

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

12 June 2001

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By authority of the Victorian Government Printer

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The Hon. P. R. HALL to 20 March 2001

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Tuesday, 12 June 2001

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 2.05 p.m. and read the prayer.

ROYAL ASSENT

Message read advising royal assent to:

7 June

House Contracts Guarantee (HH) Act

12 June

Statute Law Amendment (Relationships) Act

Tobacco (Further Amendment) Act

Urban Land Corporation (Amendment) Act

STATE TAXATION ACTS (TAXATION REFORM IMPLEMENTATION) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

DUTIES (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

VICTORIAN MANAGED INSURANCE AUTHORITY (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

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

TRANSFER OF LAND (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

LAND SURVEYING BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

QUESTIONS WITHOUT NOTICE

Arnott's Biscuits: plant closure

Hon. BILL FORWOOD (Templestowe) — I refer the Minister for Small Business to the closure of the Arnott's factory in Burwood with the loss of 600 jobs, and to the group of bakers and biscuit makers put together by the minister and the Minister for State and Regional Development in the other place, which group met on 23 May for the second time, as I understand it. Will the minister confirm that none of the participants at that meeting intends to move to obtain the site or even to employ any of the workers who will lose their jobs?

Hon. M. R. THOMSON (Minister for Small Business) — There was no intention from that meeting that the biscuit makers who were at the meeting would in any way be a replacement for Arnott's at that site. What we were talking to them about were the opportunities for them to expand their own links with each other, to expand the potential for new markets and to talk to those manufacturers who may be interested in export opportunities. At no stage did we talk about them replacing Arnott's at that site.

Liquor: licences

Hon. G. D. ROMANES (Melbourne) — Will the Minister for Small Business update the house on any feedback she has received following the recent passage of legislation to close loopholes that undermined the 8 per cent limit on packaged liquor licences?

Hon. M. R. THOMSON (Minister for Small Business) — The government made a policy commitment to maintain the 8 per cent cap, and I am pleased to tell the house we have been able to do that with the passage of recent legislation. It will come as no surprise to honourable members, however, that in the intention to close loopholes a new one was discovered when Woolworths acquired Liberty Liquor, thereby requiring a new response from the government.

Hon. Bill Forwood — What about Dan Murphy's?

Hon. M. R. THOMSON — It is the same thing. That required a new response to the measures being utilised by Woolworths. The government acted swiftly on the Liberty Liquor takeover by Woolworths. I received a copy of the advice from the Victorian Government Solicitor, together with options from my department on 28 March, on possible amendments that could be moved here. On 18 April I announced the government's intention to act and stated that it would be effective from 18 April.

It was important that the government made those announcements to ensure that the large players did not take advantage of the gap before the legislation was passed. Honourable members will be aware that amendments were introduced in this house on 16 May and were subsequently passed on 24 May. The bill received royal assent on 30 May. That saw the successful passage of the Liquor Control Reform (Amendment) Act 2001 and the closing of the loopholes. It will come as no shock to honourable members that the legislation was quite complex. It was probably a record time for the passage of such legislation, given the complexity of the amendments.

Hon. W. R. Baxter — I wouldn't count on it.

Hon. M. R. THOMSON — I was about to thank the honourable members who ensured the carriage of that legislation and who also participated constructively in the briefings beforehand to ensure the government was effective in closing those loopholes.

I have received a letter from the Liquor Stores Association of Victoria, which states:

Governments are rarely lauded for keeping their promises, but in this case it can be said that the Bracks government did keep its promises on this issue, and we commend you for it ...

It goes on to say:

We also want to express our gratitude for the manner in which you defended the interests of small business ...

The government is committed to ensuring there is a vibrant small business participation in the liquor industry. But we cannot rest on our laurels. The truth is that the 8 per cent becomes redundant over time and the department will therefore seek to facilitate discussions with the players in the industry. I have already written to the effect that those discussions will form the next stage of development to ensure the vibrant participation of small business in the liquor industry. I am very pleased that we were able to meet our election commitment to maintain an effective 8 per cent cap and

close the loopholes, and I look forward to very fruitful and positive discussions with the players over the future progression of the industry.

The government already has the support of the Liquor Stores Association of Victoria, which has indicated its readiness to participate actively and positively in those discussions, and looks forward to the future development of small business in the liquor industry.

Women: small business finance

Hon. W. I. SMITH (Silvan) — I direct my question about election commitments to the Minister for Small Business. One of Labor's election commitments nearly two years ago was to assist women in business to gain access to loans. Last year the minister told the house she was having discussions with financial institutions to give women greater access to finance. What are the outcomes of those discussions?

Hon. M. R. THOMSON (Minister for Small Business) — It is important to provide women with access to financial institutions. The department is now currently working up the options for delivery of a package, and I hope it will not be too long before those announcements are made public.

Industrial relations: living wage decision

Hon. R. F. SMITH (Chelsea) — As the Minister for Industrial Relations knows, earlier this year the opposition rejected the Fair Employment Bill and left low-paid workers in this state behind other low-paid workers in Australia. Will the minister explain to the house how the Victorian schedule 1A employees will access the minimum pay rises granted to other Australian workers?

Hon. M. M. GOULD (Minister for Industrial Relations) — I thank the honourable member for his question and for his continued keen interest in looking after low-paid Victorian workers.

Honourable members will be aware that on 2 May the Australian Industrial Relations Commission granted a pay increase of \$13 to \$17 a week to those covered by federal awards in the 2001 living wage case decision. However, Victorian workers receiving the minimum wages established under part 15 in schedule 1A of the Workplace Relations Act do not automatically receive that pay increase as do others who are covered by federal legislation. Once again, because of the previous government's referral of industrial relations powers to the commonwealth, some workers fell through the cracks and missed out.

The 2001 Australian industrial relations living wage case decision said that the Australian economy can further accommodate reasonable improvement in the safety net of minimum conditions. The state budget confirms that there is a positive economic outlook for Victoria. The Victorian government, along with other Labor states including New South Wales, Queensland, Tasmania and Western Australia supported the needs of low-paid workers in the living wage case when it was before the commission earlier this year. Consistent with that view, the Victorian government supports the increase being paid to those minimum wage rate employees who are covered under schedule 1A.

That is in contrast to honourable members opposite. When they were in government they supported the federal government in its miserly approach of arguing for a \$10-a-week pay rise. The Bracks government has constantly and consistently shown its support for low-paid workers and it is prepared to stand up for them, unlike honourable members opposite.

The government, with the Victorian Trades Hall Council and the employers, will go to the commission to ensure that the full amount is passed on to low-paid workers as soon as the parties reach agreement on the operative date. If honourable members opposite had supported the Fair Employment Bill these workers would have received the pay rise when the rest of the Australian work force received it. The government is committed to looking after low-paid workers and will not walk away from them as the previous lot did!

Fuel: prices

Hon. B. W. BISHOP (North Western) — I raise a matter with the Minister for Consumer Affairs with regard to the long-running issue of country fuel prices. Will the minister advise the house when the new pricing arrangements under the Petroleum Products (Terminal Gate Pricing) Bill will come into effect and what reduction in bowser prices does she expect will flow to country motorists?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — I hope an announcement will be made imminently as to the effective date of the terminal gate pricing coming into effect. With regard to the honourable member's question about bowser prices, during the debate the government made it abundantly clear that it did not expect to see major changes in bowser prices in country Victoria. It hopes that over time, with new contractual arrangements being entered into, independents will be able to have access to better priced fuel, gauge their contracts based on true terminal

gate prices and negotiate from that point. That has not necessarily been the case to date.

The government has indicated that it does not see terminal gate pricing as the panacea to pricing mechanisms in country Victoria, but it is hopeful that over the long term independents will get access to fuel at a better negotiated price.

Rural Victoria: sports grants

Hon. E. C. CARBINES (Geelong) — Will the Minister for Sport and Recreation provide the house with details of allocations from the 2000–01 country action grant scheme?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am pleased to inform the house of some of the outcomes of the country action grant scheme. Honourable members may not be fully aware that the aim of the scheme is to increase opportunities for participation in sport and recreation in regional and rural Victorian communities. Under the scheme, grants are available in a number of categories. The first is improving organisations, which is to help set up or support clubs and organisations through business advice, planning and organisational improvement. The second area is enhancing skills, which involves supporting attendance at training courses by coaches, officials and administrators. The third area is including everyone, which aims to help clubs and organisations provide more access to sport for all members of the community, in particular women, people from non-English-speaking backgrounds, indigenous people, older adults, school-aged children and people with disabilities. The other area within the scheme is Victalent, which aims to assist with travel costs for developing athletes, officials, coaches and teams nominated by their clubs or organisations.

Recently I approved 249 allocations to rural and regional sport and volunteer organisations totalling \$310 996 in grants ranging from \$500 to \$5000. I will provide some examples of those schemes and the good work they are doing. Some \$2000 went to the Bairnsdale Cricket Association to establish a women and girls cricket competition in East Gippsland.

An amount of \$5000 went to the Corryong Junior Gymnastics Club to train four adult coaches to level 1 and four junior girls to basic level. This will replace an existing coach who is to retire. A total of \$4000 went to the Wodonga Hockey Club to rebuild and refocus the club committee, coaches, managers and volunteers to ensure the club's continued future.

Again, these allocations are indicative of the Bracks government's commitment to rural and regional sport and recreation. That includes, most importantly, the role of bringing people together and maintaining and enhancing community identity within those rural and regional communities.

Workcover: premiums

Hon. P. A. KATSAMBANIS (Monash) — I direct my question to the Minister for Small Business. Given Workcover's gazetted increases for 163 separate industry rates on 29 May, will the minister confirm that many Victorian small businesses will now be subjected to significant Workcover premium increases?

Hon. M. R. THOMSON (Minister for Small Business) — I answered a question on this issue last week. Let me open by saying that I am not the Minister for Workcover, so the details of Workcover are not within my preserve. However, I said in Parliament last week that the Victorian Workcover Authority had indicated there would be a freeze on the rate for businesses with turnovers of \$1 million or less. As I understand it, that will continue to be the case. I notice in today's press that the Victorian Workcover Authority states that it believes for businesses larger than that their own experience rating starts to take effect and that is the reason it has set it at that amount. I can report only on what has been reported in the newspapers in relation to that.

Gas: winter safety initiative

Hon. D. G. HADDEN (Ballarat) — Will the Minister for Energy and Resources advise the house what action the Bracks government has taken to promote the safe use of gas appliances this winter?

Hon. C. C. BROAD (Minister for Energy and Resources) — I am very pleased to advise the house that recently I was able to launch the Bracks government's gas safety initiative for this winter. With the beginning of winter this initiative is aimed at urging users of natural gas or liquefied petroleum gas (LPG) to have their appliances checked and serviced by registered plumbers or gasfitters at least every two years.

Victoria has the highest level of domestic gas sales in Australia, and approximately half of all gas appliances in this country are in Victoria. In winter, gas use is some three times what it is in summer and most of this, as we would expect, is due to heating. Some heaters are very old indeed and may never have been checked throughout their entire working lives. Unfortunately,

this leads to a significant list of dangers, including the depletion of oxygen and poor combustion properties, which can cause respiratory problems or even death. The build-up of lint can become a fire hazard.

With the assistance of the Office of Gas Safety, 1.5 million brochures carrying this message are being distributed to every natural gas customer with their next gas bill and to LPG customers through the major distributors. In addition, the Office of Gas Safety and other industry regulators will be conducting consumer education activities and running education supplements in newspapers around Victoria, and there will be community service announcements on television.

It is an enormous task to reach this number of customers, and I take this opportunity to place on record the government's appreciation of the natural gas and LPG retailers that are contributing to this campaign and the industry bodies that are committed to selling this very important message.

Unfortunately, recent fatalities serve as a reminder to us all of the potential dangers associated with the use of gas and the strength of the need for programs such as this winter gas safety initiative. This is a responsible approach by the Bracks government to promote the safe use of gas appliances by all Victorians through this winter.

SRO: relocation

Hon. M. T. LUCKINS (Waverley) — I refer the Minister for Industrial Relations to the deal between the government and the Community and Public Sector Union on the relocation of 40 per cent of the State Revenue Office functions from Melbourne to Ballarat which, according to the Ballarat *Courier* on Saturday:

... included a redeployment and retraining program and a 'generous package' for the 50 workers who wished to make the move to Ballarat.

Will the minister elaborate on the deal done with the union and advise the house on how much of the \$8.7 million of taxpayers' money budgeted over two years for the move will form part of the relocation package?

Hon. M. M. GOULD (Minister for Industrial Relations) — As I have indicated to the house on numerous occasions, the government sat down with the Community and Public Sector Union (CPSU) and discussed the government's proposal to relocate part of the State Revenue Office (SRO). Once we had looked at that, a feasibility study was undertaken in which the union was involved, and when the government made

the decision to relocate it included a retrenchment package — a redundancy package — a relocation or a redeployment package.

An Opposition Member — Four? I thought there were only three.

Hon. M. M. GOULD — Retrenchment and redundancy are one and the same. Agreement was reached with the CPSU that those staff who chose to be relocated to Ballarat would be relocated, with assistance. Those who chose not to go to Ballarat and to leave the public service would fall under redundancy. The third part was redeployment; those who chose not to leave the public service and not to go to Ballarat would be redeployed within the Victorian public service under a redeployment program.

Opposition members would be aware that the previous government dismantled any redeployment program that existed. This government is committed to ensuring that if decisions are made to relocate areas of the public service public servants are given the choice of being redeployed elsewhere. We have entered into that agreement with the union. The union is happy with that, the workers at the SRO are happy and the SRO is happy.

The budget allocation for the relocation will be offset by more efficient and effective purpose-built premises located at Ballarat, which will be of benefit to the community, Victoria, the public service and the bottom line across the board.

Hon. M. T. Luckins — On a point of order, Mr President, my question to the minister was specific. I asked how much of the \$8.7 million of taxpayers' money budgeted over two years for the move will form part of the relocation package. I ask the minister to address that issue.

The PRESIDENT — Order! The minister's answer was clearly responsive to the question. The honourable member put a fair bit of background with her question in relation to the move, and the minister answered it in the way she did. I believe that her answer was responsive to the question. I do not uphold the point of order.

Industrial relations: employer endorsement

Hon. KAYE DARVENIZA (Melbourne West) — Will the Minister for Industrial Relations explain how the Bracks government's approach to industrial relations has won endorsement from a major employer association?

Hon. M. M. GOULD (Minister for Industrial Relations) — I thank the honourable member for her question. I know she is always keenly interested in how this government approaches industrial relations. The government has sought to re-establish a cooperative partnership approach between Victorian workers and their employers. This government believes a truly productive workplace will be achieved only when workers and their employers are not pitted against one another in conflict-based situations.

The benefits of a cooperative approach to industrial relations have been recognised by the head of one of Australia's largest and most respected employer organisations. In his speech before the ceremonial sitting of the Australian Industrial Relations Commission on 5 June the chief executive officer of the Australian Industry Group (AIG), Bob Herbert, called for a return to a partnership approach between employers and unions. He said that in this time of globalisation and internationalisation he supported industrial relations based on mutual interests. Mr Herbert said that fostering this mutuality of interest between employers and employees was the AIG's strategy for achieving an internationally competitive industry. This is exactly what the Bracks government — —

Hon. M. A. Birrell — On a point of order, Mr President, I am very concerned that the honourable member's question is not being answered. The question concerned how the Bracks Labor government is being endorsed by employer groups?

Hon. R. F. Smith — It was her question, not mine!

Hon. M. A. Birrell — Whosever it was. So far the answer to the question has not indicated at all how the Bracks Labor government is being endorsed by Bob Herbert as the head of the AIG. Opposition members would like to hear on the record, if for no other reason than sending it to Bob Herbert, where he specifically embraced the Bracks Labor government's approach to industrial relations.

Hon. M. M. GOULD — On the point of order, Mr President, the question concerned the endorsement of an employer organisation that supports the Bracks government's approach to industrial relations which is cooperation and partnership.

The PRESIDENT — Order! I was certainly expecting a fairly specific endorsement by, at that stage, an unnamed individual. I understand the minister is viewing the question in another light. Perhaps she will

be a bit more specific in writing questions in the future. I do not uphold the point of order.

Hon. M. M. GOULD — In conclusion, this is exactly what the Bracks government has been doing since it came to office. Once again this highlights the difference between the way Labor operates and the way the opposition operates. It is through this promotion of a cooperative partnership approach to industrial relations, as endorsed by the Australian Industry Group, that the Bracks government is facilitating investment and jobs growth not just for the big end of town but for the whole of Victoria.

QUESTIONS ON NOTICE

Answers

Hon. C. A. FURLETTI (Templestowe) — I raise with the Minister for Industrial Relations some outstanding questions, nos 1705 and 1706, in respect of which I wrote to the minister on 6 June.

Hon. M. M. GOULD (Minister for Industrial Relations) — The honourable member wrote to me and I have made some inquiries with the responsible minister. I assure him that the answers will be given in the house tomorrow.

Hon. C. A. Furletti — Thank you.

BUSINESS OF THE HOUSE

Sessional orders

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

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

Motion agreed to.

COUNTY COURT JUDGES

Annual report

Hon. M. R. THOMSON (Minister for Small Business) presented, by command of the Governor, report for 1999–2000.

Laid on table.

ECONOMIC DEVELOPMENT COMMITTEE

Impact of GST on small and medium-sized businesses

Hon. N. B. LUCAS (Eumemmerring) presented report no. 2, together with appendices, extracts from proceedings, minority report and minutes of evidence.

Laid on table.

Ordered that report, appendices, extracts from proceedings and minority report be printed.

Ordered that report be considered next day on motion of Hon. T. C. THEOPHANOUS (Jika Jika).

PAPERS

Laid on table by Clerk:

Forensic Leave Panel — Report, 2000.

Melbourne Port Corporation — Report, 1999–2000 (two papers) (*in lieu of that tabled on 31 October 2000*).

Ombudsman — Investigation of Police Action at the September 2000 World Economic Forum demonstrations, June 2001.

Planning and Environment Act 1987 — Notices of Approval of the following amendments to planning schemes:

Bayside Planning Scheme — Amendment C16.

Geelong — Greater Geelong Planning Scheme — Amendment C21.

Maribyrnong Planning Scheme — Amendment C4.

Monash Planning Scheme — Amendment C1.

Shepparton — Greater Shepparton Planning Scheme — Amendment C4 Part 2.

Whitehorse Planning Scheme — Amendments C3 Part 1 and C13.

Wyndham Planning Scheme — Amendment C23.

Subordinate Legislation Act 1994 — Minister's exemption certificate under section 9(6) in respect of Statutory Rule No. 48.

Veterinary Practitioners Registration Board — Minister for Agriculture's report of 12 June 2001 of receipt of the 2000 report.

Hon. Philip Davis — On a point of order, Mr President, the papers include a report from the Melbourne Port Corporation 1999–2000 in lieu of the report tabled on 31 October 2000. Will the Minister for

Ports advise the house the reason for the tabling of this report?

Hon. C. C. Broad — On the point of order, Mr President, I have been advised by the Melbourne Port Corporation that its annual report tabled on 31 October 2000 in a photocopied form contained a significant number of minor typographical errors, but more significantly, it inadvertently omitted to include reference to a ministerial direction under the Port Services Act 1995 issued by the acting Treasurer. This report contains that information and the corrections. I have a six-page errata sheet, but it may test the patience of the house if I read it. I am happy to supply it to honourable members.

Hon. Philip Davis — I would appreciate its being made available.

VICTORIAN MANAGED INSURANCE AUTHORITY (AMENDMENT) BILL

Second reading

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

That this bill be now read a second time.

This bill is a machinery bill that makes a number of amendments to the Victorian Managed Insurance Authority Act 1996, and inserts a new provision in the Financial Management Act 1994. These amendments will be of benefit to both the authority and its client bodies, and therefore indirectly of benefit to the public through improving the efficiency and effectiveness of public administration.

The Victorian Managed Insurance Authority — VMIA — was established by the passage of the VMIA act in 1996 as a public financial enterprise to provide insurance and risk management services to departments and other budget sector bodies, and to the state. The VMIA act also enables VMIA to provide indemnities to directors and officers of public sector bodies, even if those bodies are not VMIA clients. VMIA took over the assets and liabilities of the managed insurance fund that was previously maintained within the Department of Treasury and Finance.

Since its establishment, VMIA's client list has grown to around 130 departments and participating bodies. VMIA has established considerable expertise in managing the risks faced by government departments and bodies in modern society, including the complex

interactions between social, environmental and economic issues.

The VMIA act has not been substantially reviewed since its passage, although minor consequential amendments have been made. While the VMIA act is generally working well, VMIA and DTF have, over time, identified some desirable changes, and these changes have formed the basis for this bill.

I now turn to the specific proposals in the bill:

Coverage of parliamentary departments

The Victorian Government Solicitor has advised VMIA that parliamentary departments were not covered by the definitions of 'department' and 'participating body' in section 3 of the VMIA act, and so VMIA was not able to provide insurance and risk management services to the Parliament, even though commercial insurance does not fully meet the Parliament's requirements.

The bill enables the Minister for Finance to declare the departments of the Parliament to be participating bodies, subject to the agreement of the Presiding Officers.

Coverage of participating bodies

Sections 23 and 24 of the VMIA act require departments and participating bodies to maintain asset registers and risk management strategies, and provide these to VMIA, and to arrange their insurance with VMIA, unless exempted by the Minister for Finance. There is no discretion in relation to departments being covered by VMIA. However, any other public sector entity only becomes a participating body once the minister declares it to be one in a notice published in the *Government Gazette*.

In order for the minister to make such a declaration, either the public sector entity must be part of the budget sector — that is, it receives more than 50 per cent of its annual funding from the consolidated fund — or, after consultation with the VMIA board and the entity's board, the minister is satisfied that it is expedient for the entity to be declared a participating body. For a non-budget sector body, this decision is usually based on advice that the entity's activities represent a significant potential financial risk to the state, or that the entity is unable to obtain commercial insurance cover.

This method of declaration by notice published in the *Government Gazette* is cumbersome and inefficient. It has required the preparation of such notices covering a large number of similar bodies, such as water

catchment authorities and alpine management committees. In some cases, entities appear to have been unaware that they have been gazetted, and so have not complied with the requirements of the VMIA act.

The bill provides that all statutory authorities or bodies corporate that are controlled by the government and receive more than 50 per cent of their funding from the consolidated fund are participating bodies. The bill also provides that the minister may declare, by notice published in the *Government Gazette*, that a participating body has ceased to be a participating body.

Importantly, the bill also formalises umbrella insurance arrangements, whereby some smaller bodies are insured through arrangement between VMIA and a department or a parent body. For example, VMIA currently provides insurance cover to public hospitals through an agreement with the Department of Human Services (DHS), whereby DHS indemnifies the hospitals and VMIA insures DHS.

The bill provides that the consultation and publication requirements already in the act are retained in respect of all of these new arrangements.

Categories of insurance to be provided by VMIA

A literal interpretation of section 24(1) of the act is that it requires departments and participating bodies to arrange all forms of insurance with VMIA. However, certain categories of insurance, such as workers compensation and compulsory transport accident third-party personal injury, are not provided by VMIA but by Workcover and the Transport Accident Commission (TAC) respectively.

The bill amends the act to make it clear that VMIA does not provide workers compensation or compulsory transport accident third-party personal injury insurance. The bill also provides explicitly that the minister may direct VMIA not to provide some categories to certain of its clients. For example, this power would be available if the government entered into an external insurance arrangement for a certain class of property.

Asset registers and risk management strategies

Implementing and maintaining asset registers and risk management strategies are fundamental aspects of effective financial management and sound corporate governance. At present these requirements are included in the VMIA act, and so apply to departments and participating bodies. However, they should be required of all public sector entities. As well, including these requirements in the VMIA act has been seen by some

bodies as implying that VMIA, rather than its clients, has primary responsibility for ensuring that these documents are prepared.

The bill therefore inserts these requirements in the Financial Management Act 1994 (FMA), making asset registers and risk management strategies mandatory for all bodies that report under the FMA. At the same time, the requirements are retained in the VMIA act for any participating bodies that are not to be subject to the FMA.

Extending these requirements to all public bodies covered by the FMA will not impose any undue burden on public sector bodies. Modern corporate governance practice, in the private as well as the public sector, is that the board of a corporation should be held accountable for active and effective management of all risks.

The bill requires each department and participating body to provide to VMIA either a copy of its asset register and its risk management strategy, or an extract of information from these documents in a form determined by VMIA. The bill also allows VMIA to determine the frequency with which these documents must be provided.

At present the act requires bodies to provide these documents to VMIA, but doesn't require VMIA to do anything with them. VMIA would be complying with the current terms of the act if it were to lodge the documents in its archives without even reading them. Of course, that is not what VMIA does. VMIA reviews these documents and advises the department or participating body concerned, and the Minister for Finance, of their adequacy as soon as practicable after they are received. The bill explicitly establishes this current practice as a requirement in the act.

Provision of indemnities to members of statutory boards

The act states that VMIA may provide an indemnity to an officer, or former officer, of a state company or statutory authority against liabilities that by law may attach to him or her. 'Officer' means a director or other senior person who takes part in the management of the company or authority. A similar power is provided to the Treasurer in the FMA.

However, neither act provides for indemnities to be provided to persons who are members of boards or panels established under statute, but do not have any directorial or management responsibilities. Some such persons have statutory immunities, but government

policy is that statutory immunities should only be provided in exceptional circumstances.

The Treasurer has occasionally used his common law powers to provide an indemnity to such members of boards or panels who do not have statutory immunities.

Given VMIA's established expertise in assessing the risk inherent in the provision of indemnities, VMIA is well placed to assess, provide and monitor indemnities for members of statutory boards and panels, and alleviate the need for the Treasurer to do this. The bill therefore extends VMIA's powers to provide indemnities to include members of boards or panels established under statute where those members are not directors or taking part in management responsibilities.

Correction of minor inconsistencies

The bill makes the following minor statutory revisions to the VMIA act to correct omissions or anomalies:

in section 5(3), inserting 'official' before 'seal', making this section consistent with 5(2)(b) and 5(4);

in section 18(3)(a) deleting 'of directors' after 'board', since 'board' is defined in section 3 of the VMIA act as meaning the board of directors of VMIA;

in section 19, inserting the heading 'corporate plans' and substituting 'corporate' for 'strategic' in the body of the section, to be consistent with section 20 and with terminology in general use in the public sector.

Honourable members should note that the existing heading 'strategic plans' is not formally part of the VMIA act and therefore does not need to be explicitly deleted, but as a consequence of changes to the Interpretation of Legislation Act 1984 the new heading will be formally part of the act; and

section 27(3) of the VMIA act requires the payment by VMIA, from its operating surplus in the previous financial year, into the consolidated fund of a guarantee fee determined by the Treasurer in consultation with the 'Corporation', a term that is not defined in the act. The bill replaces 'corporation' with 'authority'.

Mr President, these amendments will enable the valuable role that the Victorian Managed Insurance Authority plays in covering the State's insurable risks and monitoring and advising on other risks to be carried out more effectively within a properly established framework, and so provide a greater level of comfort to

all citizens of Victoria that their interests in the state's assets are being protected.

I commend the bill to the house.

Debate adjourned on motion of Hon. D. McL. DAVIS (East Yarra).

Debate adjourned until next day.

STATE TAXATION ACTS (TAXATION REFORM IMPLEMENTATION) BILL

Second reading

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

That this bill be now read a second time.

This bill contains the government's Better Business Taxes package of tax reform measures. The measures in the package will provide tax cuts of \$774.3 million over the next four years. These cuts entail \$100 million in 2001–02, \$111.5 million in 2002–03, \$211.7 million in 2003–04 and \$351.1 million in 2004–05 respectively.

This package will deliver a more competitive business environment with lower, fewer and simpler taxes. It supports the development of new businesses and the growth of existing ones by reducing the financial and administrative burden of taxation for Victorian businesses.

The bill is the product of an extensive consultative process that commenced a year ago when, as part of the 2000–01 budget, the government announced tax cuts totalling \$400 million over three years. To advise the government on how best to allocate these tax cuts, an independent committee was established to review the state's business tax system. The committee conducted an enormous amount of research and consultation prior to reporting. Demonstrating this government's commitment to openness and accountability, the committee's report was released for public comment and stimulated robust and open debate.

In formulating the Better Business Taxes package, the government has considered all views raised throughout the process. These contributions have ultimately provided the government with the means to develop a more competitive business environment with lower, fewer, simpler taxes. I would like to put on record the government's thanks to the Victorian community for participating in the process.

Better Business Taxes is financially responsible and sustainable, taking into account the external influences which impact on Victorian business. It assists small and medium-sized enterprises that have been subjected to extensive changes made by the commonwealth government to its tax system. It also recognises that any revenue benefits from the GST are not expected to flow to Victoria until 2007–08, limiting the financial support the Victorian government can provide to business.

I now turn to the major features of the bill. The bill contains a number of important changes to the Pay-roll Tax Act 1971 that will stimulate employment in Victoria and encourage business investment. To achieve this, the overall payroll tax burden on Victorian business will be reduced by a mixture of tax cuts and revenue realised as a result of removal of three payroll tax concessions.

Effective on 1 July 2001, the rate of payroll tax will be lowered to 5.45 per cent. The rate will be further reduced to 5.35 per cent and the tax-free threshold will be increased from \$515 000 to \$550 000, effective on 1 July 2003. These measures will produce tax cuts for business of \$127.3 million in 2001–02, \$147.9 million in 2002–03, \$239.0 million in 2003–04 and \$257.8 million in 2004–05.

The bill contains a series of measures, effective on 1 July 2001, that are designed to increase equity for all taxable employers by removing certain concessions, the benefits of which are distributed unevenly across those employers who pay this tax. Additional revenue realised from the removal of these concessions will be used solely to reduce the payroll tax burden on Victorian businesses. In each case, Victoria will align the basis for levying payroll tax with that employed in the relevant commonwealth legislation. This will assist taxpayers to assess their liability and reduce compliance costs.

First, payroll tax will be payable on the grossed up amount of fringe benefits, as per the commonwealth fringe benefits legislation. To ensure sporting clubs are not unfairly disadvantaged because of the way remuneration packages are structured in the sports industry, the bill provides for those clubs which pay more than 50 per cent of their annual taxable wages to employees engaged in sporting competition for the employer to be prescribed as exempt from this increase. Eligible sporting clubs will continue to pay tax on the taxable value of fringe benefits provided without grossing-up these amounts. This concession will not be available to sporting administrative bodies which themselves do not pay a significant proportion of their taxable wages to employee competitors. Taken

together, these two measures will raise \$46.8 million in the first year.

Second, payroll tax will apply to those employer payments relating to the cessation of employment that are defined as eligible termination payments under the commonwealth Income Tax Assessment Act. This measure will raise \$18.3 million in its first year.

Those payments that are currently subject to the commonwealth income tax regime, either when paid on termination or deferred by rollover, will attract payroll tax. For example, only 5 per cent of a pre-July 1983 concessional payment would be included as wages for payroll tax purposes. Payments from sources other than an employer, such as a superannuation fund or approved deposit fund, will not be taxed. This measure will not impose an onerous additional administrative burden on employers, as they are already required to identify the amounts for income tax purposes.

Third, payroll tax will apply to payments made for sick leave, long service leave and annual leave that was accrued prior to 1 January 1996 and paid in consequence of the retirement or termination of an employee. Although these payments are liable to income tax in the hands of employees, they are currently exempt from payroll tax. This measure will remove the anomalous treatment of these payments and simplify the calculations that employers will be required to make to establish their liability. It will raise \$8.3 million in 2001–02.

The bill provides for a single change only to the current land tax arrangements. There will be an increase in the tax threshold of the Land Tax Act 1958 from \$85 000 to \$125 000, impacting on the 2002 calendar year (the 2001–02 financial year). This measure will especially benefit small businesses, investors and self-funded retirees by reducing the number of taxpayers by 46 000 and cost \$5 million in 2001–02. There is no change to the tax rates and thresholds for taxpayers with property holdings of \$125 000 or more.

The bill provides for the progressive abolition of three stamp duties. First, stamp duty on non-residential leases is to be abolished, effective on the date of the government's announcement of this measure on 26 April 2001. This will cost \$41.1 million in 2001–02.

To ensure that taxpayers terminating their non-residential leases for genuine business purposes are not disadvantaged, the right to a refund of duty paid in respect of the unused portion of a surrendered lease will be preserved for three years. To prevent taxpayers profiting by opportunistically surrendering a

non-residential lease, the bill provides that a refund of duty in respect of the unused portion of a lease cannot be granted where the lessee or an associate of the lessee continues to lease the same or substantially the same premises.

The bill also removes the need for periodic reviews for taxpayers with non-residential leases where an estimate of the duty payable has been paid. This will eliminate these taxpayers' ongoing compliance costs without overly impacting on the states' revenue.

The bill also provides for the abolition of additional stamp duties in the future. Amendments to the Duties Act 2000 provide for the abolition of stamp duty on unquoted marketable securities from 30 June 2003, at a cost of \$10.5 million in 2003–04, and on mortgages from 30 June 2004, at a cost of \$122.0 million in 2004–05.

The bill provides for a final measure to increase the levy under the Casino Control Act 1991 and Gaming Machine Control Act 1991 from \$333.33 per machine to \$1533.33 for each machine. This increase strikes an appropriate and fair balance between the interests of investors, business and the broader community.

This measure will raise around \$35 million each year for public hospitals for the next 10 years. To emphasise that these funds are hypothecated for this purpose, the gaming machine levy has been renamed as the health benefit levy. The bill also alters the basis for imposing liability for the levy to minimise opportunities for avoidance.

The Better Business Package is based on broad community consultation and adherence to the belief that all Victorian businesses should receive a fair deal from tax reform. It consolidates Victoria's position as a good place to do business, with all businesses benefiting from an environment of lower, fewer and simpler taxes. The package represents the most significant state tax reform in Victoria for nearly two decades and will promote economic growth, protect Victoria's financial position into the future and provide a good basis for the delivery of improved social services.

I commend to bill to the house.

Debate adjourned on motion of Hon. D. McL. DAVIS (East Yarra).

Debate adjourned until next day.

DUTIES (AMENDMENT) BILL

Second reading

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

That this bill be now read a second time.

The Duties Act 2000 will commence on 1 July of this year. This legislation was developed under the stamp duties rewrite project, undertaken by New South Wales, Victoria, South Australia, Tasmania and the Australian Capital Territory. Queensland has subsequently developed draft legislation and Western Australia has also amended a number of its stamps provisions to fall into line with what has become national template legislation.

At the time of the introduction of the legislation, honourable members were informed that there would be further consultations on the act prior to its formal commencement. It was also announced that it was the government's intention to prepare and introduce an amendment bill during the autumn sittings to make any necessary adjustments to this complex legislation. This was designed to ensure that business and the community more generally has the best possible framework by the commencement of this significant reform of our taxation laws. The Duties (Amendment) Bill contains those amendments, which are mostly of a minor technical character, and their passage will ensure that the Duties Act is robust in operation, clear in meaning and intention and effects a significant reduction in business compliance costs.

Policy changes proposed in the bill are minimal and are consistent with that of the Duties Act as a whole. They are aimed at ensuring that Victorian policy is consistent with that in other jurisdictions and meets business needs.

A new exemption from duty across all areas of liability is proposed for trade unions and employer associations which transfer dutiable property pursuant to amalgamations under the Workplace Relations Act 1996 (Cth). This exemption applies in most other jurisdictions. New South Wales, for example, exempts transfers of land and shares, but not motor vehicles. It is proposed that Victoria would exempt all transfers of dutiable property. The revenue impact of this proposal is likely to be minimal.

A further minor policy change is proposed following the approval of the Bendigo Stock Exchange (BSX) to commence trading in securities. It is proposed that the BSX be a 'recognised stock exchange' under the act,

consistent with the treatment of the Australian Stock Exchange and the Newcastle Stock Exchange.

The new definition of 'recognised stock exchange' reflects the preferred approach of most jurisdictions to recognise all existing exchanges trading in dutiable marketable securities and provide a mechanism to prescribe other appropriate markets as they emerge.

The BSX is expected to commence trading in marketable securities late in the first quarter of 2001. Other jurisdictions have either legislated the BSX as a recognised stock exchange or are expected to legislate at the earliest opportunity. This is a most welcome development in the continuing revitalisation of regional Victoria.

I am advised that duty stamps are now rarely used as a means of paying court fees. In fact, the lodgment of court documents and payment of fees is increasingly effected by electronic means. It is proposed to abolish the use of duty stamps as a means of paying court fees, which will instead be payable by cash, cheque, EFTPOS or by other electronic means. These are currently the preferred methods of payment; in contrast, duty stamps are antiquated and expensive to administer. Part 4 of chapter 12 of the act contains provisions that empower the Governor in Council to determine the method of payment of government fees and charges, including court fees. The rationale behind the provisions would appear to be that the commissioner should have control over the use of duty stamps. The provisions mirror those contained in the Stamps Act. As the power is used only in respect of the payment of court fees by duty stamps, it is proposed to repeal part 4 of chapter 12.

This bill also makes some changes to the aggregation provisions in the act. Like section 68 of the Stamps Act 1958, section 24 of the Duties Act provides that duty is payable on the aggregate or the total value of dutiable property transferred where two or more instruments of conveyance of real property arise from a single agreement or form substantially one transaction or series of transactions. During the extensive consultations on the Duties Act, however, concern has been expressed that had the aggregation provisions in the Duties Act not been amended, there was a possibility that a higher rate of duty may have applied to certain transfers of primary production land.

Keen to respond to community concern, and consistent with its commitment to regional Victoria, this government proposes to ensure that land continuously used for primary production purposes will be exempt from the operation of the aggregation provisions. This

is also consistent with the longstanding exemption from stamp duty for transfers of family farms. This exemption is also retained in the Duties Act.

A range of minor technical amendments is proposed to various provisions in the act to clarify the operation of existing policy or correct minor drafting errors.

The bill proposes a range of amendments to the mortgages provisions, contained in chapter 7 of the act. A number of the proposed changes address industry concerns by providing clarification as to the scope or meaning of various provisions. Some minor drafting deficiencies are also addressed. The mortgage provisions are designed to apply in all jurisdictions and have been drafted on the basis of interjurisdictional consultations. Other proposed changes reflect further consultations with the revenue offices of Western Australia, South Australia, Tasmania and Queensland. These amendments are necessary to maintain drafting consistency across all participating jurisdictions. A technical amendment to section 152 will also ensure that the provision does not act to extend the tax base and will preserve the longstanding exemption for securitised equity borrowings.

Minor omissions from the act are also corrected. Following legal advice, it is proposed to insert in part 2 of chapter 12 of the act certain provisions contained in the Stamps Act but omitted from the act on the basis that equivalent sections in the TAA applied. The relevant provisions empower the commissioner to authorise persons to stamp instruments on his behalf. The Stamps Act enables the commissioner to impose conditions upon authorised persons and to penalise persons who breach or act outside the scope of those authorisations. As there is some doubt that the similar TAA provisions would apply in this context, it is proposed to insert into the Duties Act equivalent provisions to those in the Stamps Act.

The operation of the transitional provisions is also clarified to ensure that there is a smooth handover of Stamps Act matters following the repeal of that act and the commencement of the Duties Act.

The bill also makes a minor, but significant, amendment to the Land Tax Act 1958.

On 2 April 2001, the Valuer-General advised the Commissioner of State Revenue that the equalisation factor for City of Melbourne was incorrect. The equalisation factor provided was 1.14, when, in fact, it should have been 1.06.

Prior to receiving the Valuer-General's advice, the commissioner had issued approximately 8000 land tax

assessments in relation to City of Melbourne land. The assessments, calculated correctly in accordance with the law, are nonetheless based upon the incorrect equalisation factor and thus overvalue City of Melbourne land by approximately 8 per cent than if the correct factor had been used.

The bill will correct this error. Taxpayers will not be inconvenienced because the commissioner will adjust their final instalment notice or refund payments where appropriate.

I commend the bill to the house.

Debate adjourned on motion of Hon. D. McL. DAVIS (East Yarra).

Debate adjourned until next day.

VICTORIAN ENVIRONMENTAL ASSESSMENT COUNCIL BILL

Second reading

Debate resumed from 20 March; motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. PHILIP DAVIS (Gippsland) — At the outset I indicate that although the Liberal Party opposition will not oppose the legislation it will seek to substantially amend it. There are a number of reasons for that position, which I will briefly summarise before dealing with a more substantive discussion of the issues.

The Liberal Party has resolved that as a result of clear and significant community concern about the legislation that it will propose to amend the bill so that it better reflects, firstly, the position outlined by the government in its election policy, and the obvious values and concerns to rural Victorians. Little consultation was undertaken by the government during the development of the bill.

Indeed the provisions dealing with the Victorian Environmental Assessment Council (VEAC) having a role in dealing with matters affecting private land was a matter of which stakeholders, in particular the largest single group of land-holders controlling the majority of private land in this state — that is, the farmers — were unaware until the legislation was formally introduced into the Legislative Assembly in November last year. The matter had not been flagged in any effective way by consultation and the Victorian Farmers Federation had no opportunity for any measured input into the government's deliberations on the matter. As a consequence of strong representation, not just from the VFF but from land-holders around the state, the Liberal

Party determined that it will propose amendments during the committee stage to deal with this matter.

The other issue that will be dealt with during the committee stage and on which I will seek to move amendments, concerns consultation with environmental and land management groups over the appointments to the council and the drafting of inquiry terms of reference. We will ensure that there is proper representative membership for each inquiry and that all persons affected by a reference to the new VEAC will be properly notified.

Before I turn to the substantial debate I will put some of these issues in context so that we can understand why the legislation is before the house today. At the outset it should be stated that the proposed council will be a successor body to the Environment Conservation Council, which is the successor of the Land Conservation Council (LCC), which was first created in 1970. It is useful to note that the major environmental and land management initiatives that have occurred in Victoria over the past 30 years have occurred under the auspices of Liberal and Liberal coalition governments.

Indeed, what was regarded as a major initiative for its time, which is so very important retrospectively in terms of the role that the LCC has played in the environmental debate in Victoria, and seen as setting a world-class structure for land management, was not necessarily widely applauded at the time because views were expressed in Parliament during the 1970 debates that were contrary to a spirit of bipartisanship. However, it is worth noting that in 1970 the then Liberal government supported by the Labor opposition implemented a scheme to better manage Victoria's natural resource base and undertake environmental assessments.

During the 1990s again a Liberal coalition government initiated legislation to deal with catchment, land protection and coastal management. It reformed the conservation council into the Environment Conservation Council and created a consultative body for fishery management under the Fisheries Act, the Fisheries Co-management Council and created the Victorian Catchment Management Council. Under that council are nine catchment management authorities and one catchment and land protection (CALP) board, the Port Phillip Catchment and Land Protection Board. It further created a coastal management network, the Victorian Coastal Council and three regional coastal boards.

The 1990s were a time of immense activity in environmental management. However, inevitably in

politics opportunism prevails and we have before us today the result of what in my view was opportunistic criticism. When the Environment Conservation Council legislation was introduced, the then shadow minister, now the Minister for Environment and Conservation, decried it and wrote that criticism into ALP policy. As a result the government now has a commitment to create the body named in this bill, the Victorian Environmental Assessment Council.

In reality it is rebranding the Environment Conservation Council and making some other significant changes to the operation of that body. It makes a major change that was never flagged during the election campaign of 1999 for which the government has no mandate whatever and indeed has only vague small support from conservation organisations. Clearly all the organisations involved in representing people who are involved in private land management are absolutely against the new VEAC having a role with regard to private land. With that in mind, as I have indicated, the Liberal Party will later move amendments to deal with that.

There is a need to put in context why land management is important. Agriculture makes a significant contribution to the economy, forestry is a very important industry to Victoria and there are other ancillary uses of forests and forest products, but Victoria represents only 3 per cent of the total Australian land mass. An area of some 22.7 million hectares — about half the total Victorian land mass — produces 27 per cent of Australia's agricultural output; in other words, 1.5 per cent of Australia, being the agricultural land in Victoria, produces 27 per cent of Australia's total agricultural output. That is very important.

What is the situation with public land that is not agricultural land? Today approximately 3.75 million hectares of land in Victoria is in reserves — that is, about 16 per cent of Victoria as a whole, or a third of Victoria's public land — and an area of 34.6 million hectares is forest land outside those reserves. About 85 per cent of all the public land in Victoria is forested.

It is important to remember that in 1970, when the Land Conservation Council was established, myriad government departments and agencies were involved in public land, which had an impact on its management. Today, because of the progressive consolidation of agencies under the administrative umbrella, essentially most of the activities regarding public land management come under the auspices of the Department of Natural Resources and Environment. There are those who would criticise that and say the department is too large and cumbersome and has too

many competing interests, but the consolidation has been done progressively by successive governments to achieve far more coherence in policy making and administration, at the same time bearing in mind there is always a need for an independent body of some description to provide advice on public land management issues.

The LCC undertook a number of reviews as a result of references provided by successive governments and ran its course. I do not wish to revisit the 1997 debate entirely but will touch on it shortly. Clearly there is a consensus — at this point at least, if not four years ago — that the LCC structure, which the Environment Conservation Council legislation effectively terminated, is not to be revisited, because the government does not propose with this bill to return to the LCC arrangements, notwithstanding the comments made in defence of the LCC by the now Minister for Environment and Conservation in the other place when she was opposition spokesperson.

When putting in context my remarks that today we have such a significant area of land set aside in national parks and other forms of reserves, it is useful to refer back to what was on foot back in the 1970s. I can recall, by referring to *Hansard* of the era, just what the objectives were at the time. Mr Borthwick, who was then Minister for Conservation, said when introducing the Land Conservation Bill:

When outlining the government's policy prior to the elections, the Premier stated:

The government will have a full study made of all the Crown lands in Victoria with the object of setting aside and permanently reserving substantial areas for national parks, wildlife reserves and forest parks. This should ensure that at least 5 per cent of the state is preserved forever.

In my introductory remarks today I alluded to the fact that 16 per cent of the state is now reserved in such parks. It is important for us to remember just how far we have come in those 30-odd years. It is important for us also to remember that our predecessors in this Parliament had the wisdom to look forward, and I am sure they would be impressed with their own achievement if they had the opportunity to reflect on it today. But in the context of that debate, Mr Borthwick went on to say:

This is a land conservation bill and not a land preservation bill. The legislation provides for consideration of land for all purposes.

It is important for us to understand that the principle that was considered important at that time — to get a balanced outcome — is of serious import today. We do

not want to have these debates about the environment on the basis of there being apparently only one perspective or agenda. For the changes in environmental management to be successfully embraced by the community as a whole balanced outcomes must be provided.

I return to the issue of substance: what this bill seeks to do. It seeks to structure a council effectively modelled on the basis of the Environment Conservation Council but with an additional function that determines that the council shall not be confined to public land. It proposes an appointment process for members of the council and expands the permanent core of council members from three in the ECC legislation to five members appointed by the Governor in Council or the government of the day. It also provides for the appointment of members to the council for an additional period on particular inquiries.

I flag that during the committee stage the Liberal Party will move amendments to deal significantly with the need to reflect properly on a comment which the then shadow minister for environment and conservation made in 1997 and which was articulated in Labor Party policy at the election. That was that the basis of appointment was to deal with representation. As I recall, the criticism that was made by the then shadow minister ran along these lines, and I quote from *Hansard* of 20 May 1997, where Ms Garbutt is reported as having said:

... establishes a new body that will be the puppet of the minister. It will be under her total control and lose the independence that the LCC had maintained.

She is further reported as having said:

The minister will appoint three members only with no public or community representation ...

I refer to that comment because there is no proposal in the legislation before the Parliament to effectively change the basis of the appointment process — there is no proposal to ensure there is community representation. There is a clear commitment in the ALP's policy. I quote from page 4 of *Our Natural Assets*, dated 22 September 1999, where it states that the Environment Conservation Council:

... is a puppet of the Kennett government.

That is interesting. It states further:

The council will be representative of all stakeholders ...

That refers to making a commitment to create the Victorian Environmental Assessment Council. The policy document further says:

The council will be representative of all stakeholders, including state and local government, conservationists, farmers, industry, unions and the wider community.

The bill does not seek to materially change anything contained in the legislation that now provides a head of power to the Environment Conservation Council. The opposition believes it ought to seek to amend the legislation for the specific purpose of dealing with the representations that have been made to it, and to in effect hold the government to account on its commitments. Further, while I have in my hand the policy document that refers to the creation of the VEAC, I reiterate that the ALP made a commitment on the establishment of the VEAC that:

It will be empowered to examine public land issues ...

I do not think it necessary to read on. That extract specifically refers to the nature of the brief that would be given to the new VEAC — that it would be a body to look at public land — not private land, not public land and private land, not public land or private land, but public land. For the record, the full text is:

Labor will address this by the establishment of the Victorian Environmental Assessment Council. It will be empowered to examine public land issues, waterways, coastal and marine conservation, the protection of biodiversity, the sustainable use of resources and other environment and management issues.

Nowhere in the policy was there any allusion to a need to undertake the task of examining private land.

The third page of the second-reading speech refers to the new powers for the VEAC being extended. It states:

Its investigations will not be confined to Crown land.

That was really the first people had heard of this new power to look at private land issues. The approach taken by the previous government had been to appoint statutory boards on a skills base, an approach that was severely criticised at the time by the then opposition. Given the wide representations that have been made to the opposition on this issue, while not wanting to entirely undo the bill and the government's and minister's prerogative to make appointments, opposition members believe it is important to ensure there is a better structure of representation when dealing with specific references. I give notice that I will refer to that in some detail because considerable representation has been made to us on that point.

It is also interesting that in 1997 the then shadow minister for environment, conservation and land management was critical of the ECC being given a clear mandate to take into consideration development

issues within the discharge of its terms of reference on any inquiry — that is, there was a need for a balance not just on environmental outcomes but also to have some regard to the consequences of economic development issues.

As I alluded to earlier, a plethora of bodies have been created to better manage natural resources in this state, some of which have a primary focus on private land and some of which have a focus on both private and public land. However, there is basically a network of interests and statutory authorities, with a contribution from the community, which amounts to a strong body of ability, competence and professionalism in the land management sphere.

A number of catchment management authorities exist: the Mallee, Wimmera, Glenelg–Hopkins, North Central, Corangamite, Goulburn–Broken, North East, East Gippsland and West Gippsland catchment management authorities. Separately there is the Port Phillip Catchment and Land Protection Board. It is important to recognise that there is a cooperative network of land and resource advisory bodies, with the nine CMAs, the CALP board, the Victorian Catchment Management Council and with the overlapping responsibilities of the Victorian Coastal Council and the three regional coastal boards: the Gippsland, Central and Western Coast regional boards.

As all honourable members well know, in recent times the ECC has been wrestling with difficult references dealing with box-ironbark forests in central Victoria and, as I am sure everyone will agree, the just as challenging marine and coastal investigation, on which it made a final report in October last year. The government now has the challenge of concluding how to reasonably implement the recommendations of that inquiry.

Hon. E. G. Stoney — It is certainly wrestling with it today.

Hon. W. R. Baxter — Sunk without trace today, I understand.

Hon. PHILIP DAVIS — I would not know, I have been busy contemplating this debate. Taking up the interjection, I understand the government has made certain announcements about that inquiry and I look forward to hearing more of that later. However, it is clear that there has been a very keen interest in the development of the marine and coastal report and in its recommendations. It is obvious that many people in the community have strong views about the environmental values which must be protected and the community's

access to the resources. This applies not only to the marine and coastal report but always applies in regard to any of these investigations.

I believe we are in a much better place today in regard to these processes than we were 30 years ago or even 10 years ago. The work undertaken by the Victorian Coastal Council, in association with its three regional boards, on the development of the Victorian coastal strategy was initially undertaken around 1997–98. In recent times it has been reviewed and updated and a new strategy has been developed. Given that all of this work is going on concurrently and there are overlaps, one might say we have too many managers. Not only do the bodies to which I have referred have a stake in this issue, but we must also recognise the role of local government as a responsible authority in relation to some land management issues, and there is inevitably the overlay of the Victorian planning provisions, which further protect our natural environment.

Having said that, the question is why do we need to, as the government proposes, deal with private land in relation to this legislation? Clearly there are very strong views about that. I will refer to some comments that have been made to the opposition. The Public Land Council of Victoria (PLCV) represents and has membership consisting of the Australian Deer Association, the Prospectors and Miners Association, Timber Communities Australia, the Victorian Apiarists Association, the Victorian Chamber of Mines, the Mountain Cattlemen's Association of Victoria, Seafood Industry Victoria, the Victorian Association of Four-Wheel Drive Clubs, the Victorian Association of Forest Industries, and the Victorian Farmers Federation. Two days after the bill was introduced into Parliament the PLCV made representations expressing some concern about the structure of the legislation and highlighting the need to obtain a balanced set of recommendations from any inquiry about land use in Victoria. It made the point that it is very hard to get a balanced outcome unless the membership of such a body is seen to be balanced in itself.

The PLCV suggested that one option might be to increase the membership of the Victorian Environmental Assessment Council from five to seven members. It suggested that one of the two additional members be appointed from panels of names submitted by public and private land resource groups and the other be appointed from panels of names submitted by public land recreation groups. That is simply a suggestion as to how the operation of this legislation could be improved to ensure the objective of getting a balanced — and widely accepted, would be my

words — outcome from the various references given to VEAC.

The supposedly independent bodies appointed as statutory authorities inevitably have the reality of being political appointments — that is, while a member of the council may hold to their own view of being independent, the inevitable perception is they will be strongly influenced by the government of the day. That may or may not be the case, but it is a matter that always bears heavily on the way stakeholders perceive the recommendations: how independent are the recommendations from the statutory authority compared with what they might be if there were a different minister, a different government or a different agenda running? It is important to ensure that the community as a whole has some confidence in that balance.

There is also a suggestion in the PLCV proposal that:

Although it has not happened before, a minister could ask all like-minded stakeholder groups to nominate panels of names from which just one person would be selected. This would encourage those like-minded groups to get together and all nominate a preferred person or at least make sure they nominate highly suitable people.

I would have to say that that is eminently desirable although I do not know about achievable.

Before the legislation came to the attention of the Legislative Assembly, the Victorian Chamber of Mines raised issues of concern about the bill on 26 February. It said:

The proposal that VEAC will investigate and make recommendations on private land is a very worrying change ...

To have green public servants advising on what private landowners can do on their properties will only lead to disaster. Local government already has a significant and important role in this regard through planning controls. We don't need an elitist group from Melbourne interfering.

That is a pretty strong and matter-of-fact statement.

There was poor consultation about this legislation prior to its introduction to the Parliament and the debate in the Legislative Assembly and because of that significant and strong views about the bill had not been expressed by any stakeholders. As a result, it was only when the debate in the Legislative Assembly came to public attention that strong views, or any views at all, were expressed by many stakeholders. On 2 March the Victorian Farmers Federation was prompted to write to the opposition in these terms:

The Victorian Farmers Federation is opposed to this bill in principle, but our major concern is the proposal to allow the council to make recommendations to government on land other than Crown land ... For this reason the VFF is seeking the support of the Liberal Party to amend the bill to limit the proposed council's responsibility to Crown land.

The concerns of large groups of stakeholders were being aired, and not just in relation to the private land aspect; other matters were raised. I will go through some of the representations made to the Liberal Party. The first is an interesting perspective because we do not often hear it set out this way. The Prospectors and Miners Association of Victoria wrote to the opposition on 7 March saying:

This association has struggled in its dealings with the Environment Conservation Council, partially due to the bias within council itself, and feel that the appointment of members to the VEAC needs a different approach.

That is obviously a heartfelt view. It goes on:

The Public Land Council of Victoria has suggested that the membership of the VEAC be increased from five to seven and that one of the additional members be appointed from a panel of names submitted by resource groups and the other from a panel of names submitted by recreation groups.

It further states:

We support this concept with the additional belief that there should also be expertise on tourism on the council. The ECC, and many politicians, see tourism as the great saviour for country Victoria — we are yet to be convinced. The ECC in its draft report on the box-ironbark investigation failed to give any evidence that tourism is creating any new jobs — we have supplied them with evidence to the contrary.

...

Obviously there needs to be a balance of expertise on the new council — it is important that this balance is real and can be seen to be so by all land users. Political appointments are not viewed well by user groups and lead to confusion and modification when a change of government occurs.

We agree with the PLCV's concept of the minister asking all like-minded stakeholder groups to nominate a panel of names.

A strong desire is being expressed by a significant peak body on behalf of its members regarding the structure of the Victorian Environmental Assessment Council.

The Victorian Apiarists Association wrote to me on 7 March in similar terms. The letter states:

You will be aware that the Honourable Sherryl Garbutt, Minister for Environment and Conservation, agreed with this point of view when she was shadow minister and debating the bill ...

The association alluded to representations that were made at the time. It is clear the peak bodies are aware of the views expressed by the now Minister for

Environment and Conservation during the debate on the Environmental Conservation Council legislation in 1997 and are seeking to hold her to account for those views expressed at the time and in the Labor Party's policy document of 1999.

The Australian Deer Association wrote to the opposition on 7 March in similar terms. I will not read extracts from the correspondence, but it also refers to the representation on the council and urges the opposition to act to amend the legislation.

The Chamber of Mines wrote to the opposition on 8 March in similar terms raising a number of issues but reiterating that it would like to see the legislation amended regarding private land issues and the membership of the council to ensure it reflects representation of user groups.

The Mountain Cattlemen's Association of Victoria wrote to the opposition on 8 March. The letter states:

Firstly, we do not agree with the structure of the proposed council. We believe that there is no balance in the composition, and that this needs to be changed. If change means that there should be extra members of the council then this must be pushed. For example, at the present time there is no position available for public/private land resource groups — a glaring omission from the point of view of our membership. There is also no position available for those stakeholders using public land for recreational purposes such as four-wheel-drive groups, commercial horse trail riders, et cetera. We therefore suggest that these two vital interests be included. Membership of the proposed council could include a member selected from a panel of names submitted by each stakeholder group.

There is a common theme in all the letters. Seafood Industry Victoria also wrote in similar terms. It reflected similar views, noting that there should be a capacity to increase the membership of the council so that it better reflected the views of user groups, whether they be resource recreation groups or conservation groups. It is a recurrent theme.

I note the Public Land Council of Victoria wrote to Minister Garbutt on 16 March. The letter reads:

We acknowledge that the bill has already been debated in the Legislative Assembly, but we do urge you to consider a very important amendment, one that from your comments in the Parliament in 1997 we are sure you will favour.

The PLC recommends that the membership of the proposed Victorian Environmental Assessment Council be increased from the proposed five members to seven and that the two additional members include one member appointed from a panel of names submitted by public and private land resource groups and one member be appointed from a panel of names submitted by public land recreation groups.

At the conclusion of the letter the council reminds the minister that in May 1997, during the debate on the Environment Conservation Council legislation, she gave strong support to the amendments being sought. The council then quotes what Minister Garbutt said as the then shadow minister when referring to the former minister, Mrs Tehan, as recorded in *Hansard* of 20 May 1997:

... dumps the LCC and puts in its place a puppet body. I refer to some of the clauses that groups and individuals have repeatedly said are unacceptable. Clause 5 deals with the constitution and membership of the council. There will be only three members, who will be appointed by the minister, in contrast with community appointees to the LCC, which included two community members suggested by Environment Victoria after consultation with a range of other conservation groups. The LCC also had a local government member, but the bill does not allow for such representation on the ECC.

The public will have no input into the ECC, as the three part-time members will be appointed by the minister. The ECC will have no local government representative, nor will its members be required to have expertise in or knowledge of the environment. You need to be a mate of the minister.

You need to be a mate of the minister if you want to be on VEAC! What is good for the goose is good for the gander. The government proposes to rebadge the Environment Conservation Council with its own badge so that it can say it has delivered on its election commitment to create the Victorian Environmental Assessment Council while making no significant material change, apart from expanding the brief of the council to undertake resource assessments for the state to cover private land.

What should we do about it? The Liberal Party proposes to move a series of amendments during the committee stage. It will move to remove private land from the ambit of the act, it will require the minister to consult environment and land management groups on appointments to the council and drafting environmental terms of reference, and it will require the minister to ensure that inquiry membership will be representative and that all persons affected by references are given fair notice.

I am pleased to say that when the Liberal Party announced its position in March it received strong support from stakeholder groups, which was reflected in various media statements, including from the Victorian Chamber of Mines, the Public Land Council of Victoria, the Prospectors and Miners Association and the Victorian Farmers Federation. Mr Peter Walsh, the president of the VFF, reiterated its position:

The president of the VFF, Peter Walsh, said the organisation strongly opposed extending the powers of VEAC to include private land.

I could take more time to go through some of the detailed arguments, but given the bill will be committed I will make further remarks at that time. I emphasise that while the opposition does not oppose the bill, it does not think it is appropriate that it should pass through Parliament in its present form because the expanded brief dealing with private land is not a matter that was subject to any public discourse, either during the election campaign or in the development of the bill before its introduction to Parliament.

No effective public debate on that matter took place until following the second-reading debate in the Legislative Assembly until March, at which time the community became apprised of those concerns. My office and I were inundated with representations on the issue, not only from the bodies from which I have quoted today but from individual stakeholders who thought they had been sold a pup.

It is hypocritical of the government to introduce legislation to rebadge the Environment Conservation Council and not be consistent with its previous comments in opposition about earlier legislation and, more particularly, about the commitment given during the election. The opposition intends to hold the government to account.

Hon. P. R. HALL (Gippsland) — The second-reading speech of the Victorian Environmental Assessment Council Bill makes bold and sweeping statements that should not go unchallenged. Try this one on for size! To begin it states:

... the quality of life of all Victorians depends on properly managing our environment ...

It does not even partly depend on properly managing our involvement. It states, and I repeat:

... the quality of life of all Victorians depends on properly managing our environment ...

I would have thought that many other factors determine quality of life rather than just the management of the environment. I refer to such things as income levels, where you live and the difference between living in country Victoria and the city of Melbourne. Certainly a person's socioeconomic status has an impact on their quality of life. The environment may in part influence quality of life but I cannot see how such a bald statement can be made that the quality of life is totally dependent on the proper management of our

environment. The second-reading speech goes on to say:

Decisions made by government should ensure that Victoria is not running down its natural assets and thereby building an environmental debt.

Victoria already has a huge environmental debt that manifests itself in the form of weed infestation, the impact of human activity on water quality, air pollution and the exploitation of natural resources in an unsustainable way. The so-called creation of further reserves by locking away land will not address the environmental issues in this state.

The environmental debt has, in the majority part, been created by the habitation and concentration of people in the capital city of Melbourne — not the people in country Victoria. That can be seen by the demand for water, air pollution created by vehicles and factories and pollution of our bays and streams by the dense living patterns of Melburnians that increases Victoria's environmental debt. The demand for timber and timber products for paper and the rapacious demand for commodities like electricity and gas is a rapacious claim by people living in Melbourne.

That self-centred attitude to the management of the environment adds greatly to Victoria's environmental debt. I say 'self-centred' because that is the view of people who live in Melbourne. It is not the fault of the people of Gippsland that outbreaks of blue-green algae occur in the Gippsland Lakes; yet it is a fact that because the water from Gippsland has been harvested and redirected to Melbourne we have environmental problems in Gippsland and other country areas. It is not the fault of Yarram people when the people of Melbourne say that the land around their township is sinking. That is a vast environmental problem around the township, but it is the demand for coal and natural gas in Bass Strait and the effect that the attraction of those commodities have on the aquifers around Yarram that is causing the land to sink.

People in Melbourne with their city-centric attitude say, 'It's not our fault that Basslink will blight the countryside of South Gippsland'. Yet it is their rapacious demand for electricity that will result in connecting Victoria and Tasmania with the electricity supply. And the people of country Victoria bear the brunt of the environmental debt that has been built up.

One should not say that environmental issues are unimportant to country Victorians, because they are important. Country Victorians say, 'Don't blame us for those environmental problems because it is the living habits and the patterns of living in areas of dense

population like Melbourne that cause those environmental problems and add to Victoria's environmental debt'.

Typically the response from city-centric governments is, 'Lock away a bit more land and create another national park because that will protect our environment for future generations'. That has been the response in recent times. More parks and more reservations are not the answer. Indeed, they simply contribute further to our environmental detriment. By locking away more land you squeeze the users of that land into smaller areas and put greater stress on the resource that is contained on that land. More land is locked away but the appropriate management plans are not put in place.

One need look no further than the report commissioned by the government entitled *State of our Parks* to learn about the deplorable situation and weed infestation in some of Victoria's national parks through a lack of appropriate management plans. The resources to manage those areas have not been provided. Simply creating more national parks and locking away more areas of land is not the answer, it simply adds to Victoria's environmental debt.

The government would have us believe that the answer to all our environmental problems is to create a new environmental council. That is the government's response towards caring and looking after the environment and for determining the quality of life to which the second-reading speech refers. The Land Conservation Council (LCC) was replaced some years ago by the Environment Conservation Council. The ECC is to go and, whacko, we have a new environmental council in place — namely, the Victorian Environmental Assessment Council (VEAC).

The name change will do nothing to address the environmental issues; it is simply window-dressing by the government. I have used the phrase before: it is wacky window-dressing. Changing the name will not address the environmental issues the government claims it wants to address in its misleading second-reading speech.

There are three fundamental reasons why members of the National Party will oppose the legislation: firstly, we have a strong belief that we do not need more national parks or reserved areas in the state; secondly, we do not need more intrusions on what one can and cannot do on one's private land; and thirdly, we do not need another bureaucratic structure to supposedly address land environmental issues when we already have one in place that is adequately suitable for doing

the job — namely, the Victorian Catchment Management Council.

I shall address those three areas in my contribution. Firstly, we do not need more national parks or reserved areas in the state. Somewhere, some time, sooner or later, somebody simply has to say, 'Enough is enough'. When will it be enough? Will it be when we have 10, 15, 20, 25 or 50 per cent of the state locked up in national parks? What is the magical figure? What is the current situation? I shall quote from the government's publication *Canopy* issued by Parks Victoria. It is undated but the issue no. is 13, and I assure honourable members that it was published earlier this year. In the article the Minister for Environment and Conservation states:

It is 25 years since the National Parks Act came into operation. Successive governments have steadily expanded the state's parks system, from 27 in 1975 to 92 today.

The area involved is now more than 3 million hectares — 13 times that in 1975, and equivalent in size to Denmark, Holland or Taiwan.

The article further talks about a world-class park system covering more than 13 per cent of the state and about 35 per cent of public land. That figure is sometimes disputed. Figures are bandied around; some say national parks cover 13, 14 or even 15 per cent of the state. I am not sure of the exact figure, but at least the government now says it is 13 per cent. I have heard higher figures.

The National Party says that figure is about right because it would mean that about one-eighth of Victoria is declared national parks and that 35 per cent, or about one-third, of available public land is national parks. We should not continue increasing the size of reserved public land areas or national parks. We must keep in mind the need to appropriately balance use and reservation. The National Party says the appropriate point has been reached.

I agree that at times we will need to reassess the environmental use of land. We may say that this land is important and should be reserved at all costs. That may happen in the future, but so be it. We can accommodate that need, but it should be accommodated only so that there is no net gain to reserved areas within the public land system. An area of land may need to be locked up in a national park, but that should happen only if an equal piece of land unreserved for the purposes of being a reserved or national park area becomes a piece of usable land in the sense of people using and managing it for the resources contained on it. That is the first reason the National Party puts for its opposition to the bill. We have a good balance in Victoria between

reserved and unreserved public land, and between private and public land. That balance is about right and there is no compelling case for having more.

The second issue I address is private land. The fundamental difference between the Land Conservation Council and the Environment Conservation Council, the latter to become the Victorian Environmental Assessment Council, is that VEAC will be able to examine a broad range of environmental and natural resource matters across public and private land. For the first time Victoria will have an organisation — VEAC — that is able to assess and make recommendations about private land. The National Party says that private land already has enough control of use imposed on it. There is no need for a further government body such as VEAC to impose further conditions on or make assessments of private land.

The National Party was a lone voice on this matter only a month or two ago when the bill was debated in the other place. The National Party stood up and advocated the exclusion of private land from the purview of VEAC. We woke up the Victorian Farmers Federation on the issue and stirred up user groups in the public land council and said, 'Do you understand what will happen if the bill is passed in its current form? Private land will be assessed by the new body, VEAC'. As I said, the National Party was a lone voice on the issue but it has remained consistent in its approach of disagreeing that private land should be included in the bill. I am pleased that today the National Party has the support of the Liberal Party in that regard. In that context the second-reading speech makes appropriate comments:

It —

that is, VEAC —

will not have the specific powers to compel private individuals or companies to provide information or access to property.

In that case, if VEAC does not have specific powers to compel private landowners to put forward information about their properties or if they can deny access to the properties for any environmental assessment work, how will VEAC be able to assess the environmental value of private land? VEAC cannot go onto the property to make an assessment and it cannot require that information to be provided by the property owner, so how can it make that assessment of the environmental value of private land?

Will the recommendations be binding on private landowners? I am not sure, as that aspect is not

specified in the bill. However, if those recommendations are not binding on private land-holders, what is the point of including private land in the bill? If the body, VEAC, that is supposed to be assessing the environmental properties of that land does not have access to the land, if it cannot require information to be provided about the land and if its recommendations are not binding on the private land-holder, what is the use of including private land in the bill? The National Party says there is no point in its inclusion.

Already extensive controls are imposed on the use of private land. The main method of control is through the use of planning schemes. All land in Victoria is subject to a planning scheme in one form or another. That restricts the activities that can occur on private land. An owner needs a permit to do a lot of things they want to do on that private land. Factories cannot be built in a residential area and nothing can be built on land without first obtaining a permit. A permit must be obtained, for example, to cut down trees on private land. In some instances a permit is needed to plant trees. An owner needs a permit to build a dam and even needs a permit to keep a dog or cat on private property.

Private land-holders are already subject to many controls and regulation on what can be done on private land. The National Party does not see the sense in having another bureaucratic structure, VEAC, being able to impose conditions on the use of private land. That is the last thing private land-holders want.

As has been said in the debate already today, the ALP made no election commitment about private land as part of the formation of VEAC. It did not commit to the inclusion of private land in the new VEAC. I refer to the ALP's policy, which states:

The government's election policy states that VEAC will:

...

be empowered to examine public land issues, waterways, coastal and marine conservation ...

It talks about being empowered to examine public land, not private land issues. There is no mention of private land. Certainly the government had no mandate to include private land in the bill.

Throughout debate on the bill the National Party has remained consistent in its opposition to the inclusion of private land under the control of VEAC, and it will maintain its opposition. During the committee stage the National Party will move amendments to ensure references to private land are taken from the bill.

I move to the third reason the National Party opposes the bill. Already Victoria has a perfectly capable and well-positioned structure in the form of the Victorian Catchment Management Council (VCMC) to do the sorts of things the government is expecting VEAC to do. I refer to the media release of 5 March by the Minister for Environment and Conservation in the other house, which states:

The council —

talking about VEAC —

provides the government with a new body to investigate the major environmental management issues which we face as a community and advise on how such issues can best be tackled.

Those functions are remarkably similar to the functions of the Victorian Catchment Management Council, which is a better body to perform those functions than any new organisation in the name of VEAC. The community is getting mixed messages about what VEAC will actually do. The second-reading speech talks about looking at specific issues, about grasslands and assessments of the environmental values of the Strzelecki Ranges, yet in briefings the National Party has had it has been told that VEAC will be a more generalist body that looks at issues across the whole catchment. If VEAC is to consider issues across a whole catchment, all the more reason that the Victorian Catchment Management Council is a more appropriate body to perform that function.

I refer to what some of the interest groups have to say about the bill. The Public Land Council said in comments to me that it does not object to a body assessing land use from time to time, but it does not believe at this time any further investigations are required as the Land Conservation Council and the Environment Conservation Council have already assessed all Victorian public land. That is true; sometimes they have assessed it twice over. The Public Land Council says there is no need for another environmental assessment body at this time. Maybe in future there will be and then we will have to reassess some of those things but that is not so at this time.

It also argues strongly for two additional members on VEAC, one being a member appointed from a panel of names submitted by public and private land resource groups and another from a panel of names submitted by public land recreational groups. The Public Land Council believes that will provide a better balance of skills and interests on the VEAC board.

The National Party agrees with those views. When members of the National Party were first considering

amendments to the bill we put that forward as a possibility only to be told that we could not simply add membership to VEAC because that would impose additional monetary requirements. It was impossible for the opposition parties to propose changes to increase the size of VEAC.

I have prepared some amendments, based on suggestions of the Public Land Council, that change the composition of VEAC so that three members will be appointed by the minister and two from the sorts of groups I have just referred to. During the committee stage on behalf of the National Party I will move the amendments I have just described that seek to alter the composition of the board.

Other groups with an interest in the bill include the Victorian Chamber of Mines (VCM). It believes there is no justification for VEAC and states that Victoria's public lands have already been assessed by the LCC and the ECC, which is the same view expressed by the Public Land Council. The VCM also has some concerns about the composition of VEAC, and particularly about some of the terminology used in clause 18, where reference is made to 'geological or geomorphological' as criteria that must be taken into account in investigations and recommendations. Once again, during the committee stage I will explore some of the issues put forward by the VCM and ask the committee to consider amendments.

The Prospectors and Miners Association of Victoria shares the views of the Victorian Chamber of Mines. It is concerned that its members are slowly being squeezed out from activity on public land throughout Victoria. It has some real and genuine concerns including the next ECC report on box-ironbark forests, which we eagerly anticipate and are told will be available at the end of this month.

As I said, at one stage members of the National Party provided a lone voice on the private land issue. We had to alert some of the groups to the fact that private land was going to come under the purview of the Victorian Environmental Assessment Council and evoke some response from them. Eventually they prepared a position statement. On 11 April I received correspondence from the Victorian Farmers Federation, which states:

The VFF's main concerns are based on a fundamental question 'Is there really a need for another committee to carry out environmental investigations'. The VEAC is a 1990s approach to environmental issues. In the 21st century we need to integrate good environmental management into government decision making at all levels. Setting up the VEAC separate from government agencies will have a negative impact on integrated environmental management.

I will not read it all. However, further down it states:

The VFF asks what is the charter for the Victorian Catchment Management Council? How is it different to VEAC? Why is it different? Would it be more effective to give greater support to VCMC rather than create another committee?

My answer to that is: yes, it would be more effective to give greater support to the current Victorian Catchment Management Council rather than create a new organisation.

I have outlined the three reasons why members of the National Party oppose the bill. We will oppose the second-reading motion. As I have also indicated, if we fail to get support in opposing the bill outright, during the committee stage we will move amendments that will restrict VEAC investigations to covering public land only. We will also seek to alter the membership of VEAC in accord with the views expressed by the Public Land Council and we will seek to remove certain words from clause 18 which I will elaborate on during the committee stage.

As I said, the bill does not address in any way Victoria's environmental debt, which is the term the government used in the second-reading speech. Members of the National Party say it is another simple window-dressing exercise by the government and will not achieve any real outcomes. That is why members of the National Party will oppose the bill.

Hon. G. W. JENNINGS (Melbourne) — Madam Acting President, thank you for the opportunity to discuss the Victorian Environmental Assessment Council Bill. In response to an issue raised by Mr Hall about modern land use management and decision making about the Victorian environment in terms of land use practices for this and future generations of Victoria, the government believes there is a need for independent and strategic advice to government and to the Parliament on such matters.

That is a view the Labor Party has consistently maintained for a number of decades. It comes off the back of a great deal of reliance the Labor Party has had on the important contribution on those matters made by the predecessors of the new body, the Land Conservation Council and more recently the Environment Conservation Council. In its approach to these measures, the government wants to build on the significant contribution made by those bodies and those who have served on those bodies in the appropriate assessment and evaluation of land use matters and more recently assessments relating to the marine environment.

Already recognition has been given to the high calibre of the work undertaken in the past by the Land Conservation Council and the Environment Conservation Council, notwithstanding that on many occasions they have dealt with highly controversial matters and issues of considerable dispute in the Victorian community and the competing aspirations of various members of the community for how Victoria's natural resources and public land should be used. Time and again, through that highly combative environment, those two bodies have provided the Parliament and the people of Victoria with solid and rigorous recommendations about appropriate land use and the classification of public land in Victoria.

This and future generations have a lot to be thankful for the contribution those bodies have made. The underpinning of many of the national, state and regional parks and sanctuary provisions that currently apply in Victoria owes much to the work of those bodies. The assessment of the biological diversity and ecological sustainable development that underpins their analysis has contributed significantly to ensuring that Victoria has a comprehensive set of parks and reserves that will maintain its biological diversity in future generations. We can all be proud that we can play a nurturing role for future generations. Indeed, the intent of the government is that the Victorian Environmental Assessment Council will continue that fine tradition of being able to provide appropriate advice to Parliament, the government and the people of Victoria about protecting what is precious in our natural environment.

The general view taken since 1992 which underpinned the national strategy on ecological sustainable development has been adopted by all Australian governments as an appropriate regime for determining land-use matters. It is consistent with the approach taken by the federal government and the state governments to deal with international obligations, as was mentioned in the second-reading speech.

The bill deals with one important issue in a way that differs from that used in the past — that is, the provision of references applying to private land. Even though a significant body of work has been undertaken in the past to deal with issues such as land protection — fisheries management, catchment management and coastal management — many of those issues relate to private land and the appropriate land-use regimes and land-use management that apply to private land. In the view of the government a number of the significant issues that will confront the Victorian community in the future relate to the appropriate management of private land.

The government understands that this is a highly contentious issue. It understands that a number of private land-holders and organisations who represent the interests of private land use may be extremely wary about any additional degree of scrutiny from this new body. On a number of occasions there has been a great degree of resistance to the application of planning controls and regimes to private land. Issues to do with clearing controls have been contentious and have been the subject of much debate within the Victorian community. From time to time there have been controversial matters dealing with land protection, salinity controls, catchment management — all issues private land-holders have had difficulty coming to terms with. They view those controls as being imposed by the state and state agencies rather than having evolved organically or as a natural response with the wholehearted support of private land-holders. That is the history — longstanding rather than recent — of the state and private land-holders being at loggerheads and the tension that continues to apply when blanket prescriptions are seen to be imposed by the state and its agencies on the private use of private land.

We therefore understand that it is a contested issue and that a number of elements in the Victorian community are sensitive to it, with some justification. However, the government is of the view that it is not of sufficient gravity to prevent the provision of the important scope of the activities of the Victorian Environmental Assessment Council. There are a number of reasons for that. One is the degree of scrutiny to reference that the government itself may apply: the degree of scrutiny given to Parliament to oversee the appropriateness of references that are applied to the council by the minister. It is worth noting that the body will not have the opportunity to come up with its own terms of reference or its own analysis and start on an exercise that would create alarm within the Victorian community without receiving that specific reference from the minister and Parliament being alerted to that reference.

In fact, once that reference has been obtained the minister will not have the capacity to change or amend the reference without again ensuring that it is appropriately scrutinised by the Parliament. The very nature of those references requires the council to undertake public inquiries that invite public submissions that create the opportunity for public discussion. The council would adopt a method to actively pursue the interests of land-holders and the local community in terms of the assessment that it applies to a local environment.

Within the bill are specific provisions to ensure that appropriate advertising and notification are provided through various sources, including Governor in Council publication within the *Government Gazette*. As all honourable members know, that has limited circulation within the community, and the minister and the department would ensure there was access through emerging information sources such as the Internet, and obviously within local media outlets to ensure that local communities are aware of and are up to speed on the references currently being worked upon by the council.

The issue of the concerns of local communities and in particular private land-holders about the force of scrutiny that may be applied by the council has been addressed in some way in the second-reading speech, which reiterates that no private land-holder or body would be required under the act to provide confidential information or information of any nature that the private land-holder wishes to withhold. The body has no power to extract information from any unwilling participant. Certainly neither the council nor the government may impose any sanction on the withholding of information.

The spirit in which the government and the council are intending to embark upon this important exercise is one of encouraging participation to maximise the breadth of discussion and analysis of what is appropriate in the review on how Victoria's precious assets should be maintained. It will provide for a degree of rigour in the technical advice and information available to the Victorian government and the Victorian community on important matters that relate to land protection in terms of catchment management and some of the other important planning regimes that may apply. It is only appropriate that that be based upon the best technical advice that is available and can be gathered.

I agree with the Honourable Peter Hall that many of the skills required to make those important decisions on what analysis to underpin the appropriate use of public land and how the Victorian national environment should be managed should be contained within government. These disciplines should be reconciled within government agencies in a fashion that has been attempted through the creation of the Department of Natural Resources and Environment, which in itself has a tempestuous history in developing and bringing together previously competing interests in government agencies to have a reconciled view of the appropriate way to deal with the Victorian environment.

Those skills and capacities should be enhanced within the realm of government, but it is the government's clear view that beyond that a degree of independent

scrutiny and rigour needs to be applied to this exercise. That is why the government has looked at ensuring there is a critical mass and a core of skills and attributes that make up the council. The government is firmly of the view that the council is not a representative body made up of the interests of stakeholders, but a body that has the capacity to undertake independent analysis and provide as much as possible an independent, and in many ways an objective viewpoint on the appropriate use of public land.

Honourable members interjecting.

Hon. G. W. JENNINGS — I thank members opposite for their positive affirmation of my mind-set on this issue. I believe the critical element is that the minister has taken this mind-set to determine who the core people will be on the council.

Hon. E. G. Stoney interjected.

Hon. G. W. JENNINGS — The mind-set that says there needs to be an appropriate level of analytical skills and attributes that will constitute the core values of the full membership of the council. Those attributes fall into the areas of expertise in environment protection, natural resources management, local government, rural and regional affairs, economic and business management, social and community affairs, issues relating to indigenous affairs and community consultation. That is the core set of attributes and values the minister is hoping to obtain within the council.

The opportunity to join the council would follow a process to elicit the best calibre advice from individuals throughout the state who may be able to contribute. Successful applicants would be appointed by Governor in Council following an advertising campaign, but that would not be the limit of those who may make a contribution to the research activities of the council, because for specific terms of reference additional expertise may be brought on and the minister would have the capacity to augment that core membership of the council for those specific references. In the debate the opposition has raised the issue of representation on the body, and seeks the opportunity for broader representation of stakeholders. The minister has addressed this issue through the creation of community reference groups that would sit beyond the council to provide — —

Hon. Philip Davis — Entertainment value!

Hon. G. W. JENNINGS — Through his interjection the Honourable Philip Davis suggests that the reference group may provide entertainment value. In fact, a great deal of entertainment is to be had

because, as the honourable member would be well aware, many of these issues are hotly debated and the way that is undertaken in the community is sometimes quite theatrical. The minister's approach is to have the theatre played out in the community reference groups established to support the work of the council rather than that theatre being undertaken within the auspices of the council. It is intended that the council will operate in a somewhat dispassionate way to make within its terms of reference objective, dispassionate, long-term decisions in the name of the Victorian environment. That is the method and the discipline that the government hopes the Victorian Environmental Assessment Council will bring to this exercise.

In the government's view it would be clearly extremely inappropriate that the council be an outfit the size of a football team made up of highly contested stakeholder groups that would play out internally a great deal of the debate the council is charged with trying to orchestrate. It is charged with eliciting a balanced approach to debates that should take place either in the community reference group or in the community at large. The government does not believe the amendments to be moved by the opposition parties in the committee stage to try to turn the council into a stakeholder representative body are appropriate disciplines to bring to the role of the council, and on that basis we will oppose them.

The government will not respond positively to other amendments because, as I have indicated, the important aspects of land protection, catchment management and a range of other matters that are important to the long-term liability of Victorian land clearly relate to private land in Victoria. The government is firmly of the view that removing the potential for the scope of the council's terms of reference to cover private land is an inappropriate restriction. Many of the important environmental issues that the Victorian government and the Victorian community have identified in land use and resource management issues into the future are located on private land.

There will be no great meeting of minds in the Legislative Council about the amendments that will be moved by the opposition parties in terms of their desired change for this body. Primarily the government believes that the minister has appropriately dealt with the issues of stakeholder representation through the community reference group. It believes the body is appropriate to inquire about the big-picture issues as they affect both public and private land in Victoria and that it would be inappropriate to restrict the activities of the council to public land. Victorian public land has been subjected to many long-term reviews that have led

to the creation and maintenance of an important national park regime and deal with many forest management issues and the inappropriate use of public land in Victoria. Clearly it is the government's view that some of the most significant issues the council has to deal with fall within the scope of private land in Victoria.

Certainly the government believes that when duly constituted the council will be able to provide, as much as possible, objective quality advice to this government and to ongoing governments on the appropriate use of Victorian land and its natural resources.

The government believes the legitimate concerns of private land-holders and those who seek to gain access to public land in Victoria will be addressed through its terms of reference. The government has confidence that the notification system of the references and the public nature of the work that will be undertaken by the council will satisfy all legitimate aspirations of the Victorian community in dealing with these important matters now and into the future. On that basis I support the bill.

Hon. E. G. STONEY (Central Highlands) — I shall make a short contribution to the debate on this bill. I have had a long interest in public land issues and the early workings of the Land Conservation Council (LCC). Indeed, the Land Conservation Act at the time was one of the most enduring pieces of legislation relating to conservation and the environment. The bill introduced by the Bolte government and the then Minister for Conservation, Mr Bill Borthwick, in 1970 was an absolute landmark that I believe perhaps only one other state has modelled its legislation on, but the rest of Australia has not. Victoria has probably led the way since 1970 with independent environmental bodies such as the LCC and its successors.

As Mr Philip Davis mentioned earlier, Mr Borthwick's aims were quite modest in 1970, when he said that the government wanted to ensure that at least 5 per cent of the state was preserved forever. That was a visionary thing at the time. The creation of the LCC was visionary, and Bill Borthwick could see that Victoria had a very large area of public land that needed to be managed for the best interests of all Victorians into the future.

As at today Crown land occupies 34.3 per cent of Victoria, and Bill Borthwick wanted only 5 per cent to be preserved in national parks. This process set in train by the Bolte government saw an improvement in public awareness that eventually showed people that indeed

public land had value, and once the process was begun the whole issue took on a life of its own.

At a time like this we should probably reflect and remember how far Victoria has come. Mr Hall and Mr Philip Davis have quoted some statistics about public land, its management and how much of it exists in Victoria. I shall also quote some figures supplied by the Department of Natural Resources and Environment as at 30 May 2001. It is important to put these figures on the record, especially at a milestone like this. Crown land covers 34.3 per cent of Victoria. Land administered by Parks Victoria amounts to 48.9 per cent of Crown land. Land administered by Parks Victoria represents 16.8 per cent of Victoria. National parks represent 11.3 per cent of Victoria. National parks represent 32.9 per cent of Crown land. National parks represent 67.2 per cent of land administered by Parks Victoria. What does all this mean?

Hon. P. R. Hall — Enough is enough.

Hon. E. G. STONEY — It is important to reflect on and remember just how much we have achieved with our public land in Victoria in the year 2001. We need to remember that, as Mr Hall pointed out, the Land Conservation Council has looked at all this land once, and most of it twice. It did what was expected by the community and flagged by the Bolte government, with Mr Borthwick as minister. It has meant that far more than 5 per cent of the land has been protected in national parks.

Today 11.3 per cent of the state is in national parks. When the other reserves are added in as well, the figure is more than 13 per cent. I know Mr Davis said it was 16 per cent and Mr Hall said 13 per cent. It does not matter, we get the drift: it is somewhere in that range and it is certainly a very handsome figure of which we can be proud. We have more than 100 parks and reserves, wilderness areas, marine parks and other reserves in Victoria. That is a proud record. Victoria has led Australia with this push. It has been hard in Victoria because it has a much larger population in a smaller area than other Australian states. There are more demands on users of Crown land. There are diverse demands from people who, I would have to say, are totally green and want to shut everything up, and people who are promoting open slather. Most thinking people would agree that neither of those actions is acceptable.

One of the main functions of the original Land Conservation Council as stated in the Land Conservation Act 1970 was to:

carry out investigations and make recommendations to the minister with respect to the use of public land in order to provide for the balanced use of land in Victoria.

I repeat that it provided for the 'balanced' use of the land. Following that was a description of the procedure, which is quite pertinent, including the following statement:

A factual descriptive resources report is prepared by officers of the council. This report describes the character of the land and identifies natural resources that may have significance for a variety of land uses. It gives attention to the many ways in which public land can be used. These include nature conservation, commercial timber production, mining, water conservation, agriculture, environmental education, and public utilities.

So from 1970 until now, using the criteria set down 30 years ago by the Land Conservation Council, Victoria has found the balance. It has more than walked the line; it has walked the line of managing the sustainability of its Crown land. In fact, many of the decisions made along the way have seriously affected some of our Victorian society in their push and their ever-increasing demand for resources. Enormous areas of Victoria have been closed to logging; grazing in the alpine area has been reduced. Access to four-wheel-drive tracks has been reduced, to the detriment of tourism.

Hon. B. W. Bishop — Mallee areas.

Hon. E. G. STONEY — Did I say alpine areas? I meant to say many popular areas throughout Victoria on public land.

Hon. B. W. Bishop — In addition to the Mallee.

Hon. E. G. STONEY — I will get to the Mallee in a minute. I know it is an area close to Mr Bishop's heart.

Horses have been banned from many wilderness areas and many other popular destinations; this has also affected tourism. Deer hunting has been closed in many areas on public land. Current regulations have made it very unattractive to hunt, and I point out that we are talking about hunting a feral animal — let me assure the house that the deer are winning, and I believe in the lifetime of many people here deer will become a serious environmental hazard to much of our public land. Amateur prospectors are very worried about their future. Most certainly the mining industry is frustrated and nervous. Just to make the point on prospecting, the other day a big nugget was found in a box-ironbark area, and prospecting will probably be banned in that area, and that activity is a very important tourism attraction in that area.

I know that in response to everything I have just run through some people will say, 'So what? We want to shut the whole lot up. We want more'. I think we need to put the situation in perspective. It is this attitude of saying, 'So what? We want more' that saw a push to create plantation timber and close down logging on public land. But what happened? Now that we have good plantations up and running, in areas like the Strzelecki Ranges there is enormous pressure on private plantation owners from people who believe those plantations should not be logged. The only solution and safeguard against such attitudes is strong and balanced government and strong and balanced legislators.

Generally over the years we have resisted the excesses demanded by groups that want everything closed up. As legislators we have generally resisted the temptation for short-term political gain. However, I am concerned that we have only resisted it until now and that in the future it may be different. I see signs that perhaps the government and the minister have not got the resolve to resist extreme groups and extreme demands. The minister may not be able to resist the temptation to get some short-term political gain. There is talk that the minister owes some minority groups big time and this may affect the way she makes decisions in the future. I remind the minister and the government that there is a silent majority out there that wants a balance. It wants a balance because many people have given plenty to create that balance and they believe they have given enough. As Mr Hall asked, when do you know when you have got to that point? I agree with Mr Hall that we are about there now.

Since 1970 many of those groups have had enormous goodwill and have been part of the process. I am talking about the cattlemen, tourists, horse riders, four-wheel drivers, loggers, prospectors and deer hunters, and now the coastal fishermen. They have given up an enormous amount of what they had before, yet of all the people I have met over the years who belong to those groups very few have not supported the creation of parks. Very few fishermen now do not support marine parks if they are scientifically based and in logical places.

I remind the house of some of the work that has been done by the former Land Conservation Council and its successor, the Environment Conservation Council (ECC). They have looked at the whole state, including the alpine areas; heritage rivers; East Gippsland and Croajingolong; wilderness throughout Victoria; the Yarra Ranges, where a wonderful park has been created; and in Mr Bishop's country, the Murray-Sunset and Hattah parks, where there are plenty of kangaroos and the associated problems; and coastal areas, which Mr Bishop and I know little about but we have read

about them. The LCC and ECC have looked at Melbourne and its surrounds and marine parks are on the table now.

Over the years many more smaller reports and assessments have been undertaken. As I said before, such reports have affected many people, but in fairness we have achieved a balance as the LCC charter demanded so many years ago. As referred to by Mr Hall, it does raise the question of when the work of the former LCC, then the ECC and now the VEAC, will be finished. How can it just go on and on? I do not believe it can. How can it keep reassessing and reassessing public land? There has to be a time when it has reached the logical point when its work is done. The question is whether it will be too politically difficult for any government to grasp that nettle? Will it be a lot easier just to change the body's name, as is being done here? Will it be easier just to tweak its role, hope for some short-term political gain and move on? If the body that is now the ECC, and will soon become the VEAC, continues its work, what will happen to the balance? How will we continue to maintain the balance if this body continues to do its work?

I fear and predict that this balance will be lost unless we keep remembering two things: firstly, where we started; and secondly, the silent majority. That silent majority wants a balanced use of public land. It wants public land to be used in a sustainable way, and believes saying public land will be used in a sustainable way does not mean just closing it up, because that is not sustainability.

The bill did not attract much attention when it was first introduced. The people who were affected did not realise exactly what it meant until it was debated in the other place. Then farmers and farming groups especially realised that some of the changes were aimed squarely at them, as was pointed out by Mr Davis and Mr Hall. It is important that the opposition move amendments to protect private land from the intrusion of a body such as the VEAC. Ample legislation already protects private land, and honourable members have heard about some of that today. It is not acceptable that a body such as the VEAC will be allowed to act as Big Brother.

Since 1970, both the structure of the LCC, the ECC and now the VEAC, and the recommendations that have been made over the years, have been modified by both houses of Parliament. They have been adjusted by Parliament to meet political reality, and I do not have any problem with that. That is what happened recently with the marine parks bill when the government dropped off a couple of areas. The other night the

Minister for Energy and Resources invited the opposition to submit areas that may be able to be adjusted. I have no problem at all with that; I do have a problem if future governments bow to extreme demands, as I mentioned earlier.

Perhaps the only solution to that will be to have strong and ongoing representation from legislators and in that way prevent pandering to minority groups. It is important that we have representative legislators because most of the Crown land and the national parks in question are in rural areas. If the structure of this house is changed, rural representation will be dramatically diminished, and that will assist in destroying the balance we have enjoyed since 1970.

In conclusion, I support the proposed amendments that will be moved by Mr Davis relating to private land. Subject to that, I do not oppose the bill.

Hon. B. W. BISHOP (North Western) — I am pleased to speak on the Victorian Environmental Assessment Council Bill, mainly because of my interest in land and water management issues around Victoria, particularly in the electorate of North Western Province, which I share with the Honourable Ron Best.

It has been said that this thrust by the Victorian Labor government was mentioned in its election platform. That may well be so, but my strong recollection of it is that it did not include private land, which is the major objection to the bill from a number of interest groups.

I will be pleased to support the amendments which the Honourable Peter Hall flagged and which I understand he will move later today in the committee stage. The Liberal Party will also be moving amendments in committee. It is important to note that the National Party was keen to move those amendments in the lower house but was not able to due to the effluxion of time. That is another good reason for the standing of the upper house in Victoria today, so that we can have the checks and balances that are so sorely needed in our society and the community. It is another feather in the cap of the Victorian upper house that during the time it has taken for the bill to come across from the other place honourable members have been able to recheck and revamp the bill before going through the committee stage to reflect the accountability process and address any community concerns.

As I said, I could not catch up with much about private land being included in the bill but I did pick it up in the second-reading debate. There is no doubt that the Labor government intends or intended to have a go at private land in the change we are debating today. From my

point of view I thought what a mess that would be. We have seen the bureaucratic approach taken by past bodies in relation to management of Crown land, but it has never included that thrust into the private land sector.

We have seen the Land Conservation Council. I know that before I entered Parliament there was a bitter fight in the Mallee area about leased land, and that bitterness is still there. The council's recommendations saw many people in the Mallee forced off leaseholdings they had nurtured for many years and over a couple of generations; they were forced off that land by the actions of the Land Conservation Council.

As other speakers have said, we then came up with the Environment Conservation Council (ECC). I suppose it was a bit better than the Land Conservation Council. My recollection is that the Land Conservation Council could hare off on its own and pick up any reference it liked and have a say on it. It appeared to be a law unto itself, and we saw that a number of times. The ECC was slightly better in that regard: at least the minister could refer situations to it for its reference and research. At the moment unless the amendments are passed we will probably see the same problems we have seen in the past and probably worse problems if private land is included in the legislation.

I note that the bill provides that five members will be nominated for membership of the VEAC and chosen by the minister. It does not take many guesses to predict who those members might be. From what I have seen of the process, I believe the government has not received a lot of support from any of the groups that might be interested in this type of land management, be they farmers, tourist organisations, local government or four-wheel drive clubs. Unless we are very careful and do things exactly right as a Parliament, another field day could be had in relation to land management in Victoria. I take members back to the situation of the Mallee leaseholders and the Land Conservation Council. If that is not bad enough, put private land in with the public land and see where we come out.

It is a bit of a change. I served on a committee with the then shadow environment minister and I can remember her trumpeting opposition to the ECC changes. If I remember correctly, she trumpeted opposition to ministerial appointments in that area.

Hon. E. G. Stoney — She has changed her mind since then.

Hon. B. W. BISHOP — I am bemused — not amused but bemused — by the change of process we

see reflected in this bill. I do not know why. I have thought about it a fair bit and every time I come back to thinking it is probably payback time for some of the extreme environmental groups that might wish to make a mark on the situation.

I repeat, it is not only public land we are talking about — the intention was to bring private land and other areas in. I suspect that many people would like to close some farming areas down, not only in the Mallee but also in other areas. I strongly resent the view often proposed in the marketplace that farmers and others — four-wheel drive enthusiasts, tourists and people wanting access to particular areas — are land demolishers. I do not believe that is right. I represent farmers and it is not true: farmers must take care of their land or land they lease from the government because their future is very much at risk otherwise. Farmers rely on the sustainability of the land, and over time farming practices have leant heavily in that direction. I am proud of our farming community and its environmental and sustainability thrusts for its own future and that of the land we have in Victoria.

Like other speakers I have seen that we keep pushing more land up for public use. In the committee I served on with the then shadow minister, who was the deputy chair of that committee, I kept raising the arguments that we were not taking good enough care of the land we were putting up. One example involves weeds on public land. In country electorate offices we get a constant barrage of complaints from neighbours of public land. We had the good neighbours program, which went part of the way to addressing this problem, but enough is enough. Enough land has been set aside and we cannot properly manage what we have done. There is no doubt, looking at the history and where we are today, that we do not have the resources to manage the public land that has been set aside.

A few months ago we were talking about native vegetation. I can remember promoting farm forestry at a field day. I met a farmer who wanted to tidy up a corner of his place and plant farm forestry. The uproar that ensued about his planting more trees than ever would have been on his property was amazing. I resent and resist the suggestion that farmers are not caring for the land. I reject that view totally and will continue to do so.

There are plenty of controls that would be able to look after private land in the best interests of all. If governments wish to intrude in a commercial sense on a private landowner, they must compensate that landowner.

Hon. W. R. Baxter — Generously.

Hon. G. B. Ashman interjected.

Hon. B. W. BISHOP — As is only right and proper, Mr Ashman and Mr Baxter. I know a farmer in north-western Victoria who wanted to tidy up his property. He said he would do it in stages, and got some sort of agreement out of the system, but then found he was not allowed to do it. That has put substantial pressures on his farm. Any compensation? Not a zack. If governments wish to impose their will on private land, as they have in this instance, they should fully and fairly compensate the private land-holder. That is one of the reasons for the fierce resistance of many organisations to private land being included in this bill. I again make the point that there is more than enough power there in relation to private land.

I come back to the appointment of the people who may serve on this new organisation, the Victorian Environmental Assessment Council. It does not take much to recall the decimation caused by the cavalier attitude the government adopted in relation to catchment management authority appointments. Only a handful of people were left after the appointment process finished. We saw no recognition of experience, corporate memory or expertise in this area. I do not make any criticisms of the new members appointed to the catchment management authorities — I am sure they are good people who do their very best. It was the minister's or the government's call, and I do not know the reason for it. It might have been political and, if so, so be it: I accept that the government has the right to do that, but it was remarkably severe and recognised as such all across land and water management in Victoria. The government could have made minimal changes. It could have brought in a mix of people that would change over time instead of inflicting the widespread decimation we saw throughout Victoria in that instance.

I could quote plenty of other examples, but I must quote one that involves a man who has spent a lifetime involved in water and land management. He is known to many people who have represented or been to north-western Victoria — that is, one Gerald Leach from Walpeup. Gerald Leach was chairman of the catchment management authority in the Mallee area and dedicated his life to land and water management. He had a huge workload representing various interests on the authority and was always totally professional and non-political. He disappeared without a trace. His experience reflects my concern about ministerial appointments regarding the proposed Victorian Environmental Assessment Council.

I hope the government and the minister do not show the same cavalier attitude in appointing people to the boards of water authorities, which I understand they will announce soon. I have spoken before about that issue. Why is the government creating a new organisation and why is it including private land in the bill? Is the new organisation window-dressing that the government hopes will achieve some political purpose? I believe we have a good structure in place at the moment. I would rather see more resources being applied to catchment management authorities, which would flow to the Victorian Catchment Management Council. It is an excellent base for community representation. It already has huge community involvement and is community driven. It has an understanding of what can and should be done and knows the area. These organisations only work because of community involvement and ownership. The proposed council will not have that community involvement. It does not matter how good the committees are that that council appoints, they will not be as close to the community as the catchment management authorities have been.

In conclusion, I have never been impressed by the bureaucratic approach adopted by the Land Conservation Council or the Environment Conservation Council, as can be seen from the box-ironbark process and many other inquiries. The proposed council could be much worse. If private land is included in the act it could be substantially worse and even become a monster. The government would be far better resourcing catchment management authorities that would feed through to the Victorian Catchment Management Council, because as I have said previously, it is driven and owned by the community.

I am disappointed with the bill. I fully support the amendments to be moved by the Honourable Peter Hall and I will follow the committee debate with great interest.

Hon. W. R. BAXTER (North Eastern) — I have no hesitation or qualms about opposing this piece of appalling legislation on a number of grounds. Firstly, it is dripping with hypocrisy because many of the provisions in the bill, particularly regarding the composition and formation of the Victorian Environmental Assessment Council, are the same provisions the Minister for Environment and Conservation so vehemently criticised in 1997 during the debate on the Environment Conservation Council legislation.

It is appalling that a person can be so two-faced that she can when in opposition vehemently criticise a

procedure but adopt almost precisely the same pattern, mode and construction of a particular body when in government. The only change is in the name. As I said, the bill is dripping with hypocrisy.

The legislation is appalling because it engages in stealth. There is an attempt to include private land within the new council's purview and responsibility without coming clean in the bill and making it clear to the casual reader. The Victorian Farmers Federation did not realise the bill included private land until woken up to that fact by the National Party. The opposition shadow minister was less than aware of that fact because he read the bill honestly and believed it simply was substituting the Victorian Environmental Assessment Council for the Environment Conservation Council. In due course he concluded that private land was included in the bill and members in the opposition rooms found that unacceptable. The National Party will move an amendment to remove that provision from the bill.

It is also appalling that nowhere in the bill is there any acknowledgment that we have to feed ourselves; that we rely on the land in this state to generate the food upon which we are all dependent to sustain life in this community. I refer particularly to clause 18 relating to matters to be taken into account in investigations and recommendations. It states:

The Council must have regard to the following considerations in carrying out an investigation and in making recommendations to the minister ...

It then refers to the principles of ecologically sustainable development; the need to conserve and protect biological diversity; the need to conserve and protect areas of special significance; the need to provide for the creation and preservation of national parks; the existence of international treaties, for heaven's sake!; the agreements that the government may have entered into with other governments; and the potential environmental, social and economic consequences of implementing the proposed recommendations.

It is only in that subclause that we have any acknowledgment that the council ought to take account of economic implications. It does not mention the need to produce food or fibre or the absolute requirement to produce export income, almost as if human beings were somewhat ancillary to the state. It is as if the land should be kept in a natural state and ignores the fact that it sustains and supports 4 million human beings.

The bill is also appallingly drafted. I refer honourable members to clause 1(3) which states:

Sub-section (2) is intended only as a guide to readers as to the general scheme and effect of this Act.

In the almost 30 years I have been in this place I have never seen that provision in a piece of proposed legislation. What are the courts to make of that subsection if ever the legislation comes before the judiciary? It is appalling to have in a proposed statute a subsection that states it is intended only as a guide, presumably for judges as well as laypeople. I would have thought that is opening the door to endless litigation as to what the act might mean if a section is meant to be only a guide.

It is appalling that the house is being asked to pass legislation which has a provision that is so open to various interpretations. It is appalling legislation because it is based on Labor Party ideology, often espoused in this place and in other places, that private land owners are somehow raping the land and have no regard for its future or sustainability.

As the Honourable Barry Bishop so eloquently put it in his contribution, farmers and other private landowners know full well that they must preserve the land or their income-producing ability totally evaporates. It should be noted — it is there for anyone to see if they care to open their eyes when they drive around country Victoria — that the government is the worst possible land manager. Look at the state of Victoria's public land and at the spread of blackberries in national parks. What happened in Albury-Wodonga when land was required for the expansion of the community and was managed by a public land manager? Many thousands of hectares of land that was previously highly productive and free of noxious weeds and the like is now infested with Paterson's Curse and blackberries; yet we are being told that private managers are not doing the right thing and the government is taking care of public land. It is patently not doing so.

One of the concerns currently being put to me about the proposal to acquire 10 000 hectares in the Lower Goulburn for flood mitigation, a project which I support in principle, is 'Are we going to see what we have seen so often on public land, and that is those 10 000 acres covered in Bathurst burrs within five years because the government is unable to manage its land-holdings?'

I say again: it reflects the Labor Party's ideology that public land ownership is good and private land ownership is not. It should be acknowledged that private landowners have a number of restrictions and constrictions placed on them. I am not suggesting that private landowners have or should have open slather in what they do. There are already numerous controls under the planning acts, be they concerned with the

clearing of native vegetation, laser grading, flood overlays, building permits or the like. There are already a host of appropriate restrictions upon their activities; but, nevertheless, they are not too difficult to deal with.

On reflection, the Land Conservation Council provided a useful role when it was established by the Hamer government. It was an appropriate action to take at the time. There were vast areas of Victoria in public ownership, be they forests or whatever, and in the past they had been managed reasonably well but on a somewhat ad hoc basis. The time had come for a comprehensive review and determination of the future categories and status of those parcels of land.

I supported the Land Conservation Council in much of its early work. I did not always agree with its ultimate recommendations, but certainly it provided a useful role for some time. Eventually, as it had gone around the state totally and looked at every piece of public land in Victoria, it outlived its usefulness and was simply going a second time around the circuit more or less to justify its existence. I for one was pleased to see it go out of existence and be replaced by a new body with a different charter. I have been less than enamoured with the first recommendation of the Environment Conservation Council (ECC), and I stand somewhat in trepidation about what the recommendation might be on the box-ironbark inquiry, the report I am expecting before too much longer. Nevertheless, I could not possibly criticise the composition of the ECC. The three appointed persons have great reputations, very sound knowledge and have undertaken their duties and responsibilities with the utmost dedication. The fact that I may not agree with their conclusions in no way undermines my respect for the way they have carried out their duties.

While I am talking about the LCC, I wish to put aside one of the fallacies that is so often promoted by members of the Labor Party and sometimes by other people that LCC reports have always been adopted unanimously by the Parliament. I hear it time and again, and it is not so. I have voted against numerous LCC recommendations.

Hon. E. C. Carbines — Shame on you!

Hon. W. R. BAXTER — That is the sort of ill-informed comment you get. The Honourable Elaine Carbines is prepared to make that judgment without having any idea which recommendations I may have voted against and on what grounds. She was not here at the time, and I am sure she has not researched them. There are many people who have concluded that far too much land in this state has been locked up in the parks

system and that we have undermined the economy to a far greater extent than was envisaged. I had no hesitation in voting against the addition of Wongungarra to the Alpine National Park. That was simply an addition that was made because it was flavour of the month, because someone was responding to pressure from extreme green groups that wanted that parcel of land added to the national park.

Hon. P. R. Hall — Murray-Sunset National Park.

Hon. W. R. BAXTER — Yes, Mr Hall, there was the Murray-Sunset park and others in the Mallee that were not justified on any grounds other than political pressure. Similarly there was the readmission of the piece of land at Falls Creek to the national park system which had been quite rightly excised by the former government to allow the Falls Creek Village to expand. It was a piece of degraded land that undermined the whole concept of national parks, which are supposed to be pristine areas. Because it had made hypocritical statements in opposition, the government felt it had to put it back in. We should get away from the claim that the LCC recommendations have always been accepted unanimously, because they have not, and I do not expect they will be in the future, either.

I return to the ECC. Sometimes the ECC is its own worst enemy. In July last year I attended a large meeting some 320 people in Bendigo convened by the Public Land Council to discuss the draft report on the box-ironbark woodlands inquiry. It was an orderly meeting, bearing in mind the strength of feeling among some of the attendees. The honourable member for Ripon in the other place was in attendance, I was there, Ms Cutler from the ECC was there as were a number of officers from the ECC. Ms Cutler did a good job at the meeting, but she should understand that on issues such as this where feelings run high you sometimes need to answer the same question more than once. On a couple of occasions she went very close to losing her cool. That is not the way to deal with country people, and not the way to deal with very large public meetings.

Even worse than what Ms Cutler almost did was the action of one of the consultants engaged by the ECC. This fellow's work was torn to pieces by a very confident young lady by the name of Kirsten Gentle from Timber Communities Australia.

Hon. J. M. McQuilten — A very competent lady.

Hon. W. R. BAXTER — Indeed, a very competent person. She, rather smartly I thought, checked this consultant's figures closely indeed and discovered that they did not add up. The discrepancies were far more

than just rounding errors, which sometimes occur and are acceptable. Instead of owning up and saying, 'Yes, we have made a mistake. They don't add up, and I will look into it', the consultant tried to justify it and finished up by saying, 'Well, it doesn't matter anyway'. That is what nearly brought the roof down because that confirmed in the minds of so many people attending that it did not matter what sort of submissions they made, it did not matter whether the research was scientifically based or accurate because the council was going to make a decision regardless.

I left that meeting feeling quite let down because the opportunity had been presented, with 320 people present, to have constructive dialogue; yet a highly paid ECC consultant let the side down by making such a comment. That event has frustrated me for the past 12 months. When that person was caught out because his work had been deficient and insufficient, I was annoyed that he could simply pass it off by saying, 'It doesn't matter in any event'.

Hon. P. R. Hall — Are you glad you got it off your chest?

Hon. W. R. BAXTER — Yes, I am, Mr Hall. It was not a unique circumstance or event; it is not as though that is the only time that sort of behaviour has happened. The ECC, now the VEAC, will find it difficult in the future if there is any repetition of the sort of cavalier attitude I saw exhibited in the Bendigo town hall last year.

I agree with Mr Hall's opening remarks that probably the gravest environmental risk, threat or danger to Victoria is imposed by the great city of Melbourne. Why is it that at least 70 per cent of Australians or Victorians who live in one of the least populated countries and one of the most fragile countries environmentally want to live in this great ant heap of Melbourne? One has only to look around the south-east or, as I did last Saturday morning, drive around Craigieburn, to see the immense housing constructions on the periphery of Melbourne, which is spreading out to become one of the largest cities of the world in terms of area and displaying all the pollution pressures put on the system — whether it be drainage water into Port Phillip Bay or the air pollution that I see every week as I drive south across that range of hills south of Kalkallo.

When I notice that haze across the city I am always struck with the thought, 'Why are we, as a community, encouraging, fostering and allowing people to build and expand in Melbourne when we have so many regional cities, whether it be Shepparton, Wodonga, Warrnambool, Ballarat or Bendigo?'. Those cities have

surplus infrastructure; environmentally, it would be better to have the population spread more evenly into those centres rather than everybody congregating in Melbourne.

As Mr Hall said, water consumption in Melbourne is becoming a real issue, not just because of the low 47 per cent dam capacities recorded this morning but because a valuable resource is being sucked from country Victoria, particularly the Gippsland Lakes. The algal blooms in the Gippsland Lakes are not the fault of Gippslanders but of the people of Melbourne who have denied the Gippsland Lakes the water they would naturally have received otherwise. It is all very well to talk about tipping water down the Snowy River, but what about other areas that impose an environmental cost on Victoria? It is largely the population of the city of Melbourne that is imposing that environmental cost.

Finally I acknowledge something that does not happen much under a Labor government — namely, the extraordinary amount of work being done in country Victoria by land-holders and urban dwellers in tree planting and the like. I find it extraordinary and even exhilarating as I drive around the province represented by the Honourable Jeanette Powell and me to see the number of trees planted in the past 10 to 15 years. There has been an extraordinary turnaround. I have noticed also the decrease in the clearing of dead trees because people have come to understand that they are the nesting habitat for certain bird species. There has been an extraordinary pick-up of the issues by country people. Most are responding extremely well.

I have been pleased with the work done by the catchment management authorities (CMAs) that were established by the former government. The two in my electorate are the north-east and Goulburn–Broken authorities, and I have had some dealings with the north central authority. I have observed the community ownership that is growing through the organisations, but which is regrettably being undermined by the minister through the funding cuts to the CMAs. The government removed the valuable levies that were imposed, thereby involving everybody in catchment management and allowing local ownership. The government made a mistake through that action. It was a cheap shot made in opposition, which it had to deliver when it unexpectedly won government.

Hon. R. A. Best interjected.

Hon. W. R. BAXTER — Populist, Mr Best, but the government will come to regret that action because everybody involved in catchment management acknowledges that what came about through that direct

financial contribution was valuable in getting community ownership and involvement in that vital project.

I had a good evening last Saturday when I attended a celebration in Shepparton attended by more than 280 people to mark the 10th anniversary of the salinity program that started in the Goulburn Valley. Somebody remarked that the program actually started 11 years ago — its duration had been 10 years plus the GST! That was the sort of humour of the evening.

In the greater Goulburn Valley, not just the Shepparton area, the first real organised community response and attack on salinity occurred. I was pleased to be reminded, as I was, that in 1979 I chaired a committee that looked at the Lake Tutchewop area proposal.

Hon. R. A. Best — Were you a member of Parliament then?

Hon. W. R. BAXTER — Yes.

Hon. Andrew Brideson — Most of us weren't born then!

Hon. W. R. BAXTER — Thanks!

We looked at using Lake Tutchewop as a salinity control measure. What was then proposed has been overtaken by scientific knowledge and development. We have learnt so much since then that that proposal was never likely to be viable in any event. On Saturday we were reminded of the great work done by the former honourable member for Rodney, the late Eddie Hann, who was deputy chairman of the salinity committee, which really got the issues up onto the table.

On Saturday night I was pleased to see two former ministers of the Kennett government, Deputy Premier Pat McNamara, and water resources minister, Geoff Coleman. Both former ministers played a significant part in the environmental development of Victoria in getting the catchment management authorities up and running, and in continuing the salinity program.

There was also an acknowledgment made of the role played by former Premier Joan Kirner when she was conservation minister, and by Evan Walker, then the agriculture minister with responsibility for the salinity issue. I was disappointed that no present or former Labor ministers attended, but the bipartisanship of the salinity issue was widely acknowledged. I was pleased that a former member of this place, Stuart McDonald, attended. He almost single-handedly, through the McDonald report, brought irrigators to the situation where they had to accept, as they now readily do, that

irrigation was their responsibility, not the responsibility of government or bureaucracy, and that they had to take charge of it. They had to get it by the scruff of the neck and run with it. Mr Peter Ross-Edwards was also in attendance. He was the man who, along with Denis Flett as chief executive officer, took the Rural Water Corporation, or the part of it that became Goulburn Murray Water, from Armadale and turned it into what the World Bank now acknowledges is probably the best rural water authority in the world.

Let us not get too despondent about the environment. Let us not believe, as we sometimes do when listening to the rhetoric of this government, that it is all doom and gloom out there in the countryside and that the place is falling apart, because it is not. Some extraordinarily good work is being done, not only by the people I have mentioned — people who have been in public life and who have had a reputation — but by the ordinary people who were there on Saturday night and who have played a vital role, too.

For example, Morice Holland and Ron Pearce have been able to bring their colleagues and neighbours along to do things, people who 15 or 20 years ago would have said, 'This is not our job; we are having nothing to do with that'. John Dowling started years ago on the Muckatah drainage scheme, which won the institution of engineers environmental award. It was my first file when I was elected to Parliament in 1973, and I still have it. It was great 25 years later to have the Prime Minister opening the Muckatah drainage scheme. Those acknowledgments were made on Saturday night, and it was very good indeed to see that this community has grasped environmental issues.

Given the proper lead, incentives and encouragement we can manage Victoria's natural resources very well, but we are not helped when we get appalling legislation like this.

Hon. J. M. McQUILTEN (Ballarat) — I was going to talk about the issues the Leader of the National Party raised earlier, but after listening to Mr Baxter's speech I have changed my mind. By contrast to what Mr Baxter said, the contribution of the Leader of the National Party was incredibly negative. I agree with Mr Baxter that regional and country Victoria is making improvements to the environment and that gains are being made. I agree it is not all doom and gloom. I have to say that I found the speech of the Leader of the National Party depressing, but I have been uplifted by Mr Baxter's speech.

This legislation is a credit to the government and to the ministers involved because it is just another step

forward. I support the bill for that reason. My contribution will be slightly different. To provide some credentials, the Public Land Council of Victoria approached me 12 or 18 months ago and I organised for its representatives to come to Parliament House with a display of local produce — the honey people, et cetera. I am concerned about them and their jobs.

Hon. R. A. Best — Capuano Honey from Bendigo?

Hon. J. M. McQUILTEN — From Maryborough, if you don't mind!

Hon. R. A. Best interjected.

Hon. J. M. McQUILTEN — I am sorry, Maryborough has not yet become a part of Bendigo; we will need a lot more growth.

Hon. R. A. Best — I thought you were going to get rid of the electorate of Ripon and you could come right into Bendigo.

The DEPUTY PRESIDENT — Order! The honourable member, without assistance!

Hon. J. M. McQUILTEN — Honourable members talked about the catchment management authority levy, which I believe was a tax, and that needs to be answered. The government has funded that, and that program is continuing. I agree the catchment management authorities (CMAs) are working well in dealing with a large workload and the enormous responsibilities and tasks in front of them. I believe they need to be supported by all parties in this house.

To take a slightly different tack, when we talk about the environment we are not talking just about land. I have one classic example to relate. My wife was born in Germany and I can remember the days of the greenies having major control there. Everything was going swimmingly in Germany, but unfortunately it was not going swimmingly in the countries around it. The smog and the pollution from those other countries drifted across and virtually killed the famous Black Forest. I have walked in that forest, and it really is gorgeous. That was in 1974, and it was the beginning of a lesson on how the environment is much broader than what is within your own borders and in your own backyard.

As part of my recent travels to China with the Honourable Barry Bishop, who is in the Chair tonight, I went to Beijing. While we were in Beijing the official newspaper of the government of China stated in its editorial that the first priority of the Chinese government — of the whole of China — was the environment. That was extraordinary. China is the

largest country in the world, has an incredibly booming economy and yet it says its first priority is the environment! China has a lesson to teach Australia in trying to repair the enormous damage that has occurred over thousands of years.

The Honourable Bill Baxter talked about tree planting in his area. Mr Deputy President will remember that in China we drove through mountain ranges of newly planted trees for hundreds of kilometres. The effort that nation is now putting into its environment is staggering. The Honourable Roger Hallam and I were looking at an historic lake close to where the emperor had a palace. We looked down at the water as it was washing up against the shore and it was green. I said, 'That looks like blue-green algae', and Roger said, 'John, I think you are right'. We asked through the interpreter, 'Is that blue-green algae?'. The interpreter said, 'Yes, it is'. I asked, 'What are you doing about it?'. The interpreter then asked the government officials around us, and they said, 'We have a major problem with phosphorous and a number of other things so we had to close down 20 000 businesses around the lake that were polluting it'. Twenty thousand businesses around the lake were closed down because the government has now acknowledged that the environment is so precious it must act!

My main point is that honourable members often talk about the environment in negative terms as being a cost to business. As I think everyone in this house knows, I am pro-business, pro-jobs and pro-development, but the environment is not necessarily antibusiness, antidevelopment, and antijobs. The environment, when combined with technology, science and innovation, has the most enormous potential to be a job grower and a job producer for Australia.

This aspect has not been considered sufficiently by National Party members. Some eight or nine years ago I was up on the Murray with a company that had developed a new pump. It was a brilliant world-first pump, and it was a way of saving diesel and getting water out more efficiently. There are numerous examples in regional and rural Victoria of wonderful people coming up with creative solutions that could be used around the world.

The environment should not be looked at as a negative in terms of jobs or growth; it should be viewed as an area of creating jobs. I hope within a few weeks or months there may be an announcement I have been working on for some time that will prove that fact.

Motion agreed to.

Read second time.

Ordered to be committed later this day.

BUDGET PAPERS, 2001-02

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

That the Council take note of the budget papers, 2001-02.

Hon. N. B. LUCAS (Eumemmerring) — The budget for 2001-02 is a budget of lost opportunities. When the minority Labor government came to power it tore down the sign 'Victoria on the move' and set aside the responsibility that it has to make decisions, to lead and to maintain the positive feeling in the business community that Victoria is a state worth investing in. The new slogan tells the story: 'Victoria — the place to be'. The place to be what? I call it the unfinished slogan. What is it the place to be? Is it the place to be in business? Is it the place to be successful? No! It just says that Victoria is the place to be — the sentence is not finished.

It is of great concern to me that the government of this state does not know what it stands for. It is the place to be what? I want the government to answer that question. I assume government members will speak on the budget and will tell us what we are meant to deduce from that statement that Victoria is the place to be. Victoria could be the place to go broke if you had your way! It could be the place to be unsuccessful. It could be the place for your business to go out of business. When it is your turn, you tell us, because I want to know!

This is a high-taxing, high-spending budget that lacks initiative. It does not generate any confidence in the future. It is a budget that continues Labor's hesitation to actually do anything. Members opposite are not doing anything — they are not able to make decisions and get Victoria on the move as it was during the Kennett era.

I am proud of what happened in the Kennett era — the place was abuzz. People knew that the Kennett government stood for something. People knew we were going somewhere, but now we are in a moribund state of saying that this is the place to be, and that sets the scene for members opposite. There are no major projects on foot, there is no optimism generated, no encouragement to business and no vision. Government members stand condemned for this budget, and in my brief contribution tonight I will provide some examples of where they are going wrong.

The budget predicts the opposite to growth, opportunity and success. It predicts a very bleak picture and predicts

problems. I turn to page 58 of budget paper 2 and refer to table 4.2, Victorian economic projections. The table predicts that the gross state product, which was 6.2 per cent growth in 1998-99 and 4.6 per cent growth in 1999-2000, is going down to 2.5 in the year 2001-01 and will creep along at 2.75 in 2001-02. The employment figure for the year 2000-01 was 3.25 per cent growth and is going down to a measly 0.5 per cent growth in the year 2001-02.

What about unemployment? We are all aware of the promise by the Labor government to get unemployment down to 5 per cent. What do the figures say? The unemployment rate for 2000-01 is 6 per cent, and is it going down to 5 per cent? No! For the year 2001-02 the figure is 6.5 per cent. The figures are heading in the wrong direction with you lot, and that is a significant worry for us all.

The general government sector cash-flow statement is set out at page 300 of budget paper 2. What are the figures? They predict a cash surplus for 2000-01 of \$1.199 billion. What happens after that? For the year 2001-02 they predict a movement from more than \$1 billion surplus to a cash deficit of \$22 million. In the space of one year the cash situation in this state is being taken down by more than \$1 billion. The year after it is even worse — the prediction is a deficit of \$295 million, so the signs are out. The Labor government is accepting in its own estimates that the figures are heading in the wrong direction. Unemployment is going up, employment growth is going down and cash surpluses are being turned into cash deficits. We are in trouble in Victoria with this minority Labor government.

What about the tax cuts fairytale? There was a big announcement with lots of fanfare about reducing tax by \$774 million. When one considers the figures carefully one finds that most of that reduction is not in the year 2001-02. The big announcement is in the year 2001-02, but when are we going to see the tax cuts? That is off in the future. Since coming to power the Labor government has taken an extra \$1.5 billion out of businesses in taxes in this state. How much do the tax cuts amount to? It is not \$774 million — it is \$100 million.

The payroll tax reductions were also announced with big fanfare. How much will the payroll tax go down in this coming financial year? It is going to come down from 5.75 per cent to 5.45 per cent — by 0.3 per cent. During the Kennett era payroll tax came down from around 7 per cent. It came down by a huge amount over three years, and this Labor government can only get it down by 0.3 per cent and a further 0.1 per cent in

another three years. The Kennett government brought it down from 7 per cent to 5.75 per cent over three years. What is Labor going to do? It is going to bring payroll tax down by a measly 0.4 per cent over three years. The government should be ashamed of itself.

I turn to land tax. The Labor government had Mr Harvey out to do a review and asked, ‘How can we change state taxation?’. What an embarrassment! The government got this report and then did a complete 180-degree turn. It got too difficult. What happened to the 2.89 per cent flat tax on land tax? That was all turned around. The government decided that no, that was too difficult, so it increased the threshold. It decided to increase the minimum level and then ripped more money out of land tax — an increase of 27 per cent from \$422 million to \$535 million over the next year. What has the government done for the mums and dads and the aged in Victoria? It has taken away their \$60 winter power bonus. If the Victorian mums, dads and aged persons lived in New South Wales their power bonus would have increased by \$31. But this government has not increased Victorians’ power bonus, it has taken it away. New South Wales has also removed the bank accounts debits or BAD tax.

Hon. P. A. Katsambanis interjected.

Hon. N. B. LUCAS — That is a pretty good name. But people in New South Wales do not have to pay the BAD tax any more — it has been abolished. This government is behind the times. What has it done about the BAD tax? I want to hear from government members in their contributions to the budget debate when this BAD tax will go. It is still applicable in Victoria.

The government is also double-dipping on tax. Where GST is applicable on insurance policies, the stamp duty still applies. In a whole raft of areas the Treasurer has got his sticky fingers into the pockets of the taxpayers of this state by double-dipping in tax by taking stamp duty where prices include GST, particularly in relation to insurance.

What is happening in the public service? There are more and more public servants. The public service is getting bigger and bigger; public servants are getting more and more money; and the proportion of state revenue going to the public service has gone up from 34 per cent to 37 per cent in the coming year. That is of concern to me. But that is typical of Labor governments, whose practice it is to fill up the public service, give it more money, get more public servants, get more advisers and get more people advising ministers — the Minister for Industrial Relations

probably has a few of them — and the cost to the community goes up. I say to members on the government side: it is not your money, it is the community’s money. You want to get that into your head. You cannot just keep ripping off the community, building up all the taxes and giving it all away to public servants.

What has happened in regard to new investments? New investments facilitated and announced are expected to fall from \$1.668 billion in 1999–2000 to \$1.4 billion in 2000–01 — a 16 per cent fall in new investments. I quote from a press statement:

Meanwhile, investment attracted in rural Victoria is expected to decline from an actual result of \$457 million in 1999–2000 to only \$300 million in 2000–01.

That is a press statement under the heading ‘Brumby rules out tax cuts and confirms falls’ put out by the Liberal opposition.

Honourable members interjecting.

Hon. N. B. LUCAS — If honourable members opposite do not agree with it, they should come up with the figures that refute it. I challenge them to tell me whether I am right or wrong.

In his speech in the other place — which unfortunately I am unable to quote — the Treasurer said that Victoria’s debt, according to him, would be cut by half. What an insult that is!

Honourable members interjecting.

Hon. N. B. LUCAS — If one looks at the debt that the Cain and Kirner governments left the Kennett–Stockdale government in 1992, the figure then was about \$33 billion. Let the record show that honourable members have stopped shouting at me now; they are all quiet. This embarrasses them.

The former government was able to drop the debt back from \$33 billion to \$6 billion or \$7 billion, and it has come down a little bit since then. Now this Treasurer Brumby in the other place has the temerity to say his government is reducing debt by half. It is just unbelievable that he had the gall to announce that in the other house. It is the ultimate irony that the Treasurer can make a statement about reducing debt when he knows — and government members here, the opposition and I know — that we had to work so hard to cut back the debt of \$33 billion that Labor bequeathed to the Liberal government back in 1992.

Keeping in mind that the Treasurer said debt would be reduced by half, I refer honourable members to the

financial position statement at page 146 of budget paper 2 which shows the net debt at the end of June 2000 as \$3.9 billion; net debt proposed at the end of June 2001, \$2.9 billion; and net debt at the end of June 2002, \$2.7 billion.

Hon. B. C. Boardman interjected.

Hon. N. B. LUCAS — Mr Boardman says that is not half. I agree with him. The Treasurer has misled the Parliament. That is not reduced by half.

What do the newspapers say about this dodgy budget? The editorial in the *Australian Financial Review* of 16 May says:

The Bracks government's second budget is a disappointing document. The Victorian general government sector is about to be pushed back into a cash deficit, and that deficit is projected to rise to almost \$300 million in 2002-03.

Honourable members interjecting.

Hon. N. B. LUCAS — These are your dodgy figures. Another article in the *Australian Financial Review* of the same date states:

Victorian Labor, it seems, is settling uneasily into the financial discipline of government. The Bracks government has budgeted to go from a cash surplus of \$1.2 billion in 2000-01 to a deficit of \$22 million in 2001-02.

The editorial further states:

... it does reflect a disappointing lack of fiscal discipline from this new Labor government...

... the ... government must ... be careful not to erode the state's competitive position against other states. Victoria has to a large extent shaken off its 'rust bowl' image, but its future growth will depend on its ability to attract the investment of new industries and to build on its historical strength as a leading business centre.

That is what the *Australian Financial Review* says about the government's budget.

What is actually transpiring in Victoria is a worry to me, and it should be a worry to the government. Since the start of this year for every working day Victoria has lost 100 jobs. That information comes from the Australian Bureau of Statistics figures for May. Where have those jobs gone? Where have they been lost from? They have been lost from businesses right across Victoria. Let us consider a few. The BHP administration centre was lost to South Australia in March last year, resulting in the loss of 500 jobs. At Heinz Dandenong 192 jobs were lost in July 2000. IBM was lost to New South Wales in July 2000, resulting in the loss of 400 jobs. Oracle was lost to New South Wales in August 2000, with 150 jobs lost. Email-Chef

was lost to South Australia in October 2000, with 550 jobs lost. BAE Systems was lost to South Australia in October 2000, with 250 jobs lost.

This shows how the people opposite are running the state. Everybody is going to work somewhere else. Businesses are closing down as we speak. The Qantas Food Centre was lost to Queensland in November 2000, with 130 jobs lost. Budget Direct Financial Services was lost to Queensland in November 2000, with 200 jobs lost. Qantas Maintenance was lost to Queensland in January 2001, with a loss of 500 positions. In February 2001, 129 jobs were lost from the Commonwealth Bank in Melbourne. In March this year 300 jobs were lost from Ford at Geelong and Broadmeadows, and in March this year 80 jobs were lost from Argus (Adidas) in Dandenong. There are more on the next page.

Honourable members interjecting.

Hon. N. B. LUCAS — Honourable members want to hear more! The closure of Denso in Altona has resulted in the loss of 170 jobs; Austrim Nylex in Coburg, 150 jobs; Supreme 3 in Abbotsford, 300 jobs; Arnott's in Burwood, 600 jobs just last month; Solectron in Wangaratta, 225 jobs; and Diamond Press in Sunshine, 200 jobs. As we speak people are being put out of work because businesses are closing down due to the inactivity of this dodgy Labor government.

I am concerned about what is going on in this state. Where are the major projects? What about the showgrounds, which is in dire need of a huge input of funding? Prior to the last election the former government announced that it would do it. Now the government has put up \$2 million for a plan, probably involving more consultants — that is how the government will do it! The showgrounds needs \$50 million, which was pledged by the coalition prior to the last election.

What about the 5000-seat plenary hall to be added to the Melbourne Exhibition and Convention Centre? It is not on the list; there is no money for it. What do we have from this government? We have announcements of private sector buildings. The Minister for Major Projects and Tourism, the Honourable John Pandazopoulos in another place, made a big statement in the house the other day about some new buildings, but it is not state money, it is private money. Where are the projects from this state government? I want the government to tell me what it is doing to move this state on, to create employment, to keep the economy firing. It is a hopeless government!

What is happening in small business? Funding for small business has been reduced from \$15.8 million in 2000-01 to \$13 million, and the effect will be a loss of employment. The government accepts its failure; it has predicted its failure in the budget. It is aware that it will not meet its 5 per cent unemployment commitment and promise. It is aware that the gross state product will reduce, and it is budgeting on that basis. It is not budgeting to fire the place up but on the assumption that Victoria is heading south, going down, and that is not good enough. A myriad of evidence is available to show that the government's activities are a real worry to this community.

I now turn to deal with my electorate, and begin by referring to public transport in the hills area. From Gembrook, Cockatoo, Emerald across to Belgrave there is a real need for additional bus services. I have been in contact with the Minister for Transport, the Honourable Peter Bachelor in another place, on this, and frankly I have not got anywhere. Is there any money in the budget for public transport in the hills — for Cockatoo and Gembrook? No! That part of the hill country has been forgotten by the government, and that is a real shame.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Hon. N. B. LUCAS — The situation in the hills is a disgrace. Many people, including me, have written to the Minister for Transport, encouraging him to consider the introduction of further public transport services from Belgrave to Gembrook. US Bus Lines runs the service up there and it has had a number of applications for increases in services. The Honourable Andrew Olexander has been associated with a number of extensions to the service further to the north, but in my area we have had no luck. We have had no positive response from the minister, which is of great concern.

The people in Gembrook, Cockatoo and Emerald should be aware that the Labor government is not interested in what is happening in the hills. It is not interested in providing a better level of service. It has virtually cut off the hills from the rest of the metropolitan area, because if you live up there you cannot effectively get to Belgrave and back again — if you are a member of the Echo youth club at the church at Emerald you cannot get to Belgrave and back again.

Hon. J. M. Madden interjected.

Hon. N. B. LUCAS — The Minister for Sport and Recreation has been there. He and his driver can get there in his shiny white car, but can the kids get there from Cockatoo and Gembrook? No, they cannot, and

that is a big disgrace. I urge the minister, who is in the house, to put to the Minister for Transport the needs of the communities in the hills for better bus services.

The next issue is the Rural Infrastructure Development Fund. When the legislation for it was introduced into the house I complained that the shires of Cardinia and Yarra Ranges were not included in the schedule, which meant in effect that no funds could flow from the government to the rural communities in those two shires. That is a disgrace. In relation to livestock crossings, recently the Minister for Agriculture in the other place admitted that no funds can flow from the fund to dairy farmers in the rural areas of Catani, Nar Nar Goon, Garfield and Tynong, because the Shire of Cardinia is not in the schedule to the act.

I raised that with the government when the bill came into this place. I noted that the honourable member for Gippsland West in the other place, Susan Davies, has been reported in the local newspaper as saying this was obviously a mistake and that she would take it up with the government. Nothing happened as a result of her work. She is a failure because the record shows that the schedule was not amended and people in the shires of Yarra Ranges and Cardinia cannot get funding for genuine rural activities. We have had the incredible situation lately where some dairy farmers in Cardinia have been told by the honourable member for Gippsland West that she will not help them because they went to the Liberal Party. I believe the Minister for Agriculture has today found some money to give these dairy farmers a crossing. The money is not coming from the Regional Infrastructure Development Fund because that would be illegal; the Minister for Agriculture has found some money in his ministerial slush fund.

That is good for the dairy farmers but it proves that there is something wrong with this fund. The Shire of Cardinia has raised this matter with me on a number of occasions. I will continue to advocate in this house for the shires of Cardinia and Yarra Ranges to have the rural areas within those municipalities included in that fund. To be fair, it is a fact that some of those shires are working towards being considered metropolitan or outer metropolitan areas. It is also a fact that I have raised in this house the concept of establishing a new fund called the metropolitan interface fund. I have suggested in this place that consideration be given to establishing a separate fund to provide funding for growth municipalities such as Wyndham, Whittlesea, Casey and Cardinia. We have not heard any more from the ministers involved at this stage but it is a fact that councils on the fringe of the metropolitan area have a huge responsibility to provide infrastructure for

growing communities. I hope serious consideration is given to the establishment of such a fund.

The Scoresby freeway is the next issue I want to discuss. It is a fact that in May 2001 the Bracks government scrapped the proposed Scoresby freeway when it indicated that the federal funding would not be matched in the current state budget. That was a huge disappointment for people right across the eastern suburbs. After the 1999 election, the Bracks minority Labor government was not in favour of the Scoresby freeway. That is on the record. It said Victoria did not need it. Phil Reed, a councillor at the City of Greater Dandenong at the time, said he was not in favour of the Scoresby freeway. It came to pass that the government changed its mind; it did a 180-degree turn and said it was in favour of the Scoresby freeway. It was not for want of me trying to get it up: the record shows I have raised the issue of the Scoresby freeway on seven or eight occasions.

I read the *Herald Sun* of 14 May with great glee. The article on page 1, under the subheading 'Scoresby freeway gets \$220 million green light' states:

The long-awaited Scoresby freeway will go ahead after a \$220 million pledge from the Howard government.

That was really good news for a lot of people. In the same article the Minister for Transport was quoted as saying that:

... \$30 million would be spent acquiring the land, adding to the \$110 million of land already acquired.

'This welcome announcement comes after fruitful negotiations between the Victorian government and (federal transport minister) John Anderson ...

On page 3 of the *Age* of the same day Mr Batchelor is reported as having said:

The \$220 million will enable us to complete the land purchase program for the project and to start and complete the first stage ...

The next day, 15 May, the Bracks Labor government snubbed the Scoresby freeway by allocating only \$2 million in the state budget to match the \$220 million from the Howard government for this project; the outer eastern suburbs missed out again. Interestingly, on 17 May a statement Mr Brumby made on the radio was referred to on page 13 of the *Herald Sun*. It states:

Asked on radio about the project, Mr Brumby said Victoria did not have the capacity to pay for it, even with the federal government's \$220 million contribution.

We have gone from the government saying it was not in favour of the Scoresby freeway to its being in favour

of it. The federal government has come up with \$220 million and the dodgy Treasurer of this state says the government will not provide any more than \$2 million. That is a disgrace.

The City of Greater Dandenong, a Labor-dominated council, is within my electorate and it has issued two interesting documents lately. One is a press release dated 30 May. It states:

The Scoresby freeway will significantly relieve the pressure on our local roads, which will save lives and reduce accident costs. It's time both sides of politics backed plans for the freeway and stopped ignoring the crisis on our roads ...

Cr Kevin Walsh, the Scoresby freeway steering committee chairman, states:

We will continue the fight to get funding for the people in the south-east. It's time our politicians stopped fighting each other over this funding issue and put their money where their mouths are.

The federal government has put its money where its mouth is with \$220 million. Cr Walsh said about that:

'We need to lobby the federal government to match the state government's funding promise. We need to get together behind the project and fight together', he said.

The federal government has given \$220 million, the state government has allocated \$2 million and this councillor says the federal government has to match the state government. That is ridiculous: the state government has committed \$2 million and the federal government has given \$220 million. Either Cr Walsh or the person writing the press release has got it around the wrong way. Either Cr Walsh did not sign off on the press release or he does not understand that the federal government has given \$220 million and the dodgy state government has only given \$2 million.

The council issues another document called the *2nd City News*. It comes out every month or two in Dandenong. It says about the Scoresby freeway:

The first stage of the long-awaited Scoresby freeway will go ahead after a recent \$220 million pledge from the Howard government to match funding previously announced by the Victorian government.

The Victorian government has announced funding of \$2 million and the federal government has announced \$220 million. The City of Greater Dandenong has things entirely mixed up. It is with great sadness that I report to the house that maybe a bit of politics is being intertwined into the council's newsletter and press releases.

The City of Casey has recently discussed this issue and passed a resolution indicating its strong support. Cr Ben Clissold, the Springfield ward councillor, has put another resolution forward asking the Treasurer to review the \$2 million put forward for the Scoresby freeway given the fact that the federal government has put \$220 million into this project. I hope the state government will have a rethink on this issue: \$2 million will get us nowhere. The \$220 million that the Howard government is providing will get us a long way.

I move now to the Pakenham bypass. There is a need for a lot of roads in my electorate and the Pakenham bypass is one of them. I have raised this issue on nine occasions since the last state election and I will keep raising it, because this bypass will reduce the cost of road trauma and the number of deaths.

The Royal Automobile Club of Victoria regards the section of road from the Princes Highway through Pakenham as one of the most dangerous stretches of road in the state. A report by Stuart Chisholm on page 7 of the *Pakenham-Berwick Gazette* of 6 June states:

Federal Treasurer, Peter Costello, said: the \$30 million promised by the federal government prior to the last federal election for the Pakenham bypass was still there and ready to be spent.

'It (the \$30 million) has got to be matched by the state government'. Mr Costello said.

'The state government for some reason, and I'm not quite sure why, doesn't seem to be interested'.

Speaking at a Liberal Party function in Sherbrooke Mr Costello said he still had the \$30 million in a bank account and the federal government was waiting for the state government to commit to the project.

'I hope they do', he said.

I hope they do too, because the Pakenham bypass is regarded as the most important infrastructure project for Cardinia. All the shires from Cardinia to Gippsland regard it as the no. 1 project. People driving from that area to the city get held up at that point because they have to drive through a funnel. It is the slowest part of the trip for people driving from Sale to the city. They have to stop at all the traffic lights and slow down in the residential areas of Cardinia and the city of Casey.

Hon. Philip Davis interjected.

Hon. N. B. LUCAS — Mr Philip Davis can vouch for that because he drives down this road all the time. He knows I am right. The Pakenham bypass should be built, and built in a hurry.

I refer to the Berwick hospital. What is happening to the proposed new public hospital? Prior to the election an announcement was made that Ramsay, a private entrepreneur, would be involved in the development of the hospital. That was good news. In November 1999 the Minister for Health agreed that the development of the hospital should not be delayed and that it was important. He said the Labor government will build a public hospital in Berwick and that the public ought to be responsible for hospital services. He said he supported the building of the hospital as soon as possible. That was in November 1999, yet there is still no hospital! Since then the Ramsay arrangement has fallen over. The Mercy Hospital group has had negotiations with the government and in a ludicrous situation the Minister for Gaming, who has nothing to do with it, made a statement in the local paper that the Mercy arrangement would not proceed. The project has fallen over.

On 5 April Premier Bracks was asked in the other house whether the project would go ahead and he said, 'Yes, we will go ahead with it'. A few months have passed and nothing has happened. The hospital is still on the back burner.

The same applies to the Berwick Primary School. My four children attended that school and I was on the school council. It has been overcrowded for many years. It has insufficient toilet accommodation, portable classrooms on the school oval, and the playground is divided into two with the big kids on one side and the little kids on the other. The people of Berwick want a new school. Prior to the election Minister Gude announced a site for the school but since then Minister Delahunty has done a 180-degree somersault and said that another site would be provided. The site is at the bottom of a hill and is flood prone.

I referred to this issue in the house on a previous occasion. A report in the *Pakenham-Berwick Gazette* refers to comments of Casey chief executive, Mr Mike Tyler:

Mr Tyler said these included poor ground conditions, which added an estimated \$1.5 million to the cost of constructing the new school, traffic and parking problems, uncertainty surrounding the timing of servicing and road construction and schedules plan by the landowner.

...

'It was indeed surprising in any event that the site suitability report was not considered before the announcement of the site ...

'This is an example of the bumbling which has dogged this school relocation project'.

The people of Berwick are understandably very concerned about the Labor government's promise of a hospital and the relocation of the school, but nothing has happened since the last election. The site of the school has changed constantly and we now have a site that will cost the Victoria community a further \$1.5 million. We have continual procrastination. The people of Berwick are extremely concerned about the government because they have been placed at the end of the queue. For some reason the Labor government has said, 'Let's leave Berwick on the waiting list. Let's give Berwick the worst position in the queue.' The Berwick community is waiting and it knows the government is the reason why it is waiting, and it will not rest until the school and hospital are built.

The City of Casey is waiting for funding for an overpass at the railway line on the Narre Warren-Cranbourne Road. It wants to improve the intersections of Narre Warren-Cranbourne Road with Centre Road, Pound Road and Greaves Road.

Hon. I. J. Cover — Was it in the budget?

Hon. N. B. LUCAS — It was not in the budget. The Narre Warren-Cranbourne Road is a major arterial road servicing new subdivisions between Narre Warren and Cranbourne. Every week approximately 30 to 40 new houses are being built in Narre Warren South and Cranbourne North, which means every week an additional 30 to 40 mums and dads are trying to get out of the subdivisions onto the Narre Warren-Cranbourne Road to go to work. They cannot get out onto the road. The lanes of traffic are hundreds of metres long during peak hours every working day. The state government should address the problem quickly. Cr Ben Clissold, a good man, has raised the issue through the City of Casey without any positive response from the state government. It is a huge concern.

I refer now to the state of the roads in the Shire of Cardinia, which are of extremely poor standard. Although 80 per cent of the shire is devoted to primary production and 36 per cent of its population resides in rural areas, the roads servicing the shire are far below the standard required. To get the roads up to scratch will mean expending huge amounts of money. The shire has raised the issue with its local members of Parliament and they have said they will raise it with the government, and that is what I am doing tonight. More than 1000 kilometres of roads in the shire are unsealed and the cost of sealing them is approximately \$250 million.

The Shire of Cardinia cannot afford that money, but with every day that goes by more houses are being built

and more people are moving into Cardinia, and the shire is getting further behind. It has many roads that are carrying in excess of 400 vehicles a day — more than four times the recognised road design capacity. The unsealed roads throughout Cardinia are potentially dangerous. The shire wants to do something about it but cannot afford to. It is doing its best, and I congratulate the shire on what it is doing, but it needs help from the government. It is not getting the help it deserves through Vicroads. The federal Roads to Recovery program is a good initiative, but it is not getting the total support from the state government that it deserves, which is of great concern to me.

I have raised a few projects in the Shire of Cardinia, the Shire of Yarra Ranges and the City of Casey, and have referred to the Scoresby freeway, and it seems to me the state government should seriously consider its funding priorities in the eastern side of Melbourne. Maybe it has some plans to put all the money into the western suburbs, where its mates are, or maybe it has a plan to defer money into other areas, but the fact is that the south-east, particularly the City of Casey and the Shire of Cardinia, is missing out.

In a bipartisan way Labor and the coalition governments of the past agreed that half of Melbourne's growth would be in the south-eastern growth corridor, yet funding is not following. The government of today, the Labor government, should seriously take into account the need for funding of infrastructure in both the growth corridor councils. I am being fair! Not only am I saying they need funding, but I have suggested that funding should also be made available to other growth councils, such as the City of Whittlesea and in the Werribee area, and I have suggested that a metropolitan interface fund be set up to provide funding to those councils.

In summary, this budget is a worry in a global sense and in the overall Victorian picture because it does not address the fact that businesses are pulling out of Victoria and the need for impetus and encouragement to businesses to build. It is based on an assumption that unemployment will increase and that employment and the state product will reduce. They are worrying signs. It is based on the fact that there will be a cash deficit in the coming year and on insufficient funding to those municipalities in the south-east — our growth councils — which is of concern to me.

I direct the government's attention to these issues. I am worried about the effects of the budget on the state. In expressing that concern I believe the state government could be doing a lot better. It should be trying to generate enthusiasm in the state and getting Victoria on

the move rather than having Victoria just as the place to be going broke, or to be going out of business, or to be worried, or to be creating a deficit. The government still has not finished the sentence that starts ‘The place to be’. It will probably be a negative outcome when the sentence is completed. I want Victoria to be on the move like it used to be — and it is not at the moment!

Hon. P. R. HALL (Gippsland) — I welcome the opportunity to speak on the budget papers 2001–02. I start by saying that I am fortunate to have a person with the abilities of the Honourable Roger Hallam as one of my National Party colleagues. He is by far the best budget analyst I have ever come across, and I include a comparison with the newspaper commentators. I am looking forward to his contribution to the budget debate on behalf of the National Party. He will provide a detailed analysis of the economic outcomes of the budget, which I welcome. I will not try to pre-empt any of his comments. I intend give a layman’s perspective on the budget that was presented to the Parliament on 15 May. I should like to make some general comments on the presentation of the budget before moving to particular issues contained in it.

I found the budget papers were the most user-unfriendly set of documents I have ever come across. That is another reason I feel fortunate to have the Honourable Roger Hallam on my side, because he can make some sense of them. I certainly could not. They are next to useless for finding out some of the practical information one expects to find in a set of budget papers. I shall give a few examples to back up those statements. Shortly after the presentation of the budget one of my constituents came to me and asked, ‘What was the amount of budgetary allocation given to the West Gippsland Catchment Management Authority?’, a state government organisation located in my electorate. My constituent wanted to know what funding levels were provided for that body for this year. I said, ‘I don’t know the answer to that question’. To try to find the answer I ploughed through every one of the four budget papers presented and the Treasurer’s speech, and even looked in the appropriation bills, which have not been presented to this house. I stand to be corrected, but I believe that figure does not appear in the budget. That was a legitimate request by one of my constituents for information that should be provided in budget papers.

To give another example, like Mr Lucas, who spoke about the Pakenham bypass, I am interested in the Pakenham bypass, and also the Hallam bypass. I am aware that construction work is in progress on the Hallam bypass and I thought I might be able to find in the budget papers a progress report and how much

money is allocated in this year’s budget to complete that project. Again a search through each of the budget papers proved fruitless. There was not one mention of funding for the ongoing work on the Hallam bypass. I still do not know the answer to that question. As members of Parliament and as part of the public of Victoria we have been left in the dark on many of these important issues.

Another example is the Latrobe Regional Hospital in my electorate. It is and has been of great interest to me, especially in the past 12 months, because there has been a transfer in the management and ownership of that hospital from a private group back into the hands of the government. I would be interested to see what financial allocation had been given in this budget for the operation of the hospital. Again I looked through all of the health-related expenditure in the budget papers and could not find a cent for the Latrobe Regional Hospital, one of the major hospitals in country Victoria. I thought I should have been able to find an allocation for that hospital.

I even went to the Appropriation (2001/2002) Bill. I do not know if I am allowed to talk about the bill in the debate because it is still being dealt with in the other place and has not been introduced here, but it is appropriate that honourable members at least be allowed to refer to it. When I went to the Legislative Assembly papers office and obtained a copy of the bill, lo and behold, I found a mention of the Latrobe Regional Hospital in it — but it is not in the budget papers themselves.

Schedule 3 of the appropriation bill, under a further list of matters detailing Labor’s financial statement initiatives, contains an allocation of \$6.358 million for Latrobe Regional Hospital’s closure expenses, and an allocation of \$3.762 million to fund facilities at the same hospital. What do those figures mean? I don’t have a clue. No explanation is given in the appropriation bills or in the budget papers. I should have thought that a major health event such as the change in ownership and management of one of Victoria’s major hospitals, including a closure expense of more than \$6 million, may be worthy of comment in the budget papers. But, alas, that is not to be seen. I use those examples to reinforce the uselessness of the budget papers as a resource document for Victorians to discover what is happening in their state.

I use another example. The budget papers contain an initiative this year in that one budget paper is entitled *Growing the Whole State*. That paper contains a section on each region in the state, including Gippsland. I thought, ‘That is terrific, because it will have itemised

the capital works programs and initiatives that may benefit Gippsland'. But my reading shows no listed health initiatives; the paper contains a couple of education and transport initiatives, even smaller items such as \$250 000 for the upgrade of the Boolarra police station. I thought, 'That's terrific, the paper must encompass all the different types of capital works initiatives in the Gippsland region', but I was disappointed to discover no health initiatives have been allocated for the Gippsland region.

However — surprise, surprise! — two days later I read in one of the local East Gippsland newspapers that the Omeo Hospital was granted, under the budget's aged care item, \$1.3 million for an upgrade of aged care resources in Omeo. I thought, 'That is terrific', but again there is no reference to that allocation in the budget papers. What are members of the public and honourable members supposed to do? Should we second-guess the figures? Should we ask the government what is happening — even though the government is not readily forthcoming with information? It is extraordinary that the budget papers make no reference to such issues.

The other comment I make about the budget papers is what I call the deceitful way in which the government presents information. By way of example I refer to table B7 on page 249 of budget paper 2. It is entitled 'Asset investment initiatives — Department of Infrastructure'. I pick one as an example. It is rail standardisation and has a program expenditure of \$10 million in 2001–02, \$20 million in each of the following two years, and \$26 million in 2004–05. The first comment about that is that the government made great play of the expenditure it was putting into rail standardisation, but it failed to adequately mention that there is not much this year, a bit more next year, and nothing for four or five years down the track before the initiatives are completely achieved.

If I add the figures in that table for the 2001–02 budget up to the 2004–05 budget I discover a total of \$76 million, but a fifth column in the table is headed 'TEI'. What does TEI stand for? I went back to the start of the chapter to see if it contained an explanation for TEI in the table for asset investment initiatives for the Department of Infrastructure and other departments, but there is no explanation for it. I thought, 'Perhaps TEI means the total'. The figures for four years that I read to the house total \$76 million, but the TEI column has a total of \$96 million. I do not understand it.

It is the same for the fast rail links to regional centres. The funds start flowing, but not this year. Earlier an honourable member was talking about infrastructure

and said, 'We will be able to get on the fast train and go down to Gippsland', but no funding for the link is available until the 2002–03 budget, and then only \$62 million will be allocated, with \$110 million and \$170 million in the following two years. The money does not start flowing until 2003–04, with most of the funding being in 2004–05. However, the three figures I have quoted total \$342 million, but the TEI column has the total of \$470 million. What does it mean? Nothing! It shows how useless the budget papers are.

The figures shown in some of the columns add up to the TEI figures. I do not understand that table. The papers are an illogical and deceitful way of presenting budget information.

The other comment I make about how a lot of the information has been presented secretly concerns the closure of Won Wron prison. That information was not disclosed until page 111 of budget paper 2. The summary contained nothing about the closure, nor did the Treasurer's statement make that disclosure. The *Growing the Whole State* budget paper contained nothing in the regional initiatives section about the Won Wron prison, or about Bendigo prison, until I reached the fine print on page 111 of budget paper 2, where it states:

... the minimum security prison at Won Wron will be closed.

The government is good at being up-front with the good news but it tends to bury the bad news and, in a deceitful and clandestine way, does not believe in telling Victorians what it is doing. The closure of Won Wron prison is one step that has been taken in a clandestine manner.

I leave my overall comments on the budget at that. The budget papers are a next-to-useless set of documents for finding the practical information one should be able to find. Much of the way in which information is presented has been deceitful and secretive.

I now turn to particular aspects of the budget and highlight a few of the deficits in it, particularly relating to my Gippsland electorate. I look at two initiatives within the Department of Justice. The first is the great and urgent need for improvement in policing facilities at, in particular, Leongatha. Page 107 of budget paper 2 shows that \$34 million has been provided for new police stations across Victoria. Gippsland was lucky! It shared big time in that \$34 million through a \$250 000 upgrade of the Boolarra police station and Lang Lang police station — which is not in my electorate but I will list it as it is in Gippsland — received \$270 000. Therefore, Gippsland received \$500 000 of the \$34 million allocation, yet Gippsland

has urgent needs, one being the need to upgrade Leongatha police station.

It is a 16-hour-a-day police station and is staffed by six police officers and one part-time public servant who works three days a week. The station operates out of an old house and the equipment there, particularly the information technology equipment, is old and certainly does not meet the functions required of it. The members stationed at Leongatha are expected to work in substandard facilities that do not enable them to work with the necessary efficiency and effectiveness. It is grossly unfair on those good serving policemen and policewomen of Leongatha.

I rate what should be done there in priority. Firstly, there should be an upgrade of the information technology (IT) equipment, and particularly the connections and the capacity required to drive the computers. I am told that often the downloading of information from the central police facilities where the information is stored can take hours. The station needs more modern equipment and the infrastructure necessary to connect to the main computers. It is deplorable that substandard IT work prevents people like Leongatha police officers from serving to their most effective abilities. It is not a huge cost on government, and that issue needs to be addressed as a matter of absolute priority. Secondly, the Leongatha police station needs to be put on the building program immediately.

Some people were surprised to learn that upgrading was announced for the Meeniyan police station. It is not part of this year's budget; it actually came out of last year's budget but work has not started on it yet. This year only Boolarra and Lang Lang police stations in the Gippsland region were funded. As I said, Leongatha needs to be put on the building program immediately. I urge the government to look at the long-term needs of the people of Leongatha and district and put in place plans for the construction of a new police station in the very near future.

The third point I mention about that particular program is the policing levels at Leongatha. As I said, it is a 16-hour station in the very sizeable and growing township of Leongatha. Consideration needs to be given to extending that to 24-hour police coverage. That would be the third priority.

I repeat those points in order of priority to meet the desperate needs of the police in Leongatha: upgrade of IT equipment; being put into the building program so that that program can commence in the next couple of

years; and finally, looking at the long-term policing needs and staffing levels at Leongatha.

Before I move from that subject, I should mention that many of those problems, particularly the police staffing numbers, also exist in East Gippsland. I have mentioned before that vacancies are difficult to fill in parts of East Gippsland and other parts of rural Victoria. I know there are still vacancies at Orbost and Bairnsdale and such places that need to be filled. The government needs to make more effort to put in place programs to attract police officers to those areas.

There is a need for a police station at Paynesville, which currently does not have one. The time has come with the rapidly expanding area of Paynesville to put that on the program. Consideration needs to be given to upgrading the level of service provided at Lakes Entrance, which currently has a 16-hour police station. Lakes Entrance is also a fast-growing town and there is a case for upgrading its facility to a 24-hour police station. In the Department of Justice, the needs for policing in the Gippsland region are paramount. I urge the government to give consideration to my comments on each of those areas.

Another area in the Department of Justice which I mention is the Won Wron prison. As I said, page 111 of budget paper 2 was the only page in all the documents that advised the people of Victoria that the government intends to close the Won Wron prison. There was no consultation. People in Yarram and the surrounding district did not have a clue that Won Wron was earmarked for closure. Suddenly that announcement was made on budget day, 15 May — I should correct that: it was not an announcement; it was just a comment buried in budget paper 2 that that prison would be closed.

What of Won Wron? I know it very well. Prior to becoming a member of Parliament I had been there on visits with service clubs. It has about 120 beds and is a minimum security facility in South Gippsland, just out of the township of Yarram. It has an excellent prison industries program. One of the real problems is finding meaningful work for people who are in custody in the state, but at Won Wron, located where it is in the Strzelecki Ranges, prison industries are not a problem. Many of the prisoners work on forest projects, including planting in the forest areas. They do a very good job; it keeps them occupied and it is very well worth while. They are also involved in the propagation of trees.

Won Wron prison was enhanced with the closure of Morwell River prison some years ago. As I said, now it

has approximately 120 beds. I would be the first to agree that the facilities require an upgrade. The budget papers state that the government plans to build two extra prisons somewhere in country Victoria — it does not specify where. A far cheaper and better option for the government would be to upgrade the facilities at Won Wron.

I should mention also one other great initiative of the Won Wron prison for the local community. As well as the usual community service prisoners do in helping out at the local hospital gardens, painting the schools or providing other services in the area, the prison runs an annual prisoner on the run fun run, which is an organised fun run of 11 kilometres. I have twice participated in it to raise money. All the funds raised go to buy disadvantaged disabled children in the area equipment for their school or mobility. It has been an excellent program over the best part of 10 or 12 years, if not longer. It is a great program and raises substantial funds. It was started at the former Morwell River prison and has been taken over by the Won Wron prison. Now the Gippsland community will be much the poorer for the loss of that particular program.

Why is the government planning to close Won Wron? On 25 May, when I was driving to Yarram to attend a community protest rally, I picked up an interview on ABC radio 774 between Jon Faine and the Minister for Corrections, André Haermeyer. I was appalled at some of the comments the minister made to explain why Won Wron was to be closed. Therefore I got a transcript of what the minister said. These are the sorts of gratuitous comments the minister had to make:

... Won Wron isn't going to close overnight. This is not ... you know, we are not in the business of doing what the previous government did, closing railway lines, schools and just doing it overnight. We've put this out front two years, two to three years in advance of when it's likely to happen and as part of that it enables us to then work closely with the community to establish some replacement industry out there, look after the work force to ensure that nobody is disadvantaged.

I wish the minister good luck, because it is jolly difficult to attract industry to anywhere in country Victoria. As I said, simply to say without any consultation, 'We're going to close it and we're going to try to help you along the way' leads the local community to have no faith in that comment.

Hon. J. M. McQuilten — That is because the last government was unable to do it.

Hon. P. R. HALL — If Mr McQuilten takes an interest in such projects, I suggest that next time he comes to Yarram he should have a look at the timber

mill. That was an excellent initiative of the previous government — to attract a major softwood processing timber mill to the township of Yarram. Initially it employed 30 people and that is about to increase to something like 50. It is possible — the former coalition government did it.

Hon. J. M. McQuilten — So it can be done.

Hon. P. R. HALL — It can be done, but the government is closing an excellent facility without any good reason. The task of attracting further industry to that area will be extremely difficult. Why did the previous government attract that timber mill? Because of the privatisation of the Victorian Plantation Corporation. Because Hancock Victorian Plantations moved to the area the former coalition was able to get a processor on the back of that sort of initiative. The Minister for Corrections said also:

But what it also recommends is that prisons be located closer to support and counselling services and ... because one of the problems we really have is in terms of releasing prisoners back into the community and we need to make sure that they have access to appropriate and adequate rehabilitative programs so when we release them into the community they're less likely to come back. So we need to have them closer to centres where those sort of facilities are available.

As I said, we have no difficulties at all with rehabilitation programs at Won Wron, where the prisoners perform some excellent community service work under supervision and participate in some excellent prison industry programs. I would have thought they are the sorts of rehabilitative-type programs the minister was referring to. He should tell us where they are deficient at Won Wron. The minister went on to say:

... look, it's very difficult to attract the sort of professional support services that are necessary to sustain the sort of operation that we want to run into a town like that.

What is the minister referring to? That prison has been there for years. Is the minister suggesting by way of commentary that as soon as a place is more than 100 kilometres out of Melbourne it is not suitable for the location of a prison facility? That has not been the case in the past, and it seems to have worked pretty well. There was no criticism of Fulham prison because of its distance from Melbourne. I fail to see any valid and justifiable reason why Won Wron should close.

If it is, as Mr McQuilten said by interjection, because of lack of counselling services and that type of thing, tell it to the people at Yarram in regard to their hospital. They seem to be able to attract the sorts of people needed to provide important health services to the people of the region, and there is no reason, if counselling services

are required, that those people cannot also be attracted to the township of Yarram. So whatever the minister puts up, the closure of Won Wron prison does not stack up. It does not stack up economically for the government and it does not stack up fairly for the people of Yarram and their community.

The minister should also consider that if he wants to build a new prison in another part of regional Victoria he can expect a fight, because invariably people oppose the establishment of prisons. We saw it when Fulham prison was established under the previous government. People will oppose the establishment of a prison. I was born and grew up in Castlemaine and my parents live there, and I am well aware of the opposition that the new Loddon prison at Castlemaine created in the community. Whenever the government wants to set up something like this it will run into opposition. Yet at the end of the day, and it was said at the forum in Yarram, the people who protested 40 years ago when Won Wron was being established are the same people now protesting about its closure. It is there, it is supported by the community; in turn it supports the community and the people want it. Members of the government are fools to close it. The money would be better spent upgrading Won Wron to make it a first-class minimum security facility in country Victoria.

I will make some brief comments about education. Some of the headlines in the newspaper were interesting. On the day after the presentation of the budget all the headlines were glowing with praise for the Bracks government, so on Wednesday 16 May, the day after the budget was presented, we saw some very positive headlines for the government. But a couple of days later the nature of the headlines started to change. I refer to the headlines of three articles in the *Age* of Saturday, 19 May:

Labor's class war — Teachers and the Bracks government are angry at each other.

In the same newspaper and on the same date an article appeared by Janet McCalman on education aspects of the budget. It states:

Sorry Mr Brumby, but your budget has failed.

Finally, in the letters section, the main letter on the same date on the same paper headed 'The budget: stand in the corner, Mr Bracks', is signed by people such as Dimity Fifer, Margo Northey, Father Joe Caddy, Reverend Ray Cleary, Reverend Alistair McRae, Stephen Gianni, and Marilyn Webster. Those people are from different organisations — not just teaching organisations — but they spoke about the cost of education and the lack of any education initiatives to

assist people from disadvantaged backgrounds. They are the headlines four days after the presentation of the budget in Parliament.

One of the things that was mentioned was an education precinct for Gippsland. This is a project in which I have taken a great deal of personal interest, even under the previous government. For 12 months I chaired a group working towards the establishment of an education precinct in the Latrobe Valley.

An honourable member interjected.

Hon. P. R. HALL — Yes. The government has been working through it and I was delighted to see the minister's press release of 23 May to confirm funding in the budget:

Minister Kosky unveils plans for \$12 million Gippsland Education initiative.

I thought, 'Terrific! at last we are seeing some fruit from the efforts and work that not only this government but I in the previous government have put in towards this project'. I was not able to be present at Minister Kosky's announcement because the Legislative Council was sitting — it was the week the Assembly was not sitting — so I could not attend the launch. The next week when we returned I requested a briefing from the departmental officers, and exactly a fortnight ago I received the briefing. I asked for clarification on a couple of matters. I said, 'Could you clarify for me if we are actually talking about bricks and mortar? Are we building a new site for the 750 expected VCE students on land at Monash University? Or are we talking about a conversion of the existing years 7 to 10 campus of Kurnai Secondary College on land adjoining Monash University?'. I could not get an answer to what I thought was a simple question.

I have not made public comment about it until today because it has been a fortnight since the briefing and I expected that that answer could have been provided in the intervening fortnight. I did not go to the meeting saying, 'The government is hoodwinking here; it does not know the answer and it is pulling a bit of a charade'. I could have done that because there was no detail in the press releases that spoke about this, and I have not got an answer and it is now exactly two weeks later. It is absolutely appalling that the government can make these announcements and not know that sort of simple detail. I asked similar questions in that briefing about other matters associated with this proposal and I was promised that they would get that information back to me in due course. I say two weeks is more than ample opportunity to provide that information.

I make the comment about this because I am genuinely disappointed. As I said, for more than 12 months under the previous government I chaired a working party that looked towards establishing this education precinct. The government changed hands. To its credit the current government continued with the project; it made some announcements this year but provided no concrete information at all. I say that it is simply not good enough. If the government is going to make these announcements, it should tell us what it is talking about; it should not make them just for the sake of announcing them because that is what it sounds like if that detail is not there.

I will also comment on the Latrobe Valley task force of which the Minister for Energy and Resources is a member. Once again, that was established the best part of six months ago to look at ways of assisting and setting up new initiatives in the Latrobe Valley, yet we still have not seen any outcome from that ministerial Latrobe Valley task force — not one announcement. Once again, I see no funding in the budget towards any decision that task force might make. There was a great fanfare about the establishment of the ministerial task force to look after the Latrobe Valley and we are seeing no outcomes.

I would say the same thing about the school bus review, the last comment I will make on education. Once again — great fanfare, but where is it?

Hon. E. C. Carbines — You will be amazed!

Hon. P. R. HALL — I will be amazed when I hear something about it — great fanfare, great fun!

The ACTING PRESIDENT
(**Hon. D. G. Hadden**) — Order! Through the Chair!

Hon. P. R. HALL — Hopes were raised in our rural communities that we would see some significant improvements in school bus services, and once again there has been nothing to date. I do my homework; I do not come in here and say nothing has happened. I look in the budget papers and see no substantial increase in funding for school buses. However, there is a note at the bottom of the table saying that this allocation may be increased as a result of the outcome of the school bus review. I say, 'Give us the review. Give us the outcome'. Watch this space! It was last year when I attended the forum in Gippsland and made submissions on behalf of the National Party and the people I represent.

Honourable members interjecting.

Hon. P. R. HALL — You are asking me to be patient. My patience will not last forever. This review has been in place for 12 months now; it is high time that we had some outcomes.

I will quickly comment on the health portfolio, in particular ambulances services. Three services need addressing. One of those is Omeo in far east Gippsland, which is one of the rural communities that does not have a permanent ambulance presence; it has community ambulance officers who volunteer their time to operate an ambulance in the Omeo district. Omeo is 1½ hours by road to Bairnsdale and about the same amount of time to Lakes Entrance. So when there is a call-out, if it cannot be accommodated by the community ambulance officers it takes more than 1½ hours to get an ambulance into Omeo itself. Of course, Omeo serves areas at least another 1½ hours beyond that as well, so a land-based ambulance transport might be up to 3 hours away from places within and north of the Tambo Valley.

The people of Omeo have approached me in recent weeks and sought my assistance in obtaining a permanent ambulance presence in the township of Omeo. It would require a commitment by the government to establish at least two fully trained paramedics in the town with an ambulance facility. The current ambulance facility operates out of the local hospital, and there would not be a great amount of cost in establishing a new facility there. Through you, Madam Acting President, any news on the school buses, Mr Theophanous?

Hon. T. C. Theophanous — You are not having a shot at the school buses, are you, Mr Hall?

Hon. P. R. HALL — I am sorry you missed it, Mr Theophanous; you will have to read it in *Hansard* tomorrow. I made some inquiry as to progress on the school bus review, and, more particularly, the lack of progress.

Hon. T. C. Theophanous interjected.

Hon. P. R. HALL — I believe the interjection was that an interim report was given. Yes, it was. It suggested that mobile phones will be put in buses to enable drivers to call when they are in trouble, and the other issues are still being worked on. It is hardly anything substantial.

I was talking about health and ambulances and addressing the serious issue of Omeo, which is typical of some of the far-flung rural communities in Victoria that rely on the excellent contribution volunteer community ambulance officers make towards

providing a health service to their local communities. I praise the members of the Omeo community ambulance officers for the work they have done over a long time. They need some help, and I will be speaking with Rural Ambulance Victoria, which in turn I hope has the support of the government to improve the ambulance situation in Omeo.

A similar circumstance exists in Paynesville. A committed group of people have formed their own auxiliary and are looking to establish an ambulance station. I mentioned before that they were looking to establish a police station as well. Paynesville is one of the most rapidly growing areas in rural Victoria, and I urge the government to consider the provision of both ambulance and police facilities in that area.

The last ambulance facility I want to talk about is a mobile intensive car ambulance station for the Latrobe Valley. To its credit the government established some dedicated MICA units in some major regional centres around Victoria, such as Ballarat, Bendigo and the Latrobe Valley. I think there may have been one other place that I cannot remember. For the past 8 to 10 months a dedicated MICA unit has been located in a facility close to the Latrobe Regional Hospital, which is fairly centrally located for servicing the towns of Traralgon, Morwell and Moe. Because of budgetary considerations I am now advised that Rural Ambulance Victoria is faced with the prospect of relocating that MICA unit back into the current station in McDonald Street, Morwell. If that is the case response times will be significantly increased, and that means the service will not be as good. Service levels will be reduced.

The current facility is located on the highway and has immediate access to it, and therefore can get quickly from one end of the Latrobe Valley to the other. If the service is located in McDonald Street, Morwell — I will not explain the geography to the house — it will be much more difficult to travel from the McDonald Street ambulance headquarters to the highway and then access towns like Moe and Morwell. The current location of the MICA unit is excellent. An excellent group of people is working out of that unit and I urge the government to make available the small amount of money required to create that new independent MICA station for the Latrobe Valley. It would be best located with the Latrobe Regional Hospital, and there is certainly scope to do that. I urge the government to look at that issue.

Finally, I turn to a couple of areas within the Department of Natural Resources and Environment. I had marine national parks on my list, but I dare say and hope we will have lengthy debates on that issue over

the next few days. I will be disappointed if the government suddenly spits the dummy and gives up on this issue, because the National Party has put forward a solution that I believe is sensible, achievable and can work. I emailed the Minister for Environment and Conservation a week ago with the thoughts of the National Party on the matter, and I am still waiting on a response.

I have made mention in the house before about the move to quota management of the rock lobster industry. I believe there are still some major issues to be dealt with. Many people in the rock lobster industry will suffer severe financial difficulty and hardship despite the \$3.9 million package the government has put in place. It will not be adequate; people in country Victoria will lose their jobs and communities along the coast will suffer.

I turn to the timber industry, which was absolutely neglected in the budget. You and I know, Madam Acting President, that in our respective electorates major issues with regard to the timber industry need to be addressed. However, there was not one mention of the industry in the budget. I know the government is reviewing the level of quotas in the timber industry to ascertain whether they meet the sustainable yield targets set in the regional forest agreement. That is what the government is currently reviewing, and yet there was no mention of it at all. We know there is a need for additional assistance from the government for the timber industry in Victoria.

Finally, I turn to the Snowy River, and I repeat my commitment to seeing a return of 28 per cent of environmental flow to the Snowy River. I have held a consistent view on that issue for at least the past four or five years, having made a personal submission to the Webster inquiry when that was in place. I am frustrated at seeing no progress on the issue whatsoever. I noted an allocation in the budget, which I welcome, but then I also noted table B10 of appendix B on page 259 of budget paper 2. The figures do not correlate with the rhetoric espoused by the government. I asked the minister a week ago what was the \$40 million figure allocated in the 2000–01 budget year, and I am yet to get a satisfactory response.

As part of the text under the table the government talks about spending \$15 million each year for 10 years, and yet when I read the table I see next to the line 'Restoration of environmental flows to the Snowy River' for the year 2001–02 not \$15 million but \$20 million, and \$19 million for the following three years. How do those figures match up with the promised \$15 million for each of the next 10 years? I

simply do not know; I do not understand that sort of logic. I suppose that goes back to my first point that the budget papers are next to useless in terms of providing the information we expect.

In conclusion, I believe the people of Victoria have been hoodwinked by the government. They have been promised a great deal and very little has been delivered. From the National Party's point of view, and that of country Victorians, I say to the government that it won by convincing the people in country Victoria that they were being neglected. I say to you, Mr President, that the pattern of this new government is that it is not only neglecting country Victoria, but it is tearing the fabric of country Victoria apart by doing things like closing Won Wron Prison, creating marine national parks, failing to deliver on its new bus service and closing four-wheel drive tracks. We will not tolerate it and we will not be hoodwinked again in country Victoria. I do not think this budget is something of which this government should be proud.

Debate adjourned on motion of Hon. D. G. HADDEN (Ballarat).

Debate adjourned until later this day.

PERSONAL EXPLANATION

Hon. M. R. THOMSON (Minister for Small Business) — I wish to make a personal explanation. The Honourable Bill Forwood has sought an explanation to my responses to question on notice no. 1721 and a question without notice and an adjournment matter on 22 March in relation to legal advice received from the Victorian Government Solicitor on the purchase of Liberty Liquor by Woolworths, specifically the timing of that advice.

According to Erskine May ministers have a duty to Parliament to account and be held to account for the policies, decisions and actions of their departments. This is a principle that I support.

Given that this matter relates specifically to the timing of the receipt of advice to the department and does not go to the question of policies, decisions or actions on the department's part, it is a matter of interpretation whether ministerial accountability applies in this particular circumstance, which is why I did not respond to Mr Forwood's letter.

In order that there be no doubt on this matter I wish to clarify the record to indicate that the Victorian Government Solicitor's advice was received by the department on 12 March, although I was unaware of

this when answering on 22 March. It was certainly not my intention to mislead the house, but if I inadvertently did so, I apologise.

VICTORIAN ENVIRONMENTAL ASSESSMENT COUNCIL BILL

Committed.

Committee

Clause 1

Hon. P. R. HALL (Gippsland) — I move:

1. Clause 1, page 2, line 2, omit "the State of Victoria" and insert "public land".

I welcome the opportunity to move amendment 1 standing in my name. The effect of this amendment goes to the issue of making sure that the role of the Victorian Environmental Assessment Council is purely to make assessments and recommendations relating to public land. It excludes any assessment or recommendations made that may relate to private land. So the effect of the amendment to clause 1 is to change the purpose and outline in subclause (1) to read:

The purpose of this Act is to establish the Victorian Environmental Assessment Council to conduct investigations and make recommendations relating to the protection and ecologically sustainable management of the environment and natural resources of public land.

I might add at this point that the effect of moving this amendment also invites debate on my amendments 3, 4 and 5, given that those amendments are consequential on amendment 1. I just point that out to the committee. Mr Chairman, is it appropriate for me to speak to each of those four amendments — 1, 3, 4 and 5?

The CHAIRMAN — Order! Mr Hall may foreshadow the other three.

Hon. P. R. HALL — The definition of 'public land' is given in amendment 3, which is inserted into the definitions clause, which is clause 3 of the bill. I point out that that definition of 'public land' is the same definition currently occurring in the Environment Conservation Council Act, so the amendment just puts it into this bill. Amendments 4 and 5 ensure that both the objects and then the functions of the Victorian Environmental Assessment Council apply to public land only.

During the second-reading debate much argument was put in regard to this matter. I do not wish to go over all the arguments again, but predominantly the National

Party made the point that the government's pre-election policy was for a new environmental assessment council to assess public land only. There was therefore no mandate to cover private land under the purview of the council. The National Party also commented that there are already sufficient controls over what one can and cannot do on private land, and it sees no reason whatsoever to have a new organisation making recommendations about private land.

The third point the National Party made on this issue was that given that the bill itself states that private land-holders will not be required to present or supply any information about their land or give access to the council to make an assessment of the environmental values on private land, it is rather a nonsense that the council could make recommendations covering private land when it cannot get information and cannot access it to provide a proper assessment.

So for those reasons the National Party is strongly opposed to the inclusion of private land in this bill. As I said, my amendments 1, 3, 4 and 5 give effect to that view.

Hon. PHILIP DAVIS (Gippsland) — In speaking on this amendment I should note that Liberal Party amendments have been circulated in my name for the purpose of confining the activities of the Victorian Environmental Assessment Council to dealing with public land and thus excising the private land reference from the bill. The Liberal Party will support Mr Hall's amendment on the basis that it is very similar to the amendment the Liberal Party had intended to move.

Clearly the Liberal Party made it plain during the second-reading debate that it will not accept the bill in its present form because it extends the reach of this statutory body to advice in regard to private land. All the reasons were recited during the second-reading debate. I do not intend to go through them all now, but principally there was little or no consultation with the stakeholders most directly affected by this proposal; it was not a part of any election policy announcement by the government, and clearly it was put into the public arena for debate only when the bill was introduced to Parliament in November; and virtually all the representations that have been made to the opposition have been consistent in their expressions of outrage at the lack of consultation and the imposition that this would be for private land managers.

It is for those reasons that I am happy to indicate the Liberal Party's support for Mr Hall's amendment, because it is so similar to the amendment the opposition had intended to move.

Hon. C. C. BROAD (Minister for Energy and Resources) — It is clear from the National Party's amendment 1, which the opposition supports, and its further proposed amendments to limit the ability of the council to investigating environmental management matters only on public land that the National Party and now the Liberal Party do not support the government's intention to establish the Victorian Environmental Assessment Council to investigate all environmental management matters.

The minister made it clear in the second-reading speech that the quality of life of all Victorians depends on properly managing our environment, and to do this the focus must be on ecologically sustainable management of the whole environment and natural resources of the state. The government believes it is only in this way that a strategic approach can be taken to the management of environmental issues. The Minister for Environment and Conservation has made it clear on numerous occasions that the council is being established to provide strategic advice on environmental management issues across the whole state.

The government would argue that the community has learnt, in some cases through harsh experience, that environmental issues do not respect boundaries between public land and private land, and therefore it is important to address them in a holistic manner. In the government's view limiting investigations only to public land would be looking at part of the problem. The government's intention is that the Victorian Environmental Assessment Council should provide it with a source of independent strategic advice on how environmental matters can be addressed strategically while building on and supporting the important work already being undertaken by the community and land-holders to manage significant issues.

The amendments proposed by the National Party appear to have resulted from a campaign that misrepresents the charter proposed by the government for the council. Contrary to what the National Party appears to have been leading some constituents to believe, the government proposes that the council will not focus on individual land-holders but rather on broad strategic natural resource management issues. I also remind the committee that the second-reading speech supports this intention by making it clear that the council does not have powers to access people's property.

The Liberal Party's commitment to ecologically sustainable management must be questioned when it supported the bill in the Legislative Assembly — and I

am not talking about the usual 'do not oppose the bill' wording but about a division where the Liberal Party voted for these parts of the bill as put forward by the government — without proposing any amendments. The question has to be asked: why is the Liberal Party supporting in the Council what are clearly National Party amendments?

As to consultation, it is extraordinary that the fact that these matters were clearly laid out in the bill in November of last year should be represented at this committee as a lack of consultation. Clearly since November of last year this has all been set out for everyone to see, which in the government's view certainly constitutes reasonable consultation.

In conclusion, the government does not support the National Party's amendment. I also foreshadow opposition to the foreshadowed amendments.

Hon. P. R. HALL (Gippsland) — I have two comments in response to the minister's comments. Firstly, the minister implied that the National Party amendments followed a campaign that misrepresented the situation contained in the bill. If there was a campaign on this issue it was led by the National Party. If the minister wants to interpret a campaign happening, it was not led by anybody else; it was our campaign. In our diagnosis of the bill we saw that it would have an impact on land-holders across Victoria. We did not think it was fair and asked people if they thought it was fair that somebody should be able to make recommendations concerning their private land, particularly when there are so many other controls on the use of private land under a whole range of other arrangements. Let it not be mistaken, if there was a campaign it was led by the National Party, and its members are proud to have alerted people that this could have an impact on private holdings.

Secondly, the minister spoke about the Victorian Environmental Assessment Council (VEAC) looking at the broad strategic land use issues. Why are there specific references to grasslands in Victoria; or to the Strzelecki Ranges in particular, which I would hardly see as a broad, strategic land use issue? It is an issue that is confined to an area of land within the Strzelecki ranges. As I said during the second-reading debate, if it is broad, strategic land use issues the government intends the VEAC to consider, why not use the Victorian Catchment Management Council? It was designed to do exactly that — to look at broad strategic land use issues. That is why the National Party rejects some of the comments the minister made, and is even stronger in its desire to promote this amendment.

Hon. PHILIP DAVIS (Gippsland) — The minister invites me to respond by her comments about the Liberal Party's position. The Liberal Party position on the bill, as I alluded to earlier today in my contribution to the second-reading debate, is a direct result of the representations that have been made to the party. If the minister wants, I can further recite chapter and verse what those representations were and recount the detailed and strong representations made by a number of peak bodies representing stakeholders with a critical interest in this, not the least of which is the Victorian Farmers Federation (VFF).

It is a matter of fact — I do not apologise for it because it is simply the way the legislative process works — that sometimes because organisations — this was put to me specifically by the VFF — are so busy trying to keep up with all the inquiries, reviews and submissions which the government has initiated and which they are obliged to keep up with in representing their constituent members, they simply do not have time to do the necessary work to ensure that all the issues before the Parliament are given proper scrutiny by them.

It is a matter of fact that the Victorian Farmers Federation did not take a strong public position on this until the issues that are involved in this bill were teased out in debate in the Legislative Assembly in March. It was that debate — the fact of there being a debate in the Parliament — that brought those matters to the attention of the wider community and, as I recited earlier, representations were made by many organisations and individuals. Liberal Party members in opposition are quite properly responding to those submissions. Would the minister have it that we ignore those submissions? Would the minister have it that we arbitrarily determine that simply because we had not had a representation made to us on this matter prior to the debate in the Assembly we totally ignore the submissions that were made subsequently? I am sure the minister is not suggesting that at all and I would be astounded if she were.

I remind the minister of what the Victorian Farmers Federation said on the matter. The VFF wrote to the opposition early in March. The letter states:

The Victorian Farmers Federation is opposed to this bill in principle, but our major concern is the proposal to allow the council to make recommendations to government on land other than Crown land.

It is specific. It then further calls on the Liberal Party in these terms:

For this reason the VFF is seeking the support of the Liberal Party to amend the bill to limit the proposed council's responsibility to Crown land.

It cannot be any more explicit than that. It would be ludicrous of the minister to suggest that the Liberal Party should abrogate its responsibility to listen to the peak organisation representing the stakeholders who control the majority of private land in this state, being the Victorian Farmers Federation.

Clearly the Liberal Party has a real and sufficient reason to consider this amendment seriously. It has consulted and found that not just the VFF was concerned about this; as the second-reading debate showed, a number of other organisations and individuals were concerned.

Members of the Liberal Party have no embarrassment about admitting that during the debate in the Legislative Assembly issues were raised in such a way that it came to our attention that this matter should be given further consideration. I would have to say that it came to the attention of opposition members because the National Party was involved in the debate. I have to acknowledge, as Mr Hall has indicated, that the National Party was very active in raising these issues. I congratulate it, because there is no doubt at all that the opposition parties are doing their job — they are ensuring that the stakeholders in the community who are affected by legislation are made aware of those issues and the Parliament behaves prudently and appropriately.

As to holistic management, I do not want to repeat the second-reading debate but it is important for us to recall that we have the most comprehensive matrix of land managers as authorities in this state compared with any other state in Australia. Victoria is regarded as the model of private land management structures. Its catchment management authority system is the envy of all other states. Other states are seeking to progressively implement the model adopted in Victoria under the previous coalition government. There are bodies which are capable of working within their spheres of responsibility whether it is at state or regional levels. Whether it be the coastal management council or the Victorian catchment management councils, all these bodies are charged with particular obligations and can be provided with the references that the government would seek to provide to the Victorian Environmental Assessment Council to deal with matters that affect their particular spheres of responsibility.

Hon. W. R. BAXTER (North Eastern) — It is disingenuous of the Minister for Energy and Resources to suggest that somehow or other there has been a National Party beat-up on the issue of whether the legislation covers private land. The fact of the matter is it does. The minister's comments reinforce the remarks I made in my second-reading contribution: the bill is so

sloppily drawn that we need to be very, very careful indeed about the way it is finalised before it goes out to the public as the law of the state of Victoria. A genuine reading by a citizen in the street might conclude that it does not include private land but a strict interpretation and a close reading of it indicates that it does.

My earlier remarks drew attention to clause 1, particularly subclause (3), which states that subclause (2) must be taken as a guide to readers. I find it extraordinary that we have that sort of provision in an act of the Parliament of Victoria.

I always had great regard for the Acts Interpretation Act and I was very disappointed when it was replaced by the interpretation of acts legislation, I think in the 1980s. That allowed extrinsic evidence to be taken into account by the courts rather than only what was contained in the act and enabled the courts to look at, among other things, the second-reading speech and debates. I think we are learning from this government that often the second-reading speech bears precious little resemblance to what is in the bill. That was the case on this occasion. The second-reading speech weaved a story that this bill was fairly anaemic and we had nothing to worry about. It is only through people such as Mr Hall who fossicked out the fact that this legislation had a lot more prickles in it than the second-reading speech might have indicated that the National Party has been able to move this amendment. The committee would be well served if it agreed to the amendment.

Amendment agreed to; amended clause agreed to.

Clause 2

Hon. C. C. BROAD (Minister for Energy and Resources) — In speaking briefly to clause 2, the government wishes to reiterate that this bill to establish the Victorian Environmental Assessment Council (VEAC) fulfils in the government's view a major policy commitment. It will replace the Environment Conservation Council and provide a new focus and strengthened capabilities to investigate and make recommendations on the major environmental management issues which we face as a whole community.

The government believes VEAC as presented in this bill will be considerably strengthened in a number of ways compared to the existing Environment Conservation Council, notably in relation to its focus on the ecological sustainable management of the environment and the natural resources of the state. In the government's proposal it will be able to examine such issues across the state and not be confined only to

Crown land. In addition, it will have an expanded core membership and the Minister for Environment and Conservation will be able to appoint additional members with skills and experience essential to particular investigations. It will operate in a highly transparent way with additional consultation requirements including the establishment of a community reference group for each investigation.

The minister will be required to table the government's response to a report before each house of Parliament no later than the first sitting day six months after the report itself is tabled. As a result, the government does not accept the amendments proposed by the National Party and the opposition as in the government's view they significantly alter the government's proposal by limiting the types of investigation that the Environmental Assessment Council would be able to undertake.

I note with interest the remarks about the reasons for the change in the Liberal Party's position between the vote in the Legislative Assembly and consideration of the bill here in committee tonight. However, notwithstanding that explanation it is the case that the shadow minister in the Legislative Assembly supported in very explicit terms the government's case for why this environmental assessment council should have consideration for private land as well as Crown land. In addition, also in very explicit terms, the shadow minister accepted the arguments for this being so in relation to the holistic approach to environmental management.

Clause agreed to.

Clause 3

Hon. PHILIP DAVIS (Gippsland) — I move:

2. Clause 3, line 14, omit "8(4)" and insert "8(5)".

Honourable members who have the amendment in front of them will note that it does not provide a great deal of illumination so I guess I should explain what it all means. I propose to outline what is intended to be done by this and subsequent amendments at different places in the bill. Honourable members will recall from the second-reading debate that as well as foreshadowing the proposal to remove private land from the ambit of the act, the opposition is trying to develop a framework for consultation in relation to appointments and the drafting of terms of reference for inquiries.

Amendment 2 foreshadows subsequent amendments that will establish a scheme for recognising community representation regarding consultation on the

appointment of the Victorian Environmental Assessment Council and the process for dealing with references that are specific to particular groups of stakeholders. While a permanent council will be established, following consultation with the peak bodies as designated subsequently, members will be appointed specifically for the duration of particular references and in relation to those references. It will mean particular expertise can be included on the council and that the task will be neither onerous nor burdensome for people with that expertise, for whatever duration the appointment may be. It will also mean a wider net of people with skills can be drawn onto the council to assist in deliberating on references.

The amendments will establish a consultation process required for issuing particular references. That is the outline of the proposals that led to the amendments that will be moved subsequently.

Hon. P. R. HALL (Gippsland) — Amendment 2 moved by the Honourable Philip Davis looks remarkably similar to amendment 2 in my name. Amendment 2 in my name is seeking to alter the composition of the Victorian Environmental Assessment Council in a slightly different way than that proposed by the amendment moved by the Honourable Philip Davis. The intent of both sets of amendments is almost the same in that they seek to have relevant interest included on the membership of the council. The amendment in my name proposes that the council be a body of three councillors with a further two being appointed from a list of names submitted by user groups. The amendment of the Honourable Philip Davis is that the council comprise five councillors with an additional two for each reference and from individual reference groups. They are not vastly different in their content or nature.

In considering both sets of amendments the National Party has decided, given the reality that it does not have the numbers in this place, that it will support the amendments moved by the Liberal Party because of the similarities to the National Party amendments.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government will not support the amendment for the reason that it will not support later amendments to change the membership of the council from that proposed in the bill.

Amendment agreed to.

Hon. P. R. HALL (Gippsland) — I move:

3. Clause 3, after line 22 insert —

“public land” means —

- (a) any unalienated land of the Crown, including land temporarily or permanently reserved under the **Crown Land (Reserves) Act 1978**;
- (b) State forest within the meaning of the **Forests Act 1958**;
- (c) park, within the meaning of the **National Parks Act 1975**;
- (d) land under the ownership or control of Melbourne Parks and Waterways, established under the **Water Industry Act 1994**;
- (e) land vested in any public authority, other than —
 - (i) a municipal council; or
 - (ii) an Authority under the **Water Act 1989**, to the extent that the land vested in the Authority is within a sewerage district listed in column 3 of Schedule 12 of that Act.’.

Amendment 3 was foreshadowed in the discussion on amendment 1.

Hon. PHILIP DAVIS (Gippsland) — Because the Liberal and National parties want to ensure that we do not move amendments that are not contiguous in terms of their effect, clearly it would not be appropriate for me to move amendment 3 in my name.

Amendment agreed to.

Hon. PHILIP DAVIS (Gippsland) — I move:

4. Clause 3, after line 23 insert —

- “(2) Before the Minister can make any request under section 15, the Minister must by notice published in the *Government Gazette* declare —
- (a) organisations which the Minister considers represents environment protection and conservation interests; and
 - (c) organisations which the Minister considers represents the interests of recreational users of public land; and
 - (d) organisations which the Minister considers represents the interests of holders of licences or leases on public land —
- to be recognised peak bodies.”.

Amendment 4 proposes to insert a provision that requires the minister, before making a request under clause 15 to create a reference, by notice published in the *Government Gazette* to declare which organisations the minister considers represent environment protection and conservation interests; which organisations the minister considers represent the interests of recreational

users of public land; and which organisations the minister considers represent the interests of holders of licences or leases on public land to be recognised peak bodies.

The provision is an important part of the mechanism proposed to be established to achieve the outcome alluded to earlier — to provide a scheme for recognising the input of community representation in line and consistent with the strong representation reflected in the comments of the then shadow minister, now the Minister for Environment and Conservation, in 1997 during the debate on the Environment Conservation Council legislation and reflected in the rhetoric encapsulated in the government policy statement of September 1999, where the point was strongly made that the processes would require community and stakeholder representation.

That is the intention of the amendment, as a result of the commitments previously made by the government and explicitly set out in the second-reading debate and the strong representation made to the opposition by a range of organisations, including the Public Land Council of Victoria, the Australian Deer Association, the Mountain Cattlemen’s Association, the Prospectors and Miners Association, the Seafood Industry Association of Victoria and others, which have made it clear they have a keen interest in ensuring the council should have appropriate representation from people who are to be impacted on by particular references. Rather than having standing members who would be overtaxed with the constant workload inevitably involved with membership of the council, what is proposed is a scheme where the membership is created as a consequence of preferring peak bodies for the purpose of consultation before appointments are made. The provision is important in relation to setting that scheme in place.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government opposes the amendment. It believes that attempting to define each and every peak body is both cumbersome and overly prescriptive and will almost certainly result in key organisations being left out of the process.

Anyone who has had the experience of being handed a long list of acknowledgments at the commencement of a speech in the almost certain knowledge that someone has been omitted and something about the detail is not completely accurate will understand the argument I am putting forward. The government’s view is that this is going a long way beyond what is necessary in giving effect to the bill.

Amendment agreed to; amended clause agreed to; clause 4 agreed to.**Clause 5****Hon. P. R. HALL** (Gippsland) — I move:

4. Clause 5, line 12, omit “the State of Victoria” and insert “public land”.

The amendment is consequential.

Hon. PHILIP DAVIS (Gippsland) — For the same reason as I alluded to before, I will not proceed with amendment 5 in my name to maintain some continuity in the way that these amendments are flowing.

Hon. C. C. BROAD (Minister for Energy and Resources) — For the same reason I outlined previously, the government does not support the amendment.

Amendment agreed to; amended clause agreed to.**Clause 6****Hon. P. R. HALL** (Gippsland) — I move:

5. Clause 6, line 23, omit “the State of Victoria” and insert “public land”.

The amendment is consequential on the discussion we had on amendment 1.

Hon. PHILIP DAVIS (Gippsland) — Similarly, I will not proceed with my amendment 6.

Amendment agreed to; amended clause agreed to; clause 7 agreed to.**Clause 8****Hon. PHILIP DAVIS** (Gippsland) — I move:

7. Clause 8, after line 18 insert —

“(c) tourism and recreation;”.

The amendment to clause 8 relates to the qualities and background expertise that will be represented on the council on the minister making appointments. The proposed insertion would create a capacity to look for experience in tourism and recreation, and that would be caught up in the other areas of skills and knowledge included in the clause, which involve expertise in environment protection and conservation, natural resources management, economics and business management, rural and regional affairs, issues relating to indigenous peoples, local government, social and community affairs, and community consultation and participation. This is another qualification that the

minister would be required to have regard to when balancing the skills and knowledge on the council.

Hon. P. R. HALL (Gippsland) — The comments I made in respect to amendment 2 standing in the name of the Honourable Philip Davis also stand in respect to amendment 7 standing in his name, given that both amendments concern aspects relating to the composition of the Victorian Environmental Assessment Council. I made the comment previously that although the National Party’s first preference would be to make the change in a different way, in recognition of the numbers in this chamber it is happy to support those amendments the Liberal Party has moved on the composition of the VEAC. That is why the National Party will support the amendment.

So that I do not have to get to my feet again, I indicate that as a consequence of the position of the National Party on this matter I will not be proceeding with amendments 6, 7 and 8 standing in my name.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government does not support the amendment. The government’s view is that although these additional categories are certainly appropriate for consultation, they are not appropriate as key areas of knowledge and therefore should not be included.

Amendment agreed to.**Hon. PHILIP DAVIS** (Gippsland) — I move:

8. Clause 8, after line 24 insert —

“(3) Before making a recommendation under sub-section (1), the Minister must consult with the recognised peak bodies.”.

The amendment will insert a new provision that requires that the minister, before making a recommendation under clause 8(1), which provides for the appointment of members by Governor in Council on the recommendation of the minister, must consult with the recognised peak bodies. Rather than belabour the structure of how the peak bodies are to be recognised — we have already dealt with that at an earlier stage — I reiterate the importance of this scheme to ensure there is comprehensive community consultation on the way the VEAC is constructed and how the stakeholders will be affected, particularly by references, and that there will be some mechanism for ensuring that they feel there will be balanced outcomes from those inquiries as a result of the expertise that is represented both within the council and by the additional members.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government does not support the amendment. The government's view is that it would almost certainly hinder the minister's prerogative to select his or her advisory council. This proposed amendment takes consultation to an extreme and unnecessary level and could have the effect of giving peak bodies essentially a power of veto of the VEAC membership. The government would strongly assert that the VEAC is a body for all Victorians and that it is not appropriate there should be such a strong emphasis on individual stakeholder groups.

Amendment agreed to.

Hon. PHILIP DAVIS (Gippsland) — I move:

9. Clause 8, page 6, line 2, omit "(4)" and insert "(5)".

The amendment is a renumbering of clauses and is therefore consequential. It relates to the earlier amendment.

Amendment agreed to.

Hon. PHILIP DAVIS (Gippsland) — I move:

10. Clause 8, page 6, after line 5 insert —

- “(6) If the Minister proposes to make a request under section 15 which is likely to impact upon the rights of any class of leaseholders or licenceholders or recreational users of public land, the Minister must request in writing —
- (a) the recognised peak bodies representing leaseholders or licenceholders and recreational users of public land to nominate a panel of between 2 and 5 names of persons expert in the issues relevant to the request; and
 - (b) the recognised peak bodies representing environment protection and conservation interests in the subject matter of the request to nominate a panel of between 2 and 5 names of persons expert in the issue relevant to the request.
- (7) The recognised peak bodies may submit the panels of names to the Minister in writing within 28 days of receipt of the request from the Minister or such longer period as the Minister may allow.
- (8) If a recognised peak body advises the Minister that it does not wish to nominate or does not respond to the request, the Minister may seek nominations from another comparable body in the state of Victoria.
- (9) If the recognised peak bodies requested under sub-section (6)(a) and the recognised peak bodies requested under sub-section (6)(b) nominate panels of names which include the name of the same

person, the Minister must appoint that person as a member of the Council for the purposes of the particular investigation.

- (10) If the recognised peak bodies nominate panels of names which do not include a commonly nominated person, the Minister must appoint one from the panel of names submitted by the recognised peak bodies requested under sub-section (6)(a) and one from the panel of names submitted by the recognised peak bodies requested under sub-section (6)(b).”.

The amendment inserts a new set of provisions that go to the nuts and bolts of how the recognised peak bodies will play a role. I need to tease this amendment out a little.

It proposes that if a minister proposes to make a request under clause 15, where the inquiry power resides, which is likely to impact on the rights of any class of leaseholders, licence-holders or recreational users of public lands, the minister must request in writing that the recognised peak bodies — the committee has dealt earlier with who they will be — shall nominate a panel of between two and five persons expert in issues relevant to the request. Further, the peak bodies representing environment protection and conservation interests in the subject matter of the request shall nominate a panel of between two and five persons expert in the issues.

It is important to note that the amendment provides that the peak bodies may submit the panel's names to the minister in writing within 28 days of the request from the minister or such longer period as the minister may allow. If a recognised peak body advises the minister that it does not wish to nominate or does not respond to the request, the minister may seek nominations from another comparable body in Victoria.

If the recognised peak bodies requested under subclauses 6(a) and 6(b) nominate panels that include the name of the same person, the minister must appoint that person as a member of the council for the purpose of the particular investigation.

That is an important aspect of the amendment. It ensures the opportunity exists for the stakeholders to be involved in the issues where a balanced outcome is sought. If they can come to a conclusion and submit the same recommendation to the minister by design or by accident, frankly it does not matter much because the result will be the same in this case.

It is important there be a recognition of the skills and capacity of that individual, if so regarded by the different peak bodies, and that will ensure there is a better confidence in getting an outcome for which the

stakeholders and parties affected by the inquiry will have high regard.

Further, the amendment requires that if recognised peak bodies nominate panels of names that do not include a commonly nominated person, the minister must appoint one from the panel of names submitted by each of the recognised peak bodies representing the leaseholders, licence-holders and recreational users and from the other panel representing the peak bodies who are interested in environment protection and conservation interests.

The amendment goes to the nub of the scheme of appointment proposed by the opposition to ensure the outcome of stakeholder involvement and balanced process for any reference the minister gives the council.

Hon. P. R. HALL (Gippsland) — The amendment addresses the composition and sentiment of the Victorian Environmental Assessment Council. Although the National Party would have preferred to have done it differently, it is in accord with its view on providing some stakeholder input into consideration of any inquiries that may from time to time come before the council. With those comments I indicate that the National Party supports the amendment.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government opposes the amendment. Its view is that the amendment would not only add additional costs with questionable benefits but could most certainly unnecessarily skew the considerations and deliberations of the council. The government reiterates its view that VEAC should remain a skills-based body not a special interests-focused body. It also points out that had the Liberal Party tried to come up with a more cumbersome way of proposing additional members, it could not have done a better job.

Hon. PHILIP DAVIS (Gippsland) — I am prompted to respond. The opposition is doing exactly what the minister has failed to do. Honourable members have heard all the rhetoric in the world. The then shadow minister for environment in the other place went into the Legislative Assembly in 1997 and talked about representations, about jobs for mates and asserted it was not appropriate to have a skills-based Environment Conservation Council.

In case the minister is unaware, the amendment is an attempt by the opposition to hold the government to account for what its shadow minister said in 1997, what the Minister for Environment and Conservation put into

policy in 1999, and the fact that the government has failed to honour its commitment to the electorate.

If the committee has before it, as the minister asserts, a cumbersome process, I put to the minister that the opportunity was there for the government to deal with it. The amendment is not as cumbersome as it would appear. It is certainly long winded in its drafting, but its mechanism is simple. It gives the opportunity, if utilised with goodwill by the minister of the day, to ensure that the stakeholders not only have some opportunity to comment but also the opportunity to have some ownership of outcomes of inquiries conducted by VEAC.

Amendment agreed to; amended clause agreed to; clauses 9 to 12 agreed to.

Clause 13

Hon. PHILIP DAVIS (Gippsland) — I move:

11. Clause 13, line 25, omit “unions” and insert “employees”.

Hon. C. C. Broad interjected.

Hon. PHILIP DAVIS — The interjection by the minister related to the substance of the amendment, which is in effect to replace the word ‘unions’ with ‘employees’. The amendment relates to the power to establish community reference groups. Clause 13(2) states:

The members of a Community Reference Group should include representatives who have an interest relevant to the investigation, including, but not limited to, representatives from the following

It lists environment protection and conservation groups, industry, farmers, unions, indigenous peoples, local government and other community interests.

It occurred to opposition members that for consistency it seemed inappropriate in this clause to nominate unions, as the intent of the bill was clearly to represent employees. If we were to be consistent and were to leave unions in we would have to rewrite almost the whole of the clause. For example, paragraph (c), which refers to ‘farmers’, would be rewritten as ‘Victorian Farmers Federation’ or some other peak body representing farmers. Paragraph (b), which refers to ‘industry’, would have to refer to the Australian Industry Group, the Victorian Employers Chamber of Commerce and Industry or some other peak body.

To specify unions as a particular group would fail to deal with the issue of substance, which is to have a mechanism that involves the appointment of employees

or people with an interest as employees. It may be that in picking up appropriate members for community reference groups some advice is taken by the minister from organisations that represent employees, and they may be unions or some other professional body. However, the point is that this clause is trying to deal with different groups and the opposition felt it was not appropriate to include unions specifically.

Hon. J. M. McQUILTEN (Ballarat) — That is a hard point to argue. Mr Philip Davis is saying unions are the same as a farmers federation. If in the legislation we were talking about the Australian Council of Trade Unions or the Victorian Trades Hall Council, they would be the equivalent of the farmers federation in this argument. However, ‘unions’ refers to a raft of organisations not to a formal grouping as such. It is the same as saying ‘employees who have come together’. I would argue that ‘unions’ does not mean a specific organisation such as a farmers federation or whatever but rather a broad grouping of employees.

Amendment agreed to; amended clause agreed to; clause 14 agreed to.

Clause 15

Hon. PHILIP DAVIS (Gippsland) — I move:

12. Clause 15, after line 4 insert —

- “(2) Before the Minister can make a request to the Council under sub-section (1), the Minister must consult the recognised peak bodies as to the contents of the request and whether or not any appointments should be made under sections 8(4) and 8(5) for the purposes of the investigation.
- (3) The Minister must not make a request to the Council unless —
- (a) the Minister has caused an advertisement to be published in a newspaper circulating generally throughout Victoria which sets out the proposed terms of reference; and
- (b) 28 days has elapsed since the date of publication of the advertisement.”.

Amendments 13 and 14 are consequential on amendment 12 so in dealing with amendment 12 we are effectively dealing with all three clauses. This is a fairly straightforward requirement of the minister to consult appropriately and to ensure that parties are properly advised.

One of the things I consistently find in investigations that have been undertaken and are currently being undertaken by the Environment Conservation Council is the number of people who indicate they had no

knowledge of an investigation. It has certainly been the case, although one finds it hard to believe, that people with an interest in marine coastal issues say they did not know much about the recent inquiry. I have heard when talking to people who are now involved in the box-ironbark inquiry that it is possible for the process of engaging the community in fairly high level and exhaustive inquiries to fail. I find that interesting, to say the least.

It therefore does no harm to create a mechanism whereby VEAC is confident to proceed with any inquiry on the basis, firstly, that reasonably informed Victorians would have an opportunity to have seen an advertisement in the press about a reference, and secondly, that the minister give consideration to the needs of the recognised peak bodies when considering appointments in an investigation so we can ensure that the nexus established by creating a vehicle to appoint inquiry-specific members can facilitate that reference.

Hon. P. R. HALL (Gippsland) — The National Party will support the sensible amendment. It is not uncommon to miss advertisements that might appear in newspapers from time to time, particularly given the level of government advertising in them. It is a matter of common courtesy that peak groups that may have a particular interest in an inquiry be personally notified by the government that it intends to make an inquiry.

At times I have been critical of the terms of reference for inquiries that have been given to both the former Land Conservation Council and the Environment Conservation Council. It can only be helpful for the government to advertise the terms of reference, seek comment on them and if necessary adjust them so at least there are some common views between the government and recognised interest groups. That may facilitate a better investigation.

Hon. J. M. McQUILTEN (Ballarat) — If you put a tiny advertisement in the St Arnaud newspaper about bees or the collection of honey it is all over country Victoria in a flash. In my experience country Victorians are very much aware of what will impact on them by well placed ads in local papers. My knowledge of this bill is that is what will take place. Therefore I do not believe any extra effort is required other than what is proposed, which is more than has been done in the past.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government does not support this amendment. Once again its view is that this is an extreme approach to consultation. The government’s proposal for the Victorian Environmental Assessment Council is that the council is an advisory body to the

minister — that is, the government minister of the day — and as such the responsible government minister of the day should be able to set the reference to an advisory council that reports to them.

The matters that have been raised as to whether there is a need for greater publicity in relation to a reference that has been made and the conduct of an investigation is a somewhat different matter from what is set out in the amendment in terms of requiring the minister to consult prior to making a reference. That is quite a departure from the existing arrangements for the Environment Conservation Council by comparison, and as such the government opposes the amendment.

Amendment agreed to,

Hon. PHILIP DAVIS (Gippsland) — I move:

13. Clause 15, line 12, omit “(3)” and insert “(5)”.
14. Clause 15, line 17, omit “(2)” and insert “(4)”.

The amendments are consequential on the carriage of the previous amendments.

Amendments agreed to; amended clause agreed to; clauses 16 and 17 agreed to.

Clause 18

Hon. P. R. HALL (Gippsland) — I move:

9. Clause 18, line 15, omit “geological or geomorphological”.

This amendment amends line 15 of clause 18, which provides a list of matters to be taken into account in investigations and recommendations. It sets out eight guidelines to be taken into consideration by the Victorian Environmental Assessment Council when it undertakes an investigation and makes recommendations. Interestingly paragraph (g), the second last of eight recommendations, talks about the potential environment and the social and economic consequences of implementing the proposed recommendations.

I firstly make the point that in the view of the National Party that type of matter should rate a lot higher if these items are listed in order of priority in terms of undertaking an investigation. The social and economic consequences can be extreme in many cases, so I make that comment about clause 18.

Amendment 9 removes the terms ‘geological or geomorphological significance’ from paragraph (c). The National Party proposes the amendment because of concerns expressed by the Prospectors and Miners

Association of Victoria and the Victorian Chamber of Mines. The Prospectors and Miners Association commented on the matter in its media release of 22 March, which states:

... the bill includes the proposal to include ‘areas of geological significance’ in reserves, we are concerned that this may mean that any of the goldfields may in the future be seen as significant, put in a reserve or park and then be unavailable.

The association is concerned, and rightly so, that it has been squeezed out from the use of public land, and believes the inclusion of the term ‘geological’ will put more pressure on the VEAC to make recommendations that will prohibit it from further use of public land.

The Victorian Chamber of Mines expressed a similar sentiment, and in its commentary on the proposed bill of 26 February this comment was made:

The inclusion of geological and geomorphological sites of significance requires far greater definition. Such a clause could be misused to prevent any significant mineral discoveries from being exploited as they could require to be protected. We would prefer the words removed entirely. The protection of significant sites like the fossil remains of dinosaurs on the South Gippsland coast and the old volcano at Tower Hill certainly need protection, but there are already processes in place to ensure that.

Those terms were not used in the previous Environment Conservation Council Act. The National Party does not believe there is a need to include them in this act, and that is why I moved the amendment to omit both the terms geological and geomorphological.

Hon. PHILIP DAVIS (Gippsland) — I have listened to my learned colleague, Mr Hall, recite why this amendment should be supported, and I thought he did an excellent job. I would like the minister in her answer to explain to the committee why the government has proposed to include in matters to be taken into account in investigations the two terms of ‘geological’ and ‘geomorphological’ significance. What has led to the government concluding that this would be an important change in matters for consideration and investigations, given that it was not a matter that was included in the ECC requirements?

Hon. J. M. McQUILTEN (Ballarat) — It seems to me that this point in the bill is to prevent goldmining and so on in places such as the Grampians, which are of incredible national and international significance. Clearly we have an obligation to the goldmining industry, but a greater obligation to protect our natural heritage.

Hon. P. R. HALL (Gippsland) — In response to Mr McQuilten, if we are to protect the Grampians, I do

not believe we would protect them because of their geological or geomorphological significance. We would protect them to conserve and protect any areas of ecological, natural or landscape attributes. I do not believe Mr McQuilten's comments address the concerns that the Prospectors and Miners Association, the Victorian Chamber of Mines and I have expressed. In areas like the Grampians I agree there are attributes other than geological and geomorphological attributes that would lead to their protection.

Hon. C. C. BROAD (Minister for Energy and Resources) — I am afraid we have somewhat conflicting advice. Certainly I am advised that the original wording that was included in the draft bill was amended to the current wording following consultation with the Victorian Chamber of Mines, and agreement was reached on the use of the terminology that the government has included. What the government had in mind in including this terminology was that the geological and geomorphological significance of sites such as the Grampians, the Twelve Apostles or the Organ Pipes was an important consideration in the past recommendations made on those areas.

I accept what the Honourable Peter Hall has said about those areas having a range of significance in addition to those considerations, but it is the government's view that those matters are important in relation to those sites and have been so in the past. That is the reason for the government including them following, I am advised, consultation with the Victorian Chamber of Mines.

Hon. P. R. HALL (Gippsland) — I just make the point that certainly to this day the Victorian Chamber of Mines is very strong in its view that these terms should not be included in the clause. I appreciate the fact that some consultation with the chamber may have occurred in the past, but certainly every indication it has conveyed to me is that these terms are undesirable. The minister herself has confirmed my view that if there are particular sites like the Grampians or the Twelve Apostles, they will be protected for attributes other than geological or geomorphological.

Hon. PHILIP DAVIS (Gippsland) — In representations to the Liberal Party the Victorian Chamber of Mines and the Prospectors and Miners Association of Victoria have expressed serious concerns. In a letter to the opposition dated 8 March, the Victorian Chamber of Mines states:

The inclusion of geological and geomorphological sites of significance is a new and worrying development. Such a clause could be misused to prevent any significant mineral discoveries from being exploited as they could require to be protected. We would prefer the words removed entirely. The

protection of significant sites like the fossil remains of dinosaurs on the South Gippsland coast and the old volcano at Tower Hill certainly need protection, but there are already processes in place that ensure this is achieved.

I simply make the point by reading from that letter — which I believe is, almost verbatim, a quote Mr Hall had from other correspondence — that there is some serious confusion about this provision. That presents me with a dilemma. The Liberal Party seeks from the minister some embellishment about the government's intention in regard to this clause so that the opposition can clarify what action it will take on this amendment.

Hon. C. C. BROAD (Minister for Energy and Resources) — At this time I am not able to add further to what I have already said to the committee, other than that these are attributes that the government believes should be weighed up in any investigation, in addition to the matters that are already set out.

Hon. PHILIP DAVIS (Gippsland) — It is clear we are unable to resolve this absolutely to the satisfaction of the committee this evening. It is clear that we are dissatisfied with the consultation that has occurred between the government and the peak body representing the mining industry in this state. It is important that this matter be clarified between the minister responsible for mining and the Victorian Chamber of Mines to ensure that the concerns expressed to the Liberal Party will not be realised by the mining industry. If the minister gives an undertaking to do that, I think I can indicate that the Liberal Party will not be supporting this amendment.

Hon. C. C. BROAD (Minister for Energy and Resources) — As a minister wearing two hats in this debate I can certainly indicate that as the minister responsible for mining I am certainly very willing to give that undertaking to seek discussions with the Victorian Chamber of Mines — and I have discussions with it on a regular basis — to try to assuage any concerns it may have about this insertion.

Hon. P. R. HALL (Gippsland) — All I want to say about the discussion now taking place is that the National Party remains firm in its view that these terms should be deleted. With due respect to my colleague the Honourable Philip Davis, I fail to see the point of going back and trying to resolve the issue with the Victorian Chamber of Mines at this time. This is an issue that the minister says has been on the table for some time now. Clearly my view and that of my National Party colleagues is that there is no need for the inclusion of these terms, which I repeat are new terms to appear in this act — they did not appear in either the Environment Conservation Council Act or the Land

Conservation Act. The National Party strongly believes this amendment should be supported by the committee.

Hon. PHILIP DAVIS (Gippsland) — Because, as Mr Hall points out, it is difficult for this matter to be resolved satisfactorily, I am inclined to be persuaded by his argument and support his amendment. That is notwithstanding my initial inclination to find a way of resolving this problem in the committee, because I well understood from my discussions that the government was not seeking to do something that would cause concern. But obviously this is a major issue for the Victorian Chamber of Mines and the Prospectors and Miners Association of Victoria, and clearly the explanation and commitment that the minister is able to give at this time does not satisfy those concerns. That being the case, the opposition will support the National Party's amendment.

Amendment agreed to.

Hon. P. R. HALL (Gippsland) — I move:

10. Clause 18, line 17, omit "creation and".

At this stage I formally thank the Liberal Party for its support for my previous amendment. It has made my night! Perhaps it will feel inclined to support my amendment 10 as well, which deletes the words 'creation and' from paragraph (d) of clause 18, so that it reads:

the need to provide for the preservation of a comprehensive, adequate and representative system of parks and reserves within the state of Victoria.

The reason for this amendment is that the wording of the paragraph in the bill as it stands implies that we need to extend or create more national parks in Victoria. Clearly, as I elaborated in the second-reading debate, the National Party believes — and that view was enforced by my National Party colleagues Mr Baxter and Mr Bishop — there are already sufficient reserves of national parks and public land in Victoria.

As I also said in the second-reading debate — these were the minister's own comments, too — today the area of national parks in Victoria represents something like 13 per cent of the total land mass of the state, and it is an area equivalent in size to Denmark, Holland or Taiwan. I really believe that level of national parks is sufficient and achieves an appropriate balance between areas of public and private land in Victoria.

My great concern is that the inclusion of the words 'creation and' in the bill implies that one of the tasks of the Victorian Environmental Assessment Council will

be simply to create more national parks and extend on that figure. The National Party does not believe that is appropriate and that is why it proposes this amendment, for which it seeks the support of the committee.

Hon. C. C. BROAD (Minister for Energy and Resources) — I offer the Liberal Party this one last opportunity to distinguish itself from the National Party in relation to these amendments. It is important to point out to members of the Liberal Party that when in government they included a very similar consideration in the Environment Conservation Council Act 1997. That provision was that in carrying out an investigation the ECC had to have regard to the need for the creation and preservation of a comprehensive, adequate and representative system of parks and reserves within the state. I do not think the committee has really been offered an explanation as to why the opposition should now consider that it is no longer appropriate for the advisory council to consider the provision in these terms during the course of its investigations.

Hon. PHILIP DAVIS (Gippsland) — Just as on the previous clause I was persuaded by the eloquence of the advocacy of Mr Hall, the minister has persuaded me on this occasion.

Honourable members interjecting.

Hon. PHILIP DAVIS — After all, it is a quarter to 11!

The minister quite rightly expressed the difference between this and the previous clause as one where we were dealing with a new matter. Without reiterating the debate we have just had, I agree that the minister makes the point well, that this terminology is precisely that used in the Environment Conservation Council Act 1997. The Liberal Party would find it somewhat inconsistent to now rebut that position.

Honourable members need to take note, though, that the matters to be taken into account in investigations and recommendations are specified in terms that:

The council must have regard to the following considerations in carrying out an investigation ...

That does not mean that those matters are mandatory. They simply have to be considered in the process of undertaking an inquiry or a reference. Therefore there is no conflict at all in the capacity of the council to discharge its duties and come to a conclusion on a particular reference that there is not necessarily a need to recommend as a matter of course that there should be an additional park or parks created if on balance the inquiry finds that there is a proper and full and adequate

reserve system with regard to the values that are under investigation. I do not think Mr Hall's conclusion is able to be supported.

Hon. W. R. BAXTER (North Eastern) —

Notwithstanding Mr Davis's reference to what is in the current act, it needs to be clearly spelt out to the committee and to people who may be reading the report of this debate in the future that the speeches in the second-reading debate, at least from the National Party and also from opposition members, expressed the view that we have a comprehensive system of national parks in this state and there is not any great call for new national parks to be created. That is the concern of the National Party in moving this amendment, because proposed section 18(d) refers to:

the need to provide for the creation and preservation of a comprehensive, adequate and representative system ...

To the ordinary lay reader that might be sending the message that the Parliament is of the view that there is an insufficient number of national parks in this state and the Parliament is looking to create more national parks in significant areas. That does not reflect the sentiments expressed in the debate earlier this evening. There is a view within the house that the preservation of the existing system is highly desirable, but the Parliament is not sending a message that it is advocating the wholesale creation of additional national parks. Mr Hall is right in removing that word so the proposed subsection would then refer to:

the need to provide for the preservation of a comprehensive, adequate and representative system of parks ...

Nobody objects to that, but no-one is calling for the creation of large-scale new parks, and the committee should take note of that.

Amendment negatived; amended clause agreed to; clause 19 agreed to.

Clause 20

Hon. PHILIP DAVIS (Gippsland) — I move:

15. Clause 20, page 15, after line 4 insert —

- “(4) If an investigation is likely to affect the existing rights of a licenceholder or leaseholder, the Council must make reasonable efforts to advise each person affected in writing where it is practicable to do so.
- (5) If an investigation is likely to impact upon the existing rights of any identified recreational user of the land or area in question, the Council must make reasonable efforts to advise the recognised peak body representing the users in writing.

- (6) If any investigation is undertaken into a particular identified area of public land, the Council must cause notices to be placed on bulletin boards and government offices in and around the area of public land.”.

This is the final amendment in the series. The government should be well prepared to agree to the amendment on the basis that it is simply putting a requirement on the council to ensure that the existing rights of licence-holders and leaseholders are given effect to by way of giving advice to people who will be affected by any particular reference, in writing where it is practicable for them to do so, that they should be aware that an investigation is occurring that will impact on them. Many licences and leases are held for public land, and of course the purpose of the amended bill is to enable the VEAC to look at issues dealing exclusively with public land. From time to time the activities of many people with licences and leases will be impacted on by investigations.

Further, the amendment proposes that where there is an impact on the rights of any identified recreational user of land or area in question, the council must make reasonable efforts to advise the recognised peak body representing users. In addition, where there is a particular area of identified public land involved in an inquiry the council must cause notices to be placed on bulletin boards in government offices in and around the area of public land. That is an additional requirement on the council to properly inform the individual stakeholders who will possibly be affected by an inquiry.

This is not an onerous obligation but one that will reduce the amount of aggravation, as I mentioned earlier, where many times stakeholders have advised members of this house that there is a problem with being informed about the process of an investigation — that is, they do not know when an investigation commences and they do not understand what the terms of reference are.

Hon. P. R. HALL (Gippsland) — This is a matter of common courtesy where people directly affected by an investigation should receive notification that an investigation is being undertaken. Therefore the National Party will support the amendment. In a recent addition to a national park by some legislation before this house — I am talking about the past 12 months — I tried to contact particular licence-holders who had mountain cattle licences and some licensees were not aware that a piece of land for which they had a licence was being considered for addition to a national park in this state.

I know this is not exactly the same issue in that here we are talking about an investigation or reference being given to the VEAC, but it is the same sort of issue. It is common courtesy that people who have a direct interest, who are licence-holders or leaseholders, should be notified. The government should be happy to support this amendment.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government has no argument and supports the view that stakeholders should be made aware of investigations. The clause as it stands sets out provisions as to how the council should cause notice of an investigation to be published. The issue the government has with this proposed amendment is that it believes the method proposed is cumbersome, unduly onerous and would be costly. It is not a provision that relates to the operations of the Environment Conservation Council, and ensuring that it was complied with would be extremely difficult in practice.

Amendment agreed to; amended clause agreed to; clauses 21 to 29 agreed to.

Reported to house with amendments.

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 honourable members for their contributions to the debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

CORPORATIONS (ANCILLARY PROVISIONS) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. M. R. THOMSON (Minister for Small Business) on motion of Hon. M. M. Gould.

CORPORATIONS (CONSEQUENTIAL AMENDMENTS) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. M. R. THOMSON (Minister for Small Business) on motion of Hon. M. M. Gould.

CORPORATIONS (ADMINISTRATIVE ACTIONS) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. M. R. THOMSON (Minister for Small Business) on motion of Hon. M. M. Gould.

AGRICULTURAL AND VETERINARY CHEMICALS (VICTORIA) (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. C. C. BROAD (Minister for Energy and Resources).

CO-OPERATIVE SCHEMES (ADMINISTRATIVE ACTIONS) BILL

Introduction and first reading

Received from Assembly.

Read first time for Hon. M. R. THOMSON (Minister for Small Business) on motion of Hon. M. M. Gould.

ADJOURNMENT

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

That the house do now adjourn.

Police: speed radar

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — I raise a matter with the Minister for Sport and Recreation, representing the Minister for Police and Emergency Services in the other place. It relates to an article that appeared in the *Herald Sun* of 7 June entitled 'Speed fines put in doubt'. The article refers to

a problem that has arisen with the use of radar guns by police officers in various jurisdictions in Australia. The problem appears to be that when these radar guns are operated close to mobile phones or mobile phone towers the devices may give erroneous indications.

The article quotes Superintendent Bob Wylie from the traffic operations support department of Victoria Police saying that one of the suspect radar guns was mounted on a Victoria Police motorcycle and has had to be withdrawn from use pending further inquiries. The article goes on to report that a number of radar units operated by the Queensland police have been withdrawn because of a belief that they may be interfered with by mobile phones or mobile phone towers in the vicinity. Naturally that has already led to a number of members of the legal profession questioning the validity of infringement notices issued on the basis of radar gun readings, and no doubt that will lead to court proceedings in the jurisdictions where this problem has been identified.

I ask that the Minister for Police and Emergency Services request that Victoria Police undertake an audit of the radar guns used by the police to ensure that none are affected by mobile phones or mobile phone towers, so the integrity of the use of that equipment can be assured and infringement notices issued as a result of that equipment are not challenged.

Kleenheat Gas

Hon. E. C. CARBINES (Geelong) — I raise with the Minister for Energy and Resources a matter concerning a constituent of mine who purchases bottled gas from Kleenheat Gas. Recently my constituent became aware that his bottled gas cylinder was leaking profusely. He rang Kleenheat for urgent assistance and after some considerable time was advised that it would take many hours to get assistance as the service truck was in Wandin — a long way from Geelong, as anyone knows.

Finally, 5 or 6 hours later, the Kleenheat truck arrived. All the gas had by then escaped. The Kleenheat representative replaced the cylinder with a partially full one, saying a fill would be arranged as soon as possible. One week later the refill truck travelled past my constituent's home in Geelong without stopping. He then again contacted Kleenheat, which finally contacted the driver, who then returned and filled my constituent's gas cylinder.

A week later my constituent received a bill from Kleenheat. He advises me he wishes to complain about the following points: firstly, that Kleenheat does not

offer a number or menu option for service problems in Geelong; secondly, Kleenheat does not appear to have any corporate presence in Geelong; thirdly, Kleenheat said the refiller would be informed — he was not; and fourthly, three different Kleenheat staff members told my constituent he would not be charged for the fill to replace the leaking gas, but he was.

Further, my constituent advises me that after leaving Geelong the Kleenheat repair truck was heading to Hurstbridge and then Broadmeadows, and was scheduled to work the next day in Lakes Entrance. As bottled gas prices soar in Geelong, the service delivery to my constituent, who is a Kleenheat bottled gas customer — —

Hon. B. C. Boardman — On a point of order, Mr President, this matter is clearly a criticism of the operations of a particular company. I ask you to direct the honourable member to relate it to government administration within the minister's responsibilities.

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

Hon. E. C. CARBINES — I repeat: as bottled gas prices soar in Geelong, the service delivery to my constituent, who is a Kleenheat bottled gas customer, left a lot to be desired, and safety was compromised. I would appreciate the minister's advice on this matter for my constituent.

S11 protesters

Hon. B. C. BOARDMAN (Chelsea) — I raise with the Leader of the Government a matter for the attention of the Premier. No doubt honourable members have received a copy of the Ombudsman's report, *Investigation of Police Action at the World Economic Forum Demonstrations September 2000*. Among a number of conclusions the Ombudsman states on page 192:

The available evidence overwhelmingly supports the conclusion that strategies involving the use of force were invariably a response to the effect of the blockading tactics of protesters.

Furthermore, on page 193 the Ombudsman states:

... I am of the view that punitive action is inappropriate and not warranted.

He goes on to say that punitive action is one strand only of accountability for police and leaves the way open for protesters who still feel vilified and vindicated by the report to pursue civil action.

Given that the report overwhelmingly clears the police as an entity of any inappropriate behaviour and justifies their actions in the circumstances as being quite warranted, and considering that the absurd, ignorant and ridiculous comments from the S11 protesters in response to this report have been nothing less than a complete and utter disgrace, I seek from the Premier an assurance that he will at least give some vindication to the Victoria Police in the event of civil action being taken and provide additional funding to Victoria Police to ensure that their defences against any perceived class actions are well and truly taken into consideration.

Murray-Darling Freshwater Research Centre

Hon. B. W. BISHOP (North Western) — I refer to the Minister for Energy and Resources representing the Minister for Environment and Conservation in another place a matter relating to the Murray-Darling Freshwater Research Centre lower basin laboratory at Mildura. It is essential that this laboratory remain at Mildura, one of the reasons being that it took a lot of work to establish. I pay tribute to Cr Brian Grogan, who was then chief executive officer of Lower Murray Region Water Authority, and who put in a huge effort.

The laboratory was originally sited at the old offices of the Lower Murray Region Water Authority in Seventh Street in Mildura. The staff settled in to work there and proved their worth very well, particularly under the leadership of Dr Ben Gawne. They then transferred to a suitable building at the old hospital site, and now they find they need to move again. It is a pity they are not allowed to stay, but that is not to be.

The South Australian and New South Wales governments are now showing strong interest in this research laboratory and are both reported to be prepared to provide a site and building for that organisation. Given the geographical position of Mildura and the fact that Mildura and Sunraysia are reliant on good quality water, it is important that the government support the retention of the laboratory in Mildura.

Having discussed the issue with Dr Ben Gawne, who is the scientist in charge, I am aware that two very good options are available: one is to move the laboratory to the technical and further education college campus of La Trobe University in Mildura; the other is to move it to the Sunraysia horticultural centre in the Irymple area. The laboratory is part of the Cooperative Research Centre for Freshwater Ecology. I also commend Professor Peter Cullen for his strong support of the laboratory. I call on the Victorian government, through the minister, to support the retention of this essential

research centre in Mildura to ensure that the health of our rivers is a top priority.

Royal Botanic Gardens: flying foxes

Hon. ANDREA COOTE (Monash) — I refer a matter to the Minister for Energy and Resources representing the Minister for Environment and Conservation in another place. Earlier this year there was a great deal of interest in the bat population in the Royal Botanic Gardens. Honourable members may recall the call for culling of the bats, the bat forum established and then ignored by the minister, the bats for Mallacoota push and the tree terrorists.

I acknowledge that the bat numbers have significantly reduced, mainly due to seasonal activities, but also because of culling. I ask the minister to indicate how many bats are left in the bat colony in the botanical gardens in June, and what strategies the minister has to reduce the number in the gardens in October this year, when they will return from northern Australia.

Drugs: western suburbs

Hon. S. M. NGUYEN (Melbourne West) — I raise with the Minister for Industrial Relations, as the representative in this house of the Minister for Health, the problem of drug use in Melbourne's western suburbs, which over recent months has been reduced due to a variety of government-based initiatives. The minister will be aware that the Maribyrnong council recently discussed the issue of a needle exchange program as one important component in the fight against drug use. Will the minister advise the house what the Department of Human Services has done to improve the needle exchange program in Melbourne's western suburbs?

Women Shaping the Nation: list

Hon. E. J. POWELL (North Eastern) — I raise with the Minister for Small Business, as the representative in this house of the Minister for Women's Affairs in the other place, an invitation I have received from the Honourable Joan Kirner, the chair of the Women Shaping the Nation steering committee, to be a member of the panel that makes nominations for a short list for a Women Shaping the Nation honour roll. The Honourable Joan Kirner asked me if there was anyone I thought should be included in the list of nominations. However, it was on short notice — I had only three days — and I nominated three women, one of whom got on the roll.

I now take the opportunity to renominate for future inclusion on the honour roll the names I submitted

earlier. The first is Shirley McKerrow, who was selected for the honour roll. Mrs McKerrow was president of the National Party of Australia from 1981 to 1987, the first female federal president of any political party in Australia; and president of the National Party of Australia for Victoria in 1976, the first female state president of the party in Victoria.

I also submit the name of Helen Dickie, president of the National Party of Australia in 1999, the second female president of the federal party; and chairman of the party in New South Wales in 1997, the first female chair of the party in New South Wales.

I also further submit the name of Cecile Ferguson, the director of the federal National Party of Australia from 1992 to 1997, and the first female federal director of any political party in Australia.

I also bring to the minister's attention that the list of categories for nomination did not include agriculture. It is important for country Australia to raise the profile of agriculture and its importance to our nation, while also giving value to and recognising the importance of the contribution women have made over the years. A number of women in the environment or business categories should more appropriately be in the agriculture category.

Belgrave–Hallam and Hallam North road intersection: safety

Hon. N. B. LUCAS (Eumemmerring) — I raise with the Minister for Energy and Resources, as the representative in this house of the Minister for Transport in the other place, the implications of the new Hallam bypass for the Belgrave–Hallam and Hallam North road intersection in the Endeavour Hills and Hallam areas.

Mr Stephen Hallett, a constituent, has raised with me his concerns that when the bypass is opened huge traffic flows running onto and off the freeway at the intersection will create significant traffic problems for residents in the Hallam and Endeavour Hills areas. Mr Hallett has written to Vicroads giving a reasoned and logical explanation of the issue, and I support him in that. He has proposed a four-stage project over a period for the duplication of a number of roads, an improved roundabout and the inclusion of traffic lights to alleviate what he sees as a potentially difficult situation.

I support his action. I ask the minister to investigate the issue and give consideration to Mr Hallett's suggestions

with a view to alleviating the traffic problems the new interchange will create.

Fire services: insurance levy

Hon. ANDREW BRIDESON (Waverley) — I raise with the Minister for Industrial Relations, as the representative in this house of the Minister for Finance in the other place, the method of collection of the fire services levy. Honourable members would be aware that in home and contents insurance a component is added for fire services. A constituent of mine claims that because only 30 per cent of the population have a home and contents insurance policy an unfair burden of funding the fire services is borne by a small section of the population. My constituent believes that including the fire levy in local council rates so that every property would be levied would be a more equitable way of collecting the levy.

I ask the minister to investigate which process is the most efficient for the collection of the levy and advise whether she will give consideration to changing the current system.

Ambulance services: Yarra Ranges

Hon. A. P. OLEXANDER (Silvan) — I raise with the Minister for Industrial Relations, as the representative in this house of the Minister for Health in the other place, ambulance response times in the Shire of Yarra Ranges. Recently the Minister for Health released figures showing the response times for code 1 emergency cases in the shire were running at 20 minutes, which is 4 minutes more than the 16-minute average benchmark considered acceptable for response code 1 emergencies throughout the state. This figure contrasts with the code 1 response time in the municipality of Maroondah for the past three years of 12 minutes.

The *Maroondah Journal* and the *Yarra Ranges Journal* of 6 June both contain reports indicating that the health minister has acknowledged that the Shire of Yarra Ranges did not have quite the same network of ambulance services as other municipalities. He said that code 1 response times are still highest in the municipalities on Melbourne's outer fringe, including the Shire of Yarra Ranges, and that these areas will be given priority with new services and new stations. In those two publications the minister went on to assure residents of the shire that the situation would improve and that the government was committed to cutting the response times for code 1 emergencies.

In the state budget the minister announced an allocation of an extra \$6 million over four years to allow, he said, the Metropolitan Ambulance Service to cater for an additional 21 000 emergency and 3000 non-emergency cases around Melbourne annually. A further \$2.6 million will be provided over two years for 14 new and replacement vehicles for the Metropolitan Ambulance Service.

What proportion of the extra \$6 million will be provided specifically to the people of the Shire of Yarra Ranges to improve the response times of 20 minutes and bring them below the 16-minute statewide average benchmark? In particular, how many additional emergency cases out of 21 000 additional cases will be funded? How many additional non-emergency cases out of the 3000 will be funded, and how many new ambulances out of the 14 new — —

Hon. M. M. Gould — On a point of order, Mr President, the honourable member has asked a question of the minister about how much funding will be available for improving ambulance response times. He has also asked a number of questions relating to other issues on health budget funding. The honourable member has concluded his request on the adjournment debate.

The PRESIDENT — Order! As it happens, the honourable member's time has expired. The sense of the honourable member's question was very clear. I am sure the minister will respond with alacrity.

Electoral enrolment: special accommodation residence

Hon. C. A. STRONG (Higinbotham) — I direct to the Minister for Small Business, who represents the Minister for Community Services in the other place, an issue that was brought to my attention by a constituent who has an autistic son who lives in a local special accommodation house. He explained to me that it has come to his attention that the Department of Human Services is endeavouring to have the names of those residents removed from the electoral roll.

When asked by his father if he wants to vote in the forthcoming elections, my constituent's son indicated that he did. He explained to his father that he did not vote in the last state election because he was discouraged from doing so by the carers. Currently the residents who are able to vote are either taken to the booths by the carers or alternatively have a postal vote arranged for them. My constituent leads me to understand that this places an extra workload on the

carers and they are reluctant to do it. As a consequence, they are trying to get many of the residents of the special accommodation places taken off the roll. Will the minister investigate this issue and establish a clear policy that ensures that those who wish to vote are encouraged to exercise their right rather than forfeit it because of the extra work it may create for their carers?

Parliament: tabling of reports

Hon. D. McL. DAVIS (East Yarra) — My question to the Minister for Energy and Resources concerns the annual report of the Department of Natural Resources and Environment. The house may remember that several weeks ago I asked the minister about a number of errors in the report. This is the third annual report that contains serious errors that the minister has tabled in the house. The Department of Infrastructure report had a number of errors and was retabled, and the Melbourne Port Corporation report was retabled today. The house was appreciative that a number of errors had been corrected.

The minister indicated to the house almost two weeks ago that the Department of Natural Resources and Environment report would be presented to this house. This issue goes back to 10 January when in an article in the *Weekly Times* the financial director of the Department of Natural Resources and Environment indicated that the annual report contained serious errors that concerned consultancies and contractors. Those errors may mean the report contravenes the Financial Management Act.

In that context I wrote to the secretary of the department, Chloe Munro, who indicated that there were errors in the report, and she believed they should be corrected. The minister is well aware of that and has indicated to the house that the report will be retabled in this house.

Further, I also wrote to the Minister for Finance on 10 January this year. It is now more than six months since the minister in this place has been aware of errors in the report of the Department of Natural Resources and Environment. This will be the third report with errors tabled by the minister. When will the minister retable the report?

Hon. T. C. Theophanous interjected.

Hon. D. McL. DAVIS — Mr Theophanous may well laugh about this, but the house relies on the accuracy of reports tabled in this place, and the minister has indicated she will table them. This sitting of Parliament is almost over. The Legislative Assembly will sit until the end of this week and this house will sit

until the end of this week and next week. Will the minister guarantee to the Parliament and to this house that she will retable the annual report in this session of Parliament and, if not, why not?

Renaissance of the Regions: Bendigo forum

Hon. BILL FORWOOD (Templestowe) — I directed question on notice 1456 to the Minister for Energy and Resources for the attention of the Minister for State and Regional Development in another place, and the answer was tabled in this place on 16 May. It concerned the Renaissance of the Regions forums held throughout Victoria, and in particular in Bendigo. The questions I asked were:

What financial support was given by the Department of State and Regional Development to each event?

The answer was none. I then asked:

What financial support was given directly to the Institute of Public Administration Australia?

The answer was none. I then asked whether the Department of State and Regional Development would share any of the cost for the event, and the answer was no. I refer the minister to the Renaissance of the Regions Bendigo forum registration form, the front page of which states:

The Bendigo forum is sponsored by: Department of State and Regional Development.

In light of the answers given to question on notice 1456, I wonder if I could have an explanation about why the registration form shows the department as a sponsor when no money was provided by it.

Responses

Hon. M. M. GOULD (Minister for Industrial Relations) — The Honourable Cameron Boardman raised for referral to the Premier a matter concerning the Ombudsman's report. I will raise that matter with the Premier and ask him to respond to the honourable member.

The Honourable Sang Nguyen raised for referral to the Minister for Health the matter of improving the needle exchange programs in the western suburbs. I will raise the matter with the minister and ask him to respond in the usual manner.

The Honourable Andrew Brideson raised for the attention of the Minister for Finance the fire levy service. I will raise that matter with the minister and ask her to respond in the usual manner.

The Honourable Andrew Olexander raised for the Minister for Health the matter of ambulance response times. I will raise that issue with the minister and ask him to respond in the usual manner.

Hon. C. C. BROAD (Minister for Energy and Resources) — The Honourable Elaine Carbines raised on behalf of her constituent the matter of a gas leak and gas safety. I will undertake to seek advice to forward to the honourable member from the Office of Gas Safety on that issue. As to the service and billing matters raised by her constituent, I will seek advice from the Energy Industry Ombudsman on those matters and forward it to the honourable member.

The Honourable Barry Bishop raised for the attention of the Minister for Environment and Conservation the matter of the retention of a Cooperative Research Centre for Freshwater Ecology unit at Mildura. I will refer the matter to the minister.

The Honourable Andrea Coote raised for the attention of the Minister for Environment and Conservation questions concerning the bat colony of the Royal Botanic Gardens. I will refer the matter to the minister.

The Honourable Neil Lucas raised for the Minister for Transport proposals by Mr Hallett to alleviate traffic congestion. I will refer that matter to the minister.

The Honourable David Davis raised with me the Department of Natural Resources and Environment annual report. I have been advised that the Minister for Environment and Conservation has made arrangements with the Clerks for the tabling of that revised report before the completion of this session of Parliament.

The Honourable Bill Forwood raised for the attention of the Minister for State and Regional Development funding and sponsorship matters relating to the Renaissance of the Regions Bendigo forum. I will refer that matter to the minister.

Hon. M. R. THOMSON (Minister for Small Business) — The matter raised by the Honourable Jeanette Powell for the Minister for Women's Affairs concerns the Women Shaping the Nation honour roll and a request from Joan Kirner for names to be included on that roll. I understand only one was included of the three that were provided. The honourable member seeks that the names of three notable women within the National Party, Shirley McKerrow, Helen Dickie and Cecile Ferguson, be added to the roll and that an agriculture category be included as part of the honour roll. I will pass that matter on to the minister for her to respond directly.

The Honourable Chris Strong raised for the attention of the Minister for Community Services special accommodation units where staff had sought to take people off the electoral roll because of a reluctance to deal with the processes of arranging postal ballots and assisting them with voting. He has asked that the minister investigate the issue to see whether a clear policy can be established to ensure that those who wish to vote have access to voting. I will pass the matter on to the minister for her response.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I will refer the matter of radar devices raised by the Honourable Gordon Rich-Phillips to the Minister for Police and Emergency Services in the other place.

Motion agreed to.

House adjourned 11.33 p.m.