have already put on the record why many councils did not respond to the submissions in time and why there were so many late submissions. It was because country Victorians were not given the time to respond.

The panel report has been quite well accepted in many areas, and it is much better than the original draft that came out in the early days. A great deal of work has been done in the panel report, and I congratulate the chairman of the committee, Christopher Wren, and his committee on their work.

I sent many letters to councils to find out what they thought of the bill. The Honourable Glenyys Romanes went out and spoke about a submission put in by the Shire of Campaspe. I will read a portion of the letter written to me by the shire, because it reflects the views of many of the councils:

> The buildings bill is also supported in that it now requires some additional rigour in the assessment of building applications for single dwellings that do not require planning approval. It has always been surprising that single dwellings do not require planning approval in some circumstances, and these developments can have more detrimental effect than multi-unit developments. The new Rescode will also enable councils to complete neighbourhood character studies that will enable the declaration of character precincts for additional controls to be observed.

The letter was sent to me by David Merrett, the planning and development manager. There is support in councils for the bill.

I also sent letters to the Master Builders Association of Victoria, the Real Estate Institute of Victoria and the Housing Industry Association to find out whether they were supportive of the bill. I received a couple of responses. The REIV phoned me and said it had no major concerns. It had some minor concerns about the implementation of neighbourhood character, and the question I was asked on the phone was, 'Will neighbours get notice that detriment may occur?'. I said I understood that under clause 7(2)(b) if the council believes neighbours could incur detriment, notice will be given. However, it also means that if the council does not decide that the adjoining building will cause detriment, it will not give notice to the neighbour. The neighbour will find out that extensions or some sort of building is going on when it is actually being built, and that is a concern. I hope that in all instances councils use caution, and when any building permit comes before a council that it believes may cause some sort of detriment it will allow neighbours to have an opportunity to appeal.

The Master Builders Association also raised some concerns. A letter from the association makes some strong supportive comments about the bill, but it does not support the reduction in building heights from 12 to 9 metres, and it does not agree with reductions in the wall heights. It believes one of the most serious issues is that local government has now become a key facilitator in the approval process for future development. The Master Builders Association is concerned that local government may not have the resources or expertise to handle significantly increased workloads. It said councils are now struggling with permit applications.

It is a big issue for councils, particularly the smaller rural ones, because they cannot always attract appropriately qualified planners into smaller communities. It could be a problem for them if they are having to meet a time line or have a backlog when making decisions on planning or building approvals. It is important to keep an eye on that situation and

monitor it. If there is to be a decrease in planning expertise going into smaller country areas, I believe we as parliamentarians need to look at that and see how we can help to make sure local councils have the appropriate knowledge, expertise and qualified officers.

Clause 3 inserts proposed section 188A, which contains guidelines on many issues which previous speakers mentioned. One of the major issues covered by those guidelines is that of privacy. Like the Honourable Glenyys Romanes, I was previously a councillor. The Shire of Shepparton dealt extensively with planning issues that came before it, and one of the big issues was privacy.

If a person wanted to build a second storey on a house with a window on the side overlooking a neighbour, privacy became a big issue. The council had to conciliate with both the neighbour and the person wanting to build the second storey. In some cases it was just a matter of sitting down and asking, 'Do you need to have your window on that side?'. Privacy is a big issue for people and any intrusion into their privacy will not be viewed favourably. The bill contains very strict guidelines on privacy.

Another contentious issue in the bill, which has been spoken about by previous speakers — people speak of it highly or less highly, depending on their view — is neighbourhood character and how to balance the varying views on the acceptability of design and siting of proposed dwellings in neighbourhoods.

Some architects tell me the bill will take architecture back 50 years, because houses will have to match the neighbourhood character and streetscapes in which they are built. The architects are saying that is not always in the best interests of good design.

I will give an example of where that could be the case. My stepfather had a beautiful block of land in a very old estate in which the houses were very nice but of no historic value. The block my stepfather's house was on adjoined parkland, and the person who bought it from him bulldozed the house. It was not a heritage-listed or significant house, so there was no problem with bulldozing it, but the new owner built a very modern architect-designed house on the block. The house looks out of place in that street, but that is not to say it should not be there.

A balance has to be found between retaining the streetscape and neighbourhood character of areas while ensuring at the same time that innovative design using modern technology is encouraged.

The Victorian Local Governance Association and the Municipal Association of Victoria (MAV) have both sent me their submissions on Rescode, and both strongly support the emphasis given to neighbourhood character and environmental sustainability in the new code.

The MAV emphasises the difficulty in attempting to prescribe neighbourhood character. All councils will have to deal with the issue of how to prescribe neighbourhood character when judging whether a plan for a house is conducive to good neighbourhood character.

The MAV goes on to say — and it is quite true — that Viccode 2 was rejected because it was too prescriptive, that the *Good Design Guide* was rejected because it was not prescriptive enough, and that Rescode proposes mandatory standards within a discretionary system which it also sees as a problem.

A number of people who have spoken to me on the issue of neighbourhood character are concerned that it could increase urban sprawl. The planning authorities are encouraging the use of the inner parts of Melbourne in particular for residential development, and a concern is held that the need to retain neighbourhood character will force many people out into the suburbs rather than building closer into Melbourne.

The Honourable Peter Katsambanis talked about Save Our Suburbs. I was very pleased to receive a copy of the submission on Rescode from the president of Save Our Suburbs, Mr Jack Hammond. That organisation is very pleased with the primary importance given to neighbourhood character in the code and with the requirements to meet overshadowing and overlooking standards for single dwellings. It is important that people are not disadvantaged or hindered when houses or multi-dwellings are renovated or built in their neighbourhoods but rather that their neighbourhood character is improved by the development.

Another concern is that a one-size-fits-all approach will not be a good standard. I am pleased, therefore, to see that single dwelling regulations will now be separate from medium-density developments and subdivisions. The bill will allow single dwellings to come under the building code, but medium-density developments and subdivisions will still be regulated under the planning laws.

Many people in the industry have said to me, 'Would you please ask your government and future governments to stop changing the planning laws and regulations when there is a change in government, as it

is very difficult for councils and planning regulators to keep abreast of all the changes'. Their plea to me was to ask this Parliament to find some bipartisan or tripartisan way of ensuring that the regulations fit Victoria's needs for the future. I hope the government will monitor the implementation of the guidelines in this bill and make amendments at a later date if needed. I commend the bill to the house.

Hon. R. H. BOWDEN (South Eastern) — The South Eastern Province is at present experiencing very high growth in the building of dwellings, and I welcome that. Being able to host that growth is bringing a lot of pleasure and stability to the area, and the large number of new families entering the beautiful area I represent are reaping the benefits.

It is often said that the acquisition or building of a home is — it is true — the most expensive purchase anyone will ever make. While we may not recognise it at the time, the acquisition of an existing home or the siting and building of a new home and all the aspects that go with it is an emotional experience for those involved.

As legislators we must ensure that we deliver good standards of housing to the people of Victoria while also accommodating flexibility of design. We must strike a very careful balance in the complex equation of ensuring that individuality and new techniques and engineering principles are accommodated with neighbourhood character.

We have the opportunity through consideration of this bill to ensure that two aspects of the legislation are catered for. The first is privacy. There have been circumstances in the past — they still occur in the present — where privacy has been compromised. The second aspect is that we should be mindful of the need to protect and foster the maintenance of area values — that is, both the aesthetic or character values and the property values of an area. One of the responsibilities of government is to ensure at all times the protection of the value of people's property.

There is a danger of overprescription in proposed section 188A, and I suggest that the minister be mindful when applying these guidelines not to inflict an overprescriptive regime on the constituencies we represent.

I lived for some years in the late 1970s in the Blue Mountains west of Sydney, and the local council at the time was highly overprescriptive. I lived in a very nice home; however, it was a white house, which was banned. I lived in a street where it was mandated that you had to have green concrete; my concrete was not green. My neighbours and I were burdened with having to provide tree planting and plant designs for our homes, which was totally overprescriptive. It did not work, and I was at the forefront of getting rid of that council at the time.

The ministerial guidelines provided for in proposed section 188A are sensible as they bring with them a degree of certainty. However, I suggest to honourable members that although we should be careful in our deliberations and we should try to achieve and enhance stability and predictability, we must be mindful that the people who are putting their plans before a relevant authority do not know as much about the process as we do.

For a home applicant — a genuine builder, buyer or constructor — to be presented with an impediment is a traumatic experience. I live in a nice home in Somerville. It reminds me about some aspects of this legislation just thinking about it. I spent the winter of 1984 living in a caravan park because of council impediments to issuing a permit for its construction. There is nothing radical about my home; it is a conventional, nice home. However, I did not need to spend eight months in a caravan park simply because the council would not grant a permit. In 1984 I knew nothing about the processes or about how to get a permit. I was simply an applicant building a conventional, nice home. I found it traumatic when my endeavours to build my home were blocked because of what in reality were not really substantial reasons. Honourable members should keep that in mind. We must think about the people who want to build homes.

Clause 4, which concerns the right of appeal, is good. Rights of appeal are very helpful because they allow people to understand where such a right of appeal can go. I was very pleased to see that clause.

However, one difficulty needs to be given some thought, and my colleague the Honourable Peter Katsambanis referred to this in his contribution. Conflict can arise when permits are issued in total good faith by a registered and licensed building surveyor, construction begins and for a genuine reason the permit does not comply. It may turn out that the permit and the partially constructed dwelling are in conflict with the rules and guidelines that apply at the time. A lot of thought should be applied to the practical difficulties of this.

Again, I would like to avoid any suggestion of overprescription. We must avoid at all costs the emotional difficulties that can arise when people are confronted with problems when their buildings are held

up by a process that is not understood by the average citizen. The more transparency and the practicality we can bring to this complex balance of issues, rights and difficulties, the better.

I shall illustrate to the chamber the importance of this type of dwelling to Victoria's economy. I have from the parliamentary library an extract from the 2001 Victorian Year Book. On page 9 under 'Housing and transport', an entry shows that the dwelling units approved in Victoria in 1988–99 for new houses were 28 683 out of total dwellings of 39 704. For 1999–2000 there were 35 668 new houses out of total dwellings of 49 798. The diversity, the spread and the contribution new dwellings make to the Victorian economy is enormous, and we need to be mindful of being able to constantly make it possible to raise housing standards and at the same time protect heritage areas and property values.

I am sure we have all seen examples where dwellings are totally out of character with areas. The measures in this legislation will go a long way towards protecting area character and will also therefore in many instances protect the property values — and rightly so — of people concerned that a totally inappropriate dwelling may be built next to them.

The regulations are intended to be helpful, and I believe they will be. I would have liked to see a little more clarity in the legislation. I am not keen on the word 'guidelines'. I guess I am trying to have a bet each way, because I want to avoid overprescription. However, at times the word 'guidelines' can be pretty loose.

I am increasingly often cynical over the motives of councils. I have a considerable number of councils in the large electorate I represent and probably 20 to 25 per cent of my entire workload is generated by difficulties experienced with planning issues and the permit requirements of some councils. Therefore, if this legislation can help to bring a greater degree of certainty for the people we are all here to help — that is, the property owners, the constituents and the people who live in our areas — that will be a good thing.

I would not like to see — I repeat I would not like to see — this legislation turn the building approvals systems into a de facto second planning scheme. A second planning scheme with its own rules and procedures would be a negative thing, but that could be an accidental or unintended by-product of this legislation. I will be watching over time to see the practical implications of this legislation and its execution to make sure that we do not, in effect, accidentally approve a de facto second planning scheme.

In conclusion, I am pleased that the rights of appeal have been clarified, and I think the guidelines will be helpful. The non-compliance issue, where permits are already being carried out, is something that requires careful thought, and I am very pleased to see the high level of construction in this state continue. I would like to do everything I can to sensibly help with the building of nice homes for as many of our constituents as possible. It is my fervent hope that the passing of this legislation will assist the further enhancement of the quality of housing stock in this state.

Hon. S. M. NGUYEN (Melbourne West) — I shall speak in support of the Building (Single Dwellings) Bill. I believe it is one of the most important bills relating to the Building Act in Victoria. In the past we have seen many people, especially neighbours, complaining about developments. It will become a major issue when people got together and form groups to protect local interests.

Within my electorate are the areas of Footscray, Williamstown and Maribyrnong, which have seen a booming housing industry over the past five years. Many people are interested in buying houses and moving to or building multistory developments in the areas. The general area has become a popular place to live. As it is a good investment, many people spend money on buying houses and on development.

On the one hand that is a good thing, but on the other hand it must be balanced against the interests of the local people, the people who have lived in the area for a long time and who want to stay there for the rest of their lives. They do not want to see huge multi-unit developments and tall high-rise buildings next to their houses. They like to live where they can enjoy the landscape — the trees and open space — and where they can find car parking spaces when they get home. Many communities have concerns about the issue. As a member for Melbourne West I was approached by many communities who are concerned about the changes to planning.

Before the last election this government made commitments on planning policy to the people who were concerned about planning and building in Victoria, especially in the inner metropolitan area along the bay, where many good buys can be found. The commitments were to pay respect to their concerns. With this bill people can have a say about what designs they would like in their neighbourhood. In that way it

will provide protection for people who have lived in suburbs for a long time.

When the government came to office the Minister for Planning put a lot of time and effort into ensuring that the public has a say in and can make a good contribution to the building and planning process. Since the election the government has honoured its commitments by setting in place the consultative process for and producing a draft of the proposed new comprehensive residential code; making neighbourhood character a key consideration for medium density housing applications; introducing an interim measure enabling councils to remove the 7-kilometre radius concessions provided by the *Good Design Guide*; introducing an interim measure enabling councils to require planning permits for single dwellings on lots of less than 500 square metres; introducing height limit controls around the bay; introducing a requirement for restrictive covenants to be considered in planning decisions; improving and clarifying requirements for consistency between building permits and the planning scheme and planning permits; introducing an improved process for the approval of building permits for demolition; and introducing tougher penalties for those who breach the planning laws. They are commitments the government wants to deliver on for the Victorian community.

The minister has done what he set out to do. It has taken a long time to open up the process and to make the community, councils, town planners, lawyers and the public aware of what will happen in the future with the good design guidelines. The government has changed the system and introduced a new residential code known as Rescode. It has also removed the 7-kilometre radius concessions. That is important, because many people abuse that measure. It will also ensure that people are required to obtain planning permits for single buildings of less than 500 square metres, when previously the requirement applied to buildings of less than 300 square metres. As most of the councils in my area fall within a 7-kilometre radius of the Melbourne general post office, the measures affect many people in my area. The government is closing loopholes by requiring people to apply for planning permits when building single dwellings of between 300 and 500 square metres.

The government is also interested in maintaining height controls, especially in the foreshore areas of Williamstown, in the Hobsons Bay council area, Port Melbourne, Albert Park and St Kilda. It is important to maintain height controls and not to let developers build too high without public consultation. A single residential housing code will protect neighbourhood character, provide a greater certainty for developers and open the door for more counselling on design.

The minister has worked closely with municipal councils and has consulted and held public meetings around Victoria. From 3 July to 3 August last year more than 20 public information sessions were held. The minister will organise more information sessions to meet the requirements of the community.

The minister's office has sent copies of Rescode to various people in the community — residents, planners, housing industry professionals, council officers and other users of the planning system. More than 350 submissions were received on Rescode after the draft was released. The community is satisfied with the process and is now able to better understand the different planning issues. Councils are playing an important role in providing information to the community, which has had a strong input into the development of the code.

In conclusion, I commend the minister for the good job he has done in designing Rescode and in balancing the views between local councils and the community. I commend the bill to the house.

Hon. C. A. STRONG (Higinbotham) — I have pleasure in contributing to the debate on the Building (Single Dwellings) Bill. Melbourne is a wonderful city, with large and variable suburbs, which is part of its rich fabric. It has tree-lined streets; streets with no trees; wide and narrow streets; and streets with European and Australian trees. Its housing stock traces the development of our city from Victorian terraces, freestanding Victorian houses that are generally built close to the street line, Edwardian and Federation houses, Californian bungalows, the red and cream brick houses of the 1950s and 1960s, double-fronted, triple-fronted, quadruple-fronted houses, carports on the boundary line and large blocks of land. It has houses with fences, houses with open streetscape, streets with houses with high fences and small blocks of land where people do not require the land — and the work that goes with it.

As I said, this variation of building stock is part of the history of our city and suburbs and is part of its rich fabric. What does this bill allow to happen? It gives the minister the facility to freeze all that in time. If you lived in a street that had triple-fronted cream brick houses, that is all you would be allowed to build. That is ridiculous. If we had had something like this in the 1900s the suburbs of Melbourne would totally comprise Edwardian houses. We would not have that rich fabric,

the variation of large and small blocks and buildings. The provisions are dangerous.

Proposed section 188A(2)(a), inserted by clause 3, states:

> … matters relating to the consideration of neighbourhood character and amenity —

this is the key phrase —

> and the acceptability of the design …

The bill will allow the minister, through the guidelines, to be an architectural policeman and to say that this or that type of design is not accepted. The whole rich fabric of our building stock, where architects over generations have designed purpose-built homes for the time, place, family and environment of the day, will be put at risk through the minister being able to overreact and freeze architectural style in time in particular areas.

I would be the first to admit that judged by today's standards many of the new developments that have been built around our city are inappropriate and not in keeping with the amenity of the area. However, there is a continuum between something that is clearly out of character and something that is not. The regulations contained in this bill will allow planning ministers to go too far one way in saying, 'We will not allow anything that is out of character with a street'. That means if you have a street of cream brick houses that is all you will ever be able to build there for the rest of time. That is going too far.

There is a need for the protection of amenity, but to have style or architectural police to tell you what you can and cannot build is ridiculous. Architects will no longer be able to try new styles or use new materials suitable for the times and the needs of their clients. There is real danger in this bill.

I point out the provision is contained only in the bill and not in the planning scheme, which allows you to do all this and more in terms of dictating style. That is the flaw in the bill and in the planning scheme. Governments of all persuasions have developed different planning schemes over many years, but they have always stayed well clear of being style police. This is the first time we will allow the style police to move in, and that is most unfortunate.

Noting the time I conclude by saying I believe it is most unfortunate that the bill and the planning schemes of which it is part allow this intrusion of the style police. It will enable a situation to develop where the rich fabric and variation that is part of the heritage of our suburbs will be homogenised, uniform, boring and just nothing.

Motion agreed to.

Read second time.

Third reading

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

> That this bill be now read a third time.

I thank the Honourables Peter Katsambanis, Glenyys Romanes, Jeanette Powell, Ron Bowden, Sang Nguyen and Chris Strong for their contributions.

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.

Syndicate Club

Hon. BILL FORWOOD (Templestowe) — I raise with the Minister for Consumer Affairs the matter concerning the Syndicate Club that was raised in this chamber last night by the Honourable Bob Smith. A truck drove past my office and from it fell a piece of paper headed 'Possible adjournment question — the Syndicate Club', four paragraphs of which it would be obvious to honourable members, if I read them to the house, are a verbatim record of what appears in yesterday's *Daily Hansard*.

The bottom section, not in bold, on this piece of paper that came off the back of last night's truck, says 'Suggested response':

> The Honourable X has raised a question …

We now know that X marks the spot in which the Honourable Bob Smith resides. The answer is not verbatim because the minister is better than that, but it is substantially what is on the piece of paper headed 'Possible adjournment question'.

While in no way do I question the importance of the topic raised, I ask the minister whether it is true that this issue was orchestrated and generated out of her office and given to Mr Smith to raise in this place last night.

Fishing: rock lobsters

Hon. P. R. HALL (Gippsland) — I raise with the Minister for Energy and Resources a matter concerning the introduction of quota in the rock lobster industry. The minister announced by way of press release on 11 May that $3.9 million would be used to assist with the transition to a quota management system in the rock lobster industry.

I seek clarification on how that $3.9 million will be spent. The press release makes it clear that $200 000 a year for four years will be used to run the quota system, a total of $800 000. It also says that $1000 will be made available to each of the licence-holders for legal or financial advice. Given there are 160 licence-holders, that comes to $160 000. The industry tells me the government is putting up $2.1 million under the title of 'industry levy subsidy' to fund the buyback of some of those licences. That comes to $3.06 million, which leaves a deficit of $840 000.

Will the minister clarify whether the figures I have used are accurate — I stand to be corrected because it is a genuine request for information — and if so explain what the extra $840 000 is to be used for.

Coode Island: offensive gases

Hon. S. M. NGUYEN (Melbourne West) — I raise a matter with the Minister for Energy and Resources for the attention of the Minister for Environment and Conservation in another place. Terminals Pty Ltd, which runs Coode Island, was recently fined $5000 for the release of offensive gases. With Melbourne being one of the world's most livable cities, will the minister advise what her department is doing to maintain air quality not only in Melbourne's western suburbs but in the whole of Melbourne?

Police: Endeavour Hills station

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise with the Minister for Sport and Recreation, for the attention of the Minister for Police and Emergency Services in another place, the government's announcement of funding in this year's budget for the construction of a 24-hour police station at Endeavour Hills based on the Bracks government's pre-election promise to construct that station.

This project appeared in the latest financial statement, the document that projects budget allocations for the ALP's pre-election promises. However, the difference between the financial statement and the budget is that the financial statement allocated 100 per cent of the funding to the project for the upcoming financial year whereas the budget allocates only $100 000 for next financial year and delays the final funding for a further two years.

I refer the minister to an article that appeared in the Springvale-Dandenong *Leader* of 30 May relating to this project. Under the heading '$4 million for police station' the article states:

> Police minister André Haermeyer described the decision as a 'red letter day for the people of Endeavour Hills' and said it was the result of campaigning work by local MPs John Pandazopoulos and Dandenong North's John Lenders.

The Endeavour Hills police station project has been ALP policy since 1992, and Mr Pandazopoulos, the honourable member for Dandenong in another place, raised it as ALP policy in 1992. I am curious about the policy leading up to the election and about the minister's comment that it is the result of the campaigning work of the honourable member for Dandenong North in another place. Mr Lenders was not even a member of Parliament prior to the last election and had no involvement in this area. The state secretary of the ALP had no involvement with Endeavour Hills. I am curious about the minister's comments attributing credit to John Lenders when the project has been ALP policy for 10 years.

Honourable members interjecting.

The PRESIDENT — Order! The honourable member should get to the nub of his question. Hansard must be able to hear it. I ask the house to settle down.

Hon. G. K. RICH-PHILLIPS — I ask the minister for an explanation of whether the matter being associated with Mr Lenders indicates that the government had abandoned its promise and Mr Lenders had to get it back on the agenda or whether the article is merely an inaccurate report and the honourable member for Dandenong North has nothing to do with the project.

Rail: disabled access

Hon. E. C. CARBINES (Geelong) — I raise a matter with the Minister for Energy and Resources, in her capacity as the representative of the Minister for Transport in the other place. Earlier this week I met with a constituent, Mr Len Lewis of Leopold, to discuss a range of issues concerning disability access in Geelong. Mr Lewis, a polio victim, is permanently disabled and is actively involved in improving services for Geelong's disabled residents. Mr Lewis uses an electronic buggy to move around Geelong very efficiently.

He brought to my attention a matter concerning disabled access on trains travelling between Geelong and Melbourne. Mr Lewis told me that while some trains have appropriate access and enable him to travel in comfort with other passengers, more often than not he is placed in the baggage compartment for the journey between Geelong and Melbourne. He would like to sit in an ordinary compartment with everybody else, and so he should.

As the former Kennett government privatised our rail service, will the minister raise this matter on behalf of my constituent with National Express to ensure appropriate access on our trains for Geelong's disabled residents and visitors?

Rail: automatic ticketing

Hon. ANDREW BRIDESON (Waverley) — The matter I raise through the Minister for Energy and Resources for the attention of the Minister for Transport in the other place concerns a problem with the Metcard ticketing machines at the Hughesdale railway station. On two separate occasions, twice within four days, one of my constituents was unable to purchase tickets. On one occasion the machine gobbled up his $20 note and three or four days later it ate his three $1 coins.

This caused considerable inconvenience to my constituent. He had to complain to the company, which said it would send him out a claim form and that he would be reimbursed. He had no problem with that, but it inconvenienced him. He is not a wealthy man and he had to forgo a social event on the Saturday evening because he was $25 short. More importantly, he does not drive and relies on public transport. He had to walk home to get more money so he could catch the train and purchase a ticket when he got to his destination.

Hon. G. D. Romanes — It was your system.

Hon. ANDREW BRIDESON — I admit it was the former government's system, but this government has had 18 months to fix it. However, it cannot fix it. I seek an assurance from the Minister for Transport that he will do something positive to ensure the travelling public has a more reliable ticketing system.

Scoresby freeway: tolls

Hon. W. I. SMITH (Silvan) — The matter I raise is for the Minister for Energy and Resources, representing the Minister for Transport in the other place. It is a serious issue that I raised previously on 29 August 2000 and concerns the Scoresby freeway. I have received no reply or correspondence from the minister following my earlier query.

The issue concerns tolls on the proposed freeway. The minister has not said whether tolls will be introduced. The issue is again in the local newspapers and the local *Maroondah Mail* of 29 May carried the headline 'Freeway toll fear'. Will the minister say whether the government will introduce direct or indirect tolls on the Scoresby freeway?

Melbourne: parking infringements

Hon. M. T. LUCKINS (Waverley) — I raise a matter for the attention of the Minister for Energy and Resources, representing the Minister for Local Government in the other place. The issue concerns the City of Melbourne and a parking infringement notice issued to my constituent, Beryl Carlton, on 18 January. Ms Carlton parked in Moubray Street and put money into the ticket machine, for which she was issued a ticket. In the course of my inquiries on behalf of Ms Carlton I sent to the council copies of the ticket and the issued infringement notice.

According to the information on the ticket Ms Carlton purchased it at 1.41 p.m. and it was due to expire at 5.20 p.m. that day. She was issued with an infringement notice by a parking inspector at 1.50 p.m. — only 9 minutes after she had purchased the ticket! She responded to the council but was informed she had pushed the button for the wrong parking bay. She received a letter that states, in part:

> The ticket you have provided is not valid for the location your vehicle was located.
>
> …
>
> Motorists are required to check parking signs erected in the vicinity of their vehicle, to ensure compliance with the regulations.

My constituent is an elderly pensioner. She is upset to have been issued with a $50 fine when the City of Melbourne received her parking money through the machine. She fully intended to pay for the period her car was parked there. I received a letter from the Melbourne City Council that states:

> It is accepted that Ms Carlton mistakenly purchased a ticket for one area and did not park her vehicle in the corresponding parking space. However, the onus is on the driver to ensure that the fee is paid in relation to the correct parking space.
>
> … there is no discretionary scope in these circumstances.

Hon. G. D. Romanes — On a point of order, Mr President, parking infringement notices, and their administration or handling, are a matter for the appropriate local government body, not for the administration of the state government.

Hon. Bill Forwood — On the point of order, Mr President, I was on an all-party parliamentary committee that inquired into parking fines and parking infringement notices. It is absolutely the responsibility of the Parliament of Victoria.

Hon. T. C. Theophanous — Not for individual cases.

The PRESIDENT — Order! I do not uphold the point of order. In relation to local government generally, Minister Cameron has a supervisory role. I have not heard the bottom line of the matter being raised.

Hon. M. M. Gould — It is really for the Minister for Transport.

The PRESIDENT — Order! I am saying it is clearly a matter within local government jurisdiction, directly or indirectly. Mrs Luckins, in conclusion.

Hon. M. T. LUCKINS — In conclusion, if there is no discretionary scope available to the City of Melbourne not to ensure that this unfair infringement notice or other unfair infringement notices are imposed on elderly pensioners, I ask the minister to investigate the practice and ensure that money put into meters in good faith, on the understanding that the onus is on drivers, means infringement notices will not be issued.

Knox School

Hon. G. B. ASHMAN (Koonung) — The matter I direct to the attention of the Minister for Energy and Resources for the attention of the Minister for Transport in the other place relates to a matter raised with me by the Knox School on Burwood Highway, Wantirna. It has a number of students who use a Ventura bus that travels east on Burwood Highway in the morning and evening. The school says the bus stops opposite the school but that there is no crossing at that point. Burwood Highway is a busy road and does not present an ideal environment for students to cross.

I have written to the minister with a number of suggestions. I accept that the suggestions I put to him, such as diverting the bus so that the students will be dropped outside the school or at lights outside Cathies Lane, may not be feasible in the short term. I also raised the prospect of erecting a barrier fence along the highway to prevent students crossing at that point; also, removing the bus stop from opposite the school to a point about 200 yards to the east on Templeton Street, where there is a set of traffic lights.

I ask the minister for an indication that that may be feasible. Knox council has said it does not think a fence is practical and the council says it has a number of examples where that has been tried but did not work. When questioned, the council could not provide me with examples. It strikes me that there are a number of shopping centres and other areas where fences have been constructed down the centre of roads to prevent pedestrian access across them at those points. It seems to work. That may be a short-term solution to prevent students crossing Burwood Highway in what is a dangerous situation.

Burnley Tunnel: speed signs

Hon. ANDREA COOTE (Monash) — The matter I raise is for the Minister for Energy and Resources, as the representative in this place of the Minister for Transport in the other house. It concerns speeding in Burnley Tunnel.

Honourable members interjecting.

Hon. ANDREA COOTE — I paid it! I am sure many honourable members have also faced the same problem. The speed limits in the tunnel are indicated by red fuzzy signs. The speed limit goes quickly from 80 kilometres per hour to 60 kilometres per hour, or vice versa. It is difficult for drivers to decide whether they should be travelling at 60 or 80 kilometres per hour. Drivers are supposed to have their radios turned on so they can be told the speed limits, but many who have other people in the car or are deaf do not have them turned on. If the radio is not on, no-one can understand the red fuzzy signs.

Since it happened to me I have discovered it has happened to a number of other people. People on low incomes find it difficult to pay the hefty speeding fines. I have spoken to representatives of the Royal Automobile Club of Victoria who say they receive many complaints about the red fuzzy lights. They say they are unclear and hard to understand. Many people have complained. Will the minister investigate the feasibility of immediate changes to the inadequate speed limit signage in the Burnley Tunnel, specifically the red fuzzy signs?

Kingston: councillors

Hon. B. C. BOARDMAN (Chelsea) — I raise a matter for the attention of the Minister for Local Government in another place, and I do so through the Minister for Energy and Resources. It does not concern any infringement notices that have recently been issued, it concerns the probity and integrity of the current

elected representatives of the municipality of Kingston. It is fair comment to say that the incompetency of the current Kingston city councillors is overwhelming. It will come as no surprise to members of this house that the Gang of Four — —

Honourable members interjecting.

The PRESIDENT — Order! I am very keen to go home. I have 300 kilometres to drive tonight, and I would like the house to settle down and allow the matter to be raised and the minister to respond.

Hon. B. C. BOARDMAN — It is obvious the government is very sensitive on this subject. The four ALP councillors, Cr Arthur Athanasopoulos, a former staffer of Simon Crean and former mayor, Cr Elizabeth Larking, the current mayor, Cr Johanna Van Klaveren, who is the electorate officer of the honourable member for Carrum in the other place, and Cr Topsy Petchly, are not representing the municipality with the utmost concern and acting in the interests of the community.

A precedent has been created by the government. The Minister for Local Government commissioned an investigation into the Melbourne City Council. That was simply about some disagreements between Melbourne city councillors and the staff of the council. This is a bit more serious. Recently the whole strategic planning unit quit. The treatment of council staff by the councillors is absolutely appalling. I have been told that council staff are considered to be servants of individual councillors rather than of the municipality they are supposed to be serving.

The council has consistently voted against approving multi-unit developments, contrary to council-adopted strategy and advice from the council's own strategic planning and technical units. On most occasions when applicants have appealed the decisions to the Victorian Civil and Administrative Tribunal after the council has denied permits, VCAT has ruled in favour of the applicants, which shows the complete incompetence of the councillors and their lack of consideration for the municipality. The one and only time the ALP councillors voted in favour of a multi-unit development, contrary to form, was for a permit for a development by the current mayor.

Honourable members interjecting.

Hon. B. C. BOARDMAN — Last week one of the councillors quit, stating that he had had a gutful. Considering the seriousness of the situation at Kingston City Council, it is essential that the minister commence an investigation into the operation of the elected council representatives. If the minister refuses to initiate an investigation, he must explain publicly his reasons for not doing so.

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

Responses

Hon. C. C. BROAD (Minister for Energy and Resources) — The Honourable Peter Hall requested details of the government's package for the rock lobster fishery and the structural adjustment assistance. I am more than happy to provide him with details of that, which I will do as soon as possible.

Hon. P. R. Hall — Next week?

Hon. C. C. BROAD — I can probably organise it tomorrow.

The Honourable Sang Nguyen raised for the attention of the Minister for Environment and Conservation a matter concerning the impacts of odours from Coode Island. I will refer that matter to the minister.

The Honourable Elaine Carbines raised a matter for the Minister for Transport concerning a constituent, Mr Lewis, and disabled access on the National Express rail service between Geelong and Melbourne. I will refer that matter to the minister.

The Honourable Andrew Brideson raised for the Minister for Transport a matter concerning ticketing systems. I will refer that matter to the minister.

The Honourable Wendy Smith raised for the Minister for Transport a matter concerning tolls and the Scoresby freeway. I will refer that matter to the minister.

The Honourable Maree Luckins raised a matter for the Minister for Local Government concerning the City of Melbourne and parking infringement notices. I will refer that matter to the minister.

The Honourable Gerald Ashman raised for the Minister for Transport a matter concerning students crossing Burwood Highway at the Knox School. I will refer that matter to the minister.

The Honourable Andrea Coote raised a matter for the Minister for Transport concerning signage in the Burnley Tunnel. I will refer that matter to the minister.

The Honourable Cameron Boardman raised a matter for the Minister for Local Government concerning the City of Kingston and made a request for an investigation. I will refer that matter to the minister.

Hon. M. R. THOMSON (Minister for Small Business) — The Honourable Bill Forwood raised the matter of the Syndicate Club raised by the Honourable Bob Smith last night during the adjournment debate. I am pleased he raised the matter as it is an important issue about potential pyramid selling, and it is more alarming that they were targeting significant Australian Football League clubs. I am pleased to have been able to provide the Honourable Bob Smith with a response.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — In relation to the matter raised by the Honourable Gordon Rich-Phillips regarding funding for the Endeavour Hills police station and clarification on that issue, I will refer that matter to the Minister for Police and Emergency Services in the other place.

Motion agreed to.

House adjourned 6.22 p.m.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Council.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Tuesday, 5 June 2001

Transport: Dingley freeway

1690. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What is the anticipated commencement date for the construction of the Dingley Freeway.

ANSWER:

The Government has not yet determined a commencement date for the Dingley Route. A planning assessment report for the Warrigal Road to Springvale Bypass section of the Dingley Route is being finalised.

This report, together with a program of consultation with Councils, government departments and the community, will guide decisions on the necessary environmental and planning clearances for this section of the Dingley Route, prior to a construction program being finalised.

Transport: Eastern Freeway extension

1691. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What is the anticipated commencement date for the construction of the Eastern Freeway Extension to Ringwood.

ANSWER:

Construction of the Eastern Freeway extension to Ringwood commenced in March 2000, following the award of a contract on 16 February 2000. The scope of that contract includes:

- construction of a bridge on Mitcham Road to overpass the freeway;
- construction of a bridge on Park Road to overpass the freeway; and
- partial freeway earthworks from Springvale Road to Park Road.

Construction of a bridge on Deep Creek Road to overpass the freeway commenced in March 2001, following award of a contract on 16 January 2001.

Transport: Mornington Peninsula Freeway extension

1692. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What is the anticipated commencement date for the construction of the Mornington Peninsula Freeway Extension in Braeside.

ANSWER:

A date for the commencement of construction of the Mornington Peninsula Freeway extension in Braeside has not yet been set.

Transport: traffic in White Street, Mordialloc

1694. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): Will the Minister provide any plans for the improvement of traffic management in White Street, Mordialloc.

ANSWER:

VicRoads has recently provided pedestrian crossings for both left turn slip lanes at the intersection of Nepean Highway and White Street and also added extra 60km/h repeater signs to remind motorists of the speed limit on this road.

The intersection of White Street and Treeby Boulevard is to be signalised in 2001. This will improve the overall safety in this area as part of the development of adjacent residential land.

Transport: traffic volume — Aspendale Gardens

1695. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any projections of the changes in the volume of traffic using Wells Road, Aspendale Gardens, following the widening of Boundary Road, Mordialloc, and the proposed changes to Rutherford Road, Seaford.

ANSWER:

I am advised by VicRoads that the recent widening of Boundary Road in Mordialloc has had minimal impact on Wells Road traffic volumes.

The provision of a north bound entry ramp from Rutherford Road is being considered as part of the Scoresby Freeway Project. The specific effect of this connection on Wells Road traffic has not been assessed.

Transport: traffic volume — Aspendale Gardens

1696. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any projections of the changes in the volume of traffic using Wells Road, Aspendale Gardens, following the construction of the proposed Scoresby Freeway.

ANSWER:

VicRoads has advised that traffic forecasts undertaken as part of the Scoresby Transport Corridor EES and the City of Kingston's Wells Road corridor strategy, indicate that the construction of the Scoresby Freeway will result in a reduction in traffic on Wells Road of between 25% and 30%.

Transport: traffic lanes — Beach Road, Mordialloc

1697. THE HON. G. B. ASHMAN — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans by Vicroads to reduce the number of lanes in Beach Road, between South Road, Brighton and Nepean Highway, Mordialloc.

ANSWER:

Beach Road has an important role as an arterial road in providing for traffic to serve the transport needs of the community. Whilst certain actions have been taken to encourage freight traffic onto the Nepean Highway, the Government has no plan to reduce the number of lanes on Beach Road.

Transport: traffic management

1698. **THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans to improve traffic management at the intersection of Springvale Road, Princes Highway, Police Road and Centre Road.

ANSWER:

I am advised VicRoads is currently investigating a proposal to upgrade the intersection by constructing an underpass of Springvale, Police and Centre Roads for the Princes Highway. The project will be considered by the Government for possible inclusion in a future works program.

Transport: traffic management

1699. **THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans to improve traffic management at the intersection of Toorak Road and the Warrigal Road, Burwood.

ANSWER:

The Government has allocated $20,000 this financial year for improvements to the signals to provide priority to the trams along Toorak Road. The project has been recently completed and is designed to improve the operation of trams and traffic at this intersection.

Transport: traffic management

1700. **THE HON. G. B. ASHMAN** — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Transport): What are the details of any plans to improve traffic management at the intersections of Murrumbeena Road and Neerim Road in Murrumbeena (both north and south of the railway).

ANSWER:

I am advised that a proposal to link the traffic signals in Murrumbeena Road with the adjacent railway level crossing has been developed by VicRoads and will be forwarded for consideration by the Government for possible inclusion in a future works program.

Police and Emergency Services: full-time police numbers

1701. **THE HON. B. C. BOARDMAN** — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services): What was the effective number of full-time police employed as at — (i) 31 July 1999; (ii) 31 August 1999; (iii) 30 September 1999; and (iv) 20 October 1999.

ANSWER:

The full time equivalent number of sworn police employed at the specified times are shown below. No data is available for the date of 20 October 1999, however data from the nearest date for which data is available, which is 25 October 1999, is included.

31 July 1999	9,312
31 August 1999	9,314
30 September 1999	9,306
25 October 1999	9,286

Multicultural Affairs: Racial and Religious Tolerance Bill

1704. THE HON. C. A. FURLETTI — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Minister for Multicultural Affairs): In relation to submissions regarding the Government's discussion paper and draft model bill on racial and religious tolerance:

(a) What was the total number of submissions, letters and e-mails received by the Minister in each of his capacities and by his respective Departments.

(b) What proportion supported the model bill.

(c) What proportion opposed the bill.

(d) What proportion indicated support only if the proposed bill was amended.

ANSWER:

I am informed that:

The Victorian Office of Multicultural Affairs received in excess of 5000 written submissions.

To provide an answer as to what proportion supported the model bill, what proportion opposed the bill and what proportion indicated support only if the proposed bill was amended, would require an inordinate amount of time and resources that are not available.

Community Services: juvenile justice policies

1707. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): Further to the Ministerial Statement — A Balanced Approach to Juvenile Justice in Victoria — of August 2000:

(a) What policies and initiatives have actually been implemented.

(b) Has the Bail and Support Service for 17 to 20-year-olds committed to in the statement led to any additional workers, and has this led to any reduction in the number of young offenders remanded in prison.

(c) What action has been taken to address the drug issue affecting young offenders.

ANSWER:

The following initiatives detailed in the Ministerial Statement have been implemented:

- The state-wide expansion of the Juvenile Justice Adult Court Advice and Support Service providing service to adult courts in all regions.

- The introduction in conjunction with the Adult Court Advice Service of Bail Support for young offenders aged 17-20 year olds across metropolitan and rural areas.

- The establishment of a Pre-Release Partnership promoting continuity of pre and post release by involving centres and regional Juvenile Justice teams in collaborative case management, assessment and planning from the outset of a young person's custodial sentence.

- Expansion and enhancement of the parole program enabling more intensive individualised supervision of 17-21 year olds immediately post release to minimise their likelihood of re-offending.

- Additional funding to expand and strengthen rehabilitation services and programs in the three Juvenile Justice Centres including Health Services, vocational training and MAPPS.

- Expansion of *The Edge* residential drug program at Malmsbury Juvenile Justice Centre.

- Consolidation of two Community Residential and Outreach Program at Parkville Residential Youth Centre and establishment of two pilot Intensive Community Program houses for young 17 to 20 year old men.

- The employment of Koori Support and Vietnamese/Cambodian support workers at the three Juvenile Justice Centres.

- Establishment of a strategy for diversion, rehabilitation and post release support services for young women commencing with funding for three non-government agencies to assist young women work through issues impacting upon their offending through creative activities.

- Diversion program targeting young people from the Horn of Africa.

- The Bail and Support Service for 17 to 20 year-olds has been established and all Department of Human Services regions have been provided funding to assist young people with bail support.

- Since the introduction of the Bail Support Service, Juvenile Justice workers have assisted young people in the provision of bail support. At this stage, however it is too early to determine the level of reduction in the number of young offenders remanded in prison.

- The majority of young people in the juvenile justice system have substance abuse issues. A range of initiatives is required to successfully engage this group whose experiences are characterised by a history of trauma and tragedy and whose lives are generally undisciplined and chaotic.

- Additional resources of approximately $3 million per annum have been allocated to make planning for release of young people from custody more effective and to provide for stronger supports and more intensive supervision for them whilst they are on parole.

- Consolidation of *The Edge* program to address drug use at the Malmsbury Juvenile Justice Centre, provides a supported, intensive therapeutic environment for up to six young people who are committed to addressing their drug problems while in custody

- The three juvenile justice post release agencies have each been provided with funding to recruit an alcohol and drug worker, and Juvenile Justice Workers have all been trained to the competency standards as outlined in *Orientation to the Alcohol and Drug Sector*. All supervisors and the majority of workers in juvenile justice centres have received advanced A&D skills training

Community Services: juvenile justice court advice program

1708. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): Has the Department extended the Juvenile Justice Court Advice Program to other key courts in the Metropolitan Area.

ANSWER:

- The Adult Court Advice and Support Services has been successfully expanded to all Department of Human Services regions. As a result, all metropolitan and rural adult courts within Victoria have access to designated Adult Court Advice and Support Service Workers.

- The Adult Court Advice and Support Service workers provide expert advice to the courts in relation to young people aged between 17-21 years, charged with a criminal offence and required to appear before court.

- The service provides advice to inform a court response that maximises the prospects of rehabilitation of young offenders together with minimising community risk by facilitating an effective and targeted intervention.

Community Services: juvenile justice — liaison workers

1709. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services):

(a) How many Koori support workers and Vietnamese / Cambodian program support and community liaison workers have been employed at the — (i) Parkville Youth Residential Centre; (ii) Malmsbury Juvenile Justice Centre; and (iii) Melbourne Juvenile Justice Centre.

(b) What are the details of the culturally appropriate services which have been enhanced or expanded for — (i) young Aboriginal people; (ii) young Vietnamese/Cambodian people; and (iii) young women.

ANSWER:

- All Juvenile Justice Centres have specialist Koori support workers and Vietnamese/Cambodian support workers.

- In all cases, the Koori support and Vietnamese/Cambodian support workers have made a substantial contribution to providing a culturally sensitive and appropriate service response to young people in custody.

- The Koori Justice Program has for some ten years now provided a key response for young Koori people who have entered or are at risk of entering the Juvenile Justice system.

- The Minister's Statement, *A Balanced Approach to Juvenile Justice in Victoria* noted that most young women in custody have been convicted for a drug-related offence or present with a significant heroin dependency. Therefore, the funds have been allocated in the Juvenile Justice Reform Strategy for the enhancement of specialist rehabilitative aimed at addressing these issues at Parkville Youth Residential Centre.

- In the 2000/01 financial year three non-recurrent grants were made to test the effectiveness of *Theatre and Arts Programs* as a support program for young women on Juvenile Justice custodial orders. Evidence from the adult system has indicated these are an effective means to build positive peer support and to engage young women in pro-social group activities which also have a therapeutic structure.

Community Services: youth — community correction orders

1710. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): What projects have been developed and implemented with the Department of Justice in relation to young people on adult community correctional orders.

ANSWER:

- Maintaining appropriate young adult people aged 17 to 21 years in the community on supervised community-based corrections orders represents a highly effective means of diverting some young offenders from incarceration at the same time as providing appropriate community-based interventions aimed at preventing the recurrence of crime.

- The Department of Justice has recently received the final report of a review of its Community Corrections Service to, among things, identify measures which may be taken to strengthen that service and make it more effective.

- The report is still under consideration by the Department of Justice. The Juvenile Justice Program within the Department of Human Services has developed significant knowledge and expertise in the area of effective community-based intervention with young people who have entered the justice system.

- The Department of Human Services has commenced discussion with the Department of Justice to examine projects and initiatives which may contribute to strengthening the community-based correctional program.

Community Services: youth — cautioning for crimes

1711. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): What projects have been developed or implemented with Victoria Police in relation to police cautioning of young people involved in less serious crimes.

ANSWER:

- Victoria Police have for many years now used a cautioning program as a means of early intervention and diverting young offenders from the formal Juvenile Justice system with great success for less serious crimes.
- More recently, Victoria Police have implemented Local Priority Policing as a major crime prevention program response. Part of this approach involves police linking young people and their families into local services and programs at the same time as cautioning a young person.
- As a result of this initiative, the police are now also able to caution adult young offenders is over the age of 17 years, who have become involved in the use of cannabis.

Community Services: juvenile justice reform strategy

1712. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): What policies have been implemented in line with the Juvenile Justice Reform Strategy in relation to early intervention or diversion and timely rehabilitation.

ANSWER:

- An Inter Departmental Committee has been established under the auspice of Crime Prevention Victoria to consider strategies which might be developed and implemented to reduce crime.
- The primary focus for this newly established IDC is on young offenders and on ways that a Whole of Government response can be developed to intervene early to reduce the risk of young people becoming young offenders.
- A commitment to enhancing opportunities of appropriate diversion for young people from the custodial system with the expansion of the Adult Court and Advice Support Service and Bail Support Services.
- A commitment to strengthening rehabilitation programs available to young people who have been committed to custody.
- The enhancement of collaborative work practices between centres and regional Juvenile Justice offices to ensure that consistent case management and collaborative assessment and planning promotes continuity of pre and post release.
- Expansion of the parole program to provide intensive individualised supervision of 17-20 year olds immediately post release to minimise their likelihood of re-offending.

Community Services: Melbourne Juvenile Justice Centre — Turana

1713. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): When will the decommissioning of sub-standard facilities used as interim accommodation at the Melbourne Juvenile Justice Centre (Turana) be completed.

ANSWER:

- One unit of 16 beds at Melbourne Juvenile Justice Centre (Turana) was decommissioned in February 2001.
- The second unit of 24 beds will be decommissioned when other accommodation becomes available for young offenders.

Community Services: juvenile justice policy

1714. THE HON. M. T. LUCKINS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): When will the Minister report to Parliament on the success or otherwise of the government's juvenile justice policy.

ANSWER:

- The Minister for Community Services will provide a report to Parliament on the implementation of the Government's Juvenile Justice policy in the Spring Session of Parliament.

- You will recall that the Minister issued her Ministerial Statement entitled "*A Balanced Approach to Juvenile Justice in Victoria*" in August 2000 and twelve months will have passed since the new initiatives for Juvenile Justice focusing on diversion, rehabilitation and post-release support were announced.

Housing: public housing estates — fire awareness video

1715. THE HON. ANDREA COOTE — To ask the Honourable Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Minister's proposed fire awareness video for housing estates:

(a) In what languages was this video produced.

(b) Which estates have access to this video.

(c) How many copies of the video does each estate have on site.

(d) What was the cost of this exercise.

(e) From where was the funding sourced.

ANSWER:

(a) Translated information

The 'Fire Safety In Your Home' video is available in 5 community languages: English, Arabic, Chinese (Mandarin), Spanish, and Vietnamese.

(b) & (c)
Distribution of the package

The 'Fire Safety In Your Home' video is available in Local Housing Offices, and is also shown during Fire Awareness Sessions. All written material is also made available at these sessions. Floor Plans are discussed at sessions containing high-rise and walk-up buildings.

All Housing Offices have stocks of written material and translations appropriate to their area. Any requests for translations not held at the local office can be organised through head office.

(d) Costs of this exercise

The "Fire Safety in Your Home Video" cost $49,063 to produce.

(e) Funding source

The fire safety communication package is funded through the Office of Housing's Rental Operations budget.

Housing: public housing estates — fire awareness sessions

1716. THE HON. ANDREA COOTE — To ask the Honourable Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Minister's proposed fire awareness sessions with housing estates:

(a) Which estates have participated in the fire safety sessions thus far.

(b) Which estates have yet to participate and when.

ANSWER:

(a) There have been fourteen Fire Awareness Sessions conducted for public housing residents to date, as follows:

1. Park Towers**,** 332 Park Street, South Melbourne, Held Sunday 22 October 2000
2. Barkly Street, 351 Barkly Street, Brunswick. Held Wednesday 1 November 2000
3. Crown Street, 29 Crown Street, Flemington. Held Thursday 16 November 2000
4. Dorcas Street, 200 Dorcas Street, South Melbourne. Held Sunday 26 November 2000
5. Hanmer Street, 63 Hanmer Street, Williamstown. Held Thursday 30 November 2000
6. Gordon Street, 127 Gordon Street, Footscray. Held Wednesday 13 December 2000
7. Atherton Gardens Estate**,** 140 Brunswick Street, Fitzroy. Held Saturday 16 December 2000
8. Holmes Street**,** 1 Holmes Street, Collingwood. Held Tuesday 19 December 2000
9. Tom Hills Street (formerly 300 Rouse Street), 2 Tom Hills Street, Port Melbourne. Held Thursday 15 February 2001
10. Fireman Street, 1 Fireman Street, Colac. Held Wednesday 7 March 2001
11. Inkerman Street, 150 Inkerman Street, St Kilda. Held Wednesday 14 March 2001
12. The Esplanade, 17 The Esplanade, St Kilda. Held Wednesday 28 March 2001
13. King Street, 27 King Street, Prahran. Held Wednesday 11 April 2001
14. Union / Crews Streets, 2 Crews Street, Windsor. Held Wednesday 9 May 2001

(b) It is proposed that the Office of Housing, in conjunction with the Metropolitan Fire and Emergency Services Board and the Country Fire Authority, will conduct approximately 20 sessions Statewide per annum ongoing. Furthermore, it is proposed that high-rise estates and older persons estates would be a priority, with the remaining estates conducted on a progressive basis.

Small Business: advertisement — liquor licence limit review

1717. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business: In relation to the full-page open letter thanking stakeholders for their participation in the review of 8 per cent limit on liquor licence holdings, featured on page 7 of the Liquor Stores Association Victoria (LSAV) News, No. 3 — December 2000:

(a) Was this a paid advertisement by the Department of State and Regional Development; if so, what was the cost.

(b) Were similar advertisements placed in other publications; if so, which publications and at what cost.

ANSWER:

(a) No.

(b) No.

Small Business: liquor licence limit review

1719. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business:

(a) What was the total cost of the review into the 8 per cent cap on liquor licences held in 2000.

(b) What is the breakdown of the total cost (ie. consultants fees, costs to produce the final report, etc.).

ANSWER:

The cost of the review was met within the Office of Regulation Reform's existing budget allocation. The cost of conducting the review was approximately $35,000 plus on costs.

A breakdown of the significant non-salary cost items is as follows:

- Consumer survey: $16,000
- Industry workshop: $3,700
- Sitting fees for Reference Group members: $3,168
- Printing and distribution of report: $12,000

Small Business: Liberty Liquor

1721. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business: Further to the answer to question No. 1669, given in this House on 1 May 2001, in relation to the Woolworths purchase of Liberty Liquor, on what date did the Minister's department first receive from the Victorian Solicitor General's Office — (i) verbal legal advice; (ii) draft written legal advice; and (iii) final written legal advice.

ANSWER:

My Department received the final written legal advice from the Victorian Government Solicitor on 12 March 2001. My Department did not receive any verbal or draft written advice.

Environment and Conservation: Monash Freeway upgrade — Gardiners Creek

1723. THE HON. D. McL. DAVIS — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): In relation to Gardiners Creek between Warrigal Road and the Yarra River:

(a) What is the risk of flooding of private properties along the Creek.

(b) When was the risk assessment made and by whom.

(c) What were the results of such risk assessment.

(d) Have changes made to the Creek since the commencement of works on the Monash Freeway reduced the risk of flooding.

(e) Has the removal of the flood zoning on private properties on the area been considered; if so, why has no such change been made; if not, will the Minister consider such rezoning.

ANSWER:

I am informed that:

(a) Flood levels for this reach of the Gardiners Creek were designated and gazetted on the 12 August 1981. The associated flood maps identified the flood extent for a 1 in 100 year flood event and identified many adjacent private and public properties that would be subject to flooding for this event.

(b) Studies were undertaken during the period 1968 to 1990 by the then Board of Works.

(c) The flood studies were undertaken to verify flow capacities for various frequencies and events, as a result of changing rainfall and runoff data, for use by land and infrastructure development such as the Monash Freeway. With regard to major roads, developers (VicRoads) used the flow capacities to design appropriate drainage works associated with the level of flood protection they required for their road without making the flood situation any worse for adjoining private property.

(d) Between Toorak Road and High Street, some previous floodprone areas are no longer subject to flooding. These areas are now not listed by Melbourne Water as subject to flooding.

(e) Melbourne Water considered the appropriate land use zoning and overlay controls when the Stonnington and Boroondara New Format Planning Schemes were prepared and placed on public exhibition. Melbourne Water recommended a Land Subject to Inundation Overlay be introduced to identify the extent of flooding associated with a 1 in 100 year flood event. Melbourne Water regularly updates its flood records for development in a catchment that alter the flood risk situation. This information is provided to land and infrastructure developers as part of Melbourne Water's referral authority role and perspective property purchases on encumbrance certificates.

Housing: social housing innovations project

1725. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Social Housing Innovations Project and the fifty projects that will be funded:

(a) How much additional accommodation will this project provide for those within the City of Stonnington.

(b) Of this additional accommodation (if any) how many are — (i) rooming house rooms; (ii) bedsits; (iii) suitable for couples; (iv) suitable for families; (v) suitable for singles; and (vi) suitable for the aged.

ANSWER:

a) No additional accommodation will be provided in the City of Stonnington by the SHIP project

b) Not applicable

One proposal was received for a project in the City of Stonnington for 8 one bedroom units. This proposal was unsuccessful and is being reviewed under 'concepts and opportunities'. The Office of Housing will work with proponents in this category to develop proposals in preparation for the next funding round.

Housing: social housing innovations project

1726. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Social Housing Innovations Project and the fifty projects that will be funded:

(a) How much additional accommodation will this project provide for those within the City of Glen Eira.

(b) Of this additional accommodation, how many are — (i) rooming house rooms; (ii) bedsits; (iii) suitable for couples; (iv) suitable for families; (v) suitable for singles; and (vi) suitable for the aged.

ANSWER:

a) Funding has been set aside for one project which requires further development before it can be considered for approval. Up to 50 units are proposed, however a final number has yet to be determined.

b) The client group targeted is older persons, however, the number and mix of unit sizes has yet to be finalised.

Housing: social housing innovations project

1727. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Social Housing Innovations Project and the fifty projects that will be funded:

(a) How much additional accommodation will this project provide for those within the City of Port Phillip.

(b) Of this additional accommodation (if any) how many are — (i) rooming house rooms; (ii) bedsits; (iii) suitable for couples; (iv) suitable for families; (v) suitable for singles; and (vi) suitable for the aged.

ANSWER:

a) Approximately 45 units of accommodation will be provided in the City of Port Philip

b) Two rooming houses are proposed suitable for older persons, couples without dependents and single people. The exact configuration of unit sizes is yet to be finalised.

Education: budget update — teacher classification

1731. THE HON. ANDREW BRIDESON — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Education): What programs/initiatives are included in the breakdown of figures used to create the line item 'School Teacher Classification and Performance Framework' appearing at appendix A, table A2 of the 2000–01 Mid-year Budget Update.

ANSWER:

I am informed as follows:

The school teacher classification and performance framework flows from an industrial agreement which recognises and rewards excellence in teaching. It is a key driver of the Government's priorities for education and incorporates a range of initiatives to enhance literacy, numeracy and participation in education and training. The revised framework will also address issues of teacher attraction and retention.

Aged Care: home and community care program

1733. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): In relation to the Government's announced additional funding in the order of $41 million over four years for Home and Community Care (HACC) and HACC related services:

(a) What are the details of the service areas under HACC and their corresponding funding allocation for each year over the four year period.

(b) What does the Department regard as HACC related services, these service(s) or program types are, including their corresponding funding allocation for each year over the four year period.

ANSWER:

(a) The Home and Community Care Program (HACC) program provides a range of basic support and maintenance services to frail older people, younger people with disabilities and their carers to improve their quality of life and avoid premature or inappropriate admission to long term residential care. Of the additional $41 million of funding announced over four years from 1999-2003 for HACC and HACC like services, $26.03 million is targeted to expanding services in the HACC Program. $14 million has been allocated to expand core HACC services for frail older people such as home care and maintenance, nursing and allied health, in home respite and personal care services; $12.03 million has been allocated to extend the hours and range of activities delivered by adult day care services.

The table below outlines the corresponding funding allocation for each year over the four year period.

	1999-2000	2000-2001	2002-2003	2003-2004	Total Funds Allocated 1999-2004
Expansion of Core HACC services					
Total Funds Allocated	$1.25m	$3.75m	$4.00m	$5.00m	$14.00m
Adult Day Centre Expansion					
Total Funds Allocated	$1.50m	$3.12m	$3.51m	$3.90m	$12.03m

(b) HACC like services refer to the Department of Human Services Aged Community Mental Health (ACMH) Division Hospital to Home program. This $15 million program complements the Post Acute Care Program and provides nursing and home based services post discharge to support HACC eligible clients to prevent their unplanned readmission to hospital. These funds form part of a broader commitment of $32.75 million over a four year period to implement the Government's Hospital to Home initiative.

The table below details the allocation for the ACMH Division Hospital to Home funds across the four year period:

	1999-2000	2000-2001	2002-2003	2003-2004	Total Funds Allocated 1999-2004
Hospital to Home					
Total Funds Allocated	$2.5m	$4.5m*	$4.0m	$4.0m	$15m

* The 2000-2001 amount of $4.5 million includes a one off funding component of $500,000.

Aged Care: hospital to home program

1734. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): In relation to the Hospital to Home program initiative:

(a) What proportion of funding is directed to the program from HACC funding and what proportion (if any) is derived from acute care or any other funding stream.

(b) What was the total amount allocated to the Hospital to Home program for the years 1999–2000 and 2000–01, respectively, according to funding sources.

ANSWER:

(a) The Hospital to Home program refers to the $15 million Department of Human Services Aged Community and Mental Health Division (ACMH) administered component of the $32.75m commitment the Government made to strengthen Hospital to Home services. Additional funds were committed in the 1999-2000 financial year pursuant to the Government's pre-election commitments, separate from funds committed to the Home and Community Care Program. In 1999-2000 the only funds source was Aged Care. In 2000-2001 on reviewing

the future direction of the program, it was determined that the Hospital to Home growth funds allocation of $1.5 million for 2001-2002 would be allocated to the Post Acute Care Program to improve its responsiveness to the HACC eligible target group. The Post Acute Care Program is part of the Acute funding stream. Over the 2 year period between 1999-2001, the proportionate breakdown by funding source is 76% Aged Care funds and 24% Acute Care funds.

(b) The table below identifies the funds sources for ACMH Division Hospital to Home program between 1999-2001:

ACMH Division Hospital to Home Program	1999-2000	2000-2001
Aged Care Funds Source	$2.5m	$2.5m
Acute Funds Source	$0.0m	$2.0m*
Total Funds Allocated	$2.5m	$4.5m

* $500,000 of the Acute Funds source figure of $2 million for 2000-2001 is available on a one off basis only.

Small Business: Showcasing Small Business program

1743. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business: Further to the answer to question no. 1465, given in this House on 1 May 2001:

(a) What will the remaining 2000-2001 budget for Showcasing Small Business initiative be spent on.

(b) What is the total budget for the "Vic Export" initiative.

ANSWER:

The roll-out of initiatives under the Showcasing Small Business banner for the rest of 2000-2001 will include support and sponsorship of events of small and medium sized enterprises consistent with the Government's policy objectives which include:

- providing information to achieve our business access points to Government business services through the Victorian Business Line, Business Channel and Business Licensing Information Services;
- sponsoring business award programs;
- participating in regional trade expos;
- organising seminars/conferences/workshops; and
- supporting youth initiatives.

The total budget for the Vic Export initiative is $700,000.

Aged Care: division 2 nurses

1746. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): Will the Minister provide details of the level and type of education and workplace support required by Division 2 nurses in order to support an extended scope of practice in medication administration.

ANSWER:

The Nurse Policy Branch of the Department of Human Services is convening a working party of key stakeholders which will report to the Minister for Health on an extended scope of practice for the Division 2 registered nurse. It

will determine the preferred educational preparation required for an extended scope of practice for the Division 2 registered nurse, including the incorporation of medication administration. It will consider the impact of the implementation of changes across the health care delivery system in Victoria.

Aged Care: division 2 nurses

1748. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): What are the details of the type of training being considered to offer Division 2 nurses to extend the scope of practice in medication administration and what is the likely timeframe for its implementation.

ANSWER:

The Nurse Policy Branch of the Department of Human Services is convening a working party of key stakeholders which will report to the Minister for Health on an extended scope of practice for the Division 2 registered nurse. The working party will determine the preferred mechanism of educational preparation required for an extended scope of practice for the Division 2 registered nurse. The first meeting of the working party will be in June 2001.

Aged Care: division 2 nurses

1749. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): What progress has the Department made in its plan to introduce training to Division 2 nursing staff to educationally prepare them to administer medication.

ANSWER:

The Nurse Policy Branch of the Department of Human Services is convening a working party of key stakeholders which will report to the Minister for Health on an extended scope of practice for the Division 2 registered nurse. It will establish the preferred means of incorporating medication administration into training and education for an extended scope of practice for the Division 2 registered nurse. The working party will begin its work in June 2001.

Aged Care: residential care — wages and Workcover costs

1750. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): Has the Minister taken any action to appropriately compensate state owned residential aged care sector for the increases in wages and Workcover costs; if so, what responsive action is being taken and how is it being implemented.

ANSWER:

State owned residential aged care facilities are being funded to implement the Industrial Relations Commission decision for nurses on the same basis as applies to public hospitals, community health centres and other agencies in the public health sector. Funding is being provided to cover the costs of salary increases, additional leave entitlements and other benefits where applicable.

As with the other agencies, aged care facilities are also being funded for on costs, including Workcover. The Government has funded public sector agencies, including the state owned residential aged care facilities, for the 15% Workcover premium surcharge for the reinstatement of access to common law damages for seriously injured workers.

The level of funding being provided takes into account funding available under the other agreed funding arrangements, such as Commonwealth funding for aged care.

The funding arrangements have been developed by my Department, in consultation with hospitals and their representatives, the Victorian Healthcare Association and the Victorian Hospitals Industrial Association.

Environment and Conservation: beaches at risk

1753. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): In relation to the recent announcement by the Minister in March regarding a $100,000 study to identify beaches at risk around Port Phillip Bay:

(a) What was the date of the announcement.

(b) Who was in attendance at the announcement.

(c) What was the forum for the announcement.

ANSWER:

I am informed that:

(a) The 'Beaches at Risk' consultancy was announced on 15 March 2001.

(b) Over 120 invited guests were in attendance including representatives of the Victorian Coastal Council, Regional Coastal Boards, Government Agencies, Local Government, individuals and community groups.

(c) The forum for the announcement was the presentation of the Victorian Coastal Awards of Excellence 2001 by the Victorian Coastal Council in conjunction with Coast Action/Coastcare held at the Melbourne Museum.

Health: Sandringham hospital

1754. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Industrial Relations (for the Honourable the Minister for Health): How many patients were treated at the Sandringham Hospital for the following categories in each of the periods 21 April 1999 to 20 October 1999, 21 October 1999 to 20 April 2000, 21 April 2000 to 20 October 2000, and 21 October 2000 to 20 April 2001, respectively — (i) Accident and Emergency; (ii) Obstetrics; and (iii) Orthopaedic Surgery.

ANSWER:

Accident & Emergency Separations at Sandringham Hospital

TREATED	Total
21 April 1999 to 20 October 1999	1380
21 October 1999 to 20 April 1999	2107
21 April 2000 to 20 October 2000	2067
21 October 2000 to 20 April 2001	2033
Grand Total	7587

Notes: Accident & Emergency Separations are all Road emergency, Industrial (work) emergency, Other emergency admissions.

Obstetrics Separations at Sandringham Hospital

TREATED	Total
21 April 1999 to 20 October 1999	417
21 October 1999 to 20 April 1999	594
21 April 2000 to 20 October 2000	545
21 October 2000 to 20 April 2001	452
Grand Total	2008

Note: All Obstetrics Separations are admission in the Obstetrics Specialty derived by Diagnosis related Groups (DRGs).

Orthopaedic Surgery Separations at Sandringham Hospital

TREATED	Total
21 April 1999 to 20 October 1999	314
21 October 1999 to 20 April 1999	419
21 April 2000 to 20 October 2000	421
21 October 2000 to 20 April 2001	376
Grand Total	1530

Note: All Orthopaedic Surgery Separations are Surgical type admissions in the Orthopaedic Specialty derived by Diagnosis related Groups (DRGs).

Notes:

Data for 21 October 2000 to 20 April 2001 period is provisional.

All separations are admitted patients discharged in treatment periods requested.

Source: Victorian Admitted Episodes Dataset (VAED) 21 April 2001.

Community Services: development delay criteria

1761. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Community Services): How many children under the age of six had been assessed as being eligible to receive services under the developmental delay criteria of the *Intellectually Disabled Persons' Services Act 1986* as at 31 December 2000.

ANSWER:

As at the 31 December 2000 there were two children who have been declared as eligible to receive services under the developmental delay criteria of the *Intellectually Disabled Person's Services Act 1986* (the Act) where they required access to residential services provided through the Disability Services program.

The current practice for children under six years who require early intervention services is that they access these services through the Specialist Children's Services area of the Department of Human Services. A Family Services and Support Plan is developed for each child receiving services through Specialist Children's Services. This plan identifies support requirements and the strategies to be implemented to provide that support.

Specialist Children's Services teams and departmentally funded early intervention agencies in each region provide therapy, education and counselling services to children with additional needs and their families. A declaration of eligibility is not necessary to access these services. Families are also provided with information on the IDPS Act should they wish to apply for eligibility under that Act.

Housing: public tenants — eviction process

1770. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What is the process for evicting public housing tenants who are causing an ongoing disruption to their neighbours.

ANSWER:

The Office of Housing (OoH) is bound by the provisions of the *Residential Tenancies Act 1997* (RTA) in all tenancy management issues. Regarding antisocial behaviour, Section 67 of the RTA states "a landlord must take all reasonable steps to ensure that the tenant has quiet enjoyment of the rented premises during the tenancy agreement".

In order to satisfy the requirements of the RTA and meet its obligations as landlord, the (OoH) investigates all reports of nuisance behaviour that contravenes the RTA. Where a tenant is considered to be in breach of their tenancy, legal action may be initiated and, if necessary, pursued at VCAT. This may include issuing breach of duty notices, seeking compliance orders or where the tenant has endangered the safety of neighbours or caused malicious damage, issuing an immediate Notice to Vacate.

Once a local Housing Office has received a complaint, the process through to eviction is as follows:

- A home visit is conducted by a Housing Services Officer to investigate the alleged behaviour by the tenant. Discussions are held with the tenant and their neighbours and if appropriate, mediation through the Dispute Settlement Centre of Victoria is encouraged.

- If the nuisance behaviour is not remedied, the (OoH) will commence legal action against the tenant by issuing a Breach Notice. The Breach Notice will request that the tenant ceases the antisocial behaviour within 14 days.

- If after these 14 days the behaviour continues, a second Breach Notice will be sent. If the matter is serious or the tenant has a history of antisocial behaviour, a Notice to Vacate will be sent instead. Application for a hearing before the Victorian Civil and Administrative Tribunal (VCAT) is also sent at the same time. The tenant and the Office of Housing are notified of the hearing date once it has been scheduled by VCAT.

- At the hearing, depending on the circumstances, the Tribunal may issue a Compliance Order or an Order for Possession against the tenant. If an Order for Possession is granted, the local Housing Office will usually make an appointment with the tenant to discuss their options.

- If the nuisance behaviour continues, the (OoH) obtains a Warrant for Eviction to evict the tenant from their premises. Prior to the eviction, the local Police are provided with details about the warrant and they in turn advise the tenant when the eviction will be carried out. Staff from the local Housing Office will accompany the Police when the eviction takes place.

- In sensitive eviction cases, for example involving young children, the local Housing Office will notify support agencies prior to the eviction.

Housing: public tenants — suitable accommodation

1771. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): What is the current process for identifying suitable housing for those with drug and alcohol dependencies when considering the tenants' needs and the neighbours' needs, respectively.

ANSWER:

A number of targeted initiatives that provide accommodation and linked support exist within community managed housing programs. Access to these targeted housing initiatives is determined by the agencies funded to support people with drug and alcohol dependency.

The Office of Housing will take advice from the applicant and support provider, regarding suitable accommodation that will meet the applicant's needs, including access to ongoing support, to minimise the likelihood of future tenancy management issues.

Applicants with drug and alcohol dependencies may apply for, and be allocated, public housing in the same way as other applicants, that is, on the basis of their housing need and preferred locations.

The Office of Housing is committed to ensuring that public housing tenants and their neighbours have quiet enjoyment of the premises they occupy. Complaints of unsatisfactory behaviour by public tenants are thoroughly investigated and where breaches of a tenancy agreement are substantiated, appropriate remedial action is taken through the Victorian Civil and Administrative Tribunal.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Council.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Thursday, 7 June 2001

Environment and Conservation: Cobboboonee State Forest — tree destruction

1684. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Energy and Resources (for the Honourable the Minister for Environment and Conservation): In relation to the ringbarking and poisoning of 100 trees, all estimated to be over 150 years old, in the Cobboboonee State Forest reported in the press on 17 March 2001:

(a) In which regional office was the officer employed who made the mistake.

(b) How many years experience with the Department did the regional officer have.

(c) What protocols were in place, at the time the ringbarking and poisoning occurred, to instruct regional officers in relation to their responsibilities and in particular the moratorium that was in place.

(d) Since the incident, what changes in operational procedures have been implemented in the region (if any) and also in other departmental offices (if applicable) to ensure that the incident is not repeated.

ANSWER:

I am informed that:

1. The officer supervising the culling operation for Forestry Victoria is based in the Heywood office of the Department.

2. The officer involved in instructing the crew in the culling operation has worked for the Department of Natural Resources and Environment and its predecessors for 25 years.

3. Forest operations are guided by detailed forest harvesting prescriptions. In this case, the supervising officer inadvertently adopted a set of prescriptions for the operation that applied to another Forest Management Area (FMA). The operation was stopped immediately the supervising officer's manager became aware of it.

4. All Forestry Victoria staff will be advised in writing of all changes to Government policy as they occur.

5. In addition, an annual briefing on the forest harvesting prescriptions will be established in the Portland FMA and in all other FMAs to ensure staff are up-to-date with their contents and to provide a formal opportunity to amend or modify the prescriptions, including any amendments required as a result of new Government policies.

Consumer Affairs: petrol substitution

1686. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Consumer Affairs:

With regard to fuel distribution at M and C Petroleum at Hoppers Crossing:

(b) On what dates did the tests take place.

(c) On what dates were the results received.

ANSWER:

(b) The samples were taken on the following dates:

30 January 2001;
8 February 2001;
21 February 2001;
8 March 2001; and
22 March 2001.

(c) The results of these tests were received by Consumer & Business Affairs Victoria on the following dates:

31 January 2001;
6 February 2001;
9 February 2001;
28 February 2001;
8 March 2001; and
30 March 2001.

Major Projects and Tourism: Victorians — intrastate, interstate and international travel

1718. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Major Projects and Tourism):

(a) What has been the level of intrastate travel by Victorians for each of the past 5 years.

(b) What has been the level of interstate travel into Victoria for each of the past 5 years.

(c) What has been the level of international travel into Victoria for each of the past 5 years.

ANSWER:

Information on intrastate and interstate travel by Victorians has been collected as part of the National Visitors Survey only since 1998. Previous intrastate and interstate data cannot be reliably compared to NVS data as a time series, due to differences in survey methodology.

Here are the most up-to-date statistics provided by the Bureau of Tourism Research for intrastate, interstate and international visitations:

Intrastate Visitors in Victoria

	(000s)	(000s)
Y/E September	**1999**	**2000**
Victoria	12,680	12,721

Source: National Visitors Survey, Bureau of Tourism Research

Interstate Visitors to Victoria

	(000s)	(000s)
Y/E September	**1999**	**2000**
Victoria	4,467	4,572

Source: National Visitors Survey, Bureau of Tourism Research

International Visitors to Victoria

Y/E June	**1996**	**1997**	**1998**	**1999**	**2000**
Victoria	912,271	976,084	1,009,695	1,057,147	1,075,094

Source: International Visitors Survey, Bureau of Tourism Research

Education: schools — asbestos management

1728. THE HON. ANDREW BRIDESON — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Education): In relation to asbestos management in Victorian Government schools:

(a) How many permanent classrooms currently in use contain asbestos in any part of the building.

(b) How many relocatable classrooms currently in use contain asbestos in any part of the building.

(c) What are the guidelines issued to principals and staff who are required to teach in rooms which contain asbestos.

(d) What, if any, are the warnings or specific guidelines issued regarding making holes in walls or ceilings of classrooms which contain asbestos.

(e) What is the official level of asbestos particle content considered safe in Victorian school facilities.

ANSWER:

I am informed as follows:

All state school buildings have been audited for asbestos and provided with a copy of the asbestos audit. An asbestos management plan, developed in accordance with the Occupational Health and Safety (Asbestos) Regulations 1992, has also been forwarded to all schools.

Exposure standards for the workplace are set out in the Occupational Health and Safety (Asbestos) Regulations 1992.

Consumer Affairs: problem industries

1741. THE HON. BILL FORWOOD — To ask the Honourable the Minister for Consumer Affairs: Further to the answer to question no. 1454, given in this House on 1 May 2001, what specific enforcement and compliance tools have been used in the following 'problem industries' — (i) motor car traders; (ii) small business registration; (iii) fundraisers; (iv) estate agents; (v) landlords; (vi) travel agents; and (vii) finance brokers.

ANSWER:

The specific and compliance tools which are being used are:

Motor car traders – warnings, infringement notices, injunctions, undertakings and prosecutions
Small business registration – warnings and prosecution
Fundraisers – injunctions and prosecutions
Estate Agents – warnings, undertakings, prosecutions and disciplinary action
Landlords – warnings, undertakings and prosecutions
Travel agents – warnings, undertakings and prosecutions
Finance Brokers - prosecutions

State and Regional Development: responsibilities of assistant minister

1742. THE HON. BILL FORWOOD — To ask the Honourable the Minister Assisting the Minister for State and Regional Development: Further to the answer to question no. 1478, given in this House on 1 May 2001, what specific projects has the minister assisting had responsibility for in the portfolio of State and Regional Development.

ANSWER:

In addition to a range of general responsibilities across the state and regional development portfolio, I have responsibility assisting the Minister for State and Regional Development in the industry sectors of oil and chemicals, minerals processing and environmental and energy technology services.

Particular areas of my responsibility include the Strategic Audit on the Development of the Environmental Management and Renewable Energy Industries, developing strategies to assist the chemical and coal industries and the renewable energy sector.

Aged Care: Nurses Board of Victoria — division 2 nurses

1744. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): In relation to extending the scope of practice in medication administration for Division 2 nurses, how will training of new recruits tie in with the time frame to implement the recommendations put forward by the Nurses Board of Victoria for existing Division 2 nurses.

ANSWER:

This year, the educational preparation for practice and the professional competencies for the Division 2 registered nurse are under review. A consortium of TAFE providers is reviewing the curriculum which leads to registration as a Division 2 nurse in Victoria. The University of South Australia is revising the national professional competencies for this level of nurse. In addition, the extension of the scope of practice for a Division 2 registered nurse into medication administration has been examined by the Nurses Board of Victoria, which has presented its report to the Minister for Health.

The Nurse Policy Branch of the Department of Human Services is convening a working party of key stakeholders which will report to the Minister for Health on the issues. The working party will advise on the appropriate means of incorporating medication administration into training and education for an extended scope of practice for Division 2 registered nurses.

Aged Care: division 2 nurses

1745. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): Are there any legislative barriers to the implementation of an extended scope of practice for Division 2 nurses, particularly in relation to the *Drugs, Poisons and Controlled Substances Act 1981*.

ANSWER:

The Nurses Board of Victoria Report to the Minister for Health on an extended scope of practice for the Division 2 registered nurse into medication administration acknowledges that there are legislative barriers to the implementation of its recommendations. The Nurse Policy Branch of the Department of Human Services is convening a working party of key stakeholders which will report to the Minister for Health on an extended scope of practice for the Division 2 registered nurse, including the legislative changes necessary to allow an extended scope of practice into medication administration.

Aged Care: division 2 nurses

1747. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): In relation to extending the scope of practice in medication administration for Division 2 nurses, how will this training tie in with a residential aged care setting where there is already in-service training, policy, procedures and flexible supervision arrangements which support safe administration of medication.

ANSWER:

The Nurses Board of Victoria report on an extended scope of practice for the Division 2 registered nurse into medication administration considers the diversity of practices surrounding the administration of medication in health care delivery in Victoria and the need to protect the public by establishing practices that uphold the safe administration of medication.

The Nurse Policy Branch of the Department of Human Services is convening a working party of key stakeholders which will report to the Minister for Health on an extended scope of practice for the Division 2 registered nurse. The working party will consider the recommendations of the Nurses Board of Victoria regarding medication administration for the Division 2 registered nurse. The working party will advise on the appropriate means of incorporating medication administration into training and education for an extended scope of practice for the Division 2 registered nurse. It is expected that the deliberations of the working party will take account of the residential care setting and relevant in-service training.

Aged Care: nurse retention

1751. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care): What action is the Minister taking to attract and retain nurses in the aged care sector.

ANSWER:

The Commonwealth Government has responsibility for nursing recruitment and retention strategies for aged care services. The Victorian Government has no jurisdiction over wages in the private and non-government aged care sector.

The Victorian Government is funding nursing refresher and re-entry courses, and they are available for aged, extended and community care services provided by the public sector.

The Government recognises that nursing is a profession that has suffered immense pressure over recent years and that action is required to stem the losses from the nursing work force and to improve the conditions and support enjoyed by nurses. The Victorian Government is supportive of initiatives in all sectors to address recruitment and retention of registered nurses.

The Minister for Health recently established a Nurse Policy Branch within the Department of Human Services, which provides a nursing voice on key policy issues across the Department's programs and across all streams of nursing. Senior DHS personnel and Nurse Policy Branch staff members including the Assistant Director, Belinda Moyes, are consulting with industry organisations on this issue. The Nurse Policy Branch will work with these organisations as well as the nursing advisory group to determine strategies to address issues related to nursing recruitment and retention in aged care.

Nurse Policy Branch staff members are working with Careers Education Association of Victoria to promote the profession of nursing to school leavers, which will create a greater pool of available nurses long term.

We will also continue to lobby the Commonwealth Government to accord high priority to strategies that will promote the recruitment and retention of nurses working in aged care.

Aged Care: residential care — shift work

1752. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Aged Care):

(a) In relation to Victorian state owned residential aged care facilities, what is the detailed quarterly breakdown of the number of rostered shifts that were unfilled by appropriately qualified nursing staff for the 2000-2001 period.

(b) What are the average statewide figures for the unfilled shifts broken down by staff qualification level.

ANSWER:

The Department of Human Services does not require public sector residential aged care facilities to report on the number of rostered shifts that go unfilled by qualified nursing staff. As this data is not collected, it is not possible to provide this information.

Police and Emergency Services: Beach Road — traffic monitoring

1755. THE HON. J. W. G. ROSS — To ask the Honourable the Minister for Sport and Recreation (for the Honourable the Minister for Police and Emergency Services):

(a) On which dates did the Transport Accident Commission monitor traffic along Beach Road with radar and speed detection devices.

(b) What are the numbers and dates of speed infringements recorded for traffic moving along Beach Road for the years 1997 to 2001 to date.

ANSWER:

Whilst this question refers to the Transport Accident Commission, I will assume that it was your intent to ask about the activity of the Traffic and Operations Support Department of Victoria Police. With regard to the activities of Victoria Police:

(a) The Traffic and Operations Support Department has advised that it has speed cameras on a continual roster in Beach Road.

(b) The Traffic and Operations Support Department of Victoria Police has supplied the number of speed camera infringements for the years 1999 to 2001 inclusive. The system used by Victoria Police to record this data was modified in 1998 and consequently figures for the period prior to 1999 are not readily available. The number of speed camera infringements recorded by Victoria Police is summarised in the table below.

	1999	2000	2001 (to date)	Total
Beach Road Beaumaris	2,994	418	232	3,644
Beach Road Mordialloc	559	857	480	1,896
Beach Road Mordialloc	298	165	0	463
Beach Road Parkdale	245	474	320	1,039
Total	4,096	1,914	1,032	7,042

In interpreting the numbers of infringements, it is important to note that:

(i) The number of "on the spot" speeding infringements issued for the same dates are not recorded by offence location.

(ii) The dates for each infringement issued vary over the respective year.

(iii) Sites such as Beach Road Beaumaris in 1999 may be targeted due to the frequency of traumas or complaints of speeding vehicles. The targeting is discontinued once the frequency begins to diminish.

(iv) The figures for 2001 are to date.

Housing: transitional housing stock

1756. THE HON. R. H. BOWDEN — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): Will the minister provide a comparative table which shows the expected allocations for transitional housing stock to each of the fifteen transitional housing managers compared with the actual allocations made for the year 2000.

ANSWER:

Transitional housing stock targets are allocated and achievements monitored, on a financial year basis due to the need to manage the process within budget periods. The figures for the current financial year will therefore not be available until after 1 July 2001.

Housing: social housing innovations project

1757. THE HON. ANDREA COOTE — To ask the Honourable the Minister for Small Business (for the Honourable the Minister for Housing): In relation to the Minister's Social Housing Innovations Project and the 50 projects that will be funded, what funding criteria were applied to establish the projects that deserved funding.

ANSWER:

The Social Housing Innovations Project funding was targeted towards disadvantaged and low-income Victorians in need of affordable housing. Agencies were required to meet the following mandatory Key Selection Criteria to be considered for funding:

- Provision of specified insurance cover
- Agreement to enter into a contractual agreement
- Disclosure and mitigation of any actual or potential conflict of interest

- Compliance with the provisions of
  - The Equal Opportunity for Women in the Workplace Act 1999
  - The Collusive Practices Act 1965
  - Residential Tenancies Act 1997
  - Office of Housing Rental Rebate Policy

- If the proposal involved borrowing by agencies, confirmation that these did not rely on DoH guarantees or indemnities
- The project is financially sustainable without recourse to Director of Housing rental rebates, guarantees or indemnities
- Agreement to provide a registered first mortgage or alternative acceptable security, if required by the Director of Housing

Responses to the following were used to rank proposals;

- Experience of Agency in community housing management and in completing capital projects on time and budget, or plans to develop that expertise
- Organisational structure and corporate governance protocols, including incorporation and possession of an appropriate skills base
- Ability to provide support services to tenants where required
- Agency ability to ensure responsiveness to clients in terms of rights and responsibilities, privacy, self determination, response to grievances and its inter agency and dispute resolution process

- Management Capability including:
  - System and reporting capabilities to meet accountability requirements
  - Plans to segment housing management and support roles
  - Experience in property management and capacity to undertake stock maintenance responsibilities; and
  - Analysis of the risks faced in the proposal, with an appropriate strategy to address those risks

- Financial Viability
  - Provision of audited accounts
  - Agency and project financial viability without recurrent subsidies
  - Consistency with Office of Housing costs framework
  - Availability of funding for support services

- Consistency with broad policy objectives
  - Project attracts equity contributions
  - Projects respond to individual needs for secure and affordable housing, as well as addressing inclusiveness, community and social cohesion
  - Compliance with rent policies and principles of public housing
  - Focusing on the following low income client groups:
    - people with disabilities, comprising physical, sensory, psychiatric, intellectual disabilities and acquired brain injury
    - older persons (55 years+) including frail aged and ethno-specific older persons
    - people with substance abuse problems
    - singles
    - youth
    - low income clients generally, including families

- Project Innovation

Proposals seeking development grants were also required to address commitment to develop strategy and business plans for innovative social housing provision, for independent accommodation for older persons from diverse ethnic backgrounds.