PARLIAMENT OF VICTORIA

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LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

1 November 2000

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Wednesday, 1 November 2000

The PRESIDENT (Hon. B. A. Chamberlain) took the chair at 10.04 a.m. and read the prayer.

PAPERS

Laid on table by Clerk:

Barwon Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

Central Murray Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

Chief Electrical Inspector's Office — Report, 1999–2000.

Crown Land (Reserves) Act 1978 — Minister's Orders of 31 October 2000 giving approval to granting of a lease at Rutherglen.

Eastern Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

Environment Protection Authority — Report, 1999–2000.

Fisheries Co–Management Council — Report, 1999–2000.

Gas Safety Office — Report, 1999–2000.

Goulburn Valley Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

Hastings Port (Holding) Corporation — Report, 1999–2000.

Infrastructure Department — Report, 1999–2000.

Justice Department — Report, 1999–2000.

Melbourne City Link Act 1995 — Variation to the Melbourne City Link Project Agreement, 31 October 2000, pursuant to section 15B(3) of the Act.

Melbourne City Link Authority — Report, 1999–2000.

Mornington Peninsula Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

North East Victorian Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

Northern Regional Waste Management Group — Minister for Environment and Conservation's report of 31 October 2000 of receipt of the 1999–2000 Report.

South Eastern Regional Waste Management Group — Report, 1999–2000.

Sustainable Energy Authority — Report, 1999–2000.

Victorian Rail Track — Report, 1999–2000.

SNOWY RIVER

Hon. W. R. BAXTER (North Eastern) — I move:

That this house supports the return of flows to the Snowy River but believes the required volume should be sourced from efficiency savings and rejects completely the purchase of irrigation water for this purpose.

This is a very important debate. It needs to be said at the outset that there is virtually universal agreement that some flow should be returned to the Snowy River. It is clear that under the Snowy Mountains Hydro-Electric Power Act of 1949 and the Snowy Mountains hydro-electric agreement, reached between Victoria, New South Wales and the commonwealth in 1957, the Snowy was sold short. That is understandable.

After the Second World War there was a great push for national development. The population of Australia was only about 8 million or 9 million at that time, and it was obvious that if the nation was to prosper into the future it needed substantially to increase its population and infrastructure. It was also obvious that the great potential of the Murray–Darling Basin could be realised if more secure water supplies could be made available. As early as 1884 it had been suggested that there was scope for turning waters which, at least according to the flavour of the day, appeared to be running to waste in the ocean. It was thought that the Snowy River and other rivers in the Snowy Mountains could be turned inwards and used to build a great nation.

There is no doubt that the Snowy Mountains hydro-electric scheme and the irrigation works that resulted from it are one of the wonders of the world. The scheme underpinned the growth, development and prosperity of this nation. There is also no doubt that the Snowy scheme has enabled the people of the cities, particularly Melbourne and Sydney, to enjoy an abundant supply of fresh food at relatively or very inexpensive prices for many years.

One can understand how in the time of the great push forward after the Second World War environmental considerations were not as well understood as they are today. People did not realise that there needed to be a balance between maintaining a natural environmental condition in our rivers and utilising the apparently untapped resources of the country for productive enterprise. We should not blame our forebears for the decisions they made; they were decisions arrived at in the knowledge of the time. We can now say that that knowledge was deficient in that it lacked a full understanding of environmental considerations.

The situation with the Snowy River following the construction of the Snowy scheme is worth noting. I quote from page 111 of the Snowy Mountains Hydro-Electric Authority draft environmental impact statement:

> The construction of the Snowy Mountains scheme has impacted on the environmental condition of the Snowy River below Jindabyne Dam.
>
> The level of flows at the Jindabyne Dam wall has been reduced to 1 per cent of the historic average natural flow (ANF). This increases to a mean annual flow of 30 per cent at the confluence with the Delegate River and to 53 per cent at Jarrahmond, 30 kilometres from the ocean.

It is clear from that that the river has been seriously affected by the construction. However, I want to put on the record that there has been a good deal of misinformation — some spread innocently and perhaps some peddled less than innocently — which continues to refer to a 1 per cent flow as if the Snowy River were reduced entirely to a 1 per cent flow. That is not so of course, as the excerpt from the environmental impact statement amply demonstrates.

Nevertheless, particularly for that section of the river between the Jindabyne Dam wall and the confluence of the Delegate River there is a substantial cutback and it slowly increases as the tributary rivers join the Snowy as it makes it way towards the ocean.

I also make clear, as I said at the outset, that there is almost universal acceptance of the need to return some degree of flow. Certainly the National Party has made it obvious that it supports the return of flows to the Snowy River, despite allegations made at various times that many National Party members represent the great irrigation districts of the Murray River — which is true; the National Party does and has traditionally done so.

Hon. R. M. Hallam — And does so proudly.

Hon. W. R. BAXTER — Indeed it does, Mr Hallam. It proudly represents the great irrigation districts of Victoria. However, it also represents Gippsland, and it has an overall responsibility to the welfare of the state as a whole.

At a meeting in East Gippsland in January the National Party took a decision to support the immediate return of 15 per cent of flows to the Snowy River with a view to working towards 28 per cent over time. How did it arrive at the figure of 15 per cent? Very easily indeed — simply because the 23 October 1998 inquiry into Snowy water flows conducted by Robert Webster demonstrates that 15 per cent could be returned to the river speedily because savings of that volume could be garnered relatively easily. It seemed to the National Party that that ought to be accepted there and then and that we would work on from there to find additional water that might get the flow up to what has become generally accepted as the appropriate figure — 28 per cent of natural flows. That figure was arrived at by an expert committee some three or four years ago following extensive investigations.

I have no doubt at all that members of the Liberal Party have a similar view. They also support the return of the flows to the Snowy River. I am sure Mr Davis, who I understand is leading the debate for the opposition, will make that clear to the house. I therefore want it clearly on the record that this is not some attempt to deny the return of flows to the Snowy River. There is in fact agreement on it.

Disagreement is beginning to emerge on revelations that have gradually seeped out — in some cases prised out by way of questions in this house and other places — about exactly how the required volume of water is to be acquired. Until recently the long-held view was that it would be through savings. That has had widespread support from irrigators and from the community at large because it is acknowledged that the irrigation system we run is not ideally efficient. It cannot ever — and no-one is suggesting that it should — run at 100 per cent efficiency without any losses at all. That is certainly not practical in the sort of irrigation system that is operating in the Murray Valley where natural lakes and rivers are being used.

Obviously, if the run of the river is used to supply irrigation water, the lagoons and billabongs will be filled, that water will not be delivered to irrigators and there will some losses as a consequence of using that natural system. I do not regard the water that fills lagoons and billabongs and the like as lost water. Their being filled has a very important environmental effect on the regeneration of various species of fish, plant life and the like. It is misleading to talk about those as water losses, but there is some scope for improving operations.

Of course, the use of open channels instead of pipes results in seepage and evaporation losses. Similarly, the use of lakes and storage basins will result in substantial evaporation losses and perhaps there is scope for reducing that evaporation and achieving some savings that can be allocated to the Snowy.

A good deal of work has been done on collating the degree of losses. I refer to the Sinclair Knight Mertz report, in which the minister has often taken refuge

when answering questions in this house in the past few days, which states about current water usage:

> The study analysed average water use over a 10-year period from 1989–90 to 1998–99. Over this period the annual average inflow recorded into the northern Victorian irrigation districts was 3380 gigalitres, of which 71 per cent, or 2400 gigalitres, was recorded as deliveries to irrigation or was used for other purposes. The remaining 29 per cent, or 980 gigalitres, was unaccounted for or effectively considered a loss within the distribution system.

It classes the 980 gigalitres in the northern Victoria irrigation system as being a loss. To return 28 per cent flows to the Snowy requires about 295 gigalitres, of which a substantial amount ought to be provided from New South Wales, bearing in mind that it benefits 75 per cent from the Snowy scheme, and Victoria should be providing the other 25 per cent, which would be in the order of 70 gigalitres. One would have thought there would be a fair bit of scope to find 70 gigalitres out of perceived losses of 980 gigalitres.

As something of an aside I say that it is unclear whether Victoria is expected to provide 25 per cent of the required volume or 50 per cent. As the minister has announced that Victoria is putting in 50 per cent of the money, it is unclear whether Victoria is also expected to provide 50 per cent of the water savings. However, be that as it may, the Sinclair Knight Mertz report clearly shows that there are some savings to be had.

I will give some detail of the sorts of areas that might be productively looked at. Outfalls — that is, spills to controlled channel levels — are estimated at 298 gigalitres; leakage through channel banks or pipe joints is another 85 gigalitres; seepage is 54 gigalitres; and evaporation is 101 gigalitres. It takes 64 gigalitres to fill the system; 5 gigalitres are stolen each year; unmetered stock and domestic use is 38 gigalitres; delivery measurement error is 110 gigalitres; and there is an unaccounted amount of 225 gigalitres. It can therefore be seen that there is wide scope, with some judicious investment, to garner the required savings to meet the agreed volume to be returned to the Snowy.

I am therefore very surprised indeed that we have had during the past 10 days or so a suggestion emerging from the government that perhaps the way to do it is to go into the marketplace and buy the water rather than acquire it by way of savings.

In heralding her agreement, which she likes to describe as ‘historic’, the Minister for Energy and Resources talked about it being a win–win situation and said that the infrastructure renewal would be a great benefit to the state and the irrigators and that we would have a run of water to the environment that would be widely applauded. I agree entirely with that. That clearly would have been so. But as I said, in recent times I have become increasingly nervous as the minister has started to talk about purchasing water to meet those targets.

I refer the house to a response by the Minister for Energy and Resources to a question from her own side. On 24 October — just last week — the minister had this to say about acquiring water: ‘Those acquisitions are fundamental to the package’. I noted with some interest that yesterday in answer to a question the minister said the purchase of water would be ‘limited’. It appears the minister has become aware of the widespread concern expressed in country Victoria and elsewhere about the proposal to purchase water, and she is now trying to sell the message that if there are to be purchases they will be limited. Perhaps the minister can explain in her response to my contribution exactly what she means by ‘limited’.

I will advise the house of the level of alarm that has been created in country Victoria, particularly in the irrigation districts, by the suggestion that water will be purchased for the Snowy River. An article in the *Shepparton News* of 30 October states:

> Seeing the Snowy River’s environmental flows bought on the open market has become a frightening possibility for Goulburn Valley irrigators.
>
> Victorian energy and resources minister Candy Broad revealed last week in Parliament that direct-buying water entitlements for the Snowy River was being considered.
>
> Irrigators and farming groups fear having the ‘deep-pocketed’ government enter the market could cause the price of saleable water to skyrocket.
>
> …
>
> It was announced on 6 October this year that environmental flows to restore the Snowy to 28 per cent of its former glory were to come from savings in the water system.
>
> A guarantee was also given to protect irrigator rights.
>
> Further muddying the issue was the contradictory comment made by Victorian Premier Steve Bracks in Parliament later in the week.
>
> ‘In achieving the 21 per cent flow in the next 10 years, the government does not anticipate, nor does it plan to examine, the purchase of water’, he said.

That is contrary to what honourable members have been told in this house by the minister several times. The articles further states:

> Victorian Farmers Federation president Peter Walsh said contradictions had his organisation losing faith.
>
> ‘They have reneged on their agreement which, for a government elected on openness and transparency, makes it very hypocritical’, he said.

'Where can we take what they say on face value?'.

There is a high level of concern in country Victoria about what the government is up to in seeking to find the water that will be returned to the Snowy.

A further example of the expression of that concern can be found in the editorial of the Swan Hill *Guardian* of 20 October, which states:

The government's secret plan —

we know it is secret because we have tried very hard to have the agreement released —

to buy local water to meet its quota on the Snowy's environmental plan is a potent threat to the region's bright future. The odds are not stacked in our favour.

We have a government which must repay the Independents for giving it power.

…

We need to discover whether the government intends legislation to buy water or will take water by stealth with regulation.

There again is an indication of widespread concern in country Victoria as to exactly what is happening.

It also seems to me that government members, including ministers, have little understanding of how the water market works in Victoria. One of the greatest benefits for Victorian irrigators was the introduction 10 or 15 years ago of tradeable water entitlements. It has enabled water usage to become much more efficient. It has also enabled a value to be put on water through an open market situation, where buyers and sellers can take their decisions according to what is available. It has changed the situation from water being permanently attached to land when there were grave difficulties about shifting it to a more desirable use.

The last thing that I would want is interference in the water market, particularly from a buyer with virtually unlimited funds, if the market were corrupted and distorted by that happening. As I said, it appears that government members, including the Minister for Environment and Conservation, do not understand how the water market works. If that is the case, it is alarming to contemplate that Victoria has a minister who fails to understand the basic mechanics of the market system.

An article in the *Weekly Times* of 25 October reports on the minister's visit to Swan Hill as follows:

Ms Garbutt failed to rule out buying water on the open market, but said if that was to happen, water would be obtained from 'low value' agriculture areas at a 'super low price'.

Bearing in mind that the market works on the basis of people making water available for sale and others bidding to buy it right across the irrigation districts — it is not compartmentalised so that some water is worth a certain amount and other water is worth a different amount, but it is all part of the same pool — I cannot understand how the minister or the government can believe they will be able to find cheap water that some farmer is not prepared to buy. If there is any cheap water out there, both irrigators and the government will be interested in competing for it. The article continues:

Woorinen irrigator Jack Butler said irrigators 'would not be happy' if water was bought.

'If they buy thousands of megalitres, there goes development in the future', he said.

Mr Butler said despite Ms Garbutt's assurances, there was still insufficient detail to convince irrigators the deal would not wreak havoc on the water market.

I agree with what Mr Butler fears, that there is grave potential for the water market to be absolutely corrupted.

The Independent member for Mildura in another place, Mr Savage, has obviously been conned by the government. Mr Savage has been challenged by some of his constituents this week, and rightly so, to say where he stands on this purchase issue. A newspaper article states:

Mr Savage said his support of the government proposal was based on an assurance that the water purchases would only occur where there would be no adverse impact on the prevailing price.

Does Mr Savage understand how a market works, or has his background been so sheltered that he does not understand the mechanics of supply and demand? It would seem so. Or has he has been totally conned by the Minister for Environment and Conservation, because he is reported as saying:

If water is purchased, it will be in New South Wales where the price is $500 to $600 a megalitre.

That can only mean one of two things. It either means that Mr Savage does not understand the situation — —

Hon. R. M. Hallam — Or worse!

Hon. W. R. BAXTER — Or worse! It means he is joining with the government in subterfuge and that it is going to buy New South Wales water at that price. Unlike Victoria, there are two sorts of water entitlement in New South Wales — there is secure water and there is insecure entitlement, and the figure Mr Savage has

quoted is for insecure entitlement water that is available in some years but not in others.

Honourable members may know that this state has historically run a secure irrigation system through which we are able to supply water 97 years out of 100.

Hon. B. W. Bishop — And should be proud of it.

Hon. W. R. BAXTER — We should proud of it, Mr Bishop, and indeed we are proud of it. It has served the state well.

New South Wales took the decision many years ago, and still abides by it, that it will take water while it is available, and the devil take the hindmost. Whatever happens next year they will deal with next year. In New South Wales, as happened last year for example, its water rights for general security water can be as low as 10 per cent. If that is the water Mr Savage is advocating the government should buy, that means that in many years the water simply will not be available to go down the Snowy. Is that the situation he is suggesting, or does he simply not understand the system? Either way, it does him no credit that as the representative of one of the great irrigation electorates of this state he should have so little understanding of how the system works.

I want to tell the house what advice the government has received from various sources on whether it should go into the marketplace. As we all know, governments and ministers receive advice from their departments and from expert committees as well as lobby groups and the like. It is instructive to look at the advice about purchasing water that was provided to the former government just before the election, and I have no doubt the current government has received precisely the same advice from the very responsible public servants in the Department of Natural Resources and Environment and from the rural water authorities.

This is the advice that was provided just before the election:

> Purchase from the market is not viewed as a feasible option.
>
> It will increase market pressure and increase prices.
>
> Government will be competing with private investors for water.
>
> Removal of water from production via government purchase from the market will reduce rural water authorities' revenue base and increase unit price per megalitre for irrigators. (May leave a perception that irrigators are paying for these savings).
>
> Unlikely to be the cheapest option. This sort of bulk purchase is likely to push prices to very high levels.
>
> If purchased in the market, these volumes of water would take up the total Victorian permanent transfer of water entitlement trade for the next 7–10 years, based on the current market turnover.

The briefing note goes on to say:

If the government goes into the marketplace no-one else will be able to get any water for 7 to 10 years. What an extraordinary impediment to and serious restriction on agricultural development in our irrigation areas that will be in the next decade. It goes on to say:

> The two related problems this would generate are:
>
> > this could potentially stifle all new irrigation development for the next 10 years, which would have a devastating effect on growing rural economies.
> >
> > under such a scenario, the cost of water in the market is expected to rise dramatically, increasing the cost per megalitre for 'savings' significantly, and also adding a further significant disincentive to new irrigation development.

You would have to say that that is fairly powerful advice to any government. It is saying: you will wreck the market and you will put up the prices to such an extent that you will stifle development. Not only that, bearing in mind that the former government had a target to increase agricultural exports to a high level over a relatively short period and that this government adopted that target when it came to office, future exports would be undermined if the government went into the marketplace and purchased water for the Snowy. The advice from the rural water authorities clearly demonstrates what the effect would be.

They are not the only people giving the government advice that it is crazy to purchase water. If honourable members turn to the Snowy River environmental impact statement (EIS), at page 292 they will see a further piece of advice that makes it clear that those who know about these things do not think buying water is a very good idea. It states:

> The purchase of permanent water licences effectively translates into a reduction in agricultural activity within the Murray–Darling Basin … a reduction in end-use consumption by this means may lead to a lower level of economic activity within the region.
>
> Governments would need to be sensitive to the potential for regional dislocation and the wider economic and social implications for many rural communities.
>
> …
>
> Purchase of permanent licences … may make further water reform more difficult and slower.
>
> This approach could also impact adversely on the continued development of the water market, as well as lead to higher opportunity costs associated with irrigators' own water efficiency initiatives. Water markets are far less developed than electricity markets. Any arrangement by which

> government steps into the water market to purchase licences is likely to push up the purchase price and otherwise distort the emerging water market.
>
> Although individual entitlement holders would be compensated through these payments, this may not necessarily flow back to the wider community which depends on an overall level of economic activity to maintain its livelihood. Reduced economic activity concentrated in one area could also impact on remaining irrigators, for example by raising water distribution costs if there are fewer licences to spread these costs across.

The government said it was elected with a regional and country focus and said it would look after country Victoria. Yet, as I have clearly demonstrated from quoting the environmental impact statement, one of the actions the government now contemplates will undermine regional Victoria.

One of the fundamental economic drivers of Victoria is the irrigation industry. The government's contemplation of a short-term, quick-fix solution of, 'Let's go into the marketplace and buy water to meet our commitment to the Snowy River' fails to comprehend the long-term dire consequences. The house has every right to reject that attitude and to make it clear that, although it supports a return of water flows to the Snowy River, it rejects the notion that such a result should be achieved in that way.

I turn to other implications of a return of water flows to the Snowy River. Too few people have yet contemplated how that return of flow will affect greenhouse gas emissions. The Snowy Mountains hydro-electric scheme was built for a double-barrel reason: primarily to provide hydro-electric power to eastern Australia; and, secondly, to channel the water after it generates electricity, sometimes through several power stations, into Australia's great inland irrigation areas. One must acknowledge that that was a bold initiative 50 years ago because nobody then knew anything about greenhouse gas emissions. How fortunate Australians are that the tremendous Snowy hydro-electric scheme has provided so much power to Australian cities for so many years.

However, under the government's proposal a considerable reduction in hydro-electric power generation will occur with a consequent substantial increase in greenhouse gas emissions as people turn to alternative power sources. I again refer to the EIS, which makes clear the anticipated increases in emissions. It states the following about power generation:

> The scheme has produced on average 5129 gigawatt … hour of electricity per year. This is equivalent to the preservation of some 273 000 hectares … of forest in terms of its greenhouse gas reduction potential …
>
> Almost no water currently leaves the scheme without producing electricity. Governments will need to consider the impact of diverting water to environmental flows on greenhouse gas emissions and the cost of alternative renewable energy supplies if there is to be no net impact on Kyoto commitments.
>
> On present indications, levels of environmental flows to the Snowy River equivalent to a 28 per cent flow regime, together with 100 gigalitres … of releases to the upper Murrumbidgee and Montane rivers, could reduce the scheme's contribution to net greenhouse gas reductions by up to 10 per cent, or 564 000 tonnes of carbon dioxide. This would be equivalent to the permanent clearing of some 28 200 hectares of forest …

I do not object to water flowing down the Snowy River, but the house should take into account that it is not as simple as it sounds. Other implications should be taken into account. The purchase of water to add to the flow down the Snowy River means that the previous volumes of water will not pass through the hydro-electric stations. Jindabyne Dam will need to be modified because there is no power station on the outlet to the Snowy River. That water will no longer serve the desirable purpose of generating power.

The community is becoming increasingly concerned about greenhouse gas emissions. I find it extraordinary that people are prepared to pay more for green power. The annual reports of the electricity distribution companies in my area — Powercor and TXU — reveal that quite a few customers are prepared to pay more. People in the cities need to be made aware that the return of water to the Snowy River and the purchase of allocations to do so will undermine the laudable community objective of reducing thermal power generation by using hydro power.

I again refer to the EIS and its comments on implications:

> A loss of generation was likely to require the community to purchase increased carbon-based fuels in order to offset the reduction in hydro-electric power. It may also require some investment in new generation facilities to be brought forward, again at a cost to the community, in the form of higher electricity bills or a contraction in electricity usage, and a reduced scope for purchasing other goods and services.
>
> …
>
> Loss of hydro-electric generation, if replaced by increased use of gas or coal-based generation, can be expected to lead to the increased emission of greenhouse gases in meeting Australia's electricity demands. This could involve real economic costs if, for example, it leads to more stringent requirements to restrict emissions from other industries or to purchase emission rights —

that is, the so-called carbon credits. It is worth noting that the generation of hydro power is significant in Australia's meeting its commitments to the Kyoto agreement. The government's plan is counter to that desirable objective.

Other costs, including social costs to rural communities, should be considered if the government insists on purchasing water in the open market. The general view is that rural communities are under some pressure and threat, and that they have lost some services. To some extent that is true, but it would be unwise if the government were to accelerate that trend by an unwise decision to go into the marketplace and buy water. The EIS further states:

> At a time of economic and financial stress in many rural areas, reductions in water availability or water security could add to existing pressures on agricultural production and Australia's export performance. The Murray–Darling Basin currently provides some 40 per cent of Australia's total agricultural production. Reductions could also come at a social cost, in terms of further reductions in populations in rural communities which would aggravate quality of life and social amenity considerations in these areas.

I emphasise my contention that the decision, if taken, to buy water in the marketplace has other implications. It would undermine the very foundation of rural communities and it could, or probably would, start a downward spiral in the economy of many irrigation areas, for example, the Murray Valley, the Goulburn Valley, Sunraysia or wherever.

Those areas of Victoria are driving our rural economy which are generating the state's and the nation's export income. It has the potential to undermine that great economic driver. Again I say to the government that it should not take this decision in isolation, as a quick fix, because it thinks that is the way to meet the commitment it has given. There are other flow-on effects that should be taken into account. That does not have to be done. Savings can be made, some cheaply, some more expensively, but they are all likely to be cheaper than going into the marketplace. The fact that you go into the marketplace forces up the price of water to a level that is likely to be higher than what the more expensive savings would be, and it also has the other long-term and ongoing cost of undermining the economy of the irrigation areas. It is not a one-off cost.

If you buy water in the marketplace it is not only what you pay for that megalitre of water that is important but also the produce that that megalitre of water generates each and every year forever; whereas the same amount of money spent on savings is a one-off cost that can also deliver a benefit forever. I cannot understand why the minister and those in her office cannot see that equation in stark reality: that buying in the marketplace has a downside that lasts forever and that garnering savings efficiencies has an advantage that lasts forever — one is downwards and one is upwards. Why anybody would contemplate the downwards course politically escapes me. The minister should give much more consideration to the issue before she embarks on such a course.

I shall not deal with the other frightening aspect that the minister disclosed in answer to questions in this place that this enterprise–entity to which she has referred on many occasions will have capacity to borrow money to go into the marketplace to buy water. It harks back to the funny-money schemes of the Cain–Kirner years that were flushed out by the Honourable Roger Hallam at that time. Let us not go down that path of running up the state debt on such schemes. No doubt it will be dealt with at another time, but I express my grave disquiet — —

Hon. R. M. Hallam — Terror!

Hon. W. R. BAXTER — Yes, Mr Hallam, terror that the government may be contemplating a funny-money scheme to borrow funds to purchase water on the open market to run up debts that way. The purchase of water in the market will lead to the dislocation of rural economies, have a detrimental effect on the greenhouse situation, lead to higher supermarket prices in the cities and have an ongoing cost forever. It is not necessary to do that. Savings are there to be garnered. The advantage both to the economy and the environment would be immense. Governments should be capturing that great advantage.

Before I conclude, lest the minister intends to weave a certain web that members of the National Party, in particular the honourable member for Swan Hill in the other place, have endorsed the concept of purchasing water in the marketplace, I shall place on the record the true facts. The minister's attempt to answer a question in the house a few days ago suggested that this was a recommendation coming from the Murray Water Entitlements Committee chaired by the honourable member for Swan Hill. The Murray Water Entitlements Committee comprises 22 or 23 persons. The committee did good work by bringing together the irrigation communities in the Murray Valley and convincing them that the Murray–Darling Basin diversion cap was essential. It concentrated a number of minds and brought many diverse views and opinions together which resulted in a successful outcome. Nowhere in the recommendations did the committee advocate purchasing water for the Snowy River. *Entitlements to the Murray — Outcomes of Work to Define how*

Victoria's River Murray Water is to be Shared, dated August 1999, refers to its earlier report and states:

> … it determined that water for the Snowy had to come from savings.

In its recommendations to the minister it states:

> MWEC recommends that the minister agree to the adoption of modifications to the original package in line with the dot points.

A number of dot points are not relevant, but one states:

> Snowy flows from savings, to prevent adverse impact on the Murray or irrigation.

Further in the report it discusses each of the submissions it received. In responding to the submission from the Australian Conservation Foundation the report states:

> MWEC has now addressed this issue, and agreed that flows returned to the Snowy should come from savings. A large share of the cheapest savings is being offered for this purpose.

That makes it clear that nowhere did the committee in its report recommend that there should be purchases on the open market to supply water to the Snowy River.

I conclude by saying that there is universal agreement that the Snowy River deserves increased flows. There is no question about that. There is an opportunity for this generation, this minister and this government to sign off on one of the greatest tasks of our nation that was not completed, the Snowy Mountains hydro-electric irrigation scheme. The Snowy Mountains scheme is the real backbone of our nation. It has done so much for Australia and is held up as one of the engineering wonders of the world. It is unfortunate that because of the attitudes of the day the authorities did not consider the Snowy River sufficiently. It could be said that the Snowy River is another great icon of this country, as is Banjo Paterson's poem and the like. Here is an opportunity for the government to achieve some credibility for both, for returning water to the Snowy River and signing off on the corporatisation of the Snowy Mountains scheme that will provide many benefits to the taxpayer, the irrigation industry and the economy as a whole. It is a win–win situation, but it would be disappointing, in fact disastrous, if that opportunity were lost because of a short-term fix of going into the marketplace and purchasing water to meet a commitment in the short term while not taking into account the long-term disability that that would impose on the nation.

It would be even more tragic because there is no need to do it. The water for the Snowy River is available. It can be had; it can be garnered from savings, provided the work is done and the money is spent. I call on the house to support the motion and thereby demonstrate to the government that there is great support for the Snowy River, but purchasing water in the open market is not the way to achieve that success.

Hon. C. C. BROAD (Minister for Energy and Resources) — The government welcomes the first part of the motion, notwithstanding the fact that it omits to refer to any particular flow to the Snowy River, which has been the key to the Snowy River debate all along. The statement that this house supports the return of flows to the Snowy River is very welcome.

As members opposite might expect, the government does not agree with the qualification the motion then attempts to introduce for somewhat transparent reasons, as I shall assert later. Accordingly, the government will move an amendment to the motion so that it will simply read:

> That this house supports the return of flows to the Snowy River.

Later I will advise the house of the reasons for questioning this somewhat transparent qualification from the opposition parties.

In addressing the actual substance of the motion — that is, the return of flows to the Snowy River — I direct to the attention of the house the agreement reached between the New South Wales and Victorian governments to return 28 per cent flows to the Snowy River; and in addition — this is another significant part of the agreement which has received little attention in Victoria — the return of significant flows to the upper Murrumbidgee River and key rivers in the Kosciusko National Park.

The implementation of the agreement for increased flows to the Snowy River also includes the return of flows below the Jindabyne Dam and in the River Murray and the Snowy montane rivers. It is important to note that the agreement specifically rules out adverse impacts on water entitlements for irrigation; existing water flows for environmental purposes for the Snowy River; and any adverse impact on South Australia's water quality or security of supply. Those undertakings were given by the New South Wales and Victorian governments at the outset of negotiations on the agreement and have been fully adhered to in the agreement that has been reached.

It is also important to point out that this agreement is about achieving environmental objectives, and the environmental benefits to be achieved by this

agreement are considerable. They include improving the habitat for a diverse range of plant and animal species, including several threatened species, such as the corroboree frog, the Australian grayling fish, the spotted tree frog, the Macquarie perch and others.

In reversing some of the environmental damage that has been done to the Snowy River over some 40 years it is important to point out that, as has been mentioned earlier in this debate, although the economic benefits that have been achieved by the Snowy Mountains hydro-electric scheme are clear and unquestioned, the environmental damage caused to the Snowy River is considerable.

The agreement is very important in seeking to achieve a balance between economic and environmental objectives that are perhaps more in line with today's attitudes than the prevailing attitudes at the time of the establishment of the Snowy hydro-electric scheme. It is also important to say that although prevailing community attitudes may have changed considerably over that time, there were people in those days who pointed out the environmental damage that would be caused to the Snowy River, but their concerns were pushed to one side. It is not as though people at the time failed to recognise that the scheme was not achieving an appropriate balance or that they did not direct the consequences to public attention; it is just that their voices were not able to prevail at the time.

One of the rewarding things about this agreement to me and the government is that people who were active on those issues at the time of the establishment of the Snowy Mountains hydro-electric scheme and who have remained advocates for addressing the environmental needs of the Snowy River are still around and will see addressed, through the implementation of this agreement, the things for which they have been arguing for a very long time.

I shall address a number of important components in regard to the implementation of the agreement. The Victorian and New South Wales governments have committed to providing an amount of $150 million each over 10 years to fund a joint government enterprise to find the water to achieve a medium-term target of 21 per cent flow. In addition, increased flows equivalent to some 150 megawatt hours of forgone electricity generation in the Snowy montane rivers is an important part of this agreement for the benefit of the upper Murrumbidgee River and those increased flows will occur over the same 10-year period.

In order to meet the government's commitment to returning a 28 per cent flow to the Snowy River, another component to the agreement involves achieving a further 7 per cent of flow through public–private partnerships. I will return to the point about the enormous potential that exists to deliver not only environmental flows through efficiency improvements but also increased economic benefits, and hence the attraction for private sector investment in this area.

An important part of the implementation of the agreement is that all increased flows for the Snowy River will be offset and that that will principally be through water savings — which I will also return to. That requirement was an important part of the undertakings that were provided to irrigators at the outset of the negotiations to protect not only their water security but also the Murray River environment and the quality and quantity of South Australia's water supply, as I have said.

The offsetting requirement is also consistent with the commonwealth environmental impact statement that is currently under consideration. It has been indicated that an important part of implementing the agreement will be the undertaking that the joint enterprise to be established will, of necessity, concentrate on finding water from the cheapest possible source. The enterprise will have targets to achieve over a set period. In order to meet the targets within the time frame and within its budget it will be an absolute requirement that water be obtained from the lowest cost source.

In relation to water savings the government has indicated in its statements on the agreement that the vast bulk of the water will be found by investing in water savings. Both Victoria and New South Wales have commissioned reports which have identified significant cost-effective water savings to help achieve the 28 per cent flow for the Snowy River.

While it is acknowledged that Victoria is significantly more advanced in identifying savings projects, it is the government's view that considerably more savings are available in New South Wales than have been identified to date. The scope for projects to address inefficiencies in the irrigation distribution systems is considerable — far in excess of the flows required to meet the government's commitment and the environmental objectives the government is committed to for the Snowy River. Such projects would include pipelining, major engineering works and improving maintenance of our irrigation distribution system.

In terms of pursuing the projects, the enterprise that is to be established will be required to have an approved annual business plan. The governments that will be the shareholders in the enterprise will have responsibility

for approving that business plan and determining the relative priority of projects to be funded by the enterprise. I point out that consultations will occur with stakeholders as projects are developed by the enterprise.

A high degree of confidentiality has been necessary for the conduct of the negotiations between the New South Wales, Victorian and commonwealth governments and in discussions with the South Australian government.

Hon. Bill Forwood — Why?

Hon. C. C. BROAD — For obvious reasons.

Hon. R. M. Hallam interjected.

Hon. Bill Forwood — You are an open and transparent government; give us the reasons!

Hon. C. C. BROAD — The first speaker in the debate was able to present his case without interjections.

Honourable members interjecting.

Hon. C. C. BROAD — I am sure there will be opportunities for Mr Hallam and Mr Forwood to speak in this debate if they wish, and I look forward to their contributions.

Honourable members interjecting.

Hon. C. C. BROAD — I look forward to their contributions.

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

Hon. C. C. BROAD — I would welcome their contributions to this debate in a more civilised fashion. If I could continue with my contribution without being shouted down I would indicate that I intend to honour the confidential nature of the negotiations, which the commonwealth requested until such time as it makes its decisions about its contribution to these matters.

However, the Victorian government has given undertakings that in implementing the agreement consultation will occur with stakeholders. As recently as yesterday undertakings were given in meetings with the Victorian Farmers Federation about its involvement in the implementation process, including the establishment of the enterprise. The government will certainly honour those undertakings now that it is past — or almost past — the negotiation stage in reaching the agreement.

The large-scale investments in irrigation infrastructure the agreement will provide for will, as has been mentioned, bring long-lasting benefits to regional areas in Victoria and New South Wales. They will not only create employment through capital works but also significantly improve infrastructure, which will assist irrigators and farm operations.

It is notable that in briefing irrigators on the agreement between the New South Wales and Victorian governments immediately following its announcement the response from a number of irrigation representatives was that the investment in improvements and enhancements to irrigation systems would provide incentives for further on-farm investment as a result of improved reliability. We are looking at not only significant economic benefits from direct investment in and improved efficiency of these irrigation delivery systems but also at their providing leverage for further private investment in on-farm systems, which can deliver considerable economic benefits.

The government has indicated that as part of its charter the enterprise will have the flexibility to enable it to purchase water. An example of where it is important for the government to include that flexibility as part of the enterprise's charter is that governments may elect to conduct water savings projects in their own right, such as the Woorinen pipeline project. In addition to the water savings it will produce that project will have a range of benefits. The water savings from that project may be transferred to the enterprise at an agreed price.

The process has been included to provide the enterprise with flexibility in meeting its targeted flow objectives, if necessary.

The government has placed clear qualifications on the exercise of that flexibility by the enterprise. They include that if the enterprise elects to purchase water it will only do so in a limited way that does not distort the water market. It is clear the water market will mature over the next 10 years, not just in Victoria but also in New South Wales and South Australia. The enterprise will have the capacity to operate across state jurisdictions. It is important that it have the flexibility to avail itself of opportunities that may present themselves over that time frame. It also provides opportunities for groups and individuals to come up with ideas for saving water.

As has been pointed out, the enterprise will operate under strict rules. It will not be able, as has been alleged in some places, to buy water at any price. It will have a defined annual cash flow and a limited capacity to carry out short-term investments or to carry over funds

between financial years. As has already been referred to, it will have annual business plans that have to be approved by the participating governments. The enterprise will have powerful incentives and constraints that preclude any actions that may lead to distortions in the water market, as will participating governments.

Hon. W. R. Baxter interjected.

Hon. C. C. BROAD — It is counterproductive to engage in any actions that will lead to the situation suggested in the alarmist assertions that have been made by the National Party.

Hon. R. M. Hallam — How do you get into the market?

Hon. C. C. BROAD — I will return to the alarmist assertions of the National Party in due course. Reference has been made to the work of the Murray Water Entitlement Committee and its *Sharing the Murray* report. Earlier in the debate the Honourable Bill Baxter asserted that there was no reference in the report to purchasing water entitlements.

Hon. R. M. Hallam — Be careful, Minister, you are on the record.

Hon. C. C. BROAD — Given those assertions it is worth referring briefly to the reports. The proposals in the *Sharing the Murray* report were the commencement of the process undertaken by the entitlement committee, chaired by the honourable member for Swan Hill in another place, Barry Steggall. The committee's proposals about dividing the River Murray resources were arrived at in September 1997 after some 18 months of work and considerable consultation.

Hon. R. M. Hallam — What about the recommendations? You should be careful with your terminology in referring to recommendations.

Hon. C. C. BROAD — I will get to those in due course. It is worth pointing out that in those proposals there is a reference to environmental flows for the Snowy River. They were in the process of being sorted out. Without knowing the outcome of the proposed inquiry and the state response at that time, the committee considered it realistic to make some allowance for increased flows down the Snowy River.

Hon. W. R. Baxter — So what. That has nothing to do with purchasing water entitlements.

Hon. C. C. BROAD — We will come to that. The recommendations of the committee's second report, *Entitlements to the Murray*, were forwarded to the then Minister for Agriculture and Rural Resources, the Honourable Pat McNamara, by the chairman of the committee, Barry Steggall, in June 1998. In the review of the main elements of the original proposal there is again a reference to the Snowy River in the recommendations to the minister and a reference to the committee's unanimous recommendations to the former minister. In going through those highlighted recommendations I come to the final paragraph on page 12, where the committee further advises the former minister:

> … that any water to be provided by Victoria to the Snowy River on top of this 33 gigalitres should be achieved from additional savings or from purchasing water entitlements.

Hon. W. R. Baxter — Read the preceding words where it does not say 'recommendations' but 'advises'.

Hon. C. C. BROAD — I read it exactly. The recommendation refers to the committee's recommendations to the minister and advice to the minister, which is part of those recommendations, so it clearly contemplates the selling of water entitlements.

Hon. R. M. Hallam interjected.

Hon. C. C. BROAD — I think that deals with what is and is not said in the report.

It is clear that the National Party is still smarting from the results of the last election, and the result in East Gippsland in particular. The stridency with which the National Party has declared that the sky is about to fall in the matter of water entitlements is a giveaway of its sensitivity and the fact that it is still smarting from the result of the last election.

Mr Baxter's attack on the honourable member for Mildura in the other place this morning is also a giveaway. It is evident when one puts that together with the results in the seats of Benalla and East Gippsland that this exercise and the National Party's endeavour to focus on the issue of entitlements is nothing more than a transparent tactic in its desperate search for some relevance in country Victoria.

The assertion made in the house today that the National Party knows what is good for country and regional Victoria and the government does not is not borne out by the election results or those of the by-elections which followed the election. If the National Party thinks it will restore the confidence of country and regional Victorians in its party with these alarmist arguments, it will be a long time waiting for any return of the support that it lost at the last election and in the subsequent by-elections.

It is disappointing that the National Party has chosen to play politics with this issue. It has sought to unnecessarily alarm country and regional Victorians with a complete misrepresentation of the Victorian and New South Wales governments' agreement on these matters. It is a somewhat transparent search for relevance on the part of the representatives of the National Party in this place and in the other house.

Unfortunately for the National Party it has difficulty in exercising control over some of its members. Its somewhat transparent attempts to create alarm about this very small part of the agreement is in marked contrast to the public statements of the federal member for Gippsland, Mr McGauran. He has welcomed this agreement and indicated that he expects the commonwealth to commit funding to the Snowy River within the next month. That is something which the Victorian and New South Wales governments will await with some interest following the consideration by the commonwealth government of the environmental impact statement on corporatisation of the Snowy hydro-electric scheme. Mr McGauran referred to the involvement of the three governments in committing their full resources including substantial funding. That statement is clearly at odds with those of the state representatives of the National Party who obviously see their political interests as lying somewhere else.

There is a potential to expand the package to increase flows for the Murray River but, as was indicated in the announcement made by the New South Wales and Victorian governments, that is dependent on commonwealth government funding. In order to proclaim its corporatisation legislation the commonwealth is required to be satisfied with the outcome of the Snowy water inquiry. The commonwealth is also considering a supplementary environmental impact statement with which the Snowy water agreement is wholly consistent.

The Victorian and New South Wales governments are encouraged by the discussions that have been held to date with the commonwealth. They are optimistic and confident that a positive response will be provided in the near future. The public statements made by the Prime Minister, Mr Howard, and the commonwealth minister responsible for the negotiations on the Snowy River agreement, Senator Minchin, have been extremely positive in welcoming this agreement between the Victorian and New South Wales governments and have indicated their consideration of it.

The publication of information has also been raised. I have indicated previously — and it is worth repeating — that the agreement will be publicly available when all of the relevant documentation is concluded in its final form and following consideration by the federal cabinet.

Hon. N. B. Lucas — When will that be?

Hon. C. C. BROAD — Unfortunately I do not set the timetable for federal cabinet. If I did, I would be seeking to list this as an item for early consideration on its agenda. However, I do not expect that it will be delayed very much longer. Federal cabinet cannot consider the issue until Senator Hill provides his recommendations on the environmental impact statement to Senator Minchin. My advice is that Senator Hill must provide those recommendations by the first week of November, so that should be occurring very soon.

Honourable members have also noted that it is a New South Wales government legislative requirement for the outcome of the Snowy water inquiry to be tabled in the New South Wales Parliament. That will also become public following the commonwealth's consideration of this agreement.

In terms of the processes leading to the publication of the content of these agreements between the respective governments and those of the Murray-Darling Basin Commission, it is required that the Murray-Darling Basin Commission consider the proposal under clause 46 of the Murray-Darling Basin Agreement. For the information of the house, that clause states:

> … government(s) proposing any action that might 'significantly affect the flow, use, control or quantity of any water in the upper River Murray and in the River Murray in South Australia' is/are required to inform the Murray-Darling Basin Commission of relevant details in sufficient time for an assessment to be made to governments before final decisions are taken.

That advice has been provided, the Murray-Darling Basin Commission is reviewing the proposal and advice is expected back very soon. It is expected that in line with an acknowledgment which is buried deep in the environmental impact statement the advice from the Murray-Darling Basin Commission will be that there are no issues about the impacts on the upper River Murray or the River Murray in South Australia. Those processes must be completed prior to the finalisation of the documentation which will become public through those processes.

Reference was made earlier in the debate to another matter canvassed in the environmental impact statement. It is what can only be described as one of the low points of the environmental impact statement, the

somewhat spurious argument that forgone electricity generation in the Snowy hydro scheme might be replaced with more environmentally damaging generation rather than generation from sustainable energy sources. As a result, any agreement to restore environmental flows to the Snowy River would be damaging from a greenhouse point of view.

It was a very interesting argument to try to undermine attempts to reach an agreement about restoring environmental flows to the Snowy River but not one that can be taken seriously. Clearly the government is already taking significant steps to encourage investment in energy efficiency and sustainable energy generation, and to suggest that Snowy hydro generation will be replaced by additional coal-fired generation is to draw a long bow indeed.

It is important to draw attention to another aspect of all this that has received very little attention, and that is that in addition to the environmental objectives the agreement sets out to achieve and the New South Wales and Victorian governments believe will be achieved through implementation of the agreement there will also be opportunities to draw attention to the cultural heritage and in particular the Aboriginal cultural heritage of the Snowy region which has very greatly — —

Hon. W. R. Baxter interjected.

Hon. C. C. BROAD — Perhaps the Honourable Bill Baxter might want to share that comment with the house.

Hon. G. R. Craige — You are thin-skinned, aren't you? Really thin-skinned!

Hon. C. C. BROAD — Not at all. This government at least believes, even if some members of the opposition do not, that opportunities to draw attention to that heritage are important and should be taken up in the process of implementing the agreement.

A further aspect on which I want to comment is that at various times, particularly at this time, there is a flagging in confidence in the political system and in politicians in general as a result of the actions of individual politicians who have received critical public attention. One of the positive aspects of the agreement is that it has been possible for people who have worked at a community level, in some cases for as long as 40 years, to see a political party elected to government take up the objectives towards which they have been working as part of a policy commitment, and then to see within its first 12 months that government make it a priority to take action to implement and honour that commitment.

Those sorts of actions by politicians and by governments will go some way to restoring confidence in the political process and in political parties. That may not be a commodity some members of the opposition rate very highly but it is something on which this government places great store. In fact, the commitments the government took to the election are the ones it is honouring and taking action to implement not just in its first term of government but in the first year of its first term of government, and that will be the way this government intends to continue to do business.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! I call the Honourable Phillip Davis.

Hon. PHILIP DAVIS (Gippsland) — Thank you, Mr Acting President — —

Hon. Bill Forwood — On a point of order, Mr Acting President —

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Forwood, the minister foreshadowed that she was moving an amendment.

Hon. Bill Forwood — On a point of order, Mr Acting President, she sat down. She had finished her speech.

Hon. C. C. BROAD (Minister for Energy and Resources) — I was expecting to be handed the papers, Mr Acting President.

Hon. Bill Forwood — Oh, so now you blame the Clerks?

Hon. C. C. BROAD — That was my understanding of the proceedings.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! Mr Forwood, have you made your point of order?

Hon. Bill Forwood — Yes. I think the minister has finished.

Hon. N. B. Lucas — Further on the point of order, Mr Acting President, you called Mr Davis. He stood up and did not get a word out but I think clearly the house had moved on.

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! On the point of order,

the minister foreshadowed that she would move an amendment. I believe it was purely procedural and I will allow that to be done.

Hon. C. C. BROAD — I move:

That all the words after 'Snowy River' be omitted.

Hon. PHILIP DAVIS (Gippsland) — I join the debate on the motion and the amendment with some concern for the claims the minister has made. I am on the record as clearly supporting an appropriate environmental flow for the Snowy River. Rather than repeat in this house the comments I made on previous occasions I refer honourable members to the debate on 5 April this year when I moved a motion inviting the government to outline its plans and policies for restoring environmental flows to the Snowy River. I do not want to reiterate that material today because it would serve no purpose except by way of background. As Mr Baxter said, it was a comprehensive debate and provides a good reference point for honourable members to understand the issue before the house. I support the motion as it stands and I oppose the reasoned amendment moved by the minister.

A government member interjected.

Hon. PHILIP DAVIS — Perhaps simply the 'amendment' might be a better way of expressing it. The amendment suggests that the words referring to the purchase of irrigation water for environmental flows be deleted. I support the motion because it is critically important for honourable members to recognise the import of the action on which the government is embarking. How will its actions affect future policy on flows in streams all round the state? This is not just about the Snowy River; it is about the management of streams and waterways in the state and the effect that establishing the principle of diverting water from agriculture to another non-commercial use will have for regional Victoria. I believe devastating implications arise.

For example, anyone who has any familiarity with the Gippsland Lakes would know the environmental pressure that is already placed on the condition of the lakes. I have long been an advocate for improving management of the catchment of that waterway. However, the reality is that under the government's proposal water would have to be diverted from irrigated agriculture. That would affect, for example, the Macalister district, which supports many hundreds of productive dairy farms. In turn the area supports a number of communities, including Sale, Maffra, Heyfield, and Rosedale. The effect on the surrounding irrigation district would be devastating, and that is just one example.

The core of the point I am making is that the debate is on a wider issue than whether Victoria should be involved in the purchase and diversion of agricultural water into environmental flows in the Snowy River.

It is interesting to note that the minister made a number of claims about the matter. She asserted that the agreement, such as it is — not that members have sighted it at this stage — would limit purchases of water for the purpose of establishing environmental flows.

Hon. R. M. Hallam — She didn't say how.

Hon. PHILIP DAVIS — No. She claimed that most of the water would come from New South Wales sources and that it would not affect the water market. Given that the house has not sighted the agreement, one would have to take the minister on trust.

Given that the minister is not in the house, I will say what I intended to say to her face — that is, I compliment her on the work she has been doing on behalf of the government in dealing with a very complex set of arrangements. There is no doubt that this is probably the most complex technical issue the government has before it at the moment. It should be recognised by the house that the minister has been delegated responsibility and has worked towards meeting it.

However, it is a great pity her colleagues have not demonstrated the same capacity to understand the issues. I make a few references as an example of that incapacity. I start with what the Premier has said. Over the past couple of weeks the Premier has reiterated that there would be no purchase or acquisition of water to establish environmental flows for the Snowy. On Tuesday, 24 October, he said in the Assembly that the agreement would have 'no effect on the Murray River or on irrigators'. He said further:

> … we have a guarantee there will be no net loss of flow to the Murray River or to Victorian irrigators.

That is fine. Members can take that on face value, I suppose.

Regrettably, on 25 October, the Premier, demonstrating with insightful gobbledygook that he does not understand the issues at all, said in the Assembly:

> Achieving a 21 per cent flow down the Snowy River in the next 10 years does not require any change to any entitlements. The purchase-of-entitlements provision is there only for the

> next 10 years plus to assure the irrigators that there will be no reduction in their irrigation capacity. That is the case. It will be a negotiable position that is yet to be determined.

If any member of the government understands what the Premier was saying, please explain. Members on this side took it that he was reiterating that there would be no purchases.

On 26 October, again at question time in the Assembly, the Premier is reported as saying:

> In achieving the 21 per cent flow in the next 10 years the government does not anticipate, nor does it have plans to examine, the purchase of water.

That was interesting because in response to a question on 31 October — that is, yesterday — the Premier said:

> The answer is simple — —

Hon. G. W. Jennings — Mr Acting President, on a point of order, Mr Davis has been given excessive licence — —

Hon. PHILIP DAVIS — And I have taken it.

Hon. G. W. Jennings — I suggest you have almost lost your licence! The honourable member has taken excessive licence with the standing orders of the chamber and has quoted extensively from *Hansard* of the other place. I ask for your assistance in advising him not to continue to do so.

Hon. R. M. Hallam — On the point of order, Mr Acting President, the house has recently had a specific ruling from the Chair on the precise matter, to the effect that questions and answers in the other chamber do not constitute debate. I suggest that you strike out the nonsense.

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! I am advised that the matter has been ruled on by a previous Chair. Consistent with that ruling, there is no point of order.

Hon. PHILIP DAVIS — Thank you, Mr Hallam.

Honourable members interjecting.

Hon. PHILIP DAVIS — I have quite a number of issues of *Hansard*. I am taking the opportunity to advise the house that the minister is not being ably supported by her cabinet colleagues, starting with the leader of the team, the Premier. He clearly does not think, as the minister does, that there is a capacity for the agreement to facilitate the purchase or acquisition of water entitlements.

However, the Premier does support the minister's claim that most of the water will come from New South Wales. I note that in response to a question yesterday, 31 October, the Premier said the majority of the water will come from New South Wales. On what basis that assertion is made I do not know. It can only be that that is part of the technical arrangements prescribed by the agreement that members have not yet seen.

It is interesting to note also, notwithstanding the Premier's comments about water acquisitions, what the minister has said on a couple of occasions when responding to questions in this place. On 24 October she said in essence that following the negotiations there would be provision in the agreement to allow for the purchase of water entitlements.

The minister has reinforced in the house, as she did in debate earlier today, on a number of occasions that this capacity would exist in the agreement. The minister made that clear on 26 October when she indicated that there would be a process involving the purchase of water entitlements. She further indicated that the purchasing process would have no impact on the entitlements of irrigators.

As Mr Baxter pointed out in his contribution, it would seem hard to contemplate how that would be, given that there is a finite water entitlement for those in irrigation districts who must share the farm allocations. There is the reality that every time an entitlement is acquired under this process, as outlined by the minister, that would be a diversion from the aggregate total of irrigation water available to the community in which that irrigation basin operated. That would be a diminution of water for agriculture, which I find farcical given the process introduced by the previous government, and which has been supported by the Bracks government, to establish regional water for agriculture committees. What we have here is water against agriculture! There seems to be an approach to stop those water for agriculture committees from having confidence in their deliberations, rather than trying to facilitate additional resources for commercial development in regional Victoria.

To re-emphasise the government's confusion about what all this means under the agreement and the fact that the minister is not supported by her colleagues, I point out that the minister responsible for water supply in this state, the Minister for Environment and Conservation, was, in an interview in the Swan Hill *Guardian* on 20 October, asked the question:

> Why did the state government keep its plans for buying water for the Snowy a secret?

That is an interesting question and it is one that the opposition has been asking in this house. The response from the minister was:

> Well, we haven't, it was announced in our first press release, it was always there, it was part of the Premier's announcement.

So I thought, 'That is fine. If the Premier announced it and Minister Garbutt had read his press release, it would be on the public record and we should all understand that part of the process was a commitment to buy irrigation water'. But what did I find when I went to the Premier's statement? There was no reference at all to that issue, as claimed by the Minister for Environment and Conservation. The reference was clearly edited out. The Premier's press release states:

> The enterprise will acquire water at the lowest cost to meet the target flow, principally by the development of water saving infrastructure such as pipelining, major engineering works, better water accounting and improved maintenance of our irrigation distribution system.

Nowhere in that statement of 6 October did the Premier refer to water purchases as claimed by Minister Garbutt. It is interesting that the Independent members of Parliament, the honourable members for Gippsland East, Mildura and Gippsland West, have all made commitments to support the government on this issue, as was alluded to by Mr Baxter earlier. Clearly the basis of that support is the disingenuous way in which the facts have been represented to those honourable members. In the same way that the Premier and the Minister for Environment and Conservation are confused about the provisions in the agreement between Victoria and New South Wales and the arrangements that are being entertained to facilitate the acquisition of water for environmental flows, Mr Savage, the honourable member for Mildura, is quoted in an article in the *Sunraysia Daily* of 30 October:

> Mr Savage said his support of the government proposal was based on an assurance that water purchases would only occur where there would be no adverse impact on the prevailing price.

He is further quoted as saying:

> If water is purchased, it will be in New South Wales.

This clearly must be something that is reflected, as the minister alluded to in her comments, in the agreement, because she set up the scenario. The Minister for Energy and Resources has clearly articulated in this house that there would be limited purchases, that those purchases would be mostly from New South Wales and that they would not affect the water market.

The only way we can have an assurance that that is the case would be if the minister would go to the heart of the matter and provide us with the information that we require to make a judgment about that, which would include the details of the agreement. I have been frustrated for some time, as have many of my colleagues, that we have not had the opportunity to examine in a transparent way what the government is negotiating away from rural and regional Victoria. Water entitlements are so precious and are in fact the lifeblood of rural communities. Wherever there is an irrigation district, the economic viability and the bankability of many communities is dependent on that guaranteed water supply.

For 100 years governments of all persuasions have worked to achieve improved security of supply for those entitlements so that agriculturalists, not only the food processors and commercial entities that hang off vital food-producing industries, can have confidence in the system. The government is selling out the principles committed to by successive governments.

I am relieved that today I have been provided with a copy of the agreement between the governments of Victoria and New South Wales. The agreement was not tabled by the minister. This interesting document came to me via Jindabyne from Sydney. It refutes many of the claims and assertions made by the Premier, the Minister for Environment and Conservation, the honourable member for Mildura in the other place and the Minister for Energy and Resources.

There is no control in the agreement over where purchases will be made — in fact, the contrary applies. The agreement specifically sets out under the proposal for the establishment of a joint government entity that:

> An entity will be established by the NSW, Victorian and commonwealth governments with a charter to acquire water at least cost, irrespective of whether it is sourced in NSW or Victoria. The entity will acquire water through investing in water savings projects and through purchasing water entitlements and water rights.

More abhorrent to me because it is a reflection of the deceptive nature of the proposal being advanced clandestinely by the government without any public exposure is that the document refers to:

> … purchasing water entitlements and water rights from holders and subsequently cancelling these entitlements and rights.

That means the cancellation or removal of water rights from Victorian agriculture forever, notwithstanding its implications for or impact on the commercial viability of irrigation districts.

Hon. G. W. Jennings — On a point order, Mr Acting President, given that this forms a substantive part of the honourable member's case and that he purports to read from a copy of an agreement that is not consistent with the information to which I have been privy as part of the government, I ask that he table the document.

Honourable members interjecting.

Hon. G. W. Jennings — As part of my point of order, Mr Acting President, I point out that at no stage has the minister or anybody representing the government purported to quote directly from a copy of an agreement. On that basis, given this is a substantive part of the honourable member's contribution, I reiterate my point.

Hon. PHILIP DAVIS — On the point of order, Mr Acting President, this is the grossest act of hypocrisy I have witnessed in this house. For weeks the opposition has asked the minister to table the agreement, and now the cabinet secretary has the gall to ask me to table the document the minister has refused to table. It is a disgrace, and the point of order is out of order.

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! There is no requirement for the honourable member to table documents. The point of order is lost.

Hon. PHILIP DAVIS — I am sure that as the debate develops, by way of rebuttal, the government will be pleased to table its version of the agreement. I would be delighted if the government could then demonstrate that the document I have, which has been offered to me as a contemporary document, is not correct.

It is evident that the claims made by the minister about the purchases of water from irrigators in northern Victoria are refuted by simple logic and by the fact that the agreement does not limit the capacity of the entity referred to by the minister to buy water in any state. It will be bought in New South Wales and Victoria, wherever it is cheapest.

Naturally, that means the government will enter the market. The reality of any market is that as a new bidder comes in the price is driven up. This is probably the second-worst agricultural statutory purchasing board I have ever seen, the worst being the Australian Wool Corporation reserve price scheme — 10 years after the crash of the reserve price scheme woolgrowers continue to pay the cost of a statutory marketing authority established by Labor governments. Anybody with any knowledge of agricultural marketing would understand that once you give a statutory authority a government guarantee and it enters into a commercial market against private competitors it will drive the price and eventually dominate the market.

That is what will happen with your agreement, Minister. You will corrupt the water market, and not just the market in northern Victoria. Having established the principle, the government will corrupt the water market throughout Victoria. This will not be the end of it. Wherever the government is trying to curry favour every local group will say, 'We would like increased environmental flows'. What will be the natural outcome of that? You, Minister, will succumb to political pressure, just as the government has succumbed to political pressure from the honourable member for Gippsland East to secure his vote in the other place and thus secure your position as a minister of the Crown. You will corrupt the water market in every irrigation district.

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! Through the Chair, Mr Davis.

Hon. PHILIP DAVIS — It is a disgrace. The minister has let down Victorians through her lack of responsibility. When the minister was not in the house I congratulated her on having taken on a difficult task — probably the most complex technical task confronting any minister of the government. The minister has tried to discharge her duties but has not been supported by her colleagues. Cabinet has not been supportive, as I have demonstrated. The Minister for Environment and Conservation and the Premier have let the minister down badly in Parliament and throughout the community because they have misrepresented the facts that the minister clearly understands.

I put the best face on it: I suspect the minister has been disinclined to be complete in her response in this house to questions the opposition has raised on this issue over time. Through the agreement the minister has committed the government to a process of commercial intervention in the water market by buying water in Victoria and New South Wales for the purpose of environmental flows, thus removing it from agricultural districts forever, notwithstanding that at the same time the government is funding water for agriculture committees around the state and trying to develop new sources of water to improve the commercial opportunities for rural communities.

The government holds itself out as the great saviour of rural Victoria. What is the minister doing? At the

moment her rhetoric is embellishing her view of what a great government hers is for rural Victoria, but by sleight of hand with secret agreements that have not been disclosed in Parliament or elsewhere the government is taking away the very lifeblood of rural Victorians.

The agreement is a disgrace. The minister should table the agreement as requested, and I challenge her to do so. If she is not prepared to do so she will be held to account for the fact that she is part of a secretive government.

Hon. B. W. BISHOP (North Western) — I am pleased to contribute to the debate and suggest to the minister that she read the motion moved by Mr Baxter because it does not take issue with environmental flows of the Snowy River. It is about government policy — we cannot find out anything about it because it is secret — in entering and corrupting the water market to the detriment not only of Victorian irrigators but of Victoria itself. It is doing that at a time when the state is striving to meet the target announced by the former government and agreed to by the present government of $12 billion a year in agricultural exports by 2010. Corrupting the water market would put at risk Victoria's chance to attain that export target.

By referring to the sharing of the Murray documents the minister attempted to drag the honourable member for Swan Hill in the other place, Mr Steggall, into the argument. During the negotiations on the allocation of water, which took more than 18 months, advice was given and options were suggested but they were not recommendations. Mr Baxter read into the record the advice given by skilled departmental officers not to enter the water market. That was good advice.

The minister said members of the National Party were alarmist. We are alarmed and will continue to be alarmed. We have good reason to be alarmed: the minister has not answered questions fully in this place over the past few weeks. I assure her that until the details are tabled and we all know which way the government is going we will continue to be alarmed and to pursue the government about this important issue, which is particularly significant for the National Party because it represents country Victoria.

This debate is not only crucial to the irrigators of Victoria and New South Wales, it is crucial to the commonwealth and South Australia. Our cousins in South Australia are particularly interested in what may happen. I read some notes the other day in which the Premier of South Australia made it clear that South Australia had the power of veto over any arrangements for the use of water from the River Murray to put environmental flows back into the Snowy River.

Hon. W. R. Baxter — I have a copy of that, Mr Bishop.

Hon. B. W. BISHOP — I also have a copy, and the Premier's comments on the matter are straightforward. It is essential that the commonwealth should be involved because we need an umpire, and the commonwealth would be the best umpire because it manages the Murray–Darling Basin.

The National Party supports environmental flows down the Snowy River. The National Party has a policy on the issue and everybody knew its view. Members of the National Party said that the Webster report, which recommended putting 15 per cent of the flow back into the Snowy River, was sound and reasonable and that its recommendation could be achieved through savings. We said there should be no impact on current allocations to irrigators and no water would be taken from other environmental flows in other areas. There should be no government purchase of water in the water market and Victoria should be responsible only for its 25 per cent share of the water and the cost.

Now we have the revelation — we did not know anything about at the time — that the government will buy water on the market. I did not see much consulting about that among the irrigators I represent, and I am certain there was very little in other areas. It will distort the water market because the market is relatively small. The next revelation was that one can borrow to buy the water out of that small water market. That is an amazing statement.

To give a homespun example, some years ago I was a grower representative on a storage and handling organisation when the organisation decided to locate a couple of executives in a town in central Victoria. It decided to buy homes for those executives to make their transition into country Victoria fairly comfortable. Well-meaning producers were informed of that move and wanted to help. They spoke to the real estate agents in the area. They were told that the government was in the market, and because of that house values increased enormously almost overnight. That is what will happen if the government enters the water market. It is symptomatic of governments that make rash promises.

The government now has to deliver. It will be tough to deliver on the promises it has made. I feel sorry for the Victorian communities that have been swept up in this cynical exercise. I am sceptical because the government has done a 180-degree turn. The house debated an issue

concerning the Snowy River on 5 April this year. To paraphrase the minister, she then said that the government was committed to providing additional flows down the Snowy River that can be fully offset by water savings. We have heard such statements over the past few years, and it is sad that the only assumption I can now make is that the minister has misled the house because it has now been revealed that such measures will not be fully offset by water savings. The government will be entering the market.

The National Party commends the government for putting money into infrastructure. There will be huge support from irrigators for the injection of government money into irrigation infrastructure to create water savings and to utilise those savings equitably wherever they are placed, which New South Wales has done. Over the river from Mildura the government has in a couple of areas injected money into water infrastructure, and it has done it successfully and to the advantage of the irrigators. It has also been done in South Australia through a shared process involving the state and commonwealth governments and the irrigators. The National Party would support the lifting of efficiency through the improvement of irrigation infrastructure.

When listening to the debate I wondered whether the government or the minister understands the Murray–Darling Basin cap. They must realise there is only one bucket of water, about which we have all agreed. If the government takes water out of that bucket it is gone and cannot be used by the irrigators to raise the standard of exports and help the economy of Victoria.

I thought the minister said the best returns on infrastructure upgrading might be in New South Wales. That is what I thought I heard. I am concerned now that Victorians will be putting money into New South Wales infrastructure to save water. It would be nice to have the agreement to ascertain whether that will be the case. There is no doubt that Victorian irrigation system infrastructure and efficiency levels need upgrading, but new technology is now available. It is good technology. Pipes can be used and there are new laying systems; in fact, that has been done in some of the water authorities, and they have done a particularly good job.

I take this opportunity to warn Victorian irrigators to be vigilant. When they promote the process of upgrading the irrigation infrastructure in their area they might find the government is inclined to encourage or perhaps force water authorities to initiate the works at irrigators' expense and spirit the water away. That brings me to the point I have been thinking about for some time: who will be appointed to the boards of water authorities? That will be an important part of the management of the process next time around when people are reappointed. I remind the house of what occurred when catchment management authorities (CMAs) across Victoria were ripped apart. They were decimated by the appointment process and there was no thought of corporate memory or experience as the members of those authorities were changed quite substantially and radically across the state.

The best — or worst — example I can think of is that of Mr Gerald Leach from Walpeup who has spent a lifetime in water and land management. He chaired the catchment and land protection board in that area and then the catchment management authority with strong leadership and absolute commitment. Like others, he has totally disappeared; he has gone right out of the system. That has been the experience right across Victoria.

Victorian irrigators need to be vigilant to ensure the systematic sackings of people from water authorities across the state does not occur because if it does the water authorities will certainly not be run from the local area but from either Spring Street or Nicholson Street in Melbourne.

I note from some of the publications I have read that from time to time the Victorian Farmers Federation agrees with the government. That is okay; it is up to the VFF. But the VFF wants to be vigilant and ensure the water authorities do not suffer the same fate as the CMAs. Again, I will lay out the revelations: the government will enter the water market, and it will borrow, ignoring the 25 per cent responsibility level, 7 per cent from the private sector. That is amazing news. I thought the government did not like the private sector. I cannot understand how that will work either, but they are all crucial features of this debate.

As soon as the announcement was made that the government would purchase water, I called on it — I have plenty of documentation in the Mildura media — and the Independent member for Mildura to justify that and to reverse the decision. The Independent member for Mildura should represent irrigators because his electorate is a strong irrigation area. I asked them to say no to government purchases and to adhere to the 25 per cent cap on water and money. The government was silent on the 25 per cent cap, as was Mr Savage, but in regard to buying water they said, 'That is fine, no problem at all. We will buy only water that is wasted'. I wondered what it meant; I do not know of any water that is wasted.

There were further revelations. Mr Savage said, 'It is that stuff down at Kerang. We're going to buy some of that; it is wasted water'. I wondered about that, and thought I would like him and the government to go down to Kerang and say that! I found some more interesting material. The government said, 'No, it will be people who flood irrigate'. I thought that was a beauty. What about the dairy industry? What does it think about this? The dairy industry is a huge contributor to the Victorian and national economies and is very efficient and highly respected around the world. So one comes back to the question: how will the government do it? I suppose we will have to wait for the secret deals and details that I hope will eventually be forced out.

I am the first to agree, as is the National Party, that poor irrigation practices exist in Victoria. But the demand and the price for water are addressing the issue. One does not have to go far to discover that: people are rapidly changing their practices. I remind the government and Mr Savage that the water they talk about is irrigators' water. The irrigators have been allocated the water. It is not anyone else's — it is theirs.

Further revelations include the statement from the government, 'We are going to buy only cheap water'. I would not mind some of that myself, even though I am a Mallee farmer and could not get it out there. I remind the house that the Murray–Darling Basin has a cap. There is only one bucket of water. If the government takes a cupful out of it, it is gone. As Mr Philip Davis says, it is gone and you cannot get it back.

I did some calculations. My understanding is that 28 per cent for the Snowy River represents 330 000 megalitres. As I understand it, that is the total for New South Wales and Victoria. If Victoria's share is about 25 per cent, that represents about 80 000 megalitres. It is important that we look at the big picture. The Murray–Darling Basin has a cap on the water that can be utilised. We have only one bucket of water. Let us say — I believe this is conservative given what I have heard — a third of that required is bought. That represents 110 000 megalitres of water. I know that the high returns in horticulture can reach $3000 a megalitre. So if the purchase was a third of the total — that is, 110 000 megalitres — it would take $330 million of sustainable production out of the system every year. Obviously that is across that catchment area, but where does that leave Victoria's $12 billion agricultural exports by 2010? It certainly leaves them some distance away from the target, which was quite attainable under the previous system.

Honourable members have talked about the cheap water, the effect that would have on the market, and so on. But the other day I was interested to attend a briefing on the Deakin proposal in the Sunraysia area. I was also pleased that the Independent member for Mildura, Russell Savage, was in attendance. I must say that I had not seen him at any briefings prior to that. I thought the briefing was excellent. Mr Mark Hancock, the managing director of the Mildura Fruit Cooperative, is the chairman of the committee overseeing the consultants who are doing the work. He was excellent, the committee was great and the consultants were good at informing the large number of people who attended the briefing. The Deakin proposal was commenced by the Kennett government, and I congratulate the Bracks government for continuing the research into that project.

Early on it was identified in the Mildura to Lake Cullulleraine area that there was around 40 000 hectares of land that might be suitable for irrigation, but probably only half of it would be. There was about the same amount of land from Karadoc to Carwarp, but again studies would show that only about half of that would be obtainable for irrigation. The situation was similar in the Robinvale area — a similar potential was identified. As I said, a large area of land was available, but probably only half of that area would be manageable for irrigation.

The Deakin project started many years ago with developers, private farmers and other people being involved in both Mildura and Robinvale. The Deakin project as we know it — I again commend the government on continuing the research started by the previous government — is not about suddenly throwing huge areas into production; it is about undertaking research to ensure that markets, land and water are available. I have previously spoken about the availability of markets and land.

The consultants were very professional. When I attended the briefing I was very good and did not ask any questions. However, someone else asked a question. The reply was, 'We cannot make a decision on the availability of water and its affect on the viability of the project until the government makes up its mind what it will do about buying water'.

Other issues being studied and worked through include environmental issues. How will finance be obtained to fund such a large development? Who will supply the water in a physical sense with pumping and delivery? A coordinated approach is being taken towards the future development of the area.

However, I reiterate that a government entering the water market may well put the viability of the area at risk. The governments and Mr Savage must see that — you would have to be blind not to see it. The Deakin project has like developments all long the river. Wherever you go you find people with initiative who are prepared to take risks by undertaking developments. There is absolutely no doubt that if the government enters the water market it will corrupt it. Prices will rise and those projects and others along the river will be put at risk. If the government is not prepared to listen to reason on the matter it will stifle that investment and other spin-off investments in the areas.

As an advocate for Mildura I have been saying for some time that the Deakin and mineral sands projects will see a doubling of the population in the area in 20 years. Imagine what that would do to the area? It would be a huge regional centre about which Victoria could be proud. However, the policy move by the government to buy water puts those sorts of investment processes and advancement at risk.

I have been keeping my ear open for news from the water market. I am hearing noises such as, 'I wonder at what trigger point the government will enter the market'. I hear that New South Wales will buy water wherever it is cheapest; so that will take the water out of the market fairly rapidly. Indeed, I wonder what this government's trigger point is. Will it be $600 a megalitre? I hear rumours that it is a lot more than that. Currently the price of water in Swan Hill is about $700 a megalitre. However, I hear that the government could be interested in twice that amount and that it could go up further. What would that do to the market? You do not have to guess too hard.

I am concerned about that. And all the irrigators and business operators along the river and in regional centres such Mildura, Echuca, Swan Hill and Kerang are worried about it. I could go on and name many areas. People are concerned about the issue. They are basing their future livelihoods on the investment and growth that have been seen to date. I hope that growth will continue.

News is now starting to get out. The media has been questioning Mr Savage about his stand on the water issue. That pressure has come not only from me; it has come from the community, and that is where it should be coming from. People are questioning which way the government and its Independent coalitionists are going. It is good to see the community picking up the issue, and it is absolutely essential that it continues that advocacy.

During the process I wondered where the government would get the water from. A beautiful spot near Mildura is Lake Cullulleraine — a wonderful place with educational, yachting and other recreational facilities. Kings Billabong is another lovely area. Both waterways are used by various water authorities to manage their water requirements. Because I represent that area I say governments should keep their hands off those waterways. As Mr Baxter said, they should keep out of the way. Those waterways are part of a system we have used for many years; they are absolutely essential to our communities and to the operations of the water authorities.

I raised the issue with the government and quite properly asked, 'What will you do about Lake Cullulleraine and Kings Billabong? Can you give me an assurance that they will not be touched and that the communities I represent will continue to have these real assets at their disposal?'. But who responded? It was not the government; it was Mr Savage. I must say that Minister Garbutt did respond, not in the print media but over the air waves. I think the words Mr Savage used were that I 'was rising to superb heights of misinformation'. I think the minister referred to those comments yesterday in the house. I understand the minister said on the radio that no studies would be conducted in those areas.

Hon. W. R. Baxter — They have been.

Hon. B. W. BISHOP — They have been. That is another revelation. Studies have been conducted in the area and meetings about Lake Cullulleraine have been conducted with the locals by a leading water consultant. They have had a good look at Lake Cullulleraine. I do not know what has happened with Kings Billabong, but I will keep an eye on that. The issue has been raised with me by a number of members of the community who are particularly interested in the area, and I will continue to take a great deal of interest in it.

Following the revelations that the government was going to buy water — there was no word of borrowing — Minister Garbutt put damage controls into place. As quick as a flash — bang! — it was in place. She went up to Mildura and down to Swan Hill. She spent 20 minutes in Mildura for the briefing. I really do not know what happened there because I was not invited. However, I have heard reports. In her hosing-down exercise — pardon the pun! — the minister said, 'There will be no environmental, no recreational and no operational interference in those particular water areas. They will not be touched'. I welcome that and have written to both Minister Broad

and Minister Garbutt requesting that statement in writing. I think that is only fair and reasonable.

I move to the issue of the $300 million that has been banded together by New South Wales and Victoria. I always thought the deal called for a share of 25 per cent, because Victoria uses 25 per cent of the irrigated water. But that seems to have changed as the process has gone along. Is Victorian taxpayers' money being squandered? At any rate, I raise the issue and trust that the minister may be able to respond at some other time.

It is absolutely essential that honourable members and the communities involved know the details of the arrangements. We must know where we are heading. A huge number of questions have been unanswered, and answers are needed. One thing that interests me is that 7 per cent will come from the private sector. I have no idea how that will occur.

Hon. W. R. Baxter — Neither has the minister.

Hon. B. W. BISHOP — The government will not sell anything, will it? That does not seem reasonable. Will it sell off a bit and take water in lieu of dollars? I have no idea what it is thinking of. I would be fascinated to know how the private sector — which the government does not seem to like a lot at times — could help. I would welcome the private sector being involved under the control of the government and the water authorities who upgrade the infrastructure. That would be fine; they know what they are doing and they can get on with it.

I am also interested in the comments of the government and the Independent honourable member for Mildura, Russell Savage, that no irrigator will be adversely affected. I wonder what that means? That conjures up a lot of things. There is no doubt that if the government is in the market, irrigators will be adversely affected, and the government and the Independent member for Mildura should be ashamed that they are supporting that.

The government's entry into the market will corrupt the market and investment growth not just in Sunraysia but throughout Victoria. The honourable member for Mildura in the other place, who represents irrigators, should be saying that the government should not get into the market. He should be standing up for his electorate and pushing hard for infrastructure investment and increasing the efficiency and stability of water authorities so they can work through the issues. That is most important for the people the Honourable Ron Best and I represent.

I also point out that I have attended meetings in my area of people concerned about rate increases. There is a concern in irrigation areas that increasing water prices will have an effect on rates. Irrigators and ratepayers ought to be able to make inquiries so they can be sure they are protected.

I conclude by referring to two other issues. The government should immediately announce that it will not enter the water market. That would give great comfort to irrigators throughout Victoria and communities that rely on the irrigation system for their livelihood, advancement, growth and future. It could achieve savings by moving into infrastructure development. A lot of work is being done by skilled people in government departments and by private consultants. The government could move on that tomorrow. It should immediately begin a consultative process to fairly and reasonably allocate infrastructure works across Victoria.

I urge the house to vote against the amendment moved by the Minister for Energy and Resources and support the motion moved by the Honourable Bill Baxter, who has spent a lifetime representing people in irrigation areas. It is important that stability, progress and investment are maintained in irrigation areas throughout Victoria because they benefit not just those areas but Victoria and Australia as a whole.

Hon. G. W. JENNINGS (Melbourne) — I am pleased to join the debate and support my colleague the Minister for Energy and Resources and her proposed amendment to the motion. I also support her contribution to the debate this morning and her important role in returning environmental flows to the Snowy River. It is a significant undertaking, and I congratulate the Honourable Phil Davis on recognising the positive contribution the minister has made in achieving this significant outcome for the Victorian environment and the people of Victoria.

During the course of the debate, questions were raised about the status of the agreement between the Victorian and New South Wales governments and on undertakings both governments are hoping to obtain from the commonwealth government so that the agreement can be fully implemented and its scope can be augmented to achieve long-lasting benefits not just for the Snowy River but also for the Murray and Murrumbidgee rivers.

The joint press release of the premiers of New South Wales and Victoria dated 6 October spells out the relative status of elements contained in the agreement and refers to the interdependence on the commonwealth

government to augment the broader scope of the agreement.

In starting my contribution I refer as a primary source to that media release, which states:

> The Victorian and New South Wales governments today announced an historic 10-year, $300 million agreement to breathe life back into the Snowy River and have agreed to a long-term target of 28 per cent of original flows.
>
> …
>
> The governments have also agreed to significant increases in environmental flows for the upper Murrumbidgee River and the key Alpine rivers in the Kosciuszko National Park.

The release encapsulates the benefits for the Snowy River catchment and indicates that although both governments support the original intent of the wonderful engineering feats achieved some 50 years ago — Mr Baxter recognised those significant engineering feats as part of Australia's postwar reconstruction — there are some long-lasting environmental problems.

Although governments may have worthy objectives in constructing major works there can be long-term consequences that impact on the environment and the lives of Australian citizens, including irrigators and farming communities along the Murray. The motion expresses some concerns about the impact of environmental flows to the Snowy River on the long-term viability of irrigators in the Murray–Darling Basin, and to the extent that it allows the house to express concern about those potential impacts is therefore worthy of consideration.

Hon. Bill Forwood — The devil is in the detail.

Hon. G. W. JENNINGS — I remind honourable members of the brief specified in the press release of 6 October, which sets out a number of criteria that are essential parts of the package. The press release states:

> deliver environmental benefits to the Snowy River and its communities;
>
> protect the environment of the Murray–Darling Basin;
>
> safeguard the interests of irrigators;
>
> maintain the quantity and quality of South Australia's water supply; and,
>
> secure the financial position and operating flexibility of the Snowy Mountains hydro scheme.

Mr Forwood suggested a moment ago by interjection that the devil was in the detail. Often that is the case, but the government or any statutory authority or enterprise envisaged here should ensure that the way it operates in practice meets the charter and expectations set for it. That is the challenge the enterprise will face. The government is cognisant of the legitimate concerns raised in the house today about the potential for the water market to be corrupted.

Hon. R. M. Hallam — The minister said we were scaremongering.

Hon. G. W. JENNINGS — Absolutely. The way the debate has been conducted is typical of the quality of political discourse and reveals the alarmist nature of the other side's presentation. The debate has revealed that the most significant issue for the government is to demonstrate how to achieve its pivotal objectives through its funding allocations, the priorities set for the enterprise, the charter, the way the enterprise is monitored and how it relates to the Murray–Darling Basin. The government believes the full suite of measures has to be addressed. It is not running away from those issues. The difference between — —

Hon. R. M. Hallam — Weasel words everywhere.

Hon. G. W. JENNINGS — I do not accept the interjection of the Honourable Roger Hallam that these are weasel words. The government has clearly specified that it is not the intent of this — —

Hon. Bill Forwood — It may not be the intent but it is likely to be the result.

Hon. G. W. JENNINGS — That is a contested issue, which the government does not agree with and takes on notice. The fundamental aspect of the motion and the program that will be outlined by the governments in the full course of time in accordance with — —

Hon. R. M. Hallam — In the fullness of time — that is a political term!

Hon. G. W. JENNINGS — I will take this opportunity to go off on a tangent and put in context the sequence of events relating to proper disclosure. I would not contest that it is appropriate for there to be a proper disclosure of elements of the agreement, including how the government intends it to operate in practice, what the operating practices of the entity may be, the mechanical elements to be put in place to ensure that the marketplace is not corrupted and the way the whole package will be brought together across various state and commonwealth jurisdictions.

The Premier's press release of 6 October clearly outlines the status of the agreement between the Victorian and New South Wales governments to

allocate $300 million primarily, overwhelmingly, for the purpose of providing infrastructure to create environmental benefits based on water flows. The bulk of the expenditure allocated within that $300 million, shared equally between the Victorian and New South Wales governments, is for capital works projects. That will be the primary focus and activity of the new entity. The operating procedures of the entity and its desired outcomes are encapsulated in that agreement.

The overlay of the commonwealth environmental impact statement process and the legislation required to deal with the corporatisation issues are integral to how the package comes together. Those issues will be dealt with. As the minister has attested, the environmental impact statement is being dealt with by the commonwealth government as we speak; it will be done this week. The corporatisation is designed to take place at the beginning of 2001. The Parliament of New South Wales will consider the Snowy River inquiry and its implications for corporatisation this month. The minister outlined an important element in her presentation — that is, that the procedures, projects and consultative mechanisms for achieving the environmental outcomes are not to be at the expense of irrigators and will be considered by the Murray-Darling Basin Commission. That reference is taking place as we speak.

Hon. Bill Forwood — So you know what they are considering.

Hon. G. W. JENNINGS — I am not aware of the details of their consideration although I understand that the package of measures undertaken by the entity is being considered by the Murray-Darling Basin Commission. There will be various overlays to ensure that the package comes together.

When honourable members discussed the Murray-Darling Basin Commission report earlier in the session all sides of the house congratulated the authority on its capacity to work across state jurisdictions in the name of ensuring environmental protection and improving environmental outcomes. There is bipartisan support for the expertise and the methodologies the Murray-Darling Basin Commission brings to water management issues. The Victorian and New South Wales governments will rely heavily on that authority in concluding the scope and operations of the entity to be established. The entity will be based on the best advice to government on the way to deal with the water management issues. Its operations will not be made up on the spot or ad hoc; they will clearly incorporate the ongoing interests of the irrigation community

Hon. Bill Forwood — And they will clearly destroy the water market.

Hon. G. W. JENNINGS — By design this body will operate not to corrupt the market.

A year ago the minister embarked on this mission of reaching agreement with the New South Wales government, let alone the commonwealth government. The minister has gotten through the eye of the needle and achieved a great thing for the people of Victoria and the environment. I have great faith that the dedication and eye for detail underpinning the operation of the entity will ensure that no section of the community along the Murray–Darling Basin will be disadvantaged by this wonderful achievement.

Hon. W. R. BAXTER (North Eastern) — I reject outright the attempt of the government to amend the motion and turn it into a meaningless form of words. There is no disagreement on either side of the house about returning flows to the Snowy River — that is not in any contest. The attempt by the Minister for Energy and Resources to delete the substance of the motion does her no credit at all, nor does her response to my contribution. The minister failed to address any of the substantive issues I raised. Mr Jennings also failed to rebut any of the substantive issues raised by Mr Davis and Mr Bishop.

I find it astounding that honourable members have heard a demonstration of a total lack of understanding of how a market operates. It is as though the people who run the government have never been to an auction to buy their own homes. They seem to have no concept at all that if one puts another buyer into the marketplace, particularly a buyer who has very deep pockets, one is bound to influence the market and is likely to corrupt it as well.

I would like an opportunity at some later stage to contest the minister's assertion that the statements in the environmental impact statement on the greenhouse gas emissions are spurious. It is extraordinary for the minister to say that somehow or another the water that will no longer be available for hydro-power generation will not need to be replaced by thermal generation. The minister said that was a spurious argument but I will keep that for another day because time does not allow me to deal with it now.

I am very glad that in my speech I dealt with the recommendations of the Murray Water Entitlement Committee. The minister clearly came into the house armed with a lot of tagged pages from the two reports of that committee so that she could endeavour to

implicate the committee, particularly its chairman, in advocating the purchase of water rights. The minister set out to dissemble, but fortunately I got in first and she was unable to complete that task to her satisfaction.

The thing that most surprises me is the minister's allegation that the National Party is being alarmist in what it is saying around Victoria in response to the government's intentions. What honourable members have heard today has given the National Party, and indeed the whole house, every reason to be utterly alarmed, particularly given the document Mr Davis quoted from. The people of Victoria, particularly its irrigators, and every business and every resident of every country town in the irrigation areas of Victoria must be alarmed if that is what this government is up to and has signed off on with its secret agreement. I urge the house to reject the amendment and carry the motion.

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

Ayes, 27

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

Noes, 13

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

Pair

Luckins, Ms	Darveniza, Ms

Amendment negatived.

Motion agreed to.

Sitting suspended 1.07 p.m. until 2.13 p.m.

QUESTIONS WITHOUT NOTICE

Liquor: licences

Hon. BILL FORWOOD (Templestowe) — Can the Minister for Small Business advise the house whether it is true that the Premier and then Treasurer altered the terms of reference the minister had proposed for the review of the 8 per cent limit on liquor licence holdings, and, if so, what was the effect of the changes the Premier made to those terms of reference?

Hon. M. R. THOMSON (Minister for Small Business) — To my knowledge, the terms of reference were not changed drastically to alter the effect of the review that was to take part under national competition policy requirements. In fact, the review has taken place, the report has been presented, and the response is now out for public consultation.

Electricity: tariffs

Hon. G. D. ROMANES (Melbourne) — Can the Minister for Energy and Resources advise what action the government is taking to ensure that electricity customers are protected in the transition to full retail competition, especially as a result of the change in electricity prices from the end of this year?

Hon. C. C. BROAD (Minister for Energy and Resources) — The Bracks government wants to ensure that electricity customers are fully protected in the transition to full retail competition. New electricity tariffs that will apply to domestic and small business customers during 2001 were published in the *Government Gazette* of 31 October. The prices will be charged by the current five monopoly retailers during the period of transition to full retail competition in 2001. The prices replace the maximum uniform tariffs, which expire at the end of December this year. The gazettal is in accordance with the government requirement that retailers publish the terms and conditions for sale of electricity to domestic and small business customers 60 days before those terms and conditions take effect.

The new tariffs reflect the government's commitment that no Victorian will pay higher tariffs when the maximum tariffs expire at the end of the year. They also reflect the lower distribution charges set by the independent Office of the Regulator-General.

The government retains the reserve power to override prices that are unreasonable to protect consumers against unwarranted increases in electricity prices. The government has accepted the new prices gazetted by Citipower, AGL and Pulse. Still to be resolved are

some issues about acceptable costs for Powercor and TXU tariffs for rural and regional customers. The independent Office of the Regulator-General will be asked to advise on those issues, which are expected to be resolved before the new prices take effect on 1 January.

As I said, the government can use its reserve powers to pass on further reductions for rural and regional customers if that proves to be necessary. Consumers will also be protected from price spikes caused by jumps in demand for electricity, particularly over the summer months. Retailers will have to handle any increases in wholesale prices they pay as part of their normal arrangements for managing price risks. It is not appropriate for retailers to pass those risks on to consumers when consumers do not have a choice of either suppliers or the terms and conditions under which electricity is supplied.

The government will use its reserve powers to manage any unusual event that is beyond the normal control of companies. That could include a reference, again, to the independent Office of the Regulator-General for a determination of any pass-through arrangements that are considered to be fair and reasonable for customers. The arrangements will therefore ensure that customers will be fully protected in the transition to full retail competition and not disadvantaged by the expiry of the maximum uniform tariffs.

The introduction of full retail competition later in 2001 will give customers a choice of supplier and provide further incentives for price reductions. The Office of the Regulator-General will continue to monitor the performance of electricity companies to ensure that the services they deliver are safe and reliable.

Tertiary education and training: registered training organisations

Hon. W. I. SMITH (Silvan) — I direct the attention of the Minister for Small Business to a promise made by the Labor Party at the last election to increase training opportunities for small business and to the fact that its first initiative was to freeze any extension to training programs on apprentices and trainees to private sector providers. What has the minister done to increase training opportunities for small business?

Hon. M. R. THOMSON (Minister for Small Business) — The Minister for Post Compulsory Education, Training and Employment is doing a number of things to provide small business with access to training opportunities. She has announced a package of about $37 million, which will open up opportunities for and encourage small business to take up apprenticeships and traineeships. The government is pleased to see the emphasis on training in that area and will encourage small businesses to make use of the funds available through that scheme.

The minister and I have discussed how to inform small business about training opportunities, and that is being taken into account in the construction of training packages for small businesses.

The minister and I are also talking about opportunities for people in small business to have access to training not just for apprentices and trainees but also for themselves and about ensuring that that suite of training opportunities benefits small businesses and helps make them more successful by giving them the skills they need.

Paralympic Games: athletes

Hon. D. G. HADDEN (Ballarat) — Will the Minister for Sport and Recreation inform the house as to how Victoria's Paralympians performed at the recent Sydney Paralympic Games?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — No doubt members will be well aware what a magnificent event the Sydney Paralympic Games were and that they exceeded all expectations.

Honourable members interjecting.

Hon. J. M. MADDEN — I had the great honour of being able to attend the games last Friday and the good fortune to see the wheelchair tennis players in action and the Australian men's wheelchair basketball team play off for fifth and sixth place against Germany. That was fantastic.

One of the most impressive aspects of the games was the attendance, particularly by schoolchildren. The children were deeply engaged in the whole process and that will reflect on future generations in sporting participation and also appreciation of the Paralympics and the elite sportspeople involved in them.

Honourable members may not be aware that the Sydney Paralympic Games were larger than the 1956 Melbourne Olympic Games and the 1998 Kuala Lumpur Commonwealth Games, and twice the size of the 1998 Nagano Winter Olympics. It was a significant event not just in terms of sport but also in terms of culture.

I refer to a few notes on the medal tally. Victorian athletes contributed 46 medals — 23 gold, 9 silver and

14 bronze — to the national tally of 149. Victorian athletes achieved more than one-third of Australia's Paralympic gold medals. No doubt the games were an inspiring and fantastic event. We hear a lot of talk about the inspiration they provide, but at the end of the day, as I have said before, the Paralympians want to be known as elite athletes in their own right. No doubt they have achieved that, and members of the Victorian contingent have done particularly well through the support they receive from the Victorian Institute of Sport.

Some of the outstanding highlights were Tim Sullivan, Greg Smith and Lisa McIntosh winning in their respective events. Victoria was also well represented in the women's basketball team that won the silver medal. I congratulate the Paralympians and all Australians who endorsed and got behind the games.

Honourable members interjecting.

Hon. J. M. MADDEN — Again members of the opposition show their ignorance on these matters.

Honourable members interjecting.

The PRESIDENT — Order! I am interested in hearing the minister's answer, and I suggest that the members on my left desist and allow the minister to finish.

Hon. J. M. MADDEN — I was referring to members of the opposition showing their ignorance and lack of appreciation of the fantastic elite athletes the Paralympians are. On behalf of all honourable members I congratulate all those involved in the games, particularly the participants and especially the Victorian Paralympians.

Snowy River

Hon. R. M. HALLAM (Western) — My question is to the Minister for Energy and Resources. I again refer to the so-called historic agreement reached with New South Wales about environmental flows in the Snowy River and the efforts of the opposition parties to have the agreement made public to allow Victorians to see at first-hand what the minister has negotiated on their behalf. Given the minister's reticence about releasing the agreement, I take the issue back to square one and ask: at the time of reaching the agreement she so proudly announced, were the terms of the agreement actually documented and did she actually sign something?

Hon. C. C. BROAD (Minister for Energy and Resources) — I welcome this opportunity, following the lengthy debate in the house this morning, to again refer to the very important agreement between the New South Wales and Victorian governments. As I have previously told the house, on completion of the federal government's consideration of its part in the agreement and the provision of the water agreement as required by the New South Wales Parliament, the documents will be provided, as would be expected, in the normal course of events.

Industrial relations: reforms

Hon. R. F. SMITH (Chelsea) — Is the Minister for Industrial Relations aware of the recent Victorian Employers Chamber of Commerce and Industry survey that demonstrates that the introduction of the proposed fair employment legislation would have only a minimal impact on Victorian business?

Hon. M. M. GOULD (Minister for Industrial Relations) — I thank Mr Bob Smith for his question and his ongoing interest in this matter. I am aware that recently the Victorian Employers Chamber of Commerce and Industry undertook a survey of its members about the independent industrial relations task force, that the results of that survey were part of the VECCI submission to the task force and that that submission has been on the web site of the task force, which is open to honourable members if they wish to view it.

The VECCI survey indicated that 60 per cent of employers continue to provide the same conditions of employment as applied prior to the abolition of awards back in 1996. The proposed legislation will not have an impact on those employers. Some 29 per cent of employers indicated they had made some changes. However, those changes were not designed to reduce any conditions. They changed their work arrangements by introducing annualised salary with respect to rates of pay, salary packages, time off in lieu of public holidays and the taking of evening meals. Again, the proposed legislation will not have an impact on those employers.

The survey VECCI undertook showed that the majority of its members continued to apply the minimum employment entitlements under schedule 1A and federal awards. Those workers are already covered by the safety net, so the Fair Employment Bill will have little impact at all.

Other surveys support that the legislation will have very minimal impact on a large number of employers. As I said, 60 per cent of its members already pay in excess of what is proposed in the legislation.

Honourable members interjecting.

Hon. M. M. GOULD — This is VECCI's survey, Mr President. It said that it will have little impact on a large majority of its members.

Other surveys came up with the same position — for instance, many employers continue to pay overtime. They continue to pay penalty rates for working on public holidays. They continue to pay annual leave loadings. The vast majority of employers continue to regard 38 hours as the actual rate of pay. Some employers deem it as 35 hours. This proposal will not have an impact on those employers.

Hon. Bill Forwood interjected.

Hon. M. M. GOULD — No, it is not going to cost that. I have indicated to the house that the extrapolation of the survey that VECCI undertook is not based on — —

Honourable members interjecting.

The PRESIDENT — Order! The members on my left are not helping the situation. When it is very hard to hear, Hansard cannot hear. I ask members to settle down and allow the minister to finish.

Hon. M. M. GOULD — As I said, the survey indicates that only about a quarter of its members pay the minimum rates of pay to staff. Accordingly, the vast majority of VECCI's members, including small business, already apply the conditions that will be applicable under the proposed legislation, which is consistent with federal awards.

The government commissioned some economic modelling from National Economics, about which I have advised the house, and the independent industrial relations task force undertook surveys with the Australian Centre for Industrial Relations Research and Training and with VECCI members. There is clear evidence that the impact of the proposed legislation would be minimal on businesses in Victoria.

It is time the whole of the state shared in its economic growth and that the people who have fallen through the cracks because of the previous government's referral of its powers to the federal government and because of the Workplace Relations Act are protected.

Honourable members interjecting.

Hon. M. M. GOULD — You don't care about those workers.

Honourable members interjecting.

The PRESIDENT — Order! Do not shout. Have you finished?

Hon. M. M. GOULD — Yes.

Snowy River

Hon. PHILIP DAVIS (Gippsland) — Given that the debate earlier this day confirmed that the Snowy water agreement with New South Wales provides that there will be purchasing of water entitlements and water rights from holders and subsequently the cancelling of those entitlements and rights, will the Minister for Energy and Resources advise the house under what head of power the government proposes to implement that policy?

Hon. C. C. BROAD (Minister for Energy and Resources) — The honourable member referred to the debate this morning. The proposal agreed to by the New South Wales and Victorian governments is to establish an enterprise. The shareholders in that enterprise will be the governments. Actions undertaken by that enterprise will need to be approved by the respective governments. We await the decision of the commonwealth government prior to finalising those arrangements. In addition, the government has given undertakings that it will consult with stakeholders prior to finalising those details.

Hon. Philip Davis — On a point of order, Mr President, I asked the question genuinely trying to tease out the issue of the basis on which the Victorian government proposes to acquire and cancel entitlements and rights in respect of irrigation water. The question was about a head of power. The minister has not described at all under what authority she proposes to implement that policy.

Honourable members interjecting.

Hon. C. C. BROAD — I do not wish to respond to the point of order.

Honourable members interjecting.

The PRESIDENT — Order! A lot has been said about this issue during the course of the day, and I did not hear much of it. Certainly the question was specific. It presumes the government will take some action based upon some legislative or administrative power to do so. That was the nature of the question. I do not think the minister addressed herself to that issue. I shall give her the chance to respond on that issue. Otherwise, all I can do is indicate that the question has not been answered.

An honourable member interjected.

The PRESIDENT — Order! No thumbscrews!

Hon. C. C. BROAD — Mr President, I do not believe there is a point of order. I have indicated to the house — it was indicated to the house this morning — that the enterprise to be established by the jurisdictions will be given as part of its charter the capacity to do a number of things.

I am aware that the opposition wants to put all the focus on one part of the operation of that enterprise. The great bulk of the operation of the enterprise will be in using funds provided by the jurisdictions to pay for infrastructure and to provide efficiencies. To the extent that it is involved in securing future water entitlements, which as I have said will be part of its charter, it will be doing so as part of the charter provided to it by the respective jurisdictions.

Consumer affairs: government achievements

Hon. E. C. CARBINES (Geelong) — Will the Minister for Consumer Affairs inform the house of the Bracks government's achievements in advancing consumer issues in the past 12 months?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — Unlike the previous government, the Bracks government has prioritised consumer issues and put them to the forefront of the agenda.

The government started by changing the focus and philosophy behind the department, which was reflected in a name change back to Consumer and Business Affairs Victoria (CBAV). That signified an important change. The government also created an interactive web site that provides information to consumers and enables them to obtain the most up-to-date information on issues that are pertinent and important to them, including topics such as renting and product safety.

CBAV has proceeded to become proactive and cooperative about product warnings and issues that need to be brought to the attention of consumers. It has used electronic and print media to assist in ensuring it gets warnings out to consumers in a timely way to ensure they can protect themselves by not becoming vulnerable to either poor products or people offering shonky or misleading products or information.

CBAV also filled a void created by the federal government on fuel pricing. The federal government has run away from the issue. It is not prepared to face up to its responsibility for fuel prices. The Victorian government has implemented a fuel pricing monitor, which has enabled CBAV to gather important information and data to help the government understand how the market has been working as well as to provide information on price increases in country and metropolitan areas and the impact of the new tax arrangements.

Through funding from the Department of State and Regional Development, CBAV has proceeded to look into the feasibility aspects that have flowed from the Buangor Fuel Cooperative study. It has also developed extensive consumer education programs on a range of topics. The programs include Going Mobile for Young People, which is aimed at informing young people who purchase and use mobile phones without understanding the costs or debts they may be incurring.

CBAV has also launched the home buyers magazine, which has been welcomed by everybody and has been widely distributed through local councils, real estate agents and hardware stores. It has also been working with other jurisdictions on cross-border issues. Some have become widely known. Fundraising has been raised as an issue in the house because of shonky practices. With the Australian Taxation Office, CBAV has been trying to close taxation loopholes. It has been working with other jurisdictions to ensure people do not cross those borders.

It is working cooperatively on issues relating to banking and the consumer credit code, and the government hopes to have amendments ready in February. It is also working on a social charter for banks. The other banking issue on which the department is working in cooperation with other jurisdictions is comparative interest rates.

It has been quite an achievement to have worked through so many issues in the past 12 months. In the near future I hope to introduce legislation governing pawnbrokers. I look forward to ensuring consumer protection remains high on the government's agenda over the next three years.

Ice-skating: international centre

Hon. I. J. COVER (Geelong) — I join the Minister for Sport and Recreation in congratulating Australia's Paralympians and was pleased yesterday to welcome them to Melbourne.

Last December the Minister for Sport and Recreation spoke to the house about the feasibility of constructing an ice-skating facility in Melbourne, as reported on page 8 of today's *Herald Sun*. As it is almost 12 months since the minister's announcement about implementing Liberal Party policy, in the absence of other major government projects will the minister now inform the

house why the study is taking so long to be released and when the project will be delivered?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I noted the coverage the Honourable Ian Cover achieved in today's newspaper, but unfortunately he has again got his facts wrong.

Honourable members interjecting.

Hon. J. M. MADDEN — He needs to appreciate that the Olympic-sized rink that is now being investigated will cost approximately $30 million, not the $60 million he appears to have suggested. As I said in my previous report to the house, the feasibility study was commissioned by Sport and Recreation Victoria and the City of Melbourne. The report is being finalised.

I would like the honourable member to appreciate that we have identified how the project would need to be delivered and the support mechanisms that may be required. The important aspect is the investment — —

Honourable members interjecting.

Hon. J. M. MADDEN — Again they display their ignorance. They were bullies in government, they are bullies now and they will always be bullies.

Honourable members interjecting.

Hon. J. M. MADDEN — I retract that, Mr President, because the Honourable Ian Cover is not a bully.

The government is currently evaluating the investment needed because the construction of a $30 million facility would not be entered into lightly. The house would appreciate that such a project would potentially require a partnership between the government, a commercial operator and local government. Honourable members may not appreciate enabling such a facility to function properly requires two Olympic-sized rinks — one for recreational purposes and one for sporting purposes. That would ensure the creation of a lasting legacy that will be viable, not a short-term, privatised facility that could fall apart soon after it is built.

The area required for such a facility is about 10 000 square metres. That requirement for a vast area limits the potential location. There is a possible site at Docklands and there is potential for a site near Highpoint Shopping Centre at Maribyrnong that could suit such a facility. It would be located close to the people who would be prepared to use it and involve themselves in ice sports.

Youth: services

Hon. JENNY MIKAKOS (Jika Jika) — Will the Minister for Youth Affairs advise the house of the steps he has taken to ensure that the delivery of youth services in Victoria occurs in the most efficient manner?

Hon. J. M. MADDEN (Minister for Youth Affairs) — Recently I spoke at a conference entitled 'Promoting Best Practice in Local Government Youth Services'. Honourable members would recognise that local government is well positioned to engage non-government agencies, the private sector, educational institutions and community groups in partnerships. The Office for Youth is eager to engage local government in those processes to provide a range of services for young people in a local setting — and the more localised the better for young people.

The conference was convened by the Centre for Youth Affairs Research and Development with the support of Local Government Professionals, the Victorian Local Governance Association and the City of Stonnington. The conference provided an excellent opportunity for practitioners, managers, elected representatives and policy-makers in their respective organisations to get a better understanding of the current developments in local government youth services, to respond to new directions that some youth services are taking, to share best practice models, to analyse service models, to build on networks that may have been undermined by the previous government, and to identify gaps to make improvements.

Through the Office for Youth, I have indicated that we will be working with local government to facilitate the provision of services to young people. I am looking forward to the report of the conference outcomes so we can facilitate better outcomes for young people at a local level.

QUESTIONS ON NOTICE

Answers

Hon. M. M. GOULD (Minister for Industrial Relations) — Last night during the adjournment debate the Honourable Peter Katsambanis raised a matter regarding question on notice 871. I indicated that I would have the answer today, but I do not. It will be available tomorrow.

Hon. C. C. BROAD (Minister for Energy and Resources) — I have an answer to question on notice 855.

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.

DUTIES 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 is a major step in implementing the government's program of reforming state taxes and builds on work commenced under the previous government. The primary purpose of the Duties Bill is to replace the current Stamps Act 1958 with simple, clear and equitable legislation drafted in contemporary language and modern style. The proposed changes will enhance the prospect of uniformity across jurisdictions, with particular emphasis given to removing double duty on cross-border transactions. The Duties Bill is the product of collaborations by the Victorian State Revenue Office with the revenue offices in New South Wales, South Australia, Tasmania and the Australian Capital Territory as part of an inter-jurisdictional stamps rewrite project. Other jurisdictions have been consulted on specific provisions where Australia-wide consistency is an important outcome. Duties acts have been passed by both the New South Wales and ACT parliaments, and one of the great strengths of the Duties Bill is that it is broadly based on a uniform model. That uniformity is reflected in the bill's arrangement, its underlying conceptual basis and, insofar as common taxing policies between the jurisdictions exist, in the detail of the provisions.

The proposed duties act is also the outcome of extensive consultations with taxpayers and their advisers over the course of its development. Comments received have been overwhelmingly supportive of the rewrite of the stamps legislation and many specific comments have been incorporated into the Duties Bill where desirable. Indeed, over the past several years amendments have been made to the Stamps Act which have implemented a number of the reforms flowing from the rewrite project. These were supported by this government during its period in opposition.

The introduction of this bill is a key part of the government's commitment to ensuring that the taxation framework in this state is fair and equitable and minimises the burden on business, not least in terms of compliance costs. The government's review of state taxes is charged with the task of making recommendations which would see a reduction in the taxation burden on business in Victoria. Bringing this rewrite project to fruition also reflects the government's commitment to ensuring that Victoria has a never-before-seen level of clarity and uniformity in state taxation legislation. The proposed duties act will take effect from 1 July 2001. Any changes which will be required as a result of the review of state business taxes will be introduced at a later time. In the interim, it is important that the government take all necessary steps to ensure that the current legislation is clear and reflects best practice. That is the purpose of this bill.

Some of the new features of the Duties Bill in contrast to the current law may be outlined as follows. The Duties Bill replaces all existing stamp duties with the following duties: transfer duty, including the anti-avoidance provisions known as the land-rich provisions; lease duty; hire of goods duty; mortgage duty; insurance duty on general and life policies; motor vehicle registration and transfer duty; and a limited number of general duties. In contrast to the Stamps Act which it replaces, the Duties bill is structured in such a manner that each duty head is contained in a separate chapter. Similarly, unlike the Stamps Act, exemptions from duty are contained in the individual chapters making up the bill, rather than being obscurely hidden in a schedule to the act. The terms used throughout the proposed act are also to be found in one place and are used consistently across the whole statute.

Under the Duties Bill liability for duty on dutiable transactions arises differently from the current Stamps Act. Under the Stamps Act, in all but a small number of areas, duty is document based and liability to duty arises when documents are executed. While there has been a progressive movement over time to insert transaction-based provisions in the Stamps Act, they sat somewhat awkwardly in a statute which was based on the physical stamping of paper instruments. Under the proposed Duties Act, it is a transaction rather than a paper document that is liable for duty and the key date is the date that the transaction occurred. Duty is

therefore not so dependent on the execution of a document, helping to overcome a significant means of avoiding or deferring the payment of duty in the past. The transaction-based conceptual underpinning of the Duties Bill is also more consistent with modern business practices. The general approach of the Duties Bill, however, is to reflect the policy underlying the Stamps Act, rather than to introduce significant changes to the taxation base or to rates of duty. One change is that bonds, covenants and debentures have been removed from the mortgage duty tax base, thus abolishing a number of the nuisance taxes of little value to the revenue but administratively cumbersome and an impost on business.

The transfer chapter continues to impose duty on dutiable transactions such as agreements, transfers and declarations of trust. However, in line with the interests of clarity and certainty, a list of dutiable transactions is provided in the Duties Bill. The chapter also specifies those surrenders of an interest in land that would not attract duty — namely, a discharge of mortgage, a surrender of lease and a redemption of units. The party liable for duty and the taxing point in relation to a dutiable surrender of interest is also clarified.

With respect to the so-called land-rich provisions contained in chapter 3, there are a number of minor departures from the current provisions. Honourable members will recall that the land-rich provisions are designed to ensure that conveyance duty is not avoided by means of the creation of a land-rich corporate entity, the transfer of shares in which effects the same outcome as a transfer of land, but in respect of which duty at the lesser marketable securities rate has been chargeable. The land-rich provisions have been strengthened progressively in the light of compliance activity. The current proposed changes are designed to further strengthen the anti-avoidance capacity of the provisions to militate against their unfair or unreasonable application, and also to bring them into line with those operating in New South Wales.

Turning to other provisions in the Duties Bill, in line with commitments made by the previous government under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations, duty on the transfer of listed marketable securities has been abolished and therefore this duty does not carry forward into the Duties Bill.

The Duties Bill also reflects the outcome of a cooperative effort between the states to simplify the mortgage provisions and substantially reduce compliance costs for taxpayers through uniform application of provisions. This major review of the mortgage provisions has been developed in close consultation with peak industry bodies. The model provisions developed by the states have received significant support from major financial and legal firms on the basis that they promote simplicity, equity and reduce compliance costs for industry and consequently for the community at large. It is anticipated that these model provisions are to be enacted by all taxing jurisdictions.

Mention has already been made of the removal of bonds, covenants and debentures from the tax base. Mortgage duty will now be imposed on advances made through the provision of funds by means of a bill facility arrangement to align the Victorian provisions with those in other jurisdictions. The Duties Bill also represents a significant advance in uniformity across the states for mortgages of assets located in more than one jurisdiction. The mortgage provisions effectively apportion duty between the Australian states and also prevent deliberate avoidance and remove the possibility of double duty resulting from different approaches. The provisions also remove the necessity of transporting mortgage documents between states for stamping and include a range of reforms which further reduce taxpayer costs. These measures together with streamlined administrative provisions ensure significant uniformity of treatment with other jurisdictions.

With regard to lease duty, a single rate of 0.6 per cent will apply, replacing the more complex arrangement whereby one rate is charged on the rental component of a lease and a different and higher amount charged on additional costs such as premium or royalties. This will represent a saving to taxpayers and will promote greater administrative efficiency.

The Duties Bill also simplifies the duty imposed on the hire of goods and provides a clear nexus for duty in order to reduce exposure to double taxation. Duty will only be paid in Victoria if the goods the subject of a hire are used solely or predominantly in Victoria. Goods which are provided incidentally to a service will be exempt from duty, and the duty ceiling for special rental agreements will be raised from $4000 — an amount that has not changed since 1981 — to $10 000. These provisions will bring Victoria into line with New South Wales.

The Duties Bill also provides a greater degree of clarity to life and general insurances. The existing Victorian life insurance provisions are more explicitly identified in the Duties Bill, and the general insurance provisions have been recast in the interests of uniformity. To avoid any exposure to double duty, premium can be apportioned between jurisdictions for duty purposes

where the risk is located in more than one place or between different types of insurance.

As mentioned at the outset, this bill represents a very significant step towards the reform of state taxes. It gives Victoria modern duties legislation and creates a high degree of uniformity with other states and territories. The Duties Bill will operate in conjunction with the Taxation Administration Act 1997. This will ensure that matters of general administration, such as penalties for non-compliance and rights of review and appeal, are common to other tax lines governed by that act. The Duties Bill is also an outcome of a very successful process of consultation with practitioners and with industry. The clarity it provides will bring greater certainly and it will reduce the compliance costs to business and the broader community. The proposed act will also be easier to administer. The Duties Bill has been a long time in preparation, and as pointed out earlier, it has been drafted in light of extensive consultation not only with affected parties but also with other jurisdictions — and in particular, with New South Wales, whose Duties Act 1997 has been the national template.

I commend the bill to the house.

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

Debate adjourned until next day.

CRIMES (AMENDMENT) BILL

Second reading

Hon. M. R. THOMSON (Minister for Small Business) — I move:

That this bill be now read a second time.

The Crimes (Amendment) Bill 2000 has three objectives. First, it increases the penalty for the offence of possession of child pornography. Second, it creates an offence of sexual penetration of a child under 16. Third, it extends the definition of rape to include where a male is compelled to sexually penetrate another person with his penis.

Increasing the penalty for the offence of possession of child pornography

In recent years, there has been a dramatic change in the complexion of child pornography offences. Computers enable the storage of large quantities of images. The Internet has increased access to and distribution of pornographic images resulting in a proliferation of child pornography.

It is now possible to possess thousands of images of child pornography by storing them in a personal computer. People who previously may not have physically sought access to child pornography (although the proclivity was there), can now have anonymous access to it without having to leave their home.

The government is committed to the protection of children. The penalty for the possession of child pornography will be increased from two years imprisonment to five years imprisonment.

This increased penalty will send a clear message to those who prey on children that the government and the community will not tolerate this behaviour.

Creating one offence of sexual penetration of a child under 16

A legal loophole currently exists which can result in a person escaping conviction for the offence of sexual penetration of a child where there is uncertainty about whether the offence was committed before or after the child turned 10.

There are currently two separate offences for sexual penetration of a child — one applies where the child is under 10 and the other where the child is aged between 10 and 16. Sometimes a child cannot recall whether the offence occurred before or after they turned 10. This is particularly the case where they have been subjected to many sexual offences. If it is not known whether the child was under or over 10 years of age at the time of the offence, it will not be possible to prove the offence.

This bill overcomes this problem by joining the two offences to create a new single offence of sexual penetration of a child under 16.

The existing penalty structure has been retained. Where the child is aged under 10 at the time of the offence, a maximum penalty of 25 years imprisonment applies. Where the child is aged between 10 and 16 and was under the care, supervision or authority of the offender at the time of the commission of the offence, a maximum penalty of 15 years imprisonment applies. A maximum penalty of 10 years imprisonment applies in any other circumstance.

Where an accused pleads not guilty to the offence, it will continue to be a matter for the jury to determine any issue concerning whether:

the child was under the care, supervision or authority of the accused at the time of the alleged offence; or

the child was less than 10 years of age at the time the offence is alleged to have been committed.

This amendment will close the loophole that enables sexual offenders to escape conviction for these terrible offences committed against children.

Extending of the definition of rape

It is accepted that male rape is under-reported and under-recognised worldwide. It is also acknowledged that for a variety of reasons it is difficult for victims of rape to report their experiences. The government is concerned to protect all victims of crime and encourages all victims of rape to come forward and seek assistance from the criminal justice system.

Whilst the traditional understanding of male rape — that is, being sexually penetrated by another person — is already provided for in the offence of rape, the extended definition of rape in this bill now provides for the situation where a man is compelled to penetrate another person against his will.

Currently, this behaviour can only be charged as the procuration of sexual penetration by threats or fraud, or indecent assault, each of which carries a maximum penalty of 10 years imprisonment. In line with all other conduct encompassed by the existing crime of rape, the conduct provided for in the extended definition of rape will also carry a maximum penalty of 25 years imprisonment.

The amendment acknowledges the invasive nature of this type of sexual assault, and male victims of this type of sexual assault will now be acknowledged as true victims of rape.

This bill is evidence of the commitment of this government to ensure that the criminal law appropriately recognises all victims of crime and punishes those who commit serious offences.

I commend this bill to the house.

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

Debate adjourned until next day.

CHILDREN AND YOUNG PERSONS (RECIPROCAL ARRANGEMENTS) BILL

Second reading

Debate resumed from 4 October; motion of Hon. M. R. THOMSON (Minister for Small Business).

Hon. M. T. LUCKINS (Waverley) — The purpose of the bill is to put in place reciprocal agreements for Australian states and New Zealand to ensure that children who are under protection orders or who are part of proceedings for protection orders are not put at risk as they are moved between jurisdictions in Australia and New Zealand. It follows on from a model bill which was approved in August 1999 by the then Minister for Community Services in Victoria, Dr Denis Napthine, who is now the Leader of the Opposition, and which was agreed to at a conference by his counterparts from the other states and New Zealand.

Each jurisdiction has agreed to adopt some mandatory provisions from the model bill. Other provisions have been left to the discretion of the individual jurisdictions, depending on their laws and requirements.

The bill puts in place procedures for dealing with orders and hearings in states other than those in which the offences were perpetrated. It addresses past issues where vulnerable children have fallen through the net of protective services because they have been moved by their families or foster families into other jurisdictions. It has been a particular problem if an offence or alleged offence has occurred in another state.

These days the population is much more transient than it was in the past. There are a number of reasons for that. Many people move around to follow work, and many families decide to move on and start new lives, particularly those who have been subject to abuse within or outside their families, who seek to move away from abusive and dangerous situations. Aboriginal and Torres Strait Islander people in particular tend to move around from community to community. Just as Aboriginal people tend to be over-represented in our jails, they are unfortunately also over-represented in children's protection matters.

The protection of children is absolutely paramount, because they are the most innocent and vulnerable members of our society. In the past the Department of Human Services and its counterparts in other states have had trouble in ensuring the provision of proper care, assistance and supervision to families subject to protection orders because they were unable to track individuals interstate, and even if they were able to

track them they were not able to transfer the orders to another jurisdiction.

Under the bill orders and proceedings which originated in one state can be transferred and heard in another. A similar bill has already been passed in the Queensland Parliament, with some additions that include an expansion of mandatory reporting provisions.

The bill deals with significant issues faced daily by border communities around Australia. Jurisdictional issues are always of concern in our legal system. One example — even though the child was not subject to a community protection order at the time — is the sad death of James Sette. He was abducted and taken from his adoptive parents in Victoria by his birth mother. She took him over the border to Moama just inside New South Wales, where sadly he was murdered. Even though that was a Victorian case involving Victorian residents, it was heard by the New South Wales Supreme Court.

I am sure all other honourable members are as devastated as I am whenever they hear about a child having been harmed physically or emotionally or of a child being killed — in any way, whether by an accident or by being murdered.

Many such cases are at the forefront of my mind when I look at my own children. I appreciate how healthy and happy they are and the stability I am able to provide for them, which sadly a lot of other families are not able to provide for their children. Just as people tend to recall where they were when they heard about a prominent person dying, I recall where I was and what I was doing when I heard about cases which are now well known in our community — the cases of Daniel Valerio, Katy Bolger and Jaidyn Leske.

I hope their tragic deaths have not been in vain and that somehow some good has come out of them that will benefit others. There is now an increased awareness of the challenges facing families and individuals in our community, whether or not they are the subject of children protection orders. The beautiful, smiling and innocent face of Daniel Valerio covered in bruises really pushed the community to move to ensure that that sort of tragic case did not occur again in Victoria. Daniel was killed in 1990. It took until the Kennett government's election to office in 1992 for mandatory reporting to be introduced in Victoria. I commend the previous government and the then Minister for Community Services, Michael John, for their political will and commitment to ensuring that a comprehensive system was introduced to protect children.

Since its introduction mandatory reporting has been the subject of much debate. Unfortunately governments of whatever political persuasion have often been criticised for the number of cases reported under the mandatory reporting provisions, as if those cases are somehow an indictment of a government's capability.

It is an indictment of society that so many cases are coming to our attention and so many children are subjected to abuse. People who see suspicious marks on children or notice them behaving strangely should report those incidents. I acknowledge that many cases of suspected abuse are false or unsubstantiated. Often false claims are made in custody disputes and family law cases. It can place enormous stress on the family or individuals concerned, but if the case was not investigated and that failure to investigate resulted in the death or injury of a child the community would have to live with the knowledge that we, because of our silence, may have allowed that abuse to occur.

An article in the *Age* of 1 July notes that the number of notifications under mandatory reporting in the 1998–99 year was 34 779. There were 13 721 departmental investigations and the number of substantiated cases was 7353. The figure of nearly 35 000 is a substantial proportion of Victoria's population, but Victoria is not alone. A further article in the *Age* of 18 May, which is entitled 'Children at risk', states that the number of confirmed cases of child abuse or neglect in 1998–99 in all the jurisdictions were: New South Wales, 7540; Victoria, 7251; Queensland, 6373; South Australia, 2114; Western Australia, 1215; and Tasmania, 128.

In the context of the population of those states the figures given in the report are consistent across the country. That is unfortunate. The article goes on to say that almost 8500 Australian children were placed on care and protection orders in 1998–99. It continues:

> In Victoria 34 per cent of cases were physical abuse, 32 per cent were emotional abuse and 25 per cent were cases of neglect.
>
> Another 46 per cent of notifications were not substantiated.

Michael Barnard in an opinion piece in the *Herald Sun* of 2 July states:

> In 1997–98 Community Services received 2622 notifications from teachers, of which 1374 were investigated and 660 substantiated. That leaves a lot of unjustified 'fingering'.

Although the number of substantiated cases of abuse seems low — a little under half the cases investigated — the families referred to the department for investigation are able to access support provided through the Department of Community Services such

as strengthening families and the early intervention program, initiatives I was proud to be associated with under the Kennett government.

Many parents, especially single parents and those who struggle to make ends meet, find the pressure of raising children extremely difficult, and without additional support they are unable to cope and may resort to violence against their children. Additional support is needed to prevent further incidents of parents losing control. Parents should learn how to provide for and support their children.

A *Herald Sun* article of 12 October 1998 refers to the Alannah and Madeline Foundation report on child abuse. It states:

> An average of 762 children every week were victims — a 20 per cent rise in just two years.
>
> A special report commissioned by the Alannah and Madeline Foundation found one in five victims of all violent crime nationally were children under the age of 20.
>
> …
>
> … Victoria, in comparison, was safer for children but still posed a risk with a 7.3 per cent rise in crime since 1995.

In opposition the Labor Party was critical of the financial support available for abused children and mandatory reporting, but the Kennett government provided much-needed extra funding for those areas that was well above the funding provided by the previous Labor government.

I refer to a *Herald Sun* article of 26 November 1999 entitled 'Proven record of abuse', which states:

> The report, *Australia's Welfare 1999*, was released by the Australian Institute of Health and Welfare yesterday.
>
> It shows that nationally $10.9 million is spent on welfare, and the Victorian government spends the most per person.
>
> …
>
> The report also shows that in the middle of 1998, there were 16 449 Australian children on care and protection orders and 14 470 in out-of-home care.

Unfortunately the number of children raised in inappropriate or unsafe circumstances will never be reduced without a major generational education program for all parents, but particularly new parents. The community has a role to play in that.

Some societies say, 'It takes a whole community to raise a child'. Another saying I like is, 'If you educate a girl you educate a community'. Although it is desirable for children to be raised within their own families, sadly that is not always possible. Our welfare workers often find themselves in a quandary. If they remove a child from an unsatisfactory environment they are criticised for snatching children from parents. On the whole families make better parents than the state, but in many cases the child is not able to stay with his or her own family. If the welfare worker does not remove the child and the child comes to harm, the individuals who were in contact with that family will have that on their conscience for the rest of their lives.

Ideally, children removed from their birth families should be placed with another family in a normal family environment. Foster families provide safe environments for thousands of children to adjust to their lives and recover from past physical and emotional trauma, neglect or abuse. I commend foster families for their commitment to providing a loving and accepting environment for many unloved children. They do not do it for money. They share themselves, their homes and their lives with strangers, many of whom are so emotionally damaged that they are not able to reciprocate the affection and respect shown to them.

An article in the *Herald Sun* of 26 October 1998 entitled 'Keeping kids safe' states that foster families on the register increased from 1800 in 1996 to 2500 in 1998. It further states:

> Over the past two years the numbers living in home-based care increased from 2700 to 2900, so 8 out of 10 children and youngsters in foster care now live with families.
>
> Victoria now spends $15.5 million a year on direct support to volunteer carers …
>
> This funding, which was boosted in 1996, increased payments to care givers by 38 per cent …
>
> Another $22 million a year is paid to agencies to support and supervise carers and children in care.

Unfortunately there is so much pressure on foster families financially and emotionally that some are withdrawing from the program. They feel they are not appreciated or provided with enough support. Other people are hesitant to take on fostering, partially because they are concerned about the mandatory reporting provisions. Some children have been so emotionally damaged that they are quite concerned and even paranoid about harm being inflicted upon them and may make false reports. It is a pity that the number of families available to look after these very innocent but poorly raised children is decreasing.

An article in the *Australian* of 12 October 1999 reported that a foster carer's basic average weekly payment per child was $102.80 in Victoria. That compared favourably with Tasmania, New South Wales, Western Australia and South Australia and was

on par with Queensland, the Northern Territory and the Australian Capital Territory.

An article in the *Herald Sun* of 20 October this year states:

> Victoria is creating a lost generation by failing some of our most vulnerable children.
>
> A *Herald Sun* investigation has found hundreds of abused or neglected children are shunted between temporary foster carers while they wait to be reunited with their families.
>
> …
>
> Experts say five placements a year for some children is not unusual.

That is of grave concern to me as it means those children are not in a safe, secure environment where they feel accepted and loved. All children need to know where they will be, what they are expected to do, and what their rules and boundaries are. It is unfortunate that these children are moved around so much and cannot bond with anybody. Many have an unreal expectation of being reunited with their families. Those who are reunited often go back to a very different physical environment from the one in which they were fostered, which is also of concern.

An article in the *Age* of 20 October headed 'Crisis in state child protection network' states:

> An Insight investigation has found that a chronic shortage of foster carers, coupled with repeated, unsuccessful attempts to reunite children with their families, means welfare agencies are constantly forced to place children in unsuitable, and sometimes dangerous, environments.

It should be acknowledged that although children may not be in danger of physical harm while being shunted from house to house, they are at risk emotionally. Many well meaning but under-resourced foster families may not feel capable of handling some of these emotionally damaged children. We need to encourage more people to be foster carers and perhaps we need to look outside the square. Many single parents and older people in our community would make terrific role models and loving foster parents for these children.

This bill will go some way to ensuring that we are looking after the needs of children in protection, but we still have a long way to go. Unfortunately for all its rhetoric about compassion the Labor government has not put many dollars where its mouth is. An article in the *Age* of 23 March referred to the Minister for Community Services, Christine Campbell, having closed Napier House. Napier House was Victoria's only refuge for girls and it closed because the state government stripped $1 million from child protection and youth services in Melbourne's northern suburbs. The article states:

> One of the biggest welfare agencies, Anglicare, yesterday warned that some of the most vulnerable children in the state could be living on the streets as a result of the funding cuts.
>
> Agencies predict the cuts will close 31 home-based care beds and cut counselling services for 60 children and adolescents in the northern suburbs.
>
> The Minister for Community Services, Ms Christine Campbell, said yesterday that alternative living arrangements were being made for the girls at Napier House …

Since 1980 Napier House had been offering services to girls aged between 12 and 16 years. Its closure is a great pity, and I hope the Labor government begins to provide more than rhetoric to the people in need in the community.

Some of my concerns about the bill have not yet been addressed by the government. Probably a month or more ago the Scrutiny of Acts and Regulations Committee, of which I am deputy chairman, raised concerns in *Alert Digest* No. 8 about clause 7(4) of the bill which provides that legal representation would be allowed for children who are the subject of an application to transfer a child protection order to another jurisdiction. The committee pointed out that schedule 2 of the bill will come into operation no later than 1 July 2001 but section 21(1) of the principal act, on which clause 7(4) relies, is not in force. Therefore, the legal representation contemplated by the addition of these matters to section 21(1) may not be operative. The *Alert Digest* notes that:

> Given that legal representation for a child will be available under clause 6 of schedule 2 for administrative transfers from the commencement of the provisions in the bill, this would seem to the committee to be an anomalous situation.
>
> The committee considers that the Parliament should be provided with further information relevant to the important provisions concerning legal representation for children in legal proceedings concerning their welfare. The committee will write to the minister to seek clarification on this issue.

The committee wrote to the Minister for Community Services and during the debate on this bill in the lower house the minister thanked the committee and the Liberal members who had contributed to the debate for bringing the anomaly to her attention. She said the government would have a look at it. The house is debating and will pass the bill this afternoon, but the Scrutiny of Acts and Regulations Committee has not received any response from the Minister for Community Services to its letter and no further information has been provided to the opposition.

The opposition is still supporting the passage of the bill but its concern about the ability of young people who are subject to orders for the transfer of protection orders between jurisdictions must be clarified at the earliest possible opportunity to ensure they have the legal representation they need and are entitled to. I commend the bill to the house.

Hon. E. C. CARBINES (Geelong) — I am pleased as a member for Geelong Province to speak on behalf of the government in supporting the Children and Young Persons (Reciprocal Arrangements) Bill. I congratulate the Minister for Community Services on this bill which is designed to assist children and young people who are in need of protection. The interests of children and young people are at the very core of this piece of legislation. It seeks to address a matter which I hope every member of the house would enthusiastically endorse and support.

In addition to introducing this bill the Bracks government has committed an extra $300 000 from this year's budget to provide more training for child protection staff. That is to be commended as is the Bracks government's move to increase the payment to foster parents.

An article by Pamela Bone in the *Age* of 26 October headed 'The heartbreak of the unwanted child' refers to the conclusions of a paper prepared by Dr Sue Richardson from Flinders University. The paper entitled 'Society's investment in children' states in part:

> The paper concluded that the status of most children in Australia today is good: they have good nutrition, health, education and housing; most are in well-off families (two-thirds live in the 40 per cent of families with the highest gross income levels); 94 per cent live with their birth mother and 74 per cent live with both their birth parents; most have a substantial amount of parental time available to them (surveys of time use show parents in paid work give up time spent watching television, sleeping, and in leisure to spend time with their children).

Before honourable members get too smug about that conclusion, we have to remember that Dr Richardson was talking about most Australian children but sadly not all. My experience of childhood and I presume that of most honourable members was one of growing up in a loving family where my needs and those of my brother were uppermost in the minds of my parents. I often remember my parents going without to assist my brother and me when we first migrated to Australia.

However, although that is the case for most children growing up in Australia today, it is clearly and sadly not the case for all. There are families in crisis and subsequently there are sometimes children whose needs are neglected and whose interests and welfare are in need of protection.

At different times in my life through my work as a teacher I have had the sad occasion of being made personally aware of children who were subjected to abuse and in need of protection. As a year level coordinator and as an English teacher I sometimes found that students submitted essays that were personal accounts as a way of alerting me to the fact that they were in need of assistance because they were being abused in some way in their daily lives.

I remember also 11 years ago when I was first at home with my baby daughter we used to visit a maternal and child health centre. For some reason after about six or seven months the usual maternal and child health nurse was no longer there. That was in 1989, and it was not until several months later that I discovered she had been dismissed because she reported a family she suspected of abusing their child to the local authorities. The family took extreme exception to that reporting and in turn lodged a complaint against her with the municipality in which I lived at the time. She lost her job over it.

I remember when mandatory reporting was introduced by the former Kennett government. I had time then to pause and reflect on the dismissal of the maternal and child health nurse and the fact that four years later the reverse would have occurred; she would have lost her job had she not reported the family. It is interesting that nearly all of honourable members would support workers who are required to report families they suspect of abusing their children. It was a sad time in her life and we were very sorry to see her go because she was an excellent maternal and child health nurse. I have even found that as a member of Parliament I have had constituents write to me advising me of their concerns about children in their family or neighbourhood. At different times honourable members are all touched by people who bring such concerns to us and it is incumbent upon us to act on them.

In Geelong Province, which I represent, some wonderful organisations assist families who are in crisis, and I thank all the people associated with those organisations. I will talk about just two of them because, like all the organisations across the state working with families in crisis, their work is tireless and extremely beneficial to communities across the state.

The first is McKillop Family Services, which I know is a statewide organisation. It runs an excellent service in Geelong that is extremely beneficial for Geelong

families who are under stress and in crisis. McKillop runs the service in Geelong under the guidance of Brother Russell Peters and Ann Condon, who struggle daily under very difficult circumstances to meet the needs of Geelong's families in crisis. I have been continually impressed in the past year when I have visited as a new member of Parliament to see how their work benefits the families with whom they involve themselves.

Another fine Geelong organisation that has been addressing the needs of Geelong's families under stress for a very long time is Bethany, which offers to families services such as counselling, respite care, courses varying from management of toddlers and parenting to anger management and addressing issues surrounding domestic violence. Bethany has continually adapted and changed to meet the different problems that confront Geelong families. It started its life as a babies' home but the services it offers today are vastly different. On Friday the Governor-General Sir William Deane will open Bethany's new purpose-built facility. It will be a historic day for Bethany, and I am very pleased that the Bracks government has played its part in bringing this day to fruition by contributing $600 000 from the Community Support Fund towards the new buildings.

Although organisations and services across the state offer lifelines to families, children still fall through the safety net, and they are the ones that this bill is about. The Children and Young Persons (Reciprocal Arrangements) Bill aims to assist children and young people in Victoria who are in need of protection. The bill originated back in 1996 when the Community Services Ministerial Council agreed that New Zealand and Australian states and territories should have legislation to provide for the transfer of child protection proceedings between the jurisdictions.

The passage of the bill will bring Victoria into line with several states — South Australia, Queensland and Tasmania — the Australian Capital Territory and New Zealand. The bill aims to make it easier to protect Australian and New Zealand children by making the legal machinery follow the child it seeks to protect. Currently between 200 and 250 children in Australia are subject to child protection orders and live outside the state in which the orders were made. As a consequence the administration and supervision of those orders is very difficult; the effectiveness of the protection afforded to those children may be reduced, and the safety of the children could very well be compromised. The bill seeks to address that.

The problems the bill seeks to address are felt particularly in border towns and in communities where there are large transitory populations. I am pleased that the Bracks government is addressing the issue identified by the Scrutiny of Acts and Regulations Committee that section 21(1) of the principal act dealing with the requirement that the child be legally represented has not been proclaimed.

The minister advises that the spirit of section 21(1) will be followed so that the practice of requiring that children be legally represented in the Children's Court will continue.

In conclusion, it is often said that a society can be judged by the way it looks after its most vulnerable members. Everyone would agree that children under protection orders are among the most vulnerable members of our society. The bill aims to improve the protection afforded Victoria's most vulnerable children. Therefore I commend the minister on her work and wish the bill a speedy passage.

Hon. R. A. BEST (North Western) — On behalf of the National Party I support the Children and Young Persons (Reciprocal Arrangements) Bill. I was pleased to have the opportunity of having a quiet conversation with the Minister for Small Business, who is handling the passage of the bill in this place. We talked about some of the experiences we share as parents, including enjoying the highs and suffering the lows and the merry-go-round and roller-coaster ride just by interacting as most families do. It is tremendously important that we parents provide stability and support for our children, so giving them the basics when they are trying to take their place in today's world.

That conversation is apposite because the bill addresses matters relevant to children and young people, particularly the jurisdictional problems that currently exist in the area of child protection in Australia's states and territories and New Zealand. In October 1996 the relevant ministers came together as the Australian New Zealand Community Services Ministerial Council and agreed to adopt legislation to recognise certain rights across Australia's states and territories and New Zealand.

The history of the development of the bill is interesting. As I said, the bill had its genesis in October 1996 but it was not until August 1999 that many of its provisions were agreed to in the form of a model bill. The bill deals with five major components: the difficulty of transferring child protection orders between Australian states and territories; the inability to transfer child protection orders or proceedings between Australia and

New Zealand; the inability to transfer child protection proceedings between Australian states and territories; and the difficulty of transferring confidential child protection information between jurisdictions. The latter is something I raised in the ministerial briefing, and the minister has been kind enough to reply by letter about the concerns I expressed, to which I will refer later in my contribution. The fifth component the bill addresses is whether removing a child from a placement would be an offence if it occurred outside the state that granted the child protection order.

Contributions to the debate show that members of Parliament are mindful of the need to protect the most vulnerable in our community — that is, our children. We must ensure that the legislation we put in place protects those children as much as possible from harm and that we implement measures that minimise their exposure to harm. I pick up the contributions made by the Honourables Maree Luckins and Elaine Carbines, who have referred to the stressful and traumatic experiences of children who have been unfortunate victims, having either been associated with bashings or having died. Those cases cause enormous trauma and heartache right across our communities.

One of the problems we must face today is that with the breakdown in marriages even more important safety nets must be provided across our communities to assist the children involved. We must ensure that they are provided with all the protection and assistance they need in the many family breakdowns that lead to family violence. Many members would have knowledge of such circumstances either through hearing of them from people coming to our electorate offices or knowing about a family breakdown that has led to violence and the impact it has had on the emotional state of the children.

As has been said, some people associated with family breakdowns consider relocating interstate. The bill proposes the introduction of a range of mechanisms to ensure that when there is a transfer of children between family or extended family members — for example, aunties or uncles — they receive the best possible care, assistance and support.

In her second-reading speech the minister emphasised that the child in the family must be encouraged to fully participate in decisions about the transfer of the child protection order, except to the extent that such involvement would be detrimental to the safety and/or wellbeing of the child. That is an important provision that protects the interests of the child.

The bill also provides a range of actions involving the Secretary of the Department of Human Services. That is very important. In extreme cases where departments have to make decisions about intervention, appropriate provisions must be available to allow for the judicial transfer of child protection orders. That could be done administratively or, if the secretary was wanting to obtain an order in the receiving state that was not the same as the current order for transfer between jurisdictions, there could be an opportunity to change the orders relating to the transferring or receiving state.

As honourable members would be aware, my electorate goes from Maryborough to Mildura. In Mildura many families have relations living on both sides of the River Murray. It is somewhat cumbersome and difficult when issues arise in, say, Wentworth in New South Wales, and family members or the extended family live in Mildura or the surrounding areas of Mildura. It is vital that we sort out those problems. I believe the minister's second-reading speech refers to the difficulties associated with transferring a child from a river town area in New South Wales to receive treatment at the nearest hospital, which might be the Royal Children's Hospital. In order to protect children, it is important that those technical issues are overcome. I welcome the measures.

As I said, invariably with child protection issues which are sensitive and which cause an enormous amount of emotion, there is a need for confidentiality. I have raised with the Minister for Community Services the importance of the security provided by the Department of Human Services in transferring information, particularly given that much of that information is now transferred electronically. The security of that information is vital to the protection and ongoing wellbeing of children. I asked for some answers from the minister and she was kind enough to respond to me on 3 October:

> I refer to your meeting with officers of legal services and the child protection and juvenile justice branch on 6 September 2000 in relation to the Children and Young Persons (Reciprocal Arrangements) Bill. I understand that you asked about the security of information sent to interstate child protection authorities in connection with the transfer between states of child protection orders or proceedings.
>
> The Protocol for the Interstate Transfer of Child Protection Orders and Proceedings and Interstate Assistance was approved by the Community Services Ministers Advisory Council in October 1999. It provides for procedures governing the transfer interstate of child protection orders or proceedings and outlines the type of information to be exchanged. Generally initial inquiries are made via electronic mail or telephone and further information is provided by facsimile, post or courier.

The next passage was of particular interest to me:

> Electronic mail is widely used in commerce and industry. The system used by the Department of Human Services is as secure as that used by, for instance, banks, for the transmission of sensitive data. Although the system is, in theory, vulnerable to interception by a determined and skilled person, anyone with the requisite skill, resources and time is likely to target more financially rewarding targets.
>
> A project currently being undertaken by the information services branch will significantly enhance the security of electronic mail sent to recipients who have implemented public key infrastructure (PKI). The PKI project is expected to be completed in July 2001. Other governments are likely to adopt PKI. The commonwealth government has already indicated its intention to do so.

Although the minister indicated there are other more rewarding targets for hackers, it is important that relevant information about young children not be freely available. Honourable members would appreciate the emotional stress attached to a marriage breakdown where children may be separated from one parent or the other. It is important that the rights and the protection of those children is paramount and that we have as secure a system as possible.

The bill provides balance. It addresses many community concerns about the protection of those most vulnerable in our community — our children — and it provides the best opportunity to have a safe and secure environment for them. I am aware that some people have been critical of mandatory reporting. However, on the whole it has assisted many vulnerable children who required protection from potential harm.

As I said at the outset of my contribution, not every child has the opportunity of being brought up in a caring, loving family. So as legislators and as governments we need to ensure that we provide the safety nets that protect these vulnerable members of our community. Finally, I wish to recognise the wonderful people who care for children in foster families.

I have been fortunate to have known and been close to a family with five or six children but who have also fostered hundreds of children in their home. The demonstration of loving care the family has provided to the foster children has been a heart-warming experience. My thanks and appreciation go to that wonderful family for its role in assisting kids during times of emotional stress. On behalf of the National Party, I have pleasure in supporting the bill.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! I am of the opinion that the second reading of the bill requires to be passed by an absolute majority. As there is not an absolute majority of members in the house, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! So that I may ascertain whether the required majority has been obtained I ask honourable members who support the motion to stand in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time; by leave, proceeded to third reading.

Third reading

Hon. M. R. THOMSON (Minister for Small Business) — By leave, I move:

> That this bill be now read a third time.

I thank the Honourables Maree Luckins, Elaine Carbines and Ron Best for their contributions.

The ACTING PRESIDENT (Hon. G. B. Ashman) — Order! So that I may ascertain whether the required majority has been obtained I ask honourable members who support the motion to stand in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

PLANT HEALTH AND PLANT PRODUCTS (AMENDMENT) BILL

Second reading

Debate resumed from 4 October; motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. E. G. STONEY (Central Highlands) — The bill has been developed under the national guidelines for quality assurance. It administers and updates the certification scheme for the movement of plants, plant products and plant materials interstate and intrastate. It also provides accreditation for Victorian growers and

packers to issue assurance certificates that will be recognised throughout Australia.

It is significant that the bill allows for a move away from government regulation towards self-regulation. By way of comparison, I remember some years ago that the small seeds industry moved in the same direction, with subsequent enormous savings to growers and the industry but without any reduction in the quality of the scheme.

Such a move towards self-regulation can work only if industry has ownership of and supports the move. The comparison with what happened some years ago in the pasture and turf industry is valid. About 30 years ago I was part of that industry and grew a lot of small seed. When I reflect on those days when I first started in the industry, I can only conclude now that the system was antiquated. Growers had a certification scheme for seed that was grown in a particular paddock. Growers like me had to take the seed from the header, put it into bags and sow the bags by hand. We were not allowed to move the seed from the paddock until Mr Jack Lomax, the seed certification inspector, came around and physically put a government tag and government lead seal on each bag of seed.

As the house can imagine, that process was time consuming. The bags had to be laid out in long lines under the red gum trees until Mr Lomax came around. Legally we were not even allowed to help him, but often we did help particularly if a thunderstorm was approaching. If the seed was not left in the paddock or was interfered with in any way, the seed bags failed certification.

Eventually the seed industry began to revolt; it ended in uproar because the technology was far ahead of the antiquated certification scheme. The industry took over and virtually demanded that the government department upgrade its conditions of certification because crops were yielding more, headers were becoming larger and bulk handling was to be introduced in the grain industry. The small seeds industry wanted to introduce a better system.

The industry demanded that the department act. It did so and self-regulation was introduced with checks that worked well. That is a classic example of how an industry can take ownership of a process. The plant industry has had a good deal of input into the drafting of the bill and the requirements involved in moving towards self-regulation.

No doubt there will be the odd villain in the plant industry. The earlier comparison with the seed industry reminds me that it, too, had the odd villain all those years ago but self-regulation took over. Everybody in the industry knows what is going on and whether somebody is trying to manipulate the industry. It took only a word here or there and suddenly the problem would be solved. That is how true self-regulation works; it is also called the bush telegraph. It certainly works in some of the rural industries. The plant and produce industry will generally self-regulate well.

The mutual recognition of interstate assurance certificates will assist the domestic and export trades. I remind the house that the industry is worth billions of dollars to the Australian economy. It is highly susceptible to new and exotic diseases that could wipe out an industry overnight. Immediately the scourge of fire blight comes to mind. I am reminded of the difficulties New Zealand exports may present to the industry if fruit with fire blight were imported. It is important that a structure be in place that deals with emergencies quickly. The second-reading speech states:

> The amendments proposed in this bill reflect the need to respond to a changing commercial environment where there is increasing movement of produce between major interstate markets.

When I read that I reflected on what has happened in Australia over recent years with interstate trading of produce. Recently I heard a news item on the ABC about produce from Kununurra arriving in Melbourne. Mangoes were arriving somewhat overripe because of overproduction in the Ord River scheme and a problem with getting trucks. The Ord River scheme is a long way from Melbourne's fruit and vegetable wholesale market. Thinking about the logistics of getting that produce to Melbourne, to the market and to the shops highlights how important good paperwork is and how Australia is shrinking. It will shrink even further for that area when the Alice Springs to Darwin railway line is completed.

With good refrigeration, B-doubles and faster freight trains there is the ever-present threat of new diseases and of current diseases moving into an area where they are not known. It is therefore vital that paperwork is upgraded to keep up with what is happening in Australia, a modern and vibrant country. The bill assists with keeping the paperwork up to date. The Liberal Party does not oppose it.

Hon. D. G. HADDEN (Ballarat) — I support the Plant Health and Plant Products (Amendment) Bill, which introduces new purposes to the principal act. The new purposes are to:

facilitate the movement of plants, plant products, used packages, used agricultural equipment and soil within and into and out of Victoria.

The bill seeks to amend the principal act to provide some legislative basis for the interstate certification assurance scheme for plant health certification as well as to provide for intrastate certification, to ensure sufficient powers of inspection and enforcement and to provide for the regulation of procedures for reconditioning packing boxes.

The bill proposes to bring the act into line with modern commercial practices and enforcement requirements, and the increased movement of produce and plants and plant products both intrastate and interstate.

The Interstate Plant Health Regulatory Working Group has developed an interstate certification assurance scheme, known as the ICA scheme, that allows accredited growers to issue pest assurance certification to accompany produce moving interstate rather than having to depend on government inspection and certification. State ministers of agriculture have signed a memorandum of understanding to adopt this scheme nationally. Queensland has enacted primary legislation to allow for the administration of the ICA scheme, and the other states are in the process of doing so.

The ICA scheme was developed on a national basis following the outbreak of the papaya fruit fly in Queensland in 1994. Introduction of the scheme will mean considerably less supervision of product certification by government officers. Audits of ICA certification have shown an increase in product misrepresentation on assurance certificates and in some cases deliberate falsification of information.

Clause 9 of the bill provides for accreditation by the secretary of persons to issue plant health assurance certificates. Clause 10 extends auditing powers of persons accredited to issue assurance certificates and the operating procedures of those persons.

During recent compliance investigations the Department of Natural Resources and Environment inspectors have been unable to search premises for documents or computer records for use as evidence because the act does not permit it. Other investigations have shown that inspectors lack power to access premises where plants are being grown — for example, neglected orchards — to inspect for pests and diseases.

Clause 11 inserts the word ‘growing’ after ‘propagation’ in section 52(1)(a) of the act so that inspectors will have the necessary power to enter and inspect a place that the inspector reasonably suspects is being kept for propagation, sale, storage, delivery, treatment, packaging or preparation for sale of plants, plant products and used packages.

Clause 12 sets out new section 52A, which provides further powers of entry and search and seizure of documentary evidence if the inspector believes on reasonable grounds that those items may be on the subject premises.

The continued reuse of unsightly and unhygienic cardboard and other cartons for the sale of produce is also of concern to many vegetable growers, who want them to be completely banned or more tightly regulated. Clause 7 will enable regulations to be made to govern the standard for the reconditioning of packages.

The bill creates some new offences. For example, proposed section 71A, set out in clause 13, makes it an offence for any person who is not accredited to issue a plant health assurance certificate or to use such a certificate or anything that purports to be an assurance certificate. The penalty is 30 penalty units.

Proposed sections 71B and 71C provide penalties of 60 penalty units on a first offence and 120 penalty units on a second or subsequent offence for a person who makes false statements in assurance certificates and plant health declarations or other certificates and declarations.

Consultation and support for the bill is assured through the introduction of the ICA scheme for Victorian horticultural producers. It has been discussed extensively with many organisations and authorities both interstate and intrastate and with the producers, who support the scheme. Plant health assurance certificates issued by interstate growers are acceptable to all quarantine jurisdictions within Australia and are already widely used by the industry. Other changes to inspectors’ powers are technical and will facilitate the administration of the act. The legislation for reconditioning boxes has been discussed widely within local industry. Consultation has occurred with the Department of Justice, the Department of Premier and Cabinet and the Department of Treasury and Finance.

This is an important bill that goes to the protection of consumers, who at the end of the day consume and use the plant products that are the subject of the national scheme. I commend the bill to the house.

Hon. B. W. BISHOP (North Western) — I am delighted to contribute to the debate on the Plant Health and Plant Products (Amendment) Bill. The creation of the bill probably began back in 1995. It is important

legislation, given the thrust for Victoria's agricultural exports to reach $12 billion by 2010. That was established by the previous government and agreed to by the current government, as was said earlier today. The bill highlights a national approach, and ministers around Australia have signed a memorandum of understanding setting up the operation of the scheme.

The bill changes the system. Instead of departmental inspection of plants and plant products around Australia self-management and quality assurance programs will be implemented. That is a good thing. No longer during busy times will growers and packing houses have to wait until government inspectors turn up. The system will gently direct the industry towards a whole-of-industry approach. That is by far the best way because it will provide benefits across the whole of agriculture.

Strong responsibility must apply across the whole industry. There is no point trying to slip something past an inspector; the responsibility is right there with the grower and the packing house, and it will be identifiable.

Given that the process now has a national perspective, it is important that the states and territories have confidence in each other's accreditation and quality assurance programs. As all honourable members are well aware, the Victorian government has legislative power that operates only in this state, so the other states and territories will be relied upon to play the game fairly and properly, as Victorian producers do to protect their livelihoods as plants and plant products are moved around Australia.

For a long time the industry has relied on government inspection certificates. They were issued by government inspectors who were recognised by other states and territories. Two of the previous documents from the past will be retained. The first is the plant health certificate, which can be issued only by an inspector, an inspection agent or an officer from the relevant department of a state or territory. The second is a plant health declaration, which can be issued or made by a person authorised by the secretary of the department.

The bill provides for the use of another document — the plant health assurance certificate. Such certificates may be issued by people to whom the secretary of the department has granted accreditation. They can be industry people or appropriately qualified people who move within the industry. They may issue certificates about, for example, plants, plant products, used agricultural equipment, used packaging and soil. Those products will be grown, packed, produced, treated, tested or moved in Victoria, or will be about to be imported, introduced or brought into the state.

That brings me to the accreditation issue, which is a very important part of the bill. As I said earlier the departmental secretary may issue that accreditation. However, in doing so the secretary must also carefully maintain a register. It is important for accountability that the secretary of the department is able also to amend or cancel an accreditation if there is a good and sound reason for doing so. The secretary may also take quite strong measures, including suspending the activities of persons who have that accreditation. The bill includes an appeal process in the event that an accreditation is amended, cancelled or suspended.

An examination of the bill reveals that it is a good measure that moves the industry forward and gives it strong responsibility and accountability. Its weak link is the audit system. A strong audit system is required to ensure that accountability is maintained. That is not easy to do, and honourable members have examined that area. The National Party is aware of the existence of some overseas audit system models and encourages the minister and the government to examine them with a view to including them to ensure the process moves along in a sustainable way and so that the system can have top credibility and accountability throughout Australia.

The government must address the question of how to manage a deregulated, freed-up system that relies heavily on industry cooperation. Of course, that industry cooperation is generated particularly through the quality assurance systems in place, which have improved enormously over the years. So it is all about risk management — and every agricultural pursuit is about risk management, no matter what it is. The risks in this case are huge if the process is abused. I am not suggesting it will be, but there needs to be an awareness of the risks involved.

Some people have commented to me that the bill contains very strong penalties. The penalties should be high because of the risks involved. Markets could be lost if the system breaks down. I know that can occur even under the present system because sometimes things can slip past. However, we all very much want the system to work. It represents a step in the right direction for the industry and for whole-of-industry accountability.

I know many members in the chamber today can remember, as I do, a previous member of this house, Bill Hartigan. He was a very good contributor to

debate. He was also a great deregulator. He was known by all for his very strong views on the subject. In fact, Bill was always a bit bemused — I suppose it would not be quite right to say he was bemused because he was always so certain — by the power provided in agricultural acts. He always said, 'Your agricultural people and your inspectors have got more power than the police'. In some cases that is right. So we expect that if there is any difficulty those heavy penalty powers will be used, but they need to be used carefully so that the industry can move forward with a substantial amount of confidence. The industry needs to use every risk management tool it can to ensure it maintains the credibility it has had in the past and enhances it in the future.

One might say that the legislation presents a bit of a carrot-and-stick situation, as often occurs in life. When I think of carrots I cannot help but think of Rocky Lamattina, who has a large irrigation property at Robinvale or Wemen. He produces a huge amount of carrots and uses the latest technology in production, marketing and transport. Like the products of all Victorian producers, his carrots are likely to end up in any market on any day. For example, the trucks may take carrots to Melbourne or, if the demand arises, to Sydney, Brisbane or Perth. That typifies the mobility of agricultural products nowadays. They are market driven and producers search out the markets into which they wish to put their products.

Given that need, the flexibility of the bill will assist producers right across the whole spectrum to reach those markets. If an order comes in and products need to be picked up at a particular time, it will be possible to load and transport them quickly to meet the demand. The industry will be able to do so with its own accountability and quality assurance system.

Plant safety is a serious issue for Victorian and Australian agriculture, and in fact internationally. I ask honourable members to just imagine — the Honourable Jeanette Powell is particularly interested in this issue — if fire blight came to Victoria what it would do to the apple and pear industry. It would decimate it — there is no doubt about that.

What would happen if diseases got into Victoria's grape crops and affected its huge grape production industry? What would happen if diseases got into grain crops in Victoria or Australia? And the list goes on. Being an island Australia has certain advantages. It does not have problems involving access to the country over borders that cannot be handled through the quarantine process. The over-the-border situations that occur in Canada and the United States do not occur here. From a national perspective the bill is very important because it manages such a responsibility.

The enforcement of the legislation will require care, a commitment from the industry — which the industry is prepared to give — and careful use of the penalties, which are quite heavy. It will also require the implementation of an audit system to track the processes and the real issues concerning the legislation as it moves us forward. The bill is about managing risk. I believe we can do that, but we will need to be astute and vigilant. I wish the legislation every success as it moves our industries forward into the future.

Motion agreed to.

Read second time.

Third reading

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

That this bill be now read a third time.

I thank the Honourables Graeme Stoney, Barry Bishop and Dianne Hadden for their contributions to and support for this important bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

INTERPRETATION OF LEGISLATION (AMENDMENT) BILL

Second reading

Debate resumed from 5 October: motion of Hon. M. R. THOMSON (Minister for Small Business).

Hon. C. A. FURLETTI (Templestowe) — The Liberal Party supports any change that facilitates and improves the interpretation of the multitude of written laws in the form of acts and subordinate legislation. The Interpretation of Legislation (Amendment) Bill will provide for just that type of change.

The bill amends the Interpretation of Legislation Act 1984. I am advised that the bill has been prepared at the request of Chief Parliamentary Counsel and, as indicated, the opposition supports it. The bill is not lengthy but is intended to clarify which parts and elements of the written content of statutes and

subordinate legislation are to be taken into account in the interpretation of those instruments. It goes without saying that the proper drafting of legislation or of any document is a craft which not only requires great care and attention but which demands skill and precision to ensure that the purposes and objects of the legislation are achieved and, more significantly, that unintended outcomes are avoided.

The written word is an imprecise science and the spoken word is even more imprecise. Lawyers have been accused of verboseness — or is it verbosity? — and the accusations are sometimes warranted.

Hon. Jenny Mikakos — You are making it too easy for me, Carlo. I just cannot resist.

Hon. C. A. FURLETTI — Although the accusations are sometimes warranted, as Ms Mikakos would appreciate, in most cases it is a matter of the people who are entrusted with the responsibility and who have a job to do to ensure that the meaning and intent of an argument cannot be misunderstood, or that a case being put can have only one interpretation. It is even more important, given the nature of legislation — the written laws — that the words used in instruments constituting the law of the land be as clear and as unambiguous as possible and that the interpretation of legislation be as intended by the Parliament which passed it.

Originally statutes were drafted in lengthy, verbose and often convoluted prose. Without wishing to pre-empt the next bill on the notice paper, I indicate that a bill passed in this place in 1884 is a good example of the way statutes were written in the early days of this state colony, as it then was. Over the centuries a large number of common-law rules have been developed to assist with the interpretation of acts of Parliament, and those rules persist to this day. In addition, the legislature has drafted a guide to assist with the interpretation of legislation. That guide is the Interpretation of Legislation Act 1984, the last of a series of acts regulating the mode of interpretation. The purpose of the principal act is as much as a guide for those who use and who are affected by legislation to assist them to interpret the terminology used within it as it is a guide for those who are obliged to draft legislation. It is a road map not only for parliamentary counsel and draftsmen of legislation but also for those who use and are affected by legislation to assist them to understand the meaning and the intention of words, phrases, references, layout, punctuation, et cetera, of the acts and subordinate legislation affected by the Interpretation of Legislation Act.

The bill therefore amends the principal act, which sets out its purpose as:

> to make fresh provision —

as indicated, it is a consolidation act —

> with respect to the construction and operation of, and the shortening of the language used in, acts of Parliament and subordinate instruments …

and to repeal a number of earlier acts.

The Interpretation of Legislation Act contains numerous aids to assist with the interpretation of statutes; provides some short cuts to determining the meaning of words, sentences and phrases; and is an invaluable aid to consistency in the interpretation of that terminology as it appears throughout the written law of the land. The act identifies and sets out extensions from the meaning which is to be attributed to certain expressions through definitional aspects.

For example, the Interpretation of Legislation Act sets out the distinction between the words ‘may’ and ‘shall’. It also sets out the meaning of measures and distances. It clarifies what is meant when a period of time is referred to in a statute and makes it clear that a period of time does not include a particular commencement day, which is often the ground for great dispute. The act identifies what a holiday is for the purposes of legislation. In effect, it defines and makes clear what is meant by standard time as in the time of day.

It also sets out the order in which subordinate instruments are to be prioritised and has numerous definitions. It clarifies gender and number by making the words plural neutral.

As we know, the law is not always clear — indeed, sometimes it is quite the opposite. When we in this place make the law it binds everyone, and if it said in statute that black is white, then black is white. For example, section 41 of the principal act provides that a power to appoint a person in an instrument confers on that person the authority to remove or suspend. It is to provide that sort of road map that the principal act is an essential part of our legal system.

I am sure honourable members would be aware of the many and lengthy arguments in both the civil and criminal jurisdictions of our courts about the meaning of a word or a phrase in a document or in an act or regulation. While the Interpretation of Legislation Act affords some guidance in interpreting large areas of the law, it does not purport to provide assistance in every case. Therefore, the argument about the meaning of

particular words and phrases and their application continues.

The bill is intended to further improve the principal act. Although it is brief the bill introduces some novel and interesting notions. I look forward to monitoring its implementation and seeing how over time it will affect the interpretation of legislation.

The bill further breaks down the body of acts. Currently there is provision for acts to be divided into parts, divisions, subdivisions, sections, subsections, paragraphs, subparagraphs, sub-subparagraphs, clauses, subclauses and sub-subclauses. It then deals with schedules, notes, indices, items, columns and tables. They are all part of the body of legislation under which Victorians operate daily. The bill introduces a further category of division to be known as chapters, which are intended to be a level of organisation above what are currently known as parts.

Their purpose is to allow legislation, especially acts and subordinate instruments that are large and diverse, to be grouped into chapters. One hopes that will facilitate one's travel through complex legislation. The opposition has no difficulty with the proposal. Clearly it expects chapters will be used only where it is necessary to further break down legislation because of its size and volume.

Currently section 32 of the principal act requires commonwealth legislation incorporated in Victorian subordinate instruments to be tabled in both houses of Parliament. That requirement is removed by the bill, which recognises that access to commonwealth statutes is readily available in one form or another. The change brings the operation of the passage of legislation into the 21st century.

The bill introduces a number of matters that until now have not been able to be referred to by those who seek to interpret legislation. It provides that all headings to sections shall in future form part of the instrument and therefore part of the interpretive process. The government's policy is that all text in the body of legislation should be interpreted as part of that legislation, as it is currently the case, we are told, in Queensland, the Australian Capital Territory and New Zealand. Everything from the title of the act to the double lines at the end of the operative provisions of the act — I refer honourable members to page 9 of the bill, where the double lines appear — are intended to be part of the legislation. All the writing, from the longest and largest of headings of sections to the smallest comma and full stop, will now form part of the text for the purposes of interpretation.

The bill makes it clear that footnotes and indices are not classified as being part of legislation. In the past to clarify that position principal acts contained a note reading, 'This index does not form part of the act and is provided for convenience of reference only'. That clarification is now enshrined in the Interpretation of Legislation Act, so it becomes absolutely clear that they are outside the text of the statutes.

As I foreshadowed, punctuation has been included. I remember in my first years of legal practice it was almost a sin to put a comma in a deed. It was somehow regarded as a craft to be able to prepare deeds that flowed for pages and pages without punctuation. I understand why that was so: a comma in the wrong place can sometimes make an enormous difference. The amendments introduced by the bill will mean that the onus will be on parliamentary counsel to ensure that punctuation is accurate and that section headings reflect what the sections are about.

A novel introduction in the bill is the use of examples and diagrams or notes which are to be embodied as part of legislation. Not only is that novel, to tell the truth it is something which I was not quite comfortable with at first glance. Furthermore, the bill provides that examples, if they are provided, actually override the generality of the terminology used in the act itself. Therefore, they will be a very powerful instrument. I can understand the reason for it but one really should not consider the use of examples as a replacement for the written word itself. As an adjunct and for purposes of clarity it is a good idea. However, I query whether that will in any way release the stringent obligation placed on parliamentary counsel to ensure that the drafting is and remains as accurate and precise as it needs to be. Time will tell and we will await the implementation of the changes with a degree of interest.

I should point out that the amendments proposed in the bill will come into operation on 1 January 2001 and apply only to legislation made on or after that date. It follows that there will necessarily be a time, perhaps lengthy, before the whole of the written law is reconsolidated. I suspect that for many years there will be a degree of uncertainty because it will be necessary for people who are referring to legislation to identify and note when it was passed because unfortunately different rules will apply to the interpretation of that legislation depending on when the particular sections, subsections and sub sub subsections are passed.

Hon. R. M. Hallam — Or the diagram.

Hon. C. A. FURLETTI — Or, as the Honourable Roger Hallam said, whether the diagram goes out of

date perhaps. Who knows? It is novel and at first blush it appears to be something that will assist in the short term. As I indicated, so long as the proposals are designed to assist in the achievement of the intentions of Parliament and to some extent minimise disputes and the cost of resolution, the opposition supports the bill.

Hon. JENNY MIKAKOS (Jika Jika) — I speak in support of the Interpretation of Legislation (Amendment) Bill. As honourable members would be aware from a very quick perusal of the bill, it is fairly minor and I will be fairly brief in my comments on it.

It is the obligation of the Parliament not only to set the policy agenda for Victorians but also to simplify and demystify the law as much as possible. Like the honourable Mr Furletti, in my former life I practised as a lawyer and I constantly found that the public considered most acts of Parliament to be rather incomprehensible documents. I am pleased that the bill will assist in the continuation of the trend we have seen for many years of adopting plain-English principles in the drafting of legislation. Not only will the bill adopt plain-English principles but it will also seek to introduce a more comprehensible format for acts of Parliament and subordinate instruments. The bill will go some way in further assisting the courts to understand the intention of the Parliament and the executive in drafting acts and subordinate instruments in a particular way.

Clauses 4 and 6 relate to the formatting of legislation. The clauses will allow acts and subordinate instruments to be organised into chapters. If honourable members have perused federal legislation in recent times, they would be aware that the federal jurisdiction has moved some considerable way towards presenting its legislation in a far more comprehensible format.

I note that the federal taxation legislation has introduced a fairly unique system of numbering that makes it easier for taxation practitioners, if not the ordinary person, to understand. That has assisted in making the federal taxation legislation as a whole easier to digest and particular sections easier to locate, at least for taxation practitioners. Victoria is some way behind the federal jurisdiction in terms of using that type of formatting for its legislation but the introduction of chapters in acts and subordinate instruments will assist members of the public to get a general sense of a particular piece of legislation and to locate the relevant sections that appear of use to them.

Clause 5 is probably the most significant clause, at least from my perspective, in that it means commonwealth acts and statutory rules will be able to be incorporated into Victorian subordinate instruments without being tabled in the Victorian Parliament. Honourable members would be aware that we are increasingly taking nationally consistent approaches to problems that confront our society. The issues are taken up by all jurisdictions and increasingly states and territories are seeking to apply remedies that have been agreed at the national level. As a result, a number of ministerial agreements have been reached at the national level. National scheme legislation has meant that template and model legislation adopted in Victoria has applied across all jurisdictions. Federal acts and statutory rules have also been tabled in the Parliament.

This is an increasing phenomenon and something that all honourable members would welcome particularly as it affects Victorian consumers and businesses. In many areas a national approach leads to a reduction in compliance costs for Victorian businesses. This government is committed to working with other jurisdictions in achieving such a national approach wherever possible and desirable. As a result of the trend towards the adoption of commonwealth acts and subordinate instruments in Victorian legislation more of those commonwealth acts and statutory rules are tabled in the Victorian Parliament as required by section 32 of the Interpretation of Legislation Act.

When debating the opposition's amendments to the Information Privacy Bill the other day the house had an interesting discussion about scrutiny by the Parliament and the role the regulation review subcommittee performs on behalf of the Parliament.

As the chairperson of the regulation review subcommittee I certainly see it as continuing the role of that subcommittee to properly scrutinise all statutory rules coming before it that refer to commonwealth acts and subordinate instruments to ensure that those statutory rules are in the best interests of Victorians and do not trespass upon their rights and freedoms. Although we will not see commonwealth acts and subordinate instruments tabled before Parliament, the regulation review subcommittee will continue to monitor those commonwealth acts and statutory rules as they pertain to Victorians and will continue to report to the Victorian Parliament and even possibly to recommend disallowance where appropriate in the future.

The remaining provisions of the bill relate to allowing and assisting the courts to make reference to other matters that appear in acts and subordinate interests which they currently are not allowed to take into consideration in interpreting that legislation. Those matters include headings, examples, notes, punctuation

and indices. As the Honourable Carlo Furletti explained, those changes will only apply to such matters included in acts of Parliament and subordinate instruments that come into operation after 1 January 2001.

The provisions are designed to ensure that our legislation is far more comprehensible to the average person and also that the courts are able to make reference to such matters as examples when interpreting and understanding the original intention of Parliament.

Clause 9 of the bill seeks to insert some new definitions into the principal act, particularly as it relates to the term 'territory'. It seeks to insert new definitions of 'Australia', 'external Territory', 'internal Territory' and 'Jervis Bay Territory' which are based on the commonwealth Acts Interpretations Act.

Finally, clause 10 seeks to correct the change in the name of the organisation formerly known as the Standards Association of Australia which is now referred to as Standards Australia in the principal act so there is no misunderstanding where Australian standards are referred to in Victorian legislation.

In conclusion, the bill is a fairly minor bill in nature. All members of Parliament should welcome its speedy passage because it will assist the Victorian public and the courts to better understand the intention of the Parliament in adopting legislation and demystifying the law as much as possible.

Hon. R. M. HALLAM (Western) — It would be very easy to underestimate the importance of the Interpretation of Legislation (Amendment) Bill. I for one would be prepared to forgive the layman or casual observer who concluded that it was the ultimate conversion of a molehill into a mountain, that this is a piece of pedantic legislation, and that it is taking the issue of technicality to a point of absurdity. After all, the end objective of the bill is to provide guidance on the meaning of headings, examples and punctuation where they appear in legislation. I suspect that someone whose major dose of reading comprises the *Herald Sun* or perhaps even the sporting section of that paper is hardly likely to see the need for a detailed description as to the significance or importance of a headline, a comma or an apostrophe and may well dismiss the entire bill as a piece of humbug.

Yet nothing could be further from the truth because to the technician, to the professional for whom the precise meaning and therefore the effect of any piece of legislation is important, the placement of a comma or an apostrophe or perhaps even the inclusion of a heading may be absolutely critical to a policy direction or to a particular decision. It might determine whether a circumstance is deemed to be legal or illegal and it might actually be the point upon which the decision of a court action is hinged. It might be the ratio of the entire action, which gives rise to a dramatically different perspective of the importance of the legislation.

As previous speakers have mentioned, the bottom line is that our beloved English language is unfortunately not perfect. Some would argue about that, but it is not perfect. As legislators we might take every possible care in framing a particular piece of legislation only to find later that circumstances have changed, and that the legislation has consequences that we did not intend. It might be that even if we captured the intent of Parliament to the nth degree when we constructed the legislation, a smart lawyer may subsequently establish some loopholes. That is not unknown to our world. Worse still, we might find that the way in which the intent of Parliament is expressed of itself leads to a challenge in the courts of the land. It therefore becomes even more important that we establish a rule book of the way in which our legislation is to be read. What it means is that the effect of a comma or an apostrophe becomes very important, and then the question of where a heading appears and so on takes on a substantive new meaning.

Therefore, the interpretation of legislation is not a new concept. It has been around for a fair time, for many generations. Put simply, the legislation is an attempt to strike a rule book as to the way in which the legislation shall be read, not to determine how it should be interpreted or what it means but how it should be read. It attempts to determine what shall take precedence in interpretation when ambiguity or inconsistency appear. It is consistent with the principle that we have long since established that there are other ways in which the intention of Parliament might well be determined. For instance, we have long since accepted that the pearls of wisdom uttered in this chamber by members of this place are catalogued and recorded for history. That is not just to make them feel good. It is to give the readers of parliamentary procedures and, more importantly, those who have the responsibility or the need to interpret the law the opportunity to look behind the print and get some indication of the intent of Parliament. For instance, it is not uncommon for second-reading debates in this chamber to turn up in courts of law on the basis that they give an indication of the intent of Parliament where it is argued that that intent is unclear from a reading of the legislation itself.

Members of Parliament already have an extensive rule book called the Interpretation of Legislation Act. Tonight we have in front of us a refinement or addition to that rule book.

The bill proposes three fundamental changes. I will not go into them in depth because both Ms Mikakos and Mr Furletti have addressed them well. The first is interesting because this is the first time I recall legislation actually making a value judgment, although I may have missed such a provision in the past. It amends a section in the principal act to allow legislation to be grouped in chapters. That is commendable. It will help with the layout for logical purposes and improve the readability of legislation. Ms Mikakos cited the example of federal legislation, and I agree with her comment on the most recent tax legislation — it is quite refreshing.

The Duties Bill, which is listed on the notice paper, uses precisely the same principles. I am pleased to claim that the process that brought that bill to the house started several years ago, and I am delighted to have been part of the process to make our legislation more readable.

The explanatory memorandum states that the bill provides for the grouping of chapters because:

> Some acts, especially large and diverse ones, would benefit from being organised into chapters.

As I said, this is the first time I can recall the house having before it a bill that makes a value judgment. The inclusion of examples which a few moments ago Mr Furletti described as being novel falls into exactly the same category: the conclusion of the draftsmen and the Parliament of the day is that some of our larger acts would benefit from improved organisation in their layout.

The second major change, which has also been canvassed well, is that we will now allow subordinate instruments to incorporate commonwealth acts or statutory rules without the need to lodge those acts or rules with the Clerk of the Parliaments. That simply acknowledges that today commonwealth acts or statutory rules are available to even the casual reader. We do not need to go through the formal process of lodging them with the Clerk of the Parliaments. That appropriate change will remove an anachronism that could affect the processes of this Parliament.

The final issue I mention briefly are the changes captured by clause 7, which deal with the status of headings, examples, notes, punctuation and indexes. I thought that was ‘indices’, but the explanatory memorandum says ‘indexes’.

Hon. C. A. Furletti — I said ‘indices’.

Hon. R. M. HALLAM — I thank Mr Furletti for restoring my faith somewhat. The bill lists ‘indexes’, so I bow to the usage applied by the draftsmen. Obviously headings used appropriately can do nothing but aid in the reading of legislation. In technical and complex legislation, particularly in the tax field, the appropriate use of headings will be a real breakthrough. Like Mr Furletti I am not sure that I am convinced about the inclusion of examples, but I look forward to being proved unnecessarily cautious about that.

In any event, the bill proposes that ‘headings to sections, clauses, sections, regulations, rules items, tables, columns, examples, diagrams, notes or forms in an act’ become part of that act. It will put beyond doubt whether they are to be included in the process of interpretation. Then, to provide clarity, it states that endnotes do not form part of the act. As Mr Furletti outlined, we start from the start and finish at the finish, and as the determination of the start and the finish are prescribed there can be no question mark remaining over what falls within the act for interpretive purposes, as opposed to what does not fall within the act. It simply means that anything before the title and after the double lines is not to be included.

Like Ms Mikakos and Mr Furletti I welcome the proposed legislation. It cannot do other than make the product of our work more logical and readable. In the eyes of the layman that will be a welcome development. For the professional, we are making even clearer what is, as opposed to what is not, to be included in any technical argument about the precise intent of the Parliament.

I note that the legislation will apply from 1 January next year. Again like Mr Furletti I am concerned about the confusion that may emerge as a result of the bill applying only to legislation framed after that date. We are facing the prospect of for some years having on the statute book legislation to which the interpretation of legislation rules apply and some to which by definition they do not.

So we could be forgiven for saying, ‘This is too hard; let’s not try’, but of course we must. In the longer term, readers of legislation will see the benefits of it, notwithstanding that we have to get past the interim period where a dual rule book shall apply. It is in our view good legislation and I am happy to record that the National Party supports its passage.

Motion agreed to.

Read second time.

Third reading

Hon. M. R. THOMSON (Minister for Small Business) — By leave, I move:

That this bill be now read a third time.

I thank the Honourables Carlo Furletti, Jenny Mikakos and Roger Hallam for their contributions.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ANGLICAN TRUSTS CORPORATIONS (AMENDMENT) BILL

Second reading

Debate resumed from 5 October; motion of Hon. M. R. THOMSON (Minister for Small Business).

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! I have had the opportunity of examining this bill and it is my opinion that it is a private bill.

Hon. M. R. THOMSON (Minister for Small Business) — I move:

That this bill be dealt with as a public bill.

Motion agreed to.

Hon. C. A. FURLETTI (Templestowe) — The opposition supports the Anglican Trusts Corporations (Amendment) Bill, which amends Act no. 797 passed by this Parliament some 116 years ago. This appears to be one of the earliest pieces of legislation to have come before the Parliament, which at that stage was very much in its infancy in historic terms.

The bill refers to the principal act by its number, although, as indicated in the bill, the principal Act no. 797 of 1884 has, for ease of reference, been entitled — I have a copy of the Internet print-out from 'Law Today' — the Church of England Property Trustees Act 1884, but for all intents and purposes it is Act no. 797. If honourable members were to look for that act in the laws of our state, they would discover that it is not there. The act has only been amended so far as I can tell on one occasion previously, and it is indeed one of the oldest pieces of legislation in Victoria.

The bill before the house amends the principal act by providing it with a short title, which is set out in clause 4 as the Anglican Trusts Corporations Act. Clauses 8 and 9 modernise the references in the principal act to 'Church Assembly' and 'Church of England' by converting those words to 'Synod' and 'Anglican Church of Australia' respectively. They also remove from section 7 of the principal act, reference to Victoria as 'the colony of Victoria'. The words 'the colony of' are deleted. The bill incorporates some housekeeping matters. It inserts a definition of 'trusts corporation' which it removes from section 12A of the act to section 1 so that it has general application to the act.

As indicated by the minister, the legislation is a private bill, but is appropriately being treated as a public bill in the sense of its purpose, which is fundamentally to enable a very major church in our country and state to facilitate its dealings with its property.

The rectification of areas of concern which the bill addresses were sought by the current archbishop, Dr Peter Watson, and his predecessor. It is appropriate that the Parliament should agree to the amendments which the bill introduces. The amendments, as I have indicated, are minor and simply facilitating.

The principal act is an unusual piece of legislation in that it was appropriate when it was enacted to make provision that the trustees appointed to hold property on behalf of the church were, by operation of the principal act after registration of the resolution by the Registrar-General, incorporated so that they had perpetual succession, a common seal, the right to sue and be sued, and the right to hold any property in trust for the church in the diocese in which such resolution was passed. I am quoting from section 4 of the act.

The act further provides that in the event of any of those trustees withdrawing, dying or otherwise becoming incapable of acting as trustees the bishop of the diocese is able to appoint substitute trustees to fill the void. The trustees were appointed, acquired property and, as I said earlier, obtained security under the principal act by becoming what is called — it is an interesting term — not a body corporate but rather a 'corporate body of trustees'. The use of those words is significant because it applies to this situation.

The bill grants to the synod of a diocese the power to alter the composition and number of trustees who

currently hold property. That is regarded as a sensible amendment. At present no number of trustees is prescribed and there is no limit to the number of trustees in any particular group. It appears that as each new group of trustees was appointed for the acquisition, presumably of a particular property, it became a new corporate body of trustees for the purposes of the particular acquisition. They continued to be trustees with a corporate identity rather than a corporate entity.

It has become clear that it is difficult to manage property, given that five to seven trustees are involved. The archbishop has sought to have the number determined by the administrators of the Anglican Church. The bill allows the synod to determine the number and composition of trustees who will be on particular trust corporations.

Clause 7 inserts proposed section 12B into the principal act. This is probably the most significant element of the bill because it changes something that has been embedded historically in religious groups for many years. It is appropriate that this action to enable joint use of church property by multiple denominations in certain circumstances should be taken in this place at this time given that Australia is one of the most multicultural countries in the world. Australia is more culturally diverse than almost any other country. Victorians derive from more than 200 nations and cultures and speak more than 150 languages, and they practise more than 100 faiths.

Proposed section 12B will enable dioceses and synods to approve the joint use of church property in appropriate circumstances. It should be pointed out to the house that the property referred to is not necessarily a church or a church hall but any church property, which is appropriate given the amount of community and welfare work many churches are now involved in. In many cases such work is the main purpose for the existence of churches. I particularly mention the great work being done by Anglicare in Victoria through a whole range of assistance it offers to the community.

The proposed joint use of facilities is not restricted to denominations and organisations of the Christian faith. The bill is broad in that once an act of the synod of the diocese so provides it allows the Anglican Church to enter into a scheme of cooperation with any other church, denomination or congregation and to use any specified real or personal property vested in the trust on the conditions I mentioned earlier. The change is significant.

Proposed section 12B(3) states that not only is the provision intended to apply to existing property now held by the Anglican Trusts Corporation but such schemes of cooperation can include conditions for the making of contributions of money by the church for the acquisition, construction, alteration, maintenance or repair of assets vested in or held on behalf of either or both the trusts corporation and the cooperating church or congregation.

It allows the church to enter into joint ventures. Proposed section 12B(3)(b) allows the church to take or give security — that is, to lend or borrow money — for those purposes. That is quite a development, and it will not only facilitate the church's entering into cooperative ventures with other groups but in the long term will result in considerable benefits to the Victorian community.

Given that the primary purpose of the bill is to facilitate dealing by the Anglican Church with its property, the extension of the powers of its synod are also significant. On that basis the opposition does not intend to in any way restrict the proposals sought and requested by the Anglican Church. I commend the bill to the house.

Hon. D. G. HADDEN (Ballarat) — I support the passage of the Anglican Trusts Corporations (Amendment) Bill. By way of background, in November 1998 the former Archbishop of the Anglican Church wrote to the former Attorney-General, the Honourable Jan Wade, requesting that amendments be made to Act No. 797, which will become known as the Anglican Trusts Corporations Act 1884. The newly appointed archbishop, the Most Reverend Peter Watson, has recently confirmed that he wants the amendments to proceed. The bill is the result.

I had the pleasure of reading Act No. 797. I did not get it from the Internet but from the statutes in the parliamentary library. It contains just 14 clauses and was passed during the reign of Queen Victoria. The preamble states:

> Whereas by the Act … intituled 'An Act to enable the Bishops Clergy and Laity of the United Church of England and Ireland in Victoria (now described as the Church of England in Victoria under the authority of the Amending Act 36 Victoria No. 454) to provide for the regulation of the affairs of said Church' certain powers are conferred upon the members of the said Church meeting in Assembly as therein mentioned of managing the property of the said Church …

The principal act, Act no. 797, provides for the legal structures under which most Anglican Church property in the various dioceses in Victoria is held and managed. The act enabled each diocese to establish a corporate body of trustees and provided for the transfer of church property that had been held by many separate groups of non-corporate trustees to the corporate body. The

dioceses have recently reviewed the operation of the act, and some changes are desirable to enable the dioceses to improve the management of diocesan property.

When the act was passed in 1884 there were more than 400 landed trusts each of which consisted of five members. Over time vacancies occurred in those trusts by virtue of death, resignation or absence from the then colony of Victoria. The filling of vacancies was expensive and time consuming. Often a vacancy was not known of until the land forming the subject of the trusts had to be dealt with for certain church purposes.

Under the circumstances, the Anglican Church determined that it would be better to merge the numerous and disparate trusts into one corporate trust. The church was sensitive to the fact that there may be some opposition from members of existing trusts to the transfer of property to the corporate trust. Consequently, the act operates to enable the transfer, not force the transfer, of property.

Under the act, the number of trustees is determined by the number of trustees that were initially appointed when the diocesan trusts corporation was first established in accordance with Act no. 797. The number differs in the dioceses and varies between five and seven, with some ex officio and some appointed members. It has evolved over time. Sometimes the numbers have been too restrictive to manage the trusts corporation.

Clause 6 inserts proposed section 8A into the act to enable the diocese, through its synod, to alter the composition, including the number, of members of its trusts corporation. The amendment will enable the trusts corporation to function more efficiently.

There have been occasions when the diocese has entered into arrangements with another denomination for the sharing of facilities, particularly in rural and remote areas of Victoria. The Anglican Church in New South Wales and the Uniting Church in Victoria in their acts regulating the trusts corporations have power to use trust property for joint arrangements between churches. However, the Anglican Church in Victoria under Act no. 797, is not so empowered.

Clause 7 inserts proposed section 12B into the act to enable the diocesan synods to approve the joint use of church property in appropriate circumstances. However, the property held subject to an express trust forbidding the use of property for joint use or ownership, as referred to in section 12B, will not be used for the purposes of cooperative agreements.

The bill contains a number of minor amendments to correct outdated references to the act. For example, ‘church assembly’ is to be known as ‘synod’, and ‘Church of England’ is to be known as the ‘Anglican Church of Australia’.

Clause 4 provides the act with a short title so that it will no longer be known as Act no. 797, which subsequently became known as the Church of England Property Trustees Act, but will be known as the Anglican Trusts Corporations (Amendment) Act. I commend the bill to the house.

Hon. R. M. HALLAM (Western) — I shall speak briefly on the Anglican Trusts Corporations (Amendment) Bill. I make the point at the outset that the brevity of my contribution should not be seen to be an indication of the importance the National Party places on the bill. Although it is relatively simple in its effect, the passage of the bill is critical to the future of the Anglican Church. This is a private bill now deemed to be a public bill, which means the government has waived the standard fee. The National Party supports the bill and supports the government’s decision not to impose the fee that would have otherwise applied to this private legislation.

As Mr Furletti said, this is an update of one of Victoria’s oldest statutes, the Anglican Trusts Corporations Act of 1884. That statute is now clearly out of date. It was written to accommodate circumstances that applied 116 years ago when the community was dramatically different. One must contemplate that the original act was written 16 years before the Federation of the states. I suggest that everything has changed and so has the Anglican Church.

The structure deemed appropriate in those early times of Victoria’s development as a community to hold and to manage real estate is no longer relevant. That is acknowledged across party lines, and Parliament is pleased to be in a position to offer the church a solution to that circumstance.

I recognise there are many issues confronting church denominations in today’s circumstances, not the least of which is declining attendances, particularly in rural communities. That has led in many instances to rationalisation not only of services but of church buildings and administrative structures as well as some rationalisation of denominations.

We have seen the joint use of facilities, some mergers and other practical arrangements emerge as a response to changing circumstances. The Anglican Church has

simply requested Parliament to pass the amendment to update the structures of its organisation and to make them more appropriate to today's circumstances. The National Party is happy to oblige. It sees this as both a reasonable and a rational request.

The National Party not only approves of the bill and gives it its blessing, but also prays that the Lord will continue to bless the members of the Anglican Church and continue to provide them with the strength to continue their mission to the Victorian community.

Hon. B. W. BISHOP (North Western) — I shall also make a short contribution in support of the Anglican Trusts Corporations (Amendment) Bill. I support the generosity of the government in making this a public bill rather than a private bill. This legislation has some history. The principal act, Act no. 797, goes back a long way. It is always interesting to examine early acts, whatever they may do. The first amendment was made in 1985 and it provided for the power to mortgage property. I believe that in about 1971 the Uniting Church made similar changes to its structure. Those are history lessons in themselves.

I noted the diocese of Melbourne was established in 1847 and the diocese of Ballarat in 1855. One imagines that many great stories could be told about how the church established itself in that area, as well as later in Bendigo, Gippsland and Wangaratta.

I understand the bill changes the terminology from 'Church of England' to 'Anglican Church of Australia'. When one considers the history of the changes and the references in the legislation to the colony of the state of Victoria, one recognises that is really going back a year or two! The bill also enables the church to vary the number of members in the trust corporation, which used to be restricted to four or five. I believe that was in the 1884 act itself.

The bill also allows the Anglican Church to share facilities with other churches. Some would ask why we need legislation for that. In fact, the other day at church — I am a Uniting Church member — I was talking to our minister, Jeff Gray, who is shortly leaving our parish to go down to the Western District. He told me he thought it was a requirement for that to be done to allow the churches to share their facilities. Our parish, which covers Sea Lake, Berriwillock and Waitchie, some time ago entered into a cooperative sharing agreement with the Anglicans in that area, and it has worked very well indeed. We might have been just a little bit before our time. It is working well and the situation can certainly be formalised.

I also understand that another reason may well be that in the past governments gave Crown grants to churches so that the Christian faith could be brought into developing communities. Although I am not an Anglican that is certainly a great idea. But hasn't the wheel turned enormously? It is now difficult to maintain Christian services in rural areas across Victoria. I suspect that is the case in some areas of the city as well. My Uniting Church parish of Sea Lake, Berriwillock and Waitchie was already operating under an arrangement with the Anglicans. It works well, and that practice will no doubt spread across other areas and more churches over time.

But I do not think the difficulties that our churches, particularly those in rural Victoria, are facing are any different from those faced by football clubs, tennis clubs, schools, political parties and other groups. It has always been a struggle for numbers, particularly in today's world. The systems of the last generation are now being substantially challenged by the fact that people are so busy nowadays. There are other things happening on Sundays, traditionally the day on which in the past they would have gone to worship. There is nothing new in that. Our church is also wrestling with that issue in the same way as the Anglican Church is doing now and has done in the past.

We always thought in our church that we did our best, but we have low numbers now. We are challenged by the issues of whether we will have to rationalise, whether we will have to use more laypeople in our church to provide the message of the Christian faith in our rural communities, and whether the elders should conduct the services. I know all that can be done but it is rather difficult.

It is good that churches can come together and share not only facilities but also share the Christian faith, particularly in areas where the numbers are waning. A few Sundays ago my wife and I attended an ecumenical service at Ultima in a Catholic Church. It included all denominations, with lunch to follow. Just a few short weeks ago, along with the honourable member for Swan Hill in another place, Barry Steggall, and his wife, my wife and I attended the service of commissioning of Reverend Gary Fordham into the parish of Swan Hill. I understand the Anglican Church there has been without a minister for some 18 months. It was a great evening and there was a large crowd. The Right Reverend David Bowden, the Bishop of Bendigo, was there. The guest preacher was a man I know well from Mildura — Merbein actually — the Reverend Canon Ron Wood. Ron has been a great fellow in his area: he looks after the police, the Returned and Services League and his parish. He will soon retire to

Echuca. He will be sadly missed, but no doubt, as the Right Reverend David Bowden said, he will get plenty of work wherever he is and will not get a chance to have that sort of retirement.

I congratulate the Anglican Church on its moves to formalise a process that is no doubt already occurring in particular areas. It also formalises the real recognition of where churches are going in the future. I can recall clearly that when the Uniting Church was coming together in our area, people came up and spoke to us about it. One of them was a Professor George Thule, who told us a story about churches getting together. He asked what would happen if a spaceship landed in the main street of Sea Lake and someone came out of the spaceship and asked what a particular building was. If the answer was 'That's a church' and he walked a bit further up the street and asked what another building was and received the same reply and so on in the next street, according to Professor Thule the questioner would have great difficulty understanding why so many churches were needed, particularly in communities where populations were dwindling. I am glad to see that issue being addressed across the whole Christian faith.

I commend the bill to the house. It certainly has my support. Like other honourable members, I wish the Anglican Church well, as I wish all other churches well throughout Victoria and Australia. I urge more churches to show the same leadership that others have shown in joining together to promote the Christian faith throughout country areas.

Motion agreed to.

Read second time.

Third reading

Hon. M. R. THOMSON (Minister for Small Business) — By leave, I move:

That this bill be now read a third time.

I thank the Honourables Carlo Furletti, Dianne Hadden, Roger Hallam and Barry Bishop for their contributions to the second-reading debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

LAND (ST KILDA SEA BATHS) BILL

Second reading

Resumed from 24 October; motion of Hon. C. C. BROAD (Minister for Energy and Resources).

Hon. P. A. KATSAMBANIS (Monash) — The opposition does not oppose the Land (St Kilda Sea Baths) Bill. I am speaking on the bill mainly as a local member who represents the area — along with my colleague Andrea Coote — in which the St Kilda sea baths are located, and also as one who has followed the saga that has become the redevelopment of the sea baths almost since the day I was elected to this place in 1996. I had a passing interest in the development beforehand, but since I have been elected to Parliament the issue has been continually raised with me by my constituents, particularly residents of St Kilda and others in my electorate who enjoy going to the St Kilda foreshore both in the summer and at other times of the year.

Apart from describing the St Kilda sea baths as a long-time landmark in the local area from their early inception in the 1920s, it is also fair to say that the baths are located in a position along the St Kilda foreshore that I have described previously — I know others have also done so — as the gateway to St Kilda. St Kilda is not only an important local recreational precinct; it is an integral part of Victoria's strategy to attract tourism to Victoria. It is one of the places that the state, especially the government, has been promoting as a special place to visit when people come to Melbourne. When they get to the gateway to St Kilda and the foreshore area, for too long tourists and locals alike have been unfortunately confronted by a building site.

The initial concept for the development of the St Kilda sea baths in their current guise started in 1991, when the then City of St Kilda created a committee to consider the redevelopment of the precinct. Over the years the site has been used for a number of purposes, but for more than 70 years its one almost constant use has been as warm sea baths. No matter what else the building has been used for, it has been used primarily as a water-based recreational facility.

The former St Kilda council decided it was appropriate to redevelop the site because it considered the building had become run down over the years and that such a prominent location as the St Kilda foreshore should have an appropriate building that incorporated water-based recreational facilities and blended in with the rest of the foreshore.

A tender process took place, a developer was chosen in 1991 and a lease was entered into for the development of the baths, but unfortunately a number of legal disputes took place subsequently. The person who won the tender to develop the sea baths was not the person who operated the existing sea baths business on the site, and a series of protracted legal battles — what became a litany of litigation — ensued. After the tenancy issue was resolved another series of litigation matters embroiled the project, and have continued until almost the present day.

At another time and in another place it could be worth documenting what occurred, but I do not think the purposes of this house would be served by my seeking its indulgence to go through it all today. However, I wish to place on record the concern that has been expressed to me time and again by local residents and prominent Melburnians who have used the St Kilda sea baths in the past and would like to use a sea baths facility in the area again.

Concern has been expressed over two different issues. One is the time it has taken for a not insurmountably difficult redevelopment to be carried out. The piece of land has not been difficult to work with and, as originally stated by the successful tenderer, the proposed development was not an overly difficult design. Yet nine years after the tender process commenced a still incomplete building stands on the St Kilda foreshore. People constantly ask me, 'Why has it taken so long?'. Residents also tell me that during the whole process they have been given little information about what has been going on. It is probably not too harsh to say that a veil of secrecy has surrounded the negotiations between the developer, the state government and the local government authority, which was initially the City of St Kilda and then its successor, the City of Port Phillip.

Each time I have looked for reasons for the lack of communication and for the significant changes being made to the original plans without further consultation with local residents I have narrowed the field down to one: initially, although the idea was to redevelop the St Kilda sea baths, which no-one questioned needed redevelopment at the time, the process entered into was effectively flawed. Any project that starts off on the wrong foot is difficult to bring back into line.

There is no point in levelling blame. However, it is important to put on the record that the local people feel they have been completely disenfranchised by a process that has embroiled the St Kilda sea baths and surrounded the site in cyclone wire fencing for far too long. Local residents and organisations such as the Esplanade Alliance, which has contacted me many times about the issue, have a legitimate right to ask not only why they have not been fully consulted but also why the redevelopment has taken so long and why the gateway to St Kilda has had the blight of a cyclone fence and a partly completed building sitting there for so long.

St Kilda is promoted as an important tourism area — and it is. It is also an important area for local residents. For such a large part of our foreshore to be a no-go zone for so many years is just not right. I have no doubt that the current developers will be able to complete the project. Already tenants are in the building. It was heartening three or four weeks ago to see a newspaper advertisement for a person to manage the entire complex. That gave me great heart because it means the developers are not too far away from finishing what should have been finished at worst six or seven years ago, and at best seven or eight years ago.

Finally the barbed wire and cyclone fencing will be removed. Finally the residents of St Kilda and all the other users of the foreshore — other Melburnians and people who have travelled from country Victoria, interstate and overseas — will be able to enjoy all the foreshore, including the new complex. But anyone who has been there will say that it is happening many years too late. The real reason for that is that back in 1991 the process was flawed. That allowed the project to become bogged down in litigation and go completely off the rails. What has occurred should be used as an example of how not to do things in the future, especially when dealing with sensitive foreshore and other areas the public wants to use and does not want to be cut off from.

The bill allows the City of Port Phillip to enter into a lease with the current developer for a piece of land adjacent to the St Kilda sea baths complex that is intended to be used as a car park. The term of the lease is not to exceed 45 years. There is nothing wrong with that. Funnily enough, right from the initial 1991 tender process, the successful tenderer intended to use the land as a car park. That was the original intention and has been the intention all along.

As I said earlier, the fact that the house is debating the Land (St Kilda Sea Baths) Bill nine years after the issue was first raised of incorporating land into a parcel of land so the council, as the committee of management, could give the developer a lease over the land that was always intended as a car park for the complex highlights that the initial process got it terribly wrong.

I have seen plans going back to 1991 which indicate that the land was always going to be a car park. Why were steps not taken earlier to incorporate that parcel of land as part of the land for the car park to make it easier for the council to grant a lease over it? It is another example of the project being off the rails from the start. This provision should have been introduced at the start of the process. It is not new. The developer was not going to build on a new piece of land; that land was always going to be a car park, even though the plans for the car park may have changed.

Anyone who has visited the St Kilda foreshore knows the demand for car parking at any time of the year, summer or winter, weekdays or weekends exceeds supply. The demand for car parking during summer periods is constant around the clock. Any new car park will be welcomed.

I have a special interest in the St Kilda foreshore. As a child I used to go to the St Kilda beach, and I continue to go there. It has changed a lot over the years, but one thing that has not changed is that it continues to be a favourite playground for Melburnians and tourists alike. Another thing that has not changed is something that has always upset me: that the Upper Esplanade, the main part of St Kilda, is chopped off from the foreshore by Jacka Boulevard. A line or wedge has been drawn between the foreshore and the residents living on the other side of the road.

It has been a dream of mine, and I know of other people in St Kilda, that one day the road will be relocated closer to the wall under the Upper Esplanade. The Upper Esplanade will then be blended into the foreshore. That opportunity will arise soon because the piece of land known as the triangle site, which incorporates the gravel car park off Jacka Boulevard and the Palace entertainment site, will be fully developed. I call on urban planners, the local council, the Department of Treasury and Finance and the ministers to take a visionary approach and not to be shackled by the existing road or by the consideration of getting a job done quickly or of meeting any important imperative in that short period.

When considering the redevelopment I urge those involved to look at the big picture. I urge them to change that road from being an impediment into a road that combines the Upper Esplanade into the St Kilda foreshore proper. With a little commitment from all parties it is achievable. The house should learn from the mistakes made in the St Kilda sea baths redevelopment and make sure that any future redevelopment of that triangle site is done after full consultation with the residents involved. They should not be cut off from the process. A process should be put in place at the start to quickly achieve a proper outcome. The foreshore should not once more be encased in barbed wire. The foreshore should remain a place for recreation and not be seen as a long-term building site. It is the gateway to St Kilda and the playground of Melburnians.

The opposition does not oppose the bill. I welcome the fact that the development is taking place on the foreshore. It gives me great heart and confidence that one day soon, perhaps by the end of the year, the fencing will be removed permanently so that the sea baths will no longer be a building site and the land will be handed back to the residents of St Kilda and Melburnians, who have come to St Kilda to enjoy the foreshore over many years.

Hon. G. W. JENNINGS (Melbourne) — As Mr Katsambanis said the Land (St Kilda Sea Baths) Bill has been a long time coming. The residents of St Kilda and Victoria would have expected the issue to be resolved a long time ago. I am pleased the bill does something about the car park after a decade of the issue being kicked around. It is a planning disaster in terms of the appropriate use of important public foreshore land in the metropolitan area. The area is particularly important to St Kilda and its community. The legislation will allow the development of the sea baths to come to fruition and the sorry history to end.

The bill will provide power for the lease of land for a car park adjacent to the St Kilda sea baths. It will enable the facility and the car park on Crown land to be dealt with under Victorian law in the same way. That is a key issue. The bill provides that the City of Port Phillip, operating as the committee of management, will advise the minister, who will approve the lease of the land for a total of 45 years. That will enable the developer, South Pacific St Kilda Pty Ltd, to complete the development, which involves significant investment, by the end of the year.

Mr Katsambanis has already attested to the fact that the tenants have moved in and that the management will be appointed to oversee the activities of the sea baths. The residents of St Kilda, Melburnians and tourists will gain benefit from the facility. It has had a sorry history. The planning problem relates to the concern various governments have had about the appropriateness of Crown land being used for private purposes and the leasing regime that applies on public land. It is an important policy consideration for all governments and is compounded in this case by the complexity of the issues surrounding the parcel of land that Mr Katsambanis described as the triangle of the foreshore. A number of variations apply to different

parcels of land and the bill addresses one of the last discrepancies in the way that land is treated in terms of leases for private use.

I am not sure why I am representing the government on this bill. Perhaps it is because I am one of the few government members who has been to the cinema recently to see the film *Chopper*, which was in part set in this infamous car park. The car park has a very sorry history in the film as it featured quite prominently in the underworld for some time in the 1980s and early 1990s. The sorry history of the quarantining of this parcel of land does not have a direct correlation with its sordid past, but I agree with Mr Katsambanis that it is time the cyclone wire fences came down and the community had access to this land and the facility on it.

I am pleased to support the proposed legislation. I hope the house will be short on rhetoric about it and will enact the bill to enable a $42 million facility to be created for the citizens of St Kilda, Melbourne and Victoria who choose to come and spend some recreational time on the foreshore. With that very brief contribution, I wholeheartedly support the bill and encourage other members of the house to support this 'doing' piece of legislation.

Hon. P. R. HALL (Gippsland) — Given the challenge laid down by the Honourable Gavin Jennings, I am prepared to say that the National Party supports the proposed legislation. I have not seen the film *Chopper*, but it sounds like I need to in order to get further background to the bill. It is a fairly simple bill which facilitates a longer term lease arrangement for land adjacent to the St Kilda sea baths building. As has been said by other speakers, the designated use of this land is for car parking facilities to service patrons of the sea baths complex. I understand that work towards achieving that objective is progressing well and that a double-storey car park with one storey underground is being built.

I believe from the briefing I received that the land has already been leased to the current developers of the sea baths project for a period of 21 years. The purpose of this bill is to enable that lease to be extended for up to 45 years which will make it consistent with the current term of the lease for the land on which the sea baths building itself is located. It is commonsense that the leases of the land comprising the total project have the same term.

As the Honourable Peter Katsambanis said in his contribution, there is a fair history behind this project. I understand that in 1992 the then St Kilda council issued a consent notice — which was effectively a planning permit — for the development of the land. The project has had a somewhat protracted history. I am told that construction commenced in mid-1995, later that year the project encountered some difficulties with unapproved building works being undertaken, and that a long-winded process of delays and financial difficulties stalled the project at that time. It was not until 1998, when the project was taken over by a new company, that construction of the facility recommenced.

I understand the project is nearing completion and is expected to be opened by Christmas. The National Party certainly hopes that turns out to be the case. This is a significant project worth in excess of $40 million, and the car park itself is worth around $13 million. This sizeable project is important for the local community and the people who visit the area. As the Honourable Peter Katsambanis said, St Kilda has been and continues to be a focus for visitors to the city of Melbourne.

The bill facilitates a longer term lease arrangement to a committee of management, and as the minister's second-reading speech states, the City of Port Phillip will act as the committee of management for the project. The National Party has consulted the City of Port Phillip about the project and it is keen to see it come to fruition. I make those brief comments to indicate the National Party's support for the bill. I hope the project's completion brings about the result that all Victorians would like to see.

Hon. ANDREA COOTE (Monash) — I have great pleasure in speaking on the Land (St Kilda Sea Baths) Bill. Like my colleague the Honourable Peter Katsambanis, I will not be opposing the bill. The St Kilda sea baths are located in my electorate and will eventually be a first-rate tourist complex for the area. Other honourable members who have spoken tonight have described the location of the land. I have not seen the film *Chopper* and I do not intend to, although I was pleased to hear what the Honourable Gavin Jennings had to say about it. However, many people have been to this area and seen the mesh fence, which has been there for a significant time. The Honourable Peter Katsambanis spoke about that at some length.

For the information of honourable members who are not aware of the site, it is that sort of pseudo-Moorish building that has had several changes of colour and has been tucked behind the mesh fence for some time. It has been an eyesore and I am pleased that we might have some resolution of this issue.

The land is located in a very auspicious part of St Kilda at the end of the pier and near, as Peter Katsambanis said, Jacka Boulevard. It is adjacent to Luna Park, right at the end of Fitzroy Street, and near Acland Street in a very good tourist precinct. International tourists come to this area. I would like to remind the chamber that our international tourists do not have to travel all the way to Phillip Island to see penguins; they can come to the St Kilda pier, as there is a colony of penguins there. The tourists could see the penguins at the St Kilda pier, have a caffelatte in Fitzroy Street, go to the Stokehouse for lunch and go home or back to their city hotels having had a very pleasant day in the City of Port Phillip.

Hon. P. R. Hall — We Gippslanders do not agree with that.

Hon. ANDREA COOTE — The penguins tucked away at the St Kilda pier are a very good day's outing. I do not know what the caffelatte are like in Gippsland but they are very good in Fitzroy Street. This area is a focal point for Victorian tourism. It is used by the people of the City of Port Phillip for rollerblading, riding scooters, walking, jogging and cycling. Once the project is completed it will be something we can all enjoy.

I must stress that the land was set aside as an area for sea baths and we must remember that it was not meant to be a shopping or cafe precinct. I am pleased to see that the Hepburn Spa organisation will be involved with this as it runs very good thermal baths in Hepburn Springs.

I have to agree with the Honourable Peter Katsambanis about the parking issue — it is absolutely appalling. We have a very good Sunday market, which I encourage all honourable members to visit. It is held on the Esplanade and is excellent but parking is appalling; something needs to be done about it. There has been a very ugly car park on this site. I know the site very well as I walk and ride a bike along this area most weekends. In this debate no-one has outlined the troubled history of this development, so I will briefly run through what happened.

The St Kilda baths were built in 1862. The wooden building burned down in 1926. In 1931 the baths re-opened with such modern amenities as a dancing salon, facilities for bridge parties, the sea baths that we have spoken about and hair dryers. I would like to see the 1931 version of the hair dryers, but nevertheless they had them. There were also separate facilities for male and female bathing. However, as a result of a very big change in 1938 mixed bathing was introduced. In the 1940s the area became very seedy and went into a decline. That decline obviously continued until it reached the era of Chopper Reid, about which the Honourable Gavin Jennings spoke. In 1980 the enclosed shark-proof pool was demolished.

The most interesting aspect was that on the eve of the 1992 election, under the Kirner Labor government, the Honourable Barry Pullen signed an agreement with a St Kilda company called Zarawaters to redevelop the baths into a $6.5 million swimming, fitness and retail complex to be completed at that stage by 6 February 1998. However, as many honourable members have already said, controversy dogged the development, including a dispute between the developer and the builder, and sections of the roof were ordered to be removed by the council. In 1998 the lease failed, it was advertised, and Zarawaters went into receivership.

In 1999 South Pacific St Kilda Pty Ltd took over the development, which was supported by Minister Tehan. The new developers, Henry and Jannie Tay, took over the lease, and they are the people who will be affected by the bill.

The car park will cost between $12 million and $14 million and will hold approximately 420 cars. Zarawaters originally recommended 120 car spaces but, as was suggested earlier, those honourable members who have visited St Kilda on a weekend will know that the development certainly needs 420 spaces.

I am pleased to see that the council put pressure on the developers to make certain that the whole area was landscaped. To replace the hole that is there at the moment with a multistorey car park would be ugly for all to see. The proposed development will have only one storey above and three storeys below the ground, which will be excellent.

Looking at the site and at the hole itself, I can see why it was going to cost so much money. The site is very close to the beach and I am sure there are considerable problems — indeed, I have been told that is the case — in developing the area.

I fully expected— as did the Port Phillip council — to see the sea baths, restaurants, retail outlets and the car park completed by February 2001. However, I was horrified to read in the *Emerald Hill Times* of 25 October an article by Kate Williams, which states:

> The St Kilda sea baths project is likely to miss another deadline, with work to continue past the scheduled completion date of February.

The *Port Phillip Leader* of 16 October states:

> Port Phillip council has raised concerns that developers of the St Kilda sea baths project will not meet the February 28 … deadline.

Although I am concerned about that, I was pleased to learn that the City of Port Phillip is looking at a contingency strategy to manage the project through the busy summer tourist season. The current developer is putting an enormous amount of money into the development. As the second-reading speech states, the developer has a 50-year lease with a residual of 45 years for the first part of the complex, the sea baths. The bill also provides South Pacific St Kilda Pty Ltd with a lease term for the adjacent underground car park that is consistent with the lease term for the sea baths complex.

I will be very pleased, as will the previous speakers, the Honourables Peter Hall, Peter Katsambanis and Gavin Jennings, to see the matter tidied up. The area concerned is important to all Victorians, especially the residents of St Kilda and Port Phillip. I wish all those involved success with the complex and look forward to seeing the sea baths in action. I do not oppose the bill and look forward to further development.

Motion agreed to.

Read second time.

Third reading

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

> That this bill be now read a third time.

I thank the contributors to the debate, the Honourables Peter Katsambanis, Gavin Jennings, Peter Hall and Andrea Coote. I think all honourable members are looking forward to the successful completion of the developments following the passage of the bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

Sitting suspended 6.31 p.m. until 8.02 p.m.

DRUGS, POISONS AND CONTROLLED SUBSTANCES (INJECTING FACILITIES TRIAL) BILL

Second reading

Debate resumed from 31 October; motion of Hon. M. M. GOULD (Minister for Industrial Relations).

Hon. P. A. KATSAMBANIS (Monash) — I speak on the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill with mixed emotions. Over the years it has been accepted in our community that the issues surrounding drug use are so important that the drug debate has been elevated to a status that is above party politics. It has been accepted that politicising the drug debate would not achieve anything and would in many ways harm the people the community is trying to protect.

At the same time, especially in places such as the Victorian Parliament, significant bipartisan work has been undertaken by people on both sides of the political divide. As a shining example of that I refer to the work pioneered in this place by the efforts of the Drugs and Crime Prevention Committee, so capably led in the past Parliament by our colleague the Honourable Andrew Brideson, who made a wonderful contribution to the debate yesterday.

However, during the election campaign last year the bipartisan nature of the debate tended to change. The issues of drugs and, more specifically, the methods by which drug abuse might be combated and how society should fight the evil that drug abuse can inflict not just on drug users but on their families and everyone else in society, including victims of crime committed by people supporting drug habits, were cast aside when the current government chose to use the impact of drugs on society as a crude political weapon for its own gain.

Since the election the government has continued with that strategy and as a result the bill has been introduced. I think there is universal acceptance in Victoria and in Australia generally that to do nothing in this area, to sit on the status quo and pretend that what exists today so far as legislative provisions, regulatory provisions and service delivery provisions are concerned is adequate or is meeting the needs of communities would be to defy reality. It would be for us to simply stick our heads in the sand and try to justify that day is night.

At the same time, to turn such an important community issue into a political football and a political battleground means that the people everyone is trying to protect from the evils of drug abuse are forgotten and cast aside in a chase for cheap political point scoring.

I place on the record from the outset of my contribution to this debate that I hope this period of about a year or so has been an aberration in an otherwise fairly bipartisan approach to finding solutions to the drug problem in society. The approach was certainly not party political. I hope it is just an aberration along the way and there can be a return to a robust debate which will create some controversy — change does, new measures usually do — but which will deal with the issues rather than dividing on political lines.

We can all cast blame, but unfortunately it was the current government that chose to use the drug issue as an electioneering tool. Its members are now, unfortunately for them, reaping the harvest of what they have sowed.

A government member interjected.

Hon. P. A. KATSAMBANIS — In that chase to gain a few extra votes the government was lumbered not with a policy but with an initiative — one initiative.

Honourable members interjecting.

Hon. P. A. KATSAMBANIS — If you hear me out you might find that there are many people on this side who are genuinely concerned that the outcome we have is flawed because the government chose to deviate from the bipartisan model and went down a partisan political path.

As I said, anyone who pretends that the current system and the current situation adequately address drug use and abuse in society, with all the resultant social and other problems, does not live in the real world. Such a person does not live in the world I see every day when I walk down Bourke Street or Russell Street, or when I go into various areas in my own electorate.

I represent the St Kilda area, which has been highlighted, but I point out that there is significant drug use in all parts of my electorate — as I daresay would be the case in most electorates. If we think we are winning the fight against drug abuse, we are seriously mistaken.

A Government Member — We're trying.

Honourable members interjecting.

Hon. P. A. KATSAMBANIS — Yes, we are all trying. I have no doubt about that, and I do not question the genuineness or the commitment of anyone in this debate. If members opposite continue to interject all they will prove is that they want to continue this party political debate on an issue that should be above party politics.

Honourable members interjecting.

Hon. P. A. KATSAMBANIS — You can scream and shout all you like, but this is an issue that is fundamental to ensuring that the Victoria we live in in the future, the Victoria our children and our grandchildren grow up in, is a Victoria that we would like to see, a Victoria that is as drug free as possible, a Victoria that offers the people who unfortunately fall prey to drug dealers and the people who unfortunately become drug abusers a way out of the depths of the black hole created by the effect of drugs on their lives and on the lives of the people around them.

If we as parliamentarians want to see a Victoria that is truly compassionate and weighs up the interests of people who are affected by drug abuse — be they drug users or people who suffer as the consequence of the actions of users — we will stop yelling and screaming at each other and heed the significant contributions to this debate that have already been made on both sides of the house, and I daresay the contributions that are to follow that will have an equally significant impact on how we deal with the problem.

Far from hiding their heads in the sand or being troglodytes or conservatives, as the people on the government benches would like to paint them, members of the Liberal Party have a genuine commitment to change — change for the better. It is no secret that I believe the prohibition model has failed. It failed with alcohol, it failed with tobacco, and anyone who does not believe it has failed with drugs should walk down Bourke Street right now. I challenge anyone to get to Swanston Walk without being offered a hit.

No-one should think society is winning with the prohibition model. A debate in this place in May 1996 focused on drug abuse and ended up, rightly or wrongly, centring on whether cannabis use should be decriminalised. That debate will not go away. Even this evening, as I read the latest news on the ABC online site, I discovered that a new proposal has been put to the Premier of New South Wales to decriminalise the use of cannabis in that state for medicinal purposes. Although the Premier of New South Wales has not given any commitment, it was he who commissioned the report that now recommends he should trial it for two years. The debate on drugs will not go away, but it is a narrow debate.

The proposed establishment of self-injecting facilities in Victoria is simply chipping at the edges of the debate

on whether one drug or another should be decriminalised. Such a debate is reactive and sometimes short-sighted, and can often be calculated to meet political rather than community needs. I am not saying anything new when I say that the standing that we, as a group of individuals and parliamentarians, have in the community is probably the lowest it has ever been, certainly in my time in public life. One way of addressing that problem is to ensure that on the issues where real change can be effected in an area that impacts on people's lives as heavily, and often as devastatingly, as does drug abuse parliamentarians and society must work in a bipartisan manner and come up with what may be considered radical solutions but which are properly formulated policies that take a broader view and identify the real issues. Then we must try to deal with those issues. I hope in that way the status of politicians in the community will be elevated to that of people who care and understand, not people who throw sand at each other in this place.

How can that be achieved? The first thing society needs to do — as has been said by other honourable members in their contributions — is to try to understand the reasons people turn to drugs. I am no expert. Why do young, middle-aged or older people turn to drug use? Unfortunately, because of the addictive nature of heroin and many prescriptive drugs, reliance often turns into drug abuse. People have tried to answer the question. Community groups are trying to answer the question today, but I have not seen any whole-of-government approach to working out why people take drugs.

Society cannot stop drugs from entering Australia to any great extent. When one considers the length of Australia's coastline and the resources available in a country as large as but with a population as small as Australia's, one realises some sort of zero drug policy cannot be run. Therefore, it is important to ensure that no matter how drugs come into Australia — whether they are grown or manufactured here, or imported into the country — once they have landed there will be no market for them. That can be achieved in a number of ways.

Governments and society can work at finding out why people turn to drugs and address the issues. Many programs in schools try to teach children about the effects of drugs on their bodies. Programs such as Life Education should be supported and government responsibility for that program continued. I hope the Life Education program will continue in our schools. But more needs to be done to ensure that people do not fall through the cracks. Society will always need to deal with drug dealers who have a financial incentive to get people addicted to drugs. The fundamental problem is that people will always have a drive to make excessive legal or illegal profits. I have spoken to many policemen and policewomen about the issue. They say drug dealers take prison, fines or confiscation of property as a business risk in the same way as legitimate business people take 80 per cent or 100 per cent gearing as a business risk so as to turn a profit. It is similar to a game of Russian roulette: people hope they will not be caught because of their excessive chase for profits.

The problem of drug abuse can be attacked, but no matter how much it is attacked and what penalties apply the authorities cannot stop all drugs getting into the country; the police say what they stop is a drop in the ocean. Society can afford little more enforcement measures. Once the drugs get into Australia, no matter how their use is policed somebody will want to make a higher profit. Even if the pushers and dealers are nabbed, if the drugs have reached the streets the higher their price becomes. The more addicts who want drugs, the more people who are pushing drugs will say, 'I will take the risk of going to prison so long as I make a huge profit'.

Stopping drugs from getting into Australia and to people on the streets is an important element in society's dealing with drug use and drug abuse, but it is not the only way to go. Proper preventive programs must be put in place to stop particularly young people from wanting to take drugs. That is the first element of the problem, but has that element been satisfied by the government? No. The government has said its plan for the moment is self-injecting rooms and it will come up with something on preventive measures.

Hon. G. D. Romanes interjected.

Hon. P. A. KATSAMBANIS — Ms Romanes says programs are already in place. If Ms Romanes thinks what the government is doing today is working, maybe she should go to schools and talk to 16-year-olds and 17-year-olds to understand their attitude to ecstasy and such drugs. They believe some drugs are wonderful designer drugs and will not harm them; they look out for the opportunity to find a rave party to attend and sample the stuff. That situation is terrible.

Society cannot stick its collective head in the sand and pretend that what is now being done is working, but at the same time it cannot be said that the establishment of 1, 2, 3, 4 or 5 heroin injecting facilities will solve the problem.

They will not solve the problem on their own. The bill does not address how the addicts who use the facilities

will source their drugs. They will buy them illegally on the street, of that there is no doubt. They will play Russian roulette with the purity of the heroin which, because it contains other additives, not only increases the weight of the packet but increases the profit of the drug dealer. The other additives could be glucose, caustic soda or anything in between.

We know that chaotic drug users will inject within minutes of acquiring the drug. We also know that it is not those who do not have a place to go who usually end up dying of an overdose when injecting heroin, because more than 60 per cent of heroin overdoses happen in the home. The government has not said what it will do for those people. It would be a lot safer to overdose in the middle of Bourke Street because a passer-by may ring an ambulance. However, the person overdosing in the home may find that his or her partner who is also on heroin may not react.

The bill does not address those issues. It was a quick-fix, good-idea policy during the election campaign. Once lumbered with victory the government made an attempt to justify the introduction of the policy. There is no global view of what society is trying to achieve to stop drug use and abuse; the bill is simply a bandaid fix. Although people are dying on the streets, injecting facilities will not attack the fundamental issues that face us as a society.

An injecting facility will most probably, if not definitely, be part of an overall strategy that addresses the drug problem. However, before introducing an injecting facility or injecting facilities a number of issues must be resolved, and that is something the government has failed to address. The opposition and the community have highlighted those issues to the government, which has turned a blind eye. The government must address how addicts will source the drugs. Will the area around the heroin injecting facility become a no-go zone for police and will drug dealers be able to sell their drugs at their leisure? Will the people who live, work and run businesses in that area have to put up with it becoming a magnet for drug dealers and users? Will the drug users have to source the drugs somewhere else and come to the injecting facility, which will be policed correctly? The government has not answered those questions. At the Kings Cross injecting facility in New South Wales local residents are asking the same questions.

Residents of St Kilda where a proposed injecting facility was to be set up are asking the same questions of me. They ask: what will happen when one of the facilities opens? The City of Port Phillip claimed that 77 per cent of residents favoured an injecting facility being established within the city so I conducted a survey of my own in the area. I asked people to write, email or vote online. The results were interesting. The online poll showed that some 64 per cent of people were against an injecting facility in Port Phillip but the rest of the survey produced a fifty-fifty result. However, it was not the numbers that were important, it was what people were saying — that the government is not addressing the problem. Injecting facilities may be part of a solution but they are not the solution. Regardless of whether people were in favour or against an injecting facility they were moving towards an acceptance that if the drug problem is to be dealt with prevention programs for heroin addicts must be put in place. The nexus between criminality and the provision of their drugs must be broken.

There is a significant convergence of views in the community. People are beginning to think about prescribing heroin to registered addicts, whether in an injecting facility, as is currently proposed, in an injecting facility in a hospital or offered in the same way as the current methadone program through pharmacies or doctors' surgeries. It is an acceptance that the nexus must be broken between the drug dealer and the person who is addicted. I have great sympathy with that view.

The community is also saying that if prevention measures are put into place the addicts must be treated. Apart from providing them with safer heroin, thereby cutting the nexus with the dealers, the government must provide detoxification programs. When people come out of those programs they require significant intensive rehabilitation. That may be an issue for another day, but it is one that must be put on the record to effectively deal with the drug problem. There is no point in treating addicts, stabilising them, ensuring they receive clean heroin, detoxifying them and then putting them back on the streets with the same peer group where they inject each other. People must have real life skills. To gain those skills an intensive one-on-one rehabilitation program must be put in place. The government has failed to address that issue.

If the government had not been so hasty in implementing an ill-conceived election promise and had concentrated on coming up with an overall strategy to deal with drug addiction in a coordinated way from the prevention, stabilisation and detoxification stage through to the rehabilitation stage to making people stand on their own two feet, that would be another matter. The government should have thought about how to assist in determining the factors that drive people to drug use in the first place, identifying the problem scientifically and putting programs in place to

ensure that those factors are taken into account so that people do not take up drugs. If the government had done that it may have had a program that was clearly responsive and acceptable to the community. Instead, it has come up with a bill that has met almost universal objection.

Honourable members have read about it in the press and heard about it in the media and in our electorates. Heroin injecting facilities may well be part of an overall solution, but will it solve the overall problem?

The government cannot give us just one piece of the jigsaw puzzle. If it does that it is, firstly, continuing that partisan political fight, which the issue of combating drugs in society should be above; and secondly, and more importantly, it is simply ignoring the real issues and looking for a quick fix. Unfortunately this government is all about quick fixes. It is not about providing proper coordinated solutions that take into account the needs of society and recognise the need to legislate for positive community outcomes rather than for positive party outcomes.

The government has not made out a case for the establishment of heroin injecting facilities as a stand-alone solution for drug abuse in our society. It is hoped in the next few years, when this government comes back into the bipartisan mould that I spoke about earlier, that proper debate can occur; that honourable members can sit down as mature adults and work together with the Victorian community on finding proper long-term solutions to the drug problem rather than short-term solutions to political problems of the government's making.

It is not with any great joy that I will vote against the bill today. I would have much preferred a bill that, be it radical or not, represented a proper, coordinated response to what is clearly the most pressing community issue facing Victorians today. I look forward to the opportunity in the near future — be it under this government or under a Liberal government when my party is returned to office — of supporting legislation in this chamber that will provide a proper solution rather than this half-baked scheme, which is simply a reaction to a political necessity.

Hon. T. C. THEOPHANOUS (Jika Jika) — After listening to the speech of Mr Katsambanis the only thing I can say is that I am glad to be in the Labor Party. The sorts of attitudes and approaches to serious problems in our community that he demonstrated are exactly the reason why this debate cannot move forward.

The first thing that should be said is that this bill is about only one thing — saving lives. You might ask, 'How many lives?'. I do not know how many lives it will save, but I do know it will save lives and I know that the number of people dying is too many. One needs only to look at the statistics. We are not talking about one or two people. Based on the third report, dated February 2000, of the Victorian Institute of Forensic Medicine and the Department of Forensic Medicine, Monash University, 359 people died in 1999 as a result of heroin use. I would have thought those people and their families deserved a bit more from this house than the kind of debate that has occurred so far.

I can reach only one conclusion about opposition members' contributions to the debate: they believe ultimately that if these people want to get on to drugs, they deserve everything they get. That is the message from the opposition. It conveys no sense of understanding that addicts are in some way the victims of a society that creates an environment for addiction to occur. They only harp on continually about this being a good debate. I do not know how many opposition speakers have told the house what a great debate this is.

Frankly, I do not care whether opposition members think it is a great debate and whether that makes them feel better. The fact is that people out there are dying. Opposition members need to start thinking outside of the square. They need to start thinking about what is happening in the community. They need to talk to the addicts and their parents. They need to ask those people one fundamental question, as I have done. The simple question is: 'Do you want to die?'. I asked that question of a son of a friend and constituent in my electorate. The answer is that these people do not want to die. They are scared. They do not know what they should do or how to deal with the problem. They are not a pack of people who do not care about themselves, about their community or about anything — people who deserve everything they get. They are frightened young people who do not want to die.

There is a need for honourable members to start regarding addicts as people, and to ask themselves some fundamental questions, such as: 'What if it was my son or daughter? If my daughter or my son was in that situation, wouldn't I want him or her to at least have access to somewhere that was not going to kill them? Wouldn't I at least want them to have the chance to live?'. Those are questions I have asked myself, and they are questions that people who think about these things ask themselves. They do not go about saying, arrogantly, 'It would not happen to my kids because my children are better than that and I am a better parent

than that. It will not happen to one of my children. It might happen to everybody else — —

Hon. A. P. Olexander — How long would they live on heroin, Mr Theophanous? What would their life expectancy be?

Hon. T. C. THEOPHANOUS — The question is not about how long they will live on heroin, but about how long they will live on the streets.

That is what the question is about. I am not a medical expert. I do not know how long under controlled programs people can live on heroin, but I do know that overseas there are controlled programs under which heroin is medically given.

Hon. J. M. Madden — You cannot treat them when they are dead.

Hon. T. C. THEOPHANOUS — Yes, and at least they will live a lot longer if they are in a relatively safe environment.

I am not saying this is the answer. Nobody on this side of the house is saying this is the solution to the problem. What I am saying is this: between 1992, when the previous government came to power, and today, 1343 people have died of heroin overdose. What are we talking about here? People carry on about this issue when 1343 young people have died in the space of eight years. Are people's egos so out of control that they do not understand that? It is an absolute disgrace. Anything we could have done to help prevent those deaths would have been worth it — if it saved one life, Mr Olexander, it would have been worth it. You know deep in your heart — —

Hon. A. P. Olexander — Why have you given up?

Hon. T. C. THEOPHANOUS — You know deep in your heart that the proposal would save some lives, yet you still vote against it. That is the bit I cannot understand and the bit that makes the debate so difficult. You know it and I know it — we both know that it will save some lives.

What happens after that? Rehabilitation, other programs, research, treatment programs, new frameworks — whatever you like. But let us at least provide those for people who are not dead, people who are still alive.

An expert committee has looked at the issue and has said that it is worth having a go. What is the worst thing that could happen? The absolutely worst thing that could happen is that a trial takes place and it does not work. If that happened I would be happy to come in here and say, 'Look, we made a mistake. It hasn't worked. Let's go back', but that is not what the overseas experience shows.

Let us not get locked into the nonsense about breaking the nexus between the drug dealer and the addict that Mr Katsambanis spoke about. Sure, break the nexus. But the problem is not the availability of heroin, it is the reverse — the fact that heroin is available everywhere and is available cheaply. That is what is driving this.

That is why back in 1993 only 59 people died from heroin overdose and last year 359 people died from heroin overdose. Think about that. The number of people who died from heroin overdose last year is seven times greater than the number of people who died from that cause in 1993. You can bury your heads in the sand, say this was a good debate and feel good about having had a good debate and about how everybody was really caring about these people, but next year another 350 people will die. That will be the outcome of the attitude taken in this house.

Until you have been close to the issue at a personal level it is difficult to understand. I can excuse some people for that. But the mistake people are making is that they have not asked the parents of the drug addicts what they want and how they feel about it all. I asked that of one my constituents, who said, 'I don't know whether tomorrow my son will be dead or not. I don't know how to control it. Nothing works. Logic will not work on him. His whole life is geared towards finding the next hit. He has dropped out of school. He is doing all sorts of things to get the money'.

When these people are in tears in front of you and you ultimately ask them the question, 'If they are going to take it, would you rather they did it in the back alley of some street or in a controlled environment?', every single one of them would answer, 'In a controlled environment'. They would rather their children did not take drugs, but it is better that they do so in a controlled environment. That is the basis of what the government is proposing.

Talk to the professionals. I have spoken to the professionals who administer methadone treatments in Preston and Reservoir and Northcote. This is the bit that really gets to me. I would have thought Mr Katsambanis might be interested in his own electorate. In 1999, 24 people died from overdoses in St Kilda and he says an injecting room would not have helped those 24 people. He is saying, 'I am certain that if there were an injecting room in St Kilda every one of

those 24 people would still be dead'. That is what he is saying.

Hon. P. A. Katsambanis interjected.

Hon. T. C. THEOPHANOUS — That is what you are saying.

Hon. P. A. Katsambanis — How many were in the home?

Hon. T. C. THEOPHANOUS — Whether it is in the home or in the back streets, Mr Katsambanis, it is a very different situation from a controlled environment and an injecting room.

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

Hon. T. C. THEOPHANOUS — It is a very different situation.

Hon. Bill Forwood — You won't get to be the leader with this speech.

Hon. T. C. THEOPHANOUS — You may want to make light of it, Mr Forwood, but you are one of the people who have shown no leadership on this issue. I would be quite happy to stay on the backbench forever if I could save the lives of a few of the people who are dying of overdoses out on the street. You just want to talk about who is the leader on this side or who is the leader on that side. That just shows what a diminished person you are. This is an issue — —

The DEPUTY PRESIDENT — Order! Mr Theophanous must address the Chair.

Hon. T. C. THEOPHANOUS — You clearly have not been in touch with people who have lost loved ones in this kind of situation.

Hon. Bill Forwood — Come on.

Hon. T. C. THEOPHANOUS — If you had you would treat the debate more seriously than you are, which your comments show.

Hon. Bill Forwood — You are just grandstanding.

Hon. T. C. THEOPHANOUS — You might say that I am grandstanding, but I will not engage in a nonsensical debate in which each member of the opposition tells us how much he or she cares and how good the debate is when the subject of this debate is one thing that we know and you know would save some lives. The opposition parties will not vote for the bill because they do not understand what is happening.

Hon. K. M. Smith — You don't know all about it.

Hon. T. C. THEOPHANOUS — I do not have a holier-than-thou approach. That is the difference between this side of the house and the other side. We are not puritanical about it; you are!

Deep down the opposition parties cannot get past the emotional issue — that they all deserve it. That is what they really think. That is why whenever the rednecks on the radio stations say that addicts should be left out in the street, opposition members agree with them. Opposition members cannot get past that point.

Hon. Bill Forwood — You diminish the Parliament.

Hon. T. C. THEOPHANOUS — I am not here to make you feel better. Nor am I going to make members opposite feel better because they think that is the right thing for me to do. I say to the house that kids are dying and will continue to die because the opposition is not making the decision to give it a try.

Hon. Bill Forwood — You blame us for their deaths?

Hon. T. C. THEOPHANOUS — I am happy to take up the challenge. The decision of members of the Liberal and National parties not to vote for the legislation will result in more people dying.

Hon. J. M. Madden — That is true.

Hon. T. C. THEOPHANOUS — The opposition parties may say that is not true and that its members have given it a lot of thought and have come to a decision. The fact is that the proposal is worth trying — it is worth trying to save a few lives. The opposition parties could have moved amendments so that we introduced one facility rather than five. But it was not prepared to do that. The government is caught in the situation where the federal government will not agree to heroin-type trials where people receive heroin as they receive other medicines such as methadone and are treated as if they have a disease. I am sure some opposition members may support that proposition, but that is not available to the government and this option is the next best available.

I do not want to produce statistics or surveys or refer to previous debates, because people on either side have different views about the empirical evidence. I have looked at the evidence and my view is that the judgment of an expert committee is that supervised interjecting facilities would save lives.

Hon. W. I. Smith — Debatable.

Hon. T. C. THEOPHANOUS — Even if it is debatable, I challenge anyone to say that by not passing the legislation and establishing the facilities one life would be saved. If you cannot say that a single life will be saved, you should not vote against the legislation. Members opposite know as well as I do that this program would save lives, but they cannot bring themselves to accept it. Because of a range of political factors such as which side he or she takes on this issue, opposition members cannot bring themselves to vote for the legislation. That is the reality, and it is a tragic reality. Unfortunately the attitude of the opposition parties demonstrates clearly why this house needs reform. It shows why the debate has come to this point. This is landmark legislation that could save some young people in our community from dying. Unfortunately the toll will continue because members of the opposition do not have the courage to do the right thing.

Hon. Bill Forwood — What an appalling contribution.

Hon. T. C. THEOPHANOUS — It must have been good if you say that.

Hon. E. J. POWELL (North Eastern) — The National Party opposes the bill because it does not believe supervised injecting facilities are the answer. The word 'arrogant' has been used on a few occasions to describe Mr Theophanous. I have heard the honourable member speak on many occasions and I have had to listen to his speech tonight.
Mr Theophanous's contribution has to be one of the most arrogant and politically motivated speeches I have ever heard in this house. He should be ashamed of his political point scoring just because the opposition parties do not believe supervised interjecting facilities are the appropriate or initial response. We believe other issues should be tried first.

Opposition members understand that drug abuse is a major problem. Members on this side have spoken to children who had been on drugs and to their parents, yet Mr Theophanous says arrogantly that members of the opposition parties have never seen or spoken to a person on drugs and do not know parents of drug users. We are not isolated from those people. Country areas have young people who are abusing drugs. It is a major problem. Opposition members have no doubt about that and are not trying to move away from that fact, but supervised injecting facilities are not the full answer.

Opposition members will not be talked down to and told they are not consulting just because they have a different point of view. Members of the National and Liberal parties have consulted widely. We do not take this issue lightly. We have consulted with our own communities and the so-called experts. Members of the National Party met with Dr David Penington and went through his report with him and listened to why he supported supervised injecting facilities. He told us about the rapid increase over the past four years of heroin abuse among young people. I asked Dr Penington a question that he was not able to answer, but I would like an answer to it. If there has been a rapid increase over the past four years, could it be possible that we have been sending the wrong messages to young people on matters such as needle exchange programs? I acknowledge the good initiatives of that program and I put on the record that Australia's rate of HIV infection is among the lowest in the world — below 3 per cent — compared with the rate of infection in some other countries of more than 50 per cent, so HIV and AIDS are kept to a minimum.

The fact that the government provides needles may give young people the impression that injecting themselves is safe. In talking about the possible decriminalisation of marijuana use young people may believe the government is condoning and supporting the use of marijuana and that it must be okay. These are the messages we are sending to our young people. It is no wonder so many of them are taking and experimenting with drugs.

We also have harm-minimisation education in our schools. Although that has some wonderful programs, my concern is the message it sends to our young people. We tell them it is not safe to do drugs but we also tell them if they do it this way — know the dealer, ensure the drugs are pure or whatever, and do not shoot up alone, have friends there — that means it is safe. The message we are sending to our young people is there are certain ways a person can take drugs safely, and I reject that.

I am glad the government has moved away from the words 'safe injecting rooms' because those words do not go together. The message to young people is that this is a place where they can safely inject. Although it may save lives — and we have no proof of that — it could cause people to start experimenting with drugs because they think there is this safe room they can go. We have to be very careful of what we are saying to young people. We should remember that most young people are not on drugs and we need to keep it that way. We need to be careful about the messages we send. We think we are doing it in the right interests but we need to ensure that the messages are not saying that drugs are safe. I do not believe any honourable member would say that.

The National Party also met with Andrew Bolt. Honourable members who have read his reports in the *Herald Sun* over the past few months would understand that he opposes injecting facilities, and he gave the National Party his reasons. He said the Bracks government is aiding people to take drugs and that there is not enough aid for people who want to get off drugs. That is a relevant point. We are looking at ways for people to take drugs safely instead of saying that it is not safe to take drugs so let us find ways of getting and keeping people off them.

Andrew Bolt criticised many of the facts in Dr Penington's report and talked particularly about the Swiss experience. His article in the *Herald Sun* of 10 August included a chart which he provided to the National Party. The chart shows that Switzerland opened the first of its 13 injecting rooms in 1986. What happened then? As the Penington drug expert committee admits in its report, the mortality report tripled within five years. More deadly was Switzerland's decision to tolerate open drug dealing and drug taking in Zurich's Needle Park. The number of drug deaths started to fall only when the police finally got tough and shut Needle Park. The number of deaths rose again when the drug scene reopened in Letten, but the police soon closed that down and cracked down on street dealers and users. The number of arrests tripled and the number of deaths halved. Andrew Bolt states:

> Conclusion: Switzerland's success came mainly from better policing, not injecting rooms. Germany's experience is almost identical.

Andrew Bolt also talked about the Frankfurt experience. He said the death toll for drug overdoses peaked in 1991, but the authorities set up drug crisis centres, methadone facilities, needle exchanges, and rehabilitation and accommodation centres. There was also stricter policing, with the closure of the park drug market, and the death toll plummeted. The injecting room was then opened in December 1994. Andrew Bolt is disputing some of the facts and figures in Dr Penington's report. While Dr Penington deserves the utmost admiration for the work he is doing, Andrew Bolt says we should have the facts rather than some figures which are not quite conclusive.

In making my decision on this bill I spoke to many people in my electorate. One area I visited was the Kyabram learning centre. I was a guest speaker there at about the time of the public discussion about injecting rooms and there was a general discussion about drugs. A mother in the audience had a 16-year-old daughter who was on heroin. I asked her if she supported these safe injecting houses and she said on no account must I support these heroin injecting rooms. She wanted her daughter to get off heroin, not for someone to make it safe for her to stay on it. The same view was expressed by a number of people I spoke to, including some young people who are on drugs but who would not use the heroin injecting rooms.

Many letters have been sent to my office, both for and against injecting rooms. Mr Theophanous said he asked young people who were on drugs whether they wanted to die. He said all of them replied that they did not want to die. I have spoken to people in different organisations and rehabilitation centres who are on drugs. I asked them whether they understood that if they kept taking the drugs they would die and their answer was that they did not care. I do not know who Mr Theophanous has been speaking to, but the people I speak to say that when people are on drugs they have a sense of hopelessness, a sense of despair; they are spiralling downward and the least they care about is living for the next 10 years. All they care about is where their next fix is coming from.

These are not just people from low socioeconomic backgrounds; they are people who come from decent, caring, loving families. I have two sons and I am thankful that neither of them is on drugs. I cannot imagine what it must be like for parents whose children are on drugs — to see the despair, to watch them dying slowly in front of them and to know that they are going into a world where their parents cannot help them and they do not want help. As a mother I can only imagine what that must be like and the despair and horror of those families.

People ask why country people have a view on safe injecting trials that will be held in the city. Our children go to Melbourne to work, to do their training and apprenticeships and to attend university. They are vulnerable at those times; they are away from their family and support and they may get into the wrong crowds. Country Victorians are very concerned about these injecting rooms being established in the city, and that is reflected in what we think.

I have asked many people whether they support injecting rooms. If they say that they do, I ask them for their reasons. They say — and I hear it time and again — because we have tried everything and nothing is working. I do not agree. We can be doing more in the education facilities, we can be doing more counselling in schools, and we can find out why our young people are turning to drugs. We have to go back to the beginning and find out why they are taking drugs, whether there is a family problem or an issue in their life and they think nobody can help them. We need to

talk to young people in the schools and the homes and find out why they are taking drugs. That is the first issue, not safe injecting rooms.

We also need to be able to help people who are on drugs go into detoxification. Many speakers have talked about detoxification and said that it is not the answer. In his contribution yesterday the Honourable Bruce Atkinson said detoxification is not working on its own, and I agree. Long-term rehabilitation is the answer. We need to ensure that we have enough money for rehabilitation. We should also try stricter policing and enforcement. We should try increased surveillance on drugs entering Australia.

We should try special prisons for drug offenders; 60 per cent of prisoners are serving time for drug-related offences. When I was a new member of Parliament I had an opportunity to visit the women's prison at Deer Park. We were told that 80 per cent of the women in that prison were there because of drug-related offences. We need to ensure that we counsel those people while they are in prison and that when they get out of prison they have as much support as they can get. We should not send them back to the areas they come from without some support. We need to assist addicts to break their addictions and provide support for them to stay off drugs. We need to break that cycle, find out why they are on drugs, get them off them, and provide support so they do not return to their old habits.

As I said earlier, drug abuse does not affect only the drug users; it affects the family and the community. In communities where there are drug users we have people stealing from others just to maintain their drug habits. We need much more money for drug rehabilitation programs. We are not washing our hands of the drug issue but saying that we, as opposition parties, believe we need much more money for drug treatment programs.

There are a number of drug treatment programs in my electorate. I refer the house to a wonderful program called Teen Challenge in Kyabram.

An article in the Shepparton *News* of 1 August states:

> The Victorian government's commitment to harm minimisation to combat drug addiction has left one of the world's most successful drug rehabilitation programs without government funding.
>
> Teen Challenge, which provides residential support at its Kyabram farm to up to 30 people who want to overcome drug and alcohol addiction, does not receive any government funding because of its Christian values and promotion of total abstinence as the ultimate form of harm minimisation …
>
> The Kyabram farm relied on community and church support for its planned expansion to accommodate 60 people undergoing drug and alcohol rehabilitation.

We need to look at the programs that are working, not saying they do not meet our guidelines but asking, 'What is it you are doing that is working well and how can we support you and help your organisation to expand?'. Teen Challenge now has a waiting list of about 30 people wanting to undertake drug rehabilitation. It takes 18 to 35-year-olds but will make exceptions, and it provides about 6 to 18 months residential care. That is a model we should be looking at.

I visited the facility, where director Mark Corrigan showed me around and spoke about how the organisation works and told me some of its wonderful success stories. An article in the Shepparton *News* of 19 July, headed 'Drug rehab delay crisis', states:

> Shepparton people in urgent need of residential drug rehabilitation services were missing out because they had nowhere to go.
>
> Faced with up to six months wait for help, many people wanting to overcome drug addiction gave up and continued to self-destruct.
>
> Two of the region's drug rehabilitation workers said the Shepparton region suffered a critical shortage of drug withdrawal support because of insufficient funding.
>
> …
>
> Goulburn Valley Health's withdrawal support service coordinator, Cameron McGregor, said he tried to gain residential placement for 14 people in urgent need of post-withdrawal services in the past 12 months, but only three were able to be placed and one of those waited six months.

There are other programs we should be looking at funding in our effort to try to get people off drugs. One of those wonderful programs called How to Drug Proof your Kids was held in Wangaratta in June this year. The guest speaker was Normie Rowe, whose daughter was very publicly battling heroin at the time. He talked about the problems the family had and the issues that were going on. The course deals with parenting strategies to help prevent children from turning to drugs, which is important. It is important to get the parents to recognise if their child is on drugs, and it helps them to understand how they can get them off drugs and perhaps work with them to learn why the child may have started taking drugs in the first place. That program is very successful, and there is already a waiting list for the next one.

A number of members have spoken about crimes around injecting room facilities. An article by Paul Raffaele in the *Readers Digest* of August refers to

unsafe areas around injecting facilities. Mr Raffaele states:

> I recently visited a government-financed and supervised heroin injecting room in Frankfurt am Main, Germany, praised as a model by supporters of trial injecting rooms in Australia. Frankfurt's facility has been operating for five years and has not reduced the area's serious crime rate, among the highest in Germany. As with Australia, heroin is illegal in Germany and many addicts there commit crimes to pay for their habit.
>
> 'Mostly the men rob stores or passers-by with knives or steal bicycles and car radios', says Josch Steinmetz, who runs the injecting room I visited. 'The women sell their bodies.'
>
> 'We can expect the same criminal activity by users of the Australian injecting rooms', says Moffit. 'In setting up the rooms to be used by people who rob and bash to get their illegal heroin, the governments involved will themselves be aiding and abetting the breaking of the law, facilitating and condoning the committing of criminal offences', he says.

The Government of Victoria publication 'Injecting facilities trial — framework for service agreements', states:

> Victoria Police will:
>
> > maintain a high level of uniform patrols and other police activity in the vicinity;
> >
> > maintain vigorous targeting of drug traffickers —

and this one I found interesting —

> > use discretion as to whether to charge persons found with small quantities of drugs near the facility and to assess the bona fides of potential users of the facility …

The bill is asking our police to turn a blind eye. Heroin is still illegal in Victoria, and the police are sworn to uphold the law. What will police do if people leave the injecting rooms under the influence of drugs, get into their cars and drive away? If they kill or maim somebody, what will we say then about our wonderful injecting rooms? The danger is that government-sponsored injecting rooms will encourage people to use heroin believing they are safe.

The Wesley mission in Melbourne sent a newsletter to all MPs — I know most of us received it. It states that heroin use is a regular feature of the lives of the people with whom it works across Melbourne. Wesley's CBD Crisis and Counselling Service assists a growing number of drug users. The newsletter states that — this is an important statistic — 75 per cent of teenagers resident in Wesley's Eastern and Southern Youth Services accommodation are heroin dependent.

Those people will be unable to gain any benefit from safe injecting rooms because the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill excludes children from having access to injecting facilities during the trial. It is recognised that some young people may seek access to services, and as is outlined in the framework for service agreements the provider organisation will be required to have in place arrangements to directly refer such young people to alternative services, including the youth substance abuse service. That is a good inclusion in that part of the framework, but I still think it misses the point of what we will be doing to our young people and the messages that will be sent to our young people. The bill excludes people under 18 years of age from access to the injecting facilities during the trial.

In conclusion, we need to ask ourselves whether we believe drugs are harmful. If we do, we need to spend much more money and make a much greater commitment to getting people off drugs rather than helping them stay on drugs.

Hon. G. R. CRAIGE (Central Highlands) — At the outset I wish to make it clear that I oppose the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill but I do so with an extremely heavy heart. I think we have missed an opportunity to choose the way we should move ahead. My heart is also heavy for the users of heroin, their families and importantly a group I have not heard anybody mention in the debate so far — the carers, the people who work in the field day in and day out, whether they are social workers or youth workers or outreach workers, whether they are doctors or nurses or whether they are volunteers. We need to reflect on the impact the whole issue of drug use has on all those people as individuals.

I heard the Honourable Theo Theophanous say we will all walk away from here feeling good that we have entered into the debate but nothing has really happened and what we really did was to close the door. I put to honourable members and to the community, to organisations, individuals and institutions and also to the drug users that we did not close the debate, in fact the bill closed the debate and politics became too much of an issue in something that should be beyond politics.

I am disappointed that the legislation is before us in its present form. Perhaps if a little more time and care had been taken it would not have created such uncertainty in the community. What has happened is that the debate on the legislation has not only affected those who work in the field, but the families, relatives and friends of drug users have also been severely affected by it.

I make my contribution on the basis of a suggestion that we should all move on and not consider that the debate on the bill will be the end of the discussion. We should

not just close the door but should examine the existing programs and expand and secure them, and ensure that we consider proactively the development of further programs. I have mentioned the carers, both the organisations and individuals, with whom we must work.

Many of my colleagues have made intelligent, thoughtful and well-researched contributions to the debate. I cannot add anything to the intellectual basis of those contributions, but I will refer to my observations in this area. When the bill was introduced I was not surprised that the government proposed moving along that track. Instead of closing the door, I wanted to consider opportunities of addressing the matter cooperatively, but that was not to be.

One factor that has struck me more than anything is the organisations whose members work tirelessly in the community. I place on record the work done by people at the Youth Substance Abuse Service (YSAS), and I refer in particular to a person I have known for many years. Some 10 years ago he worked at the Salvation Army centre in Grey Street, St Kilda. I knew him when he had long hair, a beard and earrings, but even then I respected Paul McDonald as someone who actually knew what was going on. He was street-wise. He had been there, worked his way through, and understood the heart-wrenching situations that those young and older people were going through. The matter was in its early stages. The needle exchange program was huge on the agenda then. Paul told me about how much flak they were copping about that, that people were saying it was not going to work, and that they were talking about all the social issues associated with that program.

We have moved on beyond that, and we must all consider moving on even further. YSAS does an enormous job. Government members may not believe it, but that excellent institution was started and funded by the Kennett government. It works very closely with the Turning Point Alcohol and Drug Centre. They have magnificent programs that are delivering results at the coalface. They are not just talking about it; they are out there delivering.

The Salvation Army also runs programs, one of which is the Bridge, which people work at tirelessly. As a member of and on behalf of the community I can do nothing but express my gratitude for the work that members of those organisations do against all sorts of odds, including us debating the matter in the chamber. Despite all that, they want to get on with the job, with so much hope in their hearts and belief they will achieve outcomes — and they will. Those groups include Hanover Welfare Services at Southbank and Flagstaff, church organisations, health facilities, Odyssey House and many others.

When I attended the Bridging the Gap forum at Box Hill run by the Association of Relatives and Friends of the Emotionally and Mentally Ill, it became apparent to me that many people are searching for answers. Families, relatives and friends want programs that deliver real outcomes. We need programs run by people who look at the hole that people fall down and try to do something about it. If we cannot eliminate the hole we must not create such a deep hole that people cannot get out of it.

I would not know so much about the issue or be as well educated as I am on the matter had it not been for the passion, understanding and relentless work that people do in the area. My daughter works at Hanover Welfare Services at Southbank with people who are drug affected. I have the greatest admiration for her and each and every one of her colleagues because sometimes the work they do can be the most challenging in our community. They must be given confidence and support so they can do the work that is before them.

I shall refer to users and illustrate how opportunities must be grabbed when they arise. The approach must be holistic and not narrow and, no matter what governments do, funding is important. For those who do not know, users go through many phases of heroin use. They have what is called a pre-contemplation stage. That is when they have the idea of giving it up. It is not constant. They think they might give up, but in fact they do not get there. However, the contemplation stage is the stage where they seriously want to stop using heroin.

A heroin addict can go through that stage 10 times a week or only once a year. However, the reality is that it provides a window of opportunity that must be grasped. It means the addict is sick of his or her lifestyle. Honourable members were told to ask many questions tonight by a member of the government.

If you ask a 16-year-old girl who has been on a rehab program at an establishment for six months, ‘What was it that made you make the decision?’ invariably she will say, ‘I’m sick of the lifestyle’.

That is the moment that must be grabbed. We must be able to respond immediately. We must have the funding and the appropriate programs. The Honourable Bruce Atkinson put quite clearly last night how detox is not the only answer. However, it has to be available. The tragedy is that addicts might come back and have to go through it all again. However, if we do not take that

opportunity, we will never achieve any outcomes for those people who are already on heroin.

Detox can work in conjunction with good counselling, which is important. Once you go through that stage, rehabilitation is absolute. There are no ifs or buts. You cannot just carry out a detox program and think that is the end of it. The sad part is that although it may be the end for the user, the reality is that it is not the end for the way the user must be managed.

One of the issues that confronts us is that detox, counselling and rehabilitation programs must be flexible. The current programs are still far too rigid. There is not enough flexibility to suit individuals.

Hon. D. G. Hadden interjected.

Hon. G. R. CRAIGE — Perhaps you should sit down and listen. You have just walked into the chamber and I find it amusing that you should make that smart comment.

Hon. D. G. Hadden interjected.

The DEPUTY PRESIDENT — Order!

Hon. G. R. CRAIGE — There has to be flexibility in the programs offered. While detox alone suits some, it may not suit others. While counselling and detox suit some, that may be the answer. Counselling may in fact be the answer on its own. Not everyone fits into the same mould. One of the issues is that a rehabilitation phase with a one-on-one carer and user relationship can take up to three years. This is long-term stuff; it is not a short-term fix. They have never worked anywhere. This is about maintaining contact and programs with users over a long period.

The drug problem will not go away if a government merely introduces legislation to establish a trial of injecting facilities. Many crisis centres already operate as de facto injecting facilities, anyway. The majority of their clients are people who have been affected by alcohol or drug abuse. The centres already act as such centres, but they do not have the facilities and they are not equipped to handle such programs.

The trial the bill contemplates, as clearly illustrated in the framework for service agreements, is that the facilities will be stand-alone units. I object to the bill on that principle and that principle alone. That is not the answer.

If injecting facilities were part of an integrated structure they would have much more merit. In that way they could adopt a holistic approach. Organisations like Hanover at Southbank or other facilities and crisis centres that currently exist could be well-equipped enough to have injecting facilities within their establishment.

Why do I say that? I say that because those establishments already have networks and programs. They already have a good base to work from. That means the clients would be able to use the facilities and also use the injecting facilities. They must be fully staffed with full-time medical people. There is just no sense in establishing stand-alone facilities as this legislation does. It does nothing at all to address the issue.

On behalf of all those who work in the facilities designed for drug users I make the plea that the government re-examine the issue seriously rather than putting up a narrow proposal to stop heroin use.

As I said earlier, the debate on the issue is not over and nor should it be regarded as over. The debate about the resolution to the problem is just starting. Society should take a realistic approach to the issue. The house should not be debating a bill that seeks only to gain political points. The approach to substance abuse must be proper and real.

No matter what honourable members think, a key aspect of the debate is that the existing programs, no matter what their form or where they are located, must be securely funded. No matter what happens, the government must make a commitment to funding those programs. That is needed not only for the security of people in the programs but also for the security of those who work in the area so programs can be further developed. It is not good enough to have year-by-year funding for those programs.

The Honourable Jeanette Powell referred to country programs that sometimes do not receive government assistance. She also said many that receive assistance have to apply every year to try to qualify for continuing funding.

Hon. D. G. Hadden — What about accountability?

Hon. G. R. CRAIGE — I take up that silly interjection. Accountability is an important issue. There is no reason for programs for people who require long-term rehabilitation not to be funded for longer periods. Many people need to be in programs for perhaps two or three years. It is impossible to get certainty into programs when their funding expires each year and the program managers have to reapply annually, yet that is what happens with many programs now being delivered.

The state has three-year funding for the arts but not for drug services. How can people in the arts get three-year funding? They argue that they cannot be creative if they have to apply for funding each year. The government must look at long-term funding for drug rehabilitation programs. That is what it is all about. The issue cannot be regarded as having a short-term solution, which is how the government has approached it for a long time.

I sincerely hope the community can continue to look at ways of addressing the issue realistically. Society must look at using approaches, whether through education or enforcement, and the most important area from which to start is existing programs. Funding for detoxification, counselling and rehabilitation should not be something people have to ask for year after year and people should not have to wait for three months to get into detoxification or rehabilitation programs. Long-term plans must be made, and organisations and individuals who work in the area should have security about the programs they deliver.

I oppose the legislation with a heavy heart, in that I believe injecting facility trials should have been an integrated part of existing services and not stand-alone facilities. Had that been the proposal, I assure honourable members and the community that this debate would have been somewhat different from my perspective.

Hon. R. H. BOWDEN (South Eastern) — My contribution to the debate on the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill is made on behalf of the large province I have the honour to represent. I do not face a dilemma in voting against the bill, although I do face a dilemma when dealing with many of the complex and difficult aspects of the debate on drugs and considering what should be done about the scourge of illicit drugs.

I do not have a dilemma in voting against the bill because as a single measure the bill sends the wrong signals to everybody connected with such a difficult community problem. It sends the signal, when it should not, that it is okay to take drugs. No measure before the house should send a signal to the community suggesting that Parliament says it is okay to take illicit drugs. I cannot and will not support that.

At the end of the day, above all things parliamentarians are the representatives of their constituents. In the many months since the proposal was placed before Victorians and the house, the vast majority of my constituents — who number more than 146 000 — have said they do not want injecting rooms. I am their representative, and I will not support the bill.

I have genuine and real sympathy for the users who are caught up in that downward spiral and for people and families dealing with such a dreadful circumstance. I am not only sympathetic but anxious to make a contribution in any way I can to help people who are hooked on drugs and provide them with a better life. I have listened to many of the contributions from government members and am sure the proposal contained in the bill is not worthy of my vote. It will receive only my negative vote.

The message is wrong. The government is throwing in the towel by saying, ‘We will help you take drugs’. I do not believe — my constituents have made it very clear to me — that it is all right to throw in the towel on the drug issue. More than 80 per cent of my constituents in my large electorate tell me loud and clear that they do not want this proposal to proceed. There is a longstanding belief that more than 70 per cent of crime is based on drug or drug-related activities. What does the bill do to reduce crime? Nothing. There is an ever-increasing toll on our young people.

In 1999 it was reliably reported that Victoria had 359 drug-related deaths — a tragic figure indeed. The reliable figures so far for this year show that there have been more than 270 deaths, an average of one a day. It cannot be dressed up any other way — dealers and pushers are murderers. But we can save lives. There was considerable controversy when the New South Wales Parliament decided to allow one supervised injecting room in the Kings Cross area. It is not yet open but was scheduled to open in either November or December. If New South Wales, in the opinion of my colleagues and others, is so convinced that it wants to go ahead, why should Victoria follow? I do not believe we can afford to take the risk. If New South Wales wants to take the risk let Victoria learn from its experience. Let us watch New South Wales but not imitate its unfortunate action.

Injecting rooms — I will not use the word ‘safe’ — involve issues such as access, age limits, management and cleanliness, disease control, records of activities, statistics, fundamental safety, accountability, and training and supervision. I do not believe the bill covers those aspects adequately.

The Honourable Geoff Craige spoke passionately and at length about his high regard for volunteer organisations. I put on the record my appreciation and respect for all those professional and voluntary organisations that care for victims of drug addiction. The ambulance and police officers, the medical services, doctors, nurses and carers of all description deserve the highest praise.

If Victoria Police is involved in supervising and controlling injecting rooms its members will be put in an impossible and unfortunate position. What will happen to police morale when officers have to stand aside while illegal substances are taken into a facility and consumed? The matter of legal indemnity to protect members of the police force has not been provided for in the bill. If a user goes to an injecting room, takes an illegal substance, then gets into a car and has an accident and the police know that person's driving skills were impeded what about the issue of indemnity? On that basis alone the bill should be thrown out. The police have access to injecting rooms but they cannot take action. How can an illegal and dangerous substance be purchased and then transported within the state to a supervised injecting room? It is illegal to take it in. What messages does that send to the police? They can watch but they cannot act.

An interesting sideline with this bill that I find unacceptable is that it is all right to take drugs in an injecting room but one cannot smoke there, because smoking is dangerous. That is offensive. A psychologist friend of mine, who is a professional counsellor for drug users, said users will not wait to go to a supervising room, they will want their fixes straightaway.

I have supported the needle exchange service because it is a contribution and makes sense. I do not feel comfortable with it in the Frankston area because I am informed that more than a million needles are distributed each year. That puts it beyond the concept of a needle exchange service. The bill is fundamentally flawed.

The legislation proposes that, because they represent the community, a number of councils can approve whether they will have a facility within their jurisdiction. Councils should never be given that type of authority because they do not represent the community on vital public health and policy issues such as this — the state government does. It is wrong for the Parliament to delegate to a council something as broad as a public policy of this stature.

It has been suggested that there is good cause to believe the bill may be invalid because under Australia's constitution it could be in contravention of three federal acts. Those acts are the Crimes Act 1914, the Crimes (Traffic in Narcotic Drugs and Psychotropic Substances) Act 1990 and the Customs Act 1901.

I recently visited Singapore which has a sophisticated, well-armed and, some people would say, harsh judicial system to deal with pushers of this regrettable product. I valued my time in Singapore because I met legislators, visited the Parliament and spoke with people who know the Singaporean situation well. Singapore has a complex and good education and rehabilitation program, a complex and praiseworthy social attitude, a strong policing attitude and a strong justice attitude. It has a total package. The legislators in the Parliament of Singapore informed me that they have a fundamental principle that they will protect the innocent and punish the guilty. They will try to hold off the drug problem at the first experience and will not hesitate to bring justice to bear.

One of its innovative ideas was to try to inculcate into Singaporeans that it is shameful to take drugs. When I went to several places around the island I saw signs in sporting venues that said, 'Don't take drugs. It is shameful to take drugs'. There was a constant positive motivation and education program.

I also visited Amsterdam in early August and was shocked at what I saw. Other members have spoken about their observations. There is no way I will support any measure that brings the results that I saw on the streets of Amsterdam to this city and this state — forget it. We do not want the Amsterdam situation in Victoria. I went to Amsterdam, I saw it first-hand, and I will not support any move that will bring that sort of situation to Victoria.

Some simple tests can be applied to this proposal. Will it cut down drug consumption? No, it will not. Does it maintain a market? Yes, it does. Are there any measures in the bill to reduce crimes such as burglaries and theft to pay for drugs? No. Will it inevitably set up a drug zone around the area where the drugs are consumed? Yes. A real test for members on the government side who support this bill is to ask them how they would like to have an injecting room next to their own electorate offices. If it is such a good idea, they should push for it.

This whole proposal is not good. It undermines our longstanding, very expensive, highly sophisticated and well-endorsed prevention programs. We need to continue a policy of education and the inculcation of the idea in our younger people that it is not smart or good to take drugs. Coupled with the message, 'No, you should not steal', should be the message, 'No, you should not take drugs'. It is never too soon to get that message across.

We should improve and continue to fund our medical services and increase funding for both medical services and counsellors. I would fully support any moves to improve rehabilitation services. More money could be

spent on them, and I ask the government to consider doing so.

I suggest to honourable members that we should be much more aggressive in law enforcement. I would like to make imprisonment mandatory for anyone convicted of drug peddling, drug pushing or drug use. I also fully support the confiscation of the property of pushers. If we have to build one or two new prisons, that should be done.

I believe a more useful measure that could be adopted by the government would be to take up the following two ideas, among others: seriously adopt a zero tolerance policing policy for drug consumption and distribution and go to Canberra and ask the commonwealth to pass a law for the immediate deportation of convicted pushers and dealers who are not Australian citizens — throw them out.

I am also of the opinion that it is not illegal to use drugs. Why isn't it illegal to use drugs? If it is illegal to possess these substances and to push them, why not make it illegal to use them? The soft line has been followed for far too long, and it has to stop.

As I said earlier, the bill sends the wrong message. The vast majority of the citizens of Victoria expect leadership from the government, but that has certainly not come in the form of this bill. It represents a defeatist attitude, and it will not work. A maxim honourable members have heard before is that there is nothing so dangerous as bad advice. This bill is a classic example of bad advice, and this chamber should not pass it.

In conclusion, the Victorian electorate as represented by the majority of members in this chamber does not want supervised injecting rooms. I believe the diversified, regular and clear message constituents have given members of this house should not be ignored. We will and we should vote down and throw out the proposal for this unworthy experiment. We should concentrate on prevention and rehabilitation measures, including a focused approach to detoxification. Above all, as part of that package we should insist, through policing and the courts, on the strong application of the law. The bill should not be supported.

Hon. A. P. OLEXANDER (Silvan) — I welcome the opportunity I have been given to make a brief contribution to the debate. My contribution will be brief partly because of the excellent and thorough treatment that my colleague Dr Ross in particular gave to this debate earlier. His treatment of the issues was not only thorough but particularly informed. He clearly outlined the evidence and data relating to heroin deaths in Victoria and analysed some of the issues in the success or otherwise of heroin trials and injecting houses in other countries. Obviously I will not range across that, but I congratulate Dr Ross on a fine contribution to the debate on behalf of the opposition. In many ways Dr Ross has led the debate for the opposition in this place, and he has played a huge role in the education of members on the opposition side of the chamber not only here but also in the other place.

However, I point out that I will use the opportunity to briefly outline, for the benefit of honourable members opposite in particular, my reasons for voting against the proposal.

Hon. Jenny Mikakos — We know you support us.

Hon. A. P. OLEXANDER — I certainly do not support this bill, Ms Mikakos. Not only have I gone through a long process of considering some of the expert advice brought to the notice of honourable members by Dr Ross and others, but I have also consulted widely with the community in my electorate.

Having come to the point of opposing this bill, my position may seem to some on the other side of the chamber to be a bit incongruous, because basically I support the principle of harm minimisation. I am one of many members of the Liberal Party who see a role for policies that are based on the premise of harm minimisation. I see a role in some instances where harm-minimisation policies — heroin trials and the like are a form of that type of harm-minimisation policy — might be appropriate if the programs are run properly and constructed well.

Unfortunately in this instance I am certainly not a supporter of the proposal because I believe it has some serious flaws. Those flaws are fatal. Given the government's lack of willingness to adopt a bipartisan approach to the debate and its political use of the debate right from the outset, members of the opposition have been precluded from contributing to a possibly more realistic and sensible harm-minimisation strategy for Victoria. That is extremely sad.

In a sense the government has squandered an opportunity to introduce a real harm-minimisation policy on drugs in Victoria. That is demonstrated in the way this proposal came to Parliament for debate. Before advising the government on issues such as education and prevention, before talking about what could be done in medical treatment and detoxification and before talking about some of the law enforcement angles that have not yet been considered in this state, Dr Penington and his committee came up with a report

on a harm-minimisation policy involving safe injecting rooms.

To my mind and the minds of many people who support harm minimisation as a principle, that was the wrong way to handle the debate. To say that our first port of call in tackling the drug problem should be a harm-minimisation policy involving injecting rooms of some sort is the wrong way to deal with the issue.

The most sensible way to deal with the issue would have been to first bring forward education and prevention issues, treatment proposals, medical and detoxification issues and law enforcement recommendations.

There are good reasons for that. Once you have a handle on what more can be done from those angles you can understand the magnitude of the entire problem. Once you have implemented or at least thought about how you will implement some of the medical treatment and preventive, education and law enforcement measures, you have a much better indication of the total magnitude of the problem in Victoria. But no, the government has not done that. It has said to us, 'We will talk about the harm-minimisation policy first.'.

The proposal is flawed. It is the wrong way to go about attacking and approaching the drugs issue in this state. The government should have done it the other way, for the reasons I have outlined, but unfortunately it has not. Instead it has proposed a harm-minimisation policy that is fatally flawed.

There are four or five major reasons why this is not the right proposal to be implemented in Victoria. One of the reasons I will personally vote against the proposal is that the government has failed to consult with and obtain a specific mandate from the people of Victoria.

This type of reform is significant. The government is asking the people of Victoria to accept a major departure from the way in which drugs have been tackled in this state to date. There is nothing wrong with governments asking for reform. But this government is trying to foist this reform on Victorians without the proper mandate that should have been obtained in a general election.

I do not remember the ALP discussing those issues in detail, or outlining or debating its proposals or rationale during the election campaign. I do not remember it, community members of my electorate do not remember it, and most of the members of the government, if they were true to themselves, would not remember it as an issue of any import whatsoever during the election campaign. So there is no specific mandate.

It is arguable that there was a general mandate and that it was part of a policy sitting in some policy document somewhere. But there is a very real and important difference between a general mandate and a specific mandate put to the people before an election. The proposal represents a major reform, for which the government does not have a mandate.

The government has refused to consult on many levels — not just with the opposition — about the proposal. The level of misinformation in the early days and the number of specific or legitimate questions on the framework policy document and on the legislation posed by the opposition and not answered by the government are numerous. This is another problem the government has had with introducing the proposal.

It is not only the opposition that the government has failed to consult; it has also failed to consult with communities. Young people, parents, and other people who have been through drug experiences and to whom I have spoken in my electorate of Silvan have all said they were not asked for their input into the policy. And, like me, many of those people may have been able to support in principle a harm-minimisation policy of this type. But the policy that they were finally presented with was a fait accompli; it was set in concrete and the government was not prepared to talk about it.

The government has itself to blame for the fact that so many people in the community have loudly rejected the proposal. It is not only those people who object to any form of harm minimisation who oppose the proposal; the government has also allowed those Victorians who see a legitimate place for a harm-minimisation policy to turn against the proposal.

I am one of those people. I believe the government made a very big mistake with the proposal when it decided not to sever the link between crime and drug use in the state. With the proposal we would essentially have an environment with so-called safe injecting rooms — presumably five of them around the state in predetermined local government areas — within which people over a certain age could legally use a substance that in all other respects and in every other part of the state is illegal.

As my colleague the Honourable Jeanette Powell pointed out, that is a major contradiction. What would have to happen before a person came in and legally used a substance in an injecting room? The person would have to procure an illegal substance — it is

illegal to produce, illegal to import, illegal to sell, and illegal to buy. The person would have to obtain it, take it, and use it.

The government does not seem to understand that that raises a very real crime-related issue — that is, that the injecting rooms will encourage the growth of crime. It is a necessity; it is definitional. They would have to break the law at some point in the process to use the rooms. Many local communities are extremely concerned at that prospect, and the government has not listened to them. Many local communities, including mine in Silvan, have said to me that if the proposal is introduced and the trials are extended — currently there is not a proposal to have one in Silvan — into our local community, what happens about the crime in the 2-kilometre radius around the injecting house? Will people bring drugs into the area for sale? Will people be encouraged to sell drugs in the local district? Of course they will. Will we encourage theft and crime as a collateral result of the policy? Of course we will.

That is what the government has offered my community in Silvan. That is why my community is rejecting the proposal, I am rejecting it, and the opposition is rejecting it. The government has not thought through the link between crime and drug use in the state and has made no attempt to address the procurement of the substances as part of the package. That is a very essential point to make.

I do not believe the government has adequately addressed the civil or legal liability issues related to the injecting houses. In setting up the injecting rooms and saying to people, 'You can use the substance in these rooms', the government presumably has some duty of care towards those people. There are bound to be instances where accidents and unintended consequences of using the drug occur. They may occur in the injecting house itself or outside it. They may even occur as a result of trying to procure the drug in the first place. There are many permutations and combinations which might occur and which could bring injury, illness or death to people as a result of having used an injecting house in this state.

I do not believe the government is able to underwrite to that extent the civil and legal liability that would result from those types of activities and misadventures that could take place in or around injecting rooms. The government has not addressed that fundamental issue. It is not just a matter of money; it is a matter of the viability and endurance of the scheme in the long term.

I do not believe an option of last resort such as supervised injecting rooms and a harm-minimisation policy should be used before everything else has been tried, and in this case everything else has not been tried. Prevention and education could go a lot further, so could medical treatment. New treatments are coming into use all the time. Naltrexone is being developed, as are many other drugs, apart from methadone, that have good success rates. Victoria is not using them and has not gone far enough in prevention, medical treatment and law enforcement. As I said at the outset, they should have been the first avenues looked at by the government. They were not.

One of the most insidious and concerning issues relating to the proposal is that the establishment of these facilities, with the imprimatur and endorsement of the government, sends the wrong message. It sends the wrong message about a dangerous, illegal substance. The government says you can 'safely' use this substance in a facility provided by it. Not only is that false, it is wrong, and it is certainly the wrong message to send to the community.

It is worse than that, because it sends that message to some of the most susceptible and vulnerable people in the community — young people. People under 35 years — I do not like to draw that line — are susceptible to that message. It is not inconceivable that the message delivered by the government will mean greater use of heroin. If the government says it is okay, why should young people listen to some of the other messages they have heard about heroin and other illegal substances? I have great fears about that message going to young people. I am not alone in that, because young people also have those same fears.

A further example of where the government has failed to consult the community is young people. The youth of Victoria have said loudly and clearly that they do not support the establishment of safe injecting houses. I was privileged recently to receive in Queen's Hall a report from representatives of the Youth Week Victoria. Young ambassadors from schools around the state got together in policy forums and came to Parliament with a set of recommendations in a document entitled 'Youth voice of Victoria 2000'. Those young ambassadors came from across the state: 16 Bendigo schools, 11 Wangaratta schools, 14 schools from Geelong and 12 schools from Gippsland. The Melbourne forum represented 109 schools. They were a representative sample of youth from state high schools and private schools across the state. The strong advice they gave to members of Parliament, advice that fell on deaf ears among government members, was not to introduce safe injecting rooms because they send the wrong message to their peers.

The government is not interested in listening to people to whom the message is being sent. Even young people who come to Parliament and say, 'We do not support the message the government is sending', are ignored. That does no credit to the government and is indicative of the way it deals with community opinion that does not match its ideological opinion.

I consulted widely with young people in Silvan Province. With the honourable member for Monbulk in the other place at Upwey High School on 12 September a forum of schools was conducted that did not participate in the Youth Week deliberations. A number of high school students from schools in Silvan Province were involved. They represented Mater Christi College, Monbulk Secondary College, Boronia Heights Secondary College and Upwey High School. Those young men and women were not told what to say or how to think, they were asked: 'What is the best way to deal with drug use in Victoria?'. It was an open-ended question, and no suggestion was made about the answer.

After considerable discussion and debate among themselves and with members of Parliament they concluded that the bottom line was that we should not adopt the injecting rooms strategy until all the other possibilities and approaches have been exhausted, because saying we should have injecting houses is to give up. It is saying that the drug problem is hopeless, so we should open the door and let people use whatever they like. Young people in my electorate rejected the government's approach.

I refer to the *Free Press* of 20 September, which reports on that conference. It states in part:

> Mater Christi College student Aatmor summed up the opinion of many of the forum's 14 students:
>
> 'Injecting rooms are one of heaps of options but should be viewed as a last resort … I don't think we have tried everything else yet', she said.

Sandi, a year 12 student also from Mater Christi College says:

> It might be legal while you are in the heroin injecting room, but what happens once the user is outside?

The comments from these young people are sensible. Ryan, a year 11 student from Upwey High School, states:

> I've come away with a decidedly negative attitude towards safe injecting rooms. And I really think political policy making should be channelled towards the needs of the next generation.

Hon. R. A. Best — Tell Theophanous that; he is an expert.

Hon. A. P. OLEXANDER — Given Mr Theophanous's earlier performance, he would not be interested in the comments of these young people. It is clear from the evidence I have collected on the opinions of youth in Victoria, one of the groups that would be most affected, that they do not support the proposal. The government has not listened to those young people.

Hon. T. C. Theophanous — Who did you speak to?

Hon. A. P. OLEXANDER — If Mr Theophanous had come into the chamber and listened to my contribution he would have heard to whom I spoke and when. The honourable member's absence from the chamber reflects his level of commitment to this issue.

I conclude by challenging the government to think outside the box. It says to its members, the community and the opposition, 'This is the solution. It comes in the form of safe injecting rooms. Accept it or reject it'. That is the ultimatum put to the Parliament and the community of Victoria.

The government is about to get its answer. It will get the answer first from the opposition and then from the community of Victoria. It has not consulted. It has decided that its black-box solution is the only solution, but sadly for the people suffering from drug abuse in this state, people who are using drugs as well as those who are not, the government has decided not to pursue prevention strategies, better medical treatment or detoxification services.

Unfortunately this government has turned a blind eye to any further law enforcement strategies which could be of great value to Victorians. I oppose the bill, the opposition opposes the bill and the vast majority of the people of Victoria oppose the bill.

Hon. G. D. ROMANES (Melbourne) — The importance of the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill was brought home to me about two weeks after I was elected as a member for Melbourne Province in September last year. I received a visit from an older gentleman, a man I have known for a number of years. This retired businessman from Brunswick wanted to talk to me about the issue of drugs and to explain the situation he and his wife were facing with their family. This gentleman and his wife are in their late 70s. He told me that his son-in-law's daughter was an addict, that her boyfriend was an addict, and that they recently had had

a baby. The family was facing trauma and tragedy relating to the addiction faced by those two young people. This gentleman and his wife had the full-time care of the baby, although another relative was also helping them.

The situation was very difficult for them because of their age and they were very distressed by it. The gentleman asked me to pass a message on to the Minister for Health, the Honourable John Thwaites, to urge the government to take whatever action it could to save the lives of young people like those two in his family so they would have a chance of rehabilitation and of getting out of the desperate situation they are in.

During the debate honourable members have said that Victoria faces a significant problem with the number of heroin-related deaths and that the problem has been growing over the past decade. The most recent statistics reveal that there were 359 heroin-related deaths in this state in 1999. Contrary to what many opposition members have said, the Australian Labor Party outlined specifically and clearly in its election policy a range of responses to the problem of drugs in our community. It proposed a number of measures to contribute to a way forward.

One of the first actions of the Bracks Labor government was to appoint the Drug Policy Expert Committee under the guidance of Dr David Penington to do further work on refining and considering the implementation of Labor policy. Contrary to what many opposition members have said, this action was taken in consultation with the community. The committee released a discussion paper. It engaged various groups and individuals in the community in discussion and consultation on these important matters.

In April of this year the Drug Policy Expert Committee presented its first report to the government. The emphasis of that first report was to develop local drug strategies and to encourage further debate in communities and with local councils so that members of communities that were seriously affected by illicit drug abuse and heroin-related deaths would be a part of the search for solutions to these pressing problems. Not only was there an emphasis on developing local drug strategies but there was also support for users and their parents and for linking any local services with treatment and rehabilitation.

Dr Penington's committee recommended strategies for handling open street drug abuse and for the introduction of supervised injecting facilities. The committee outlined the framework for a trial of injecting facilities in up to five municipalities. The second report of the Penington committee dealt with other aspects of the problem including a range of intervention strategies at primary, secondary and tertiary education levels and early intervention in schools. It dealt with improvements to treatment and rehabilitation programs and law and enforcement issues.

I mention the work of the Penington committee and its response to Labor policy because, contrary to the misrepresentation of opposition members, Labor's approach has always been a broad policy one. It has been an attempt to grapple with the complex problems of this issue which are rooted in social, economic and personal problems. No government member has ever tried to suggest that there is one single strategy or initiative which could deal with this problem. The issue is complex and it requires a broad, comprehensive, multi-pronged approach. It needs education and prevention strategies at every level, treatment and rehabilitation programs, increased law enforcement to combat drug trafficking and, as part of that strategy, there is a place for the trial of supervised injecting rooms to see whether that is one way in which we, as a responsible community, can save the lives of the many, mainly young, people who have been dying of drug abuse.

To back up Labor policy with action, I remind the house that in the Bracks budget in May this year the government allocated an additional $75 million over the next four years to prevent illicit drug use, to save lives and to improve treatment and rehabilitation. That amount was in addition to the annual Turning the Tide money amounting to $20 million a year and the current $35 million for Department of Human Services drug treatment initiatives.

I will pick up one point made by a member of the opposition earlier this evening. The Bracks government did not reject the programs which had been put in place under the Turning the Tide strategy. It made a commitment to provide $75 million in addition to the money already there to strengthen and further develop measures that could be used to address the problems faced by the community.

Despite what the opposition says about the Bracks Labor government focusing only on supervised injecting rooms, I stress that the government has looked at a range of initiatives to provide intervention and support services to assist in turning the situation around.

I mention other initiatives aimed at preventing illicit drug use which were announced at the same time as the extra $75 million. They were $55 million over four years to boost student welfare assistance in secondary

schools; $34 million over four years to divert young offenders from the criminal justice system and provide better programs to rehabilitate and reintegrate young offenders into the community; $20 million over four years to place 100 school nurses in secondary schools, focusing on areas of greatest need, including areas of high drug use and alcohol use by young people; and 800 additional police on the front line.

The initiatives announced in May reflect a whole-of-government approach — a range of measures and interventions. One of the interventions that the government was keen to try to save lives was reflected in the legislation which was introduced at the end of the autumn sitting and which is before the house now. Let us be clear about it: the bill does not provide every detail about how a supervised injecting facility would run; it provides enabling legislation and the legal framework to set up a trial of supervised injecting rooms. It provides for the Governor in Council to approve a facility for the purposes of a trial and to approve a person or organisation to operate such a facility on behalf of the Minister for Health.

The legislation specifies that the trial could be conducted in five nominated municipalities only and in up to five sites in those municipalities, but it would be conditional on the endorsement of the trial by the relevant municipality. Therefore this is not an attempt to ram through a trial and force unwilling communities to engage in and support the trials. The legislation provides a framework for service agreements to control and guide such trials. The framework was released by the minister when the second-reading speech was delivered to the house.

The bill provides for local service agreements, including operating plans for each site, for agreements between the minister and an operating agency to be tabled in both houses of Parliament, and for a draft to be disallowed wholly or in part by either house of Parliament within two weeks of its being tabled. It provides that the operational clock starts running at the time the first facility is approved, and from then on the 18-month trial period would begin.

Furthermore, it acknowledges concerns in the community that if there is to be a trial it must be properly evaluated. Part of the legislation includes a proposal for Professor David Dunt of Melbourne University who has expertise in evaluation and economics to monitor and evaluate the outcomes of any trial of supervised injecting facilities. Throughout any trials the Department of Human Services would provide support and supervision. The legislation has a sunset provision, so it would lapse at the end of the 18-month trial.

I mention the details of the legislation because the provisions afford a range of checks and balances and for further input from Parliament and the community each step along the way. They also reflect the sincere commitment of the Bracks Labor government to trial a strategy which has been known to reduce deaths in some countries. The facilities have worked in different ways in different cities. Opposition members have said that Frankfurt and Zurich are cities where such facilities appear to be working for the benefit of those communities. Other opposition members are not so sure about the way the Amsterdam model is working. In response I indicate that we have to be aware that the Bracks Labor government is trying to set up a trial that would be appropriate for each municipality and each community — perhaps different in some ways but operating within the framework that the government has put forward.

In all sincerity, the government introduced the legislation in the other house at the end of the autumn sitting and provided extra time during the winter recess to give the opposition, local councils and communities time to consider its content. The opposition's response has been less than genuine in the way it has approached the debate. The discussions it has had in the community on the matter and its conduct have been a sham.

Although opposition members suggest that they have looked deeply, meaningfully and with great care at the legislation, there are instances where members such as the Honourable Peter Katsambanis pretended to canvass the public's views when the Liberal Party had already made up its mind in the party room to oppose the trial of supervised injecting rooms. In another example, the National Party was also guilty of running a sham public consultation process supposedly to solicit the views of the community in the Swan Hill area when Barry Steggall, the honourable member for Swan Hill in the other place, invited residents of northern Victoria to write to him by 11 August with their views on injecting rooms even though his party ruled out supporting a trial on 1 August.

There are other examples. As far back as the election period pamphlets distributed at railway stations could only be described as scaremongering of the worst kind — pamphlets that contained images of syringes with inflammatory fear messages, warning people about the dangers presented by injecting facilities. In one case they contained an authorisation from a Liberal Party member of Parliament and were being distributed by a Liberal candidate and his supporters.

Honourable members have heard the same in the debate, with the scaremongering, sham discussion and consultation process conducted by the opposition. It has misrepresented the government's position, as if the only focus of the government's drug strategy were supervised injecting rooms. The debate on supervised injecting rooms was terminated by members opposite taking a party room position much in advance of the finalisation of the considerations that were still under way by various municipalities throughout Melbourne.

As part of that tactic, the Liberal Party released its own drug strategy, entitled 'Combating drugs — a safer way', which mirrors many parts of Labor's strategy and ignores many initiatives already in place or suggests the implementation of some that are inappropriate and I shall mention just a couple of those. For example, the Liberal Party strategy suggests establishing a 24-hour drug help line. A 24-hour drug help line already exists and recently the government provided an additional $500 000 to increase its capacity and announced a specialist family help line as an adjunct to the existing service.

Another example is an inappropriate proposal by the Liberal Party for the introduction of a program of compulsory treatment for drug overdose victims. In a letter to Dr David Penington dated 18 February the Australian Nurses Federation opposed the alternative drugs policy released by the Leader of the Opposition and stated that implementation of the policy would violate the human rights of the individual, and would raise legal, security and ethical issues for ambulance officers and medical staff and would result in there being no incentive to answer calls for help but may endanger the lives of those who went to help the victims of drug overdoses.

Other proposals put forward in the Liberal Party strategy were to aim for zero waiting time for treatment, for up to 500 more detox and rehabilitation beds and for increased outreach contacts, particularly in country and regional Victoria.

A number of speakers from the opposition have talked — rightly so — about the importance of rehabilitation, prevention and treatment. However, those statements smack of hypocrisy because when the opposition was in government under the premiership of Mr Kennett, residential withdrawal and rehabilitation beds were reduced from 258 in 1992 to 199 in 1998–99. The utterings of members opposite about the need for rehabilitation and extended outreach and prevention facilities appear to be those of hypocrites or born-again converts.

The Bracks Labor government has taken action to deliver in the area, so that in 1999–2000 the residential withdrawal and rehabilitation beds have been increased to 229 and funding has been expedited so that throughout the year 2000–01 the number will increase to 350.

Members of the opposition claim they care and have spoken about the dilemma they face. They seem to really want to vote for the bill but they have ended up saying in a convoluted way that the proposal is premature, it is an example of putting the cart before the horse, and the timing is not right and that they will have to vote against it.

I suggest that members of the opposition could have taken a much more constructive role in the debate. I know honourable members have received many letters and have been lobbied by a range of people. There is a range of views in the community and therefore when controversial issues are on the agenda it is very important that that community debate be encouraged, but not in a way that is a sham or by endeavouring to stir up fear without consideration of all the issues that must be taken into account in a complex scenario.

I direct the attention of the house to a gathering on 16 February that I know many members of the house attended. The Victorian division of the Institution of Engineers (Australia) brought together about 700 business leaders to attend a briefing on the drugs issue. Various speakers attended the luncheon, including Dr David Penington, the chairman of the Drug Policy Expert Committee, and Major David Brunt, territorial program director of the Salvation Army's drug and alcohol services. After listening to Dr Penington and Major Brunt deliver their presentations, a survey was taken of those present. It showed that there was overwhelming support for supervised injecting rooms as part of a harm-minimisation strategy.

Seventy-eight per cent of respondents on that occasion — remember, they are 700 business leaders — supported safe injecting rooms, and 27 per cent of respondents who previously did not support supervised injecting rooms indicated they had changed their minds after the briefing.

One of the other interesting outcomes of the survey was that those who responded viewed illicit drug use as primarily a public health and education issue and expressed a considerable level of support for harm minimisation. There was strong support for decriminalisation of illicit drug usage, which is a theme

we have heard expressed by many members of the opposition throughout this debate.

I felt that the initiative to draw out the issues in a forum involving a broad group of people who had never come together before was a responsible way of helping to inform and encourage thinking about this controversial issue.

However, we have a situation where, as with the Constitution Reform Bill and the Constitution (Proportional Representation) Bill which were dealt with by this house last week, the opposition has lost an opportunity to work with the government to find a way forward, to find a solution, and to try a new measure that held out the promise of improvement and even more importantly of saving lives.

To highlight what is at stake here, despite the fact that members of the opposition did not like it, Mr Theophanous made many important points about the nub of the issue we are dealing with. In the past few months as we have been considering this issue and as there has been debate in the media, in this place and in many other forums throughout our electorates and in the broader community, I have kept watch on the heroin toll reported in the *Herald Sun* every day.

I must admit it really tears at my heart when I open the paper and day by day, week by week, see a stark presentation of the real toll and the real cost of what is happening in our community. Going back to the beginning of the spring session in September, on 8 September the heroin toll was reported at 211; by 21 September it had risen to 225; by 29 September it had jumped to 236; by 7 October it was up to 245; by 11 October it was 249; by 25 October, which was last week, it was 277; and sadly today the toll for deaths by heroin is recorded as 286.

Far too many people have lost their lives this year in Victoria. We should take some responsibility for finding a way to tackle that problem. We can do everything possible to continue treatment, rehabilitation and prevention, but I am reminded of the plea of the grandfather who came to see me just over a year ago. He said, 'Tell the government to go ahead with the supervised injecting rooms trial. Tell your leader that you have to do whatever you can to save the lives of our young people. If we do not save the lives of our young people there is no point to rehabilitation programs. They have to be alive to make use of them'.

That engenders in me a strong sense of urgency. I do not think the opposition has grasped that urgency because so many of its members have said, 'Not this time, but maybe in the future it could form part of a drug reform strategy'. That is not good enough. If there is any chance that a trial of supervised injecting rooms in one or two or three of the municipalities that were willing to give it a go would have shown us how we could better address the problems in our community it would be worth all the risks and uncertainties that come with it. It is an important initiative that should have been supported by both sides of the house.

I remain disappointed that on this matter, for which the government had an election mandate, which was canvassed widely in the Benalla by-election and which has been debated across this city and across Victoria, the Legislative Council is the house of Parliament that will prevent the trial from going ahead.

The legislation should be supported, but I regret the opposition has signalled it will reject the bill. On that note of sadness, I conclude my contribution to the debate.

Hon. W. I. SMITH (Silvan) — Debate on the Drugs, Poisons and Controlled Substances (Injecting Facilities Trial) Bill should not be a political one because it is a health issue and concerns our young people dying. Drug abuse is one of the greatest challenges facing not only our community but every community in the world. Although the government has looked to other countries for solutions, no country has a solution. Nobody has the answer and the deaths continue.

In 1998 the number of heroin-related deaths in Victoria was 268, and last year the number increased to 359. That represents an increase of 108 per cent in just over three years. As the house has heard during the debate, already this year Victoria has had 286 heroin-related deaths. That statistic is totally unacceptable.

The main purpose of the bill is to provide for a trial of facilities in which the self-determination of drug dependence is permitted to take place. I came to this debate on self-injecting rooms with a completely open mind. At first I thought perhaps it was part of the answer involving a package of treatments for people who were on heroin. However, I have looked at much of the work done overseas, particularly in safe-injecting rooms in Europe. The data and results from that work have changed my mind.

I turn to some of the work done overseas, particularly by the World Health Organisation and the United Nations, and I refer to comments of those organisations on legal self-injecting rooms in Europe. By 1998 three European countries had established self-injecting

rooms. Five operate in Frankfurt, Germany. The first opened in 1994 and others are located in Hamburg, Hanover, Bonn and Bremen. Thirteen self-injecting rooms operate in the Swiss cities of Zurich, Bern and Basel. They first commenced operation in 1996. The trial I want to examine in particular is the Zurich trial as that is the one most quoted by advocates of drug injecting rooms. Self-injecting rooms also operate in the Dutch cities of Rotterdam, Arnhem and Maastricht. The first Amsterdam facility was closed in 1970.

As part of their treatment for heroin addiction the Europeans have had not just self-injecting rooms but also a package of treatments for heroin addiction. They have spent a lot of money on the packages. Later I will compare the sums of money spent there and in Australia. The statistics will reveal Australia does not spend enough money on the problem.

In his 1997 report the president of the International Narcotics Control Board, Dr Schroeder, reported on what was happening in Switzerland. The report states:

> From 1994 to 1996, Switzerland conducted a scientific experiment of prescribing heroin to addicts. This experiment, involving 800 addicts …

That is the experiment that is often quoted by Dr Penington:

> During the session of the Commission on Narcotic Drugs … in Vienna in March 1997, numerous delegations sharply criticised the Swiss heroin trials and the obvious efforts to legalise drugs …
>
> In December 1997 the federal council decided to expand the heroin trials with no limitations on the number of participants.

Nobody seemed to be coming up with an answer. It was anticipated that the trials would provide hope and would contribute to the solution of the drug problems. However, one result emerging from the trial was that prior to the conclusion of the trials the proponents of self-injecting rooms lauded the fact that the evaluation was successful. When it looked at the trials the board concluded:

> Switzerland would well do to return to established methodologies and therapies … on drugs. This solo experience with heroin distribution has provoked only concern and confusion in most of the world community. At the international level, the Commission on Narcotic Drugs … whose members are party to the three United Nations conventions on the control of narcotic drugs … have consistently and overwhelmingly rejected proposals for state distribution of heroin to addicts.

Dr Penington spoke at a public forum that I attended. I specifically asked him about the results of the trial on 800 Swiss addicts and whether they had been followed after the trial was over. I asked how many would have come off the drug, how many would have died and how many would have survived. Dr Penington said there had been a problem with that trial, that it had not been properly followed through, they had no clear evaluation of the trial and, therefore, did not know the results.

I remind the house that that trial is continuously quoted as having been successful, yet nobody knows whether it actually was successful. The International Narcotics Control Board condemned the approach to it and said that the scientific evaluation did not stack up and certainly purports to extend the argument that self-injecting rooms should be encouraged.

The World Drug Report 1997 examined the drug situation in Sweden. The Honourables John Ross and Andrew Brideson went through the history of drugs and what is happening overseas. They particularly talked about what was happening in Sweden. Sweden has had a strict preventive approach to drugs. If a person is found to have drugs in his or her possession, he or she has to go to a drug rehabilitation program immediately. The Swedish preventive approach, according to the World Drug Report, is:

> … new recruitment of younger drug users is working well in comparison to other countries —

such as Australia, the United Kingdom and the United States of America. The report states that the:

> … one-year prevalence rate of drug use in 1996 of 2 per cent for 16 to 29-year-olds compared with a 33 per cent rate in Amsterdam.

That is a lower rate. The report further states:

> There is also a low lifetime prevalence for the same age cohort (9 per cent in 1996 compared to 52 per cent for Australia).

That is another tactic being used in Sweden which the Australian scene has not taken on board.

Dr Rob Moodie from the Victorian Health Promotion Foundation was a member of a mission that visited Europe to look at what was happening overseas. Upon his return he prepared a clear report. His press report of 17 July states:

> Despite the wide range of approaches and philosophies for dealing with drug issues, our colleagues in LA, Frankfurt, Stockholm, Bern and Zurich reinforced the importance of a comprehensive and collaborative approach to deal with the issue of drugs.

He says in his report about crisis centres in Frankfurt that:

> These centres were offering a combination of primary health care, medical treatment and counselling for five years before

> injecting facilities were integrated into the package of services. Frankfurt's Eastside Centre operated for two years without a legal injecting room. The room evolved out of necessity.
>
> …
>
> Unfortunately in Victoria the debate has been polarised on the issue of injecting facilities versus policing. We are not moving forward with our efforts to deal with the big issue of eliminating the street drug scene. We have learnt from the experiences of our international counterparts that the combination of complementary approaches is the key to success.
>
> Certainly injecting facilities are an integral element of the big picture just as they are in Switzerland and Germany, but it is clear that injecting facilities are only one small part of the overall solution and should not be mutually exclusive of other programs.

That is why the Liberal Party has endorsed a drug policy that picks up the issues of education, rehabilitation and detoxification, crime and ways to combat the pushers. The bill simply picks up one issue, that of injecting rooms. I have not seen anything like a comprehensive package.

I turn to the amount of money that is being spent on fighting the drug problem. In 1995, $1.6 million was allocated to the illicit drug problem and 285 drug-related deaths occurred that year. In the same year some $100 million was spent on road safety and 378 road fatalities occurred. There were approximately 100 more road deaths yet 100 times more money was spent on road safety. It is clear that the government must spend more money to come to terms with the drug problem.

It is estimated that in Switzerland in 1994 government expenditure in response to illicit drugs was 1011 million Swiss francs, of which 500 million Swiss francs was allocated to law enforcement. Europe has acknowledged that law enforcement is an integral part of coping with the drug problem. Some 260 million Swiss francs was allocated to care treatment, therapy and rehabilitation; 200 million Swiss francs to harm reduction; 35 million Swiss francs to prevention; and 16 million Swiss francs to research and training.

Those countries are a long way ahead by putting together integrated packages that involve spending more than this government has spent. In Switzerland the capacity of detoxification and rehabilitation residential centres increased from 1250 in 1993 to 1750 in 1997. Victoria does not have enough places for rehabilitation. Although young people go through the detoxification programs when they come out they cannot get into rehabilitation programs. The government must spend more money in that area and make more residential centres available.

One of the main reasons heroin users do not undertake treatment is because of limited access to the public health program. There are long waiting lists and a shortage of treatment places. If more resources were made available it would obviously make a big difference to their effectiveness. The simple logic is that if one has a disease one is taken from the point of contact.

There is confusion over the self-injecting room trial results in Europe. Nobody actually says this works or that works on its own. The legislation has flaws. There has been a growth in drug trafficking. There is no conclusive scientific link between self-injecting rooms and the reduction of death rates. I believe the bill sends the wrong message to our young. The government is endorsing self-injecting rooms and therefore I am concerned that our youth will be attracted to use them.

As I said, the bill does not detail a comprehensive program to fight drug abuse. There is no message on harm minimisation and there is a greater need for financial allocation for law enforcement, education and detoxification facilities.

A number of parents who contacted me had different ideas about how to cope with the problem. They had either lost children from drug overdoses or had children who were heroin addicts. I shall briefly relate the story of a mother who wrote to me saying she believed heroin should be decriminalised. She said that if heroin had been decriminalised her son would have been able to enter rehabilitation and would not have died. He went into a detoxification program but could not get into a rehabilitation program. In trying to place himself he had a dose of pure heroin, his body could not cope with it and he died. Her story sums up the human tragedy of what is happening to our young people who take drugs. It sums up the problems that they and their families face. She states:

> Ben our son died on 6 October 1998, three months after his 21st birthday. He had been addicted to heroin for nearly two years. We were an ordinary family with the accompanying values — photo albums full of pictures … birthday parties, kindergarten … plays, Christmas days, family picnics, beach holidays, school photos, confirmations. We nearly always had dinner at the table together and invited discussion on any topic, encouraged an active attitude of tolerance, enlightenment and understanding of people and situations outside our comfort zone. We were totally committed to our marriage and our children. It did not prevent us slipping into a nightmare existence.

Ben went to Monash University and met a girl who was an addict. He thought he could save her, but instead ended up taking heroin himself. The mother goes on to say:

> We had many heart-wrenching times with Ben, too many to recount, but all indelibly etched in my mind.
>
> …
>
> We were in a situation where we had no control. We could only adjust our sails to the prevailing winds.
>
> The one person who could do something about it seemed unable to.

She said her family just slipped into despair. She goes on to say:

> We were stolen from, lied to, our health was put in jeopardy … and our safety was in question …

They were never sure who was on the end of the telephone and never sure about an official-looking letter. She said her son had horrific experiences but there were people in hospitals and in departments who assisted the family, and that:

> People … broke confidentiality and risked their jobs to help me.

She refers to one of the most heartbreaking aspects for her:

> … to visit a detox centre and see beautiful young people walking around like zombies is heartbreaking. They have such a battle history behind them. Our young are at war but it is not on foreign dirt — it is in our streets and our homes. And we are paying a very high price. We are losing the potentially productive middle section of our society.
>
> The repeated attempt to give up take their toll and erode their self-respect. They are not weak.

They want to get off the drugs and get away from heroin. The trouble is that the people she saw were in the cycle but could not get out of it. As I said, her son went through a detoxification program and finally decided he wanted to get off heroin, but no rehabilitation beds were available. In the interim he took a pure dose of heroin which killed him. I conclude with her words:

> On 5 October at 11.45 a.m. we were taken into intensive care … to see eight doctors and nurses work for almost 12 hours to stabilise Ben.
>
> I am so impressed with our public health system I cannot praise it enough.

There was certainly no criticism of the medical system. She said she received a letter from the coroner's office:

> … noting the young age of the deceased and not wanting to be intrusive but making us aware of counselling if needed.

This mother came to me because she believed the only way out of the situation was the decriminalisation of heroin to break the nexus between criminals and kids. No country has an answer and self-injecting rooms are not an answer in themselves. When dealing with drugs we need a comprehensive and collaborative approach. The bill does not do that and I cannot support it.

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

Debate adjourned until next day.

MINERAL RESOURCES DEVELOPMENT (AMENDMENT) BILL

Introduction and first reading

Received from Assembly.

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

STATUTE LAW REVISION BILL

Introduction and first reading

Received from Assembly.

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

PETROLEUM PRODUCTS (TERMINAL GATE PRICING) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Hon. G. D. ROMANES (Melbourne).

Hon. M. M. GOULD (Minister for Industrial Relations) (*By leave*) — With respect to the bill that has just been read a first time, I advise the house that the government has been speaking with the opposition in an attempt to facilitate debate, and it will consider extending the time for general business by up to 3 hours in the next sitting week to allow for debate on the bill.

ADJOURNMENT

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

> That the house do now adjourn.

Urban Camp

Hon. A. P. OLEXANDER (Silvan) — My query is directed to the attention of the Minister for Industrial Relations, who is the representative in this place of the Minister for Finance. Since 1984 Urban Camp has been running an operation out of Royal Park in Parkville. It started as a project for unemployed youth and has continued as a not-for-profit community-based organisation since then, giving urban and rural kids and local and overseas visitors the experience of camping out.

I am advised that the accommodation Urban Camp provides is safe, affordable and clean. For 16 years now Urban Camp has been a particularly good base from which campers have experienced all Melbourne's cultural, historical, educational and sporting drawcards. It has been a favourite destination of four small semi-rural schools in the Dandenong Ranges — in particular, Ferny Creek, Monbulk, Olinda and Sassafras primary schools. I am told students of those schools were delighted with their experience at Urban Camp. Because of size restrictions, Urban Camp has been forced to turn away about 30 per cent of the accommodation requests it receives each year.

Under the former Kennett government Urban Camp received funding from the Community Support Fund amounting to some $1 million to undertake much-needed improvements to expand its services. It also received a further $500 000 from the City of Melbourne and private charitable trusts to be used to that end. At the time of the last state election, stage 1 of the project was near completion with some $300 000 of work yet to be completed. However, with the change of government all work ceased and no work has since recommenced.

The City of Melbourne has made the most recent application to the state government on behalf of Urban Camp for the funding of stage 2, the final stage of the project, which will finish off the accommodation and renovations to the historic Anzac Hall. That application requests some $1.8 million from the Community Support Fund to complete the project.

I ask the minister to ensure that the Minister for Finance gives the funding application of the City of Melbourne his urgent attention so that the project can be completed. The former Kennett government saw the importance of the project, and so should this government. The kids in my electorate would like to continue to visit Urban Camp and should not face the prospect of being turned away because of this government's mean-spiritedness.

Snowy River

Hon. R. M. HALLAM (Western) — The issue I raise with the Minister for Energy and Resources is precisely the same as the issue I canvassed in my question to her during question time earlier today. It relates to the so-called historic agreement reached with New South Wales on the environmental flows in the Snowy River and the unsuccessful attempts of the opposition parties in this place to have the agreement made public to allow Victorians to see what it was that the minister actually negotiated with New South Wales on their behalf.

I also put the question as simply as I could, given the minister's reticence about responding to earlier questions. I asked her whether the terms of the agreement she so proudly announced had been documented at the time and whether in fact she had signed anything.

I make two points: I am at a loss to understand why the minister would consider her position prejudiced by a response to that question. I also know that I am unable to use the adjournment debate simply to repeat the question I posed to the minister earlier today. Therefore, I now ask of the minister whether she is prepared to report to the house in respect of that historic agreement with New South Wales at least whether anything was documented at the time the so-called agreement was reached and whether anybody signed anything on that occasion.

City Link: fines

Hon. S. M. NGUYEN (Melbourne West) — I direct a matter to the attention of the Minister for Energy and Resources, who is the representative in this place of the Minister for Transport. Over recent weeks constituents have approached my office with queries relating to fines and costs associated with City Link. In particular, concerns have been expressed about fines for use of the tollway, the process involved in issuing fines and the fine disputation process.

There is some confusion relating to the Melbourne City Link Authority, Civil Compliance Victoria and the Victoria Police. I ask the minister to advise the house of the process involved in resolving disputes about fines for using City Link.

Monash Freeway: delays

Hon. R. H. BOWDEN (South Eastern) — I seek the assistance of the Minister for Energy and Resources in her capacity as the representative in this place of the Minister for Transport. I would like to convey to the

transport minister that in recent weeks several of my constituents have complained to me about an apparent inefficiency on the city-bound side of the Monash Freeway between Princes Highway, Dandenong North, and Warrigal Road, Chadstone. That section of the freeway is approximately 18 kilometres long and when there is not much traffic it takes only some 12 to 15 minutes to cover that distance.

In recent months there have been regular delays and a slowing down of city-bound traffic along that section between 7.30 a.m. and 9.00 a.m. on several days of the usual working week — that is, between Monday and Friday. The efficiency of the freeway is now in question on several days of the week.

I do not relate the slowdown to obvious problems with accidents or major difficulties with rain. However, for no real reason it can take up to 40 minutes to cover the section in good weather when no accidents have occurred. After Warrigal Road, when travelling inbound, the City Link section seems to ease the problem. The congestion occurs from Dandenong to Warrigal Road when one is travelling towards the city. However, the congestion eases fairly quickly after Warrigal Road. The congestion between Dandenong and Warrigal roads suggests that that section may have reached a saturation level. The congestion occurs regularly. Additional traffic will be generated by the future Hallam bypass, but perhaps the road has already reached full capacity.

An article in the *Herald Sun* of 23 August indicates that the economic cost of traffic delays throughout Australia is $13 billion and that Melbourne has the second — —

The PRESIDENT — Order! I ask the honourable member to put his question.

Hon. R. H. BOWDEN — My question is: many thousands of inconvenienced motorists in my electorate need to be informed of the reasons for the delays. Will the minister initiate an urgent evaluation of the capacity of this important road section and fund early improvements rather than wait for further deterioration in its efficiency?

Alpine cattle grazing

Hon. P. R. HALL (Gippsland) — The matter I raise for the attention of the Minister for Energy and Resources, who represents the Minister for Environment and Conservation in another place, concerns the indemnity and public liability insurance paid by alpine grazing licensees. The matter has been raised by a constituent, Mr Peter Faithfull of Omeo. Mr Faithfull has three separate alpine grazing licences. For each of the past three years he has elected to take out the required indemnity and public liability insurance through Parks Victoria's group insurance scheme.

In the 1998–99 grazing season he paid one premium of $50, which covered all three licences. In the 1999–2000 season he paid a premium of $50 for each of his three grazing licences, a total of $150. This year his notice requires him to pay a premium of $75.84 for each of his three grazing licences, totalling $227.52. Excluding a GST component of $5.98 required for each licence on the current premium, he is still being asked to pay a premium of $210 this year. The premium has increased from $150 last year to $210 this year, exclusive of the GST.

My question to the minister is: why has Parks Victoria had a change of policy requiring payment per licence rather than per licensee, and more importantly, how does Parks Victoria justify a 40 per cent increase in premiums?

Monash: by-election

Hon. M. T. LUCKINS (Waverley) — I direct my question to the Minister for Energy and Resources for referral to the Minister for Local Government. During the adjournment debate of 5 October I raised a matter for the attention of the Minister for Local Government regarding the resignation of then Cr Paul Klisaris from the City of Monash. He resigned after a challenge by the former councillor for the ward, Mr Jack Davis, over an anomaly regarding the nomination address provided for the council election. To avoid any further action Mr Klisaris took it upon himself to resign from the council.

This complaint was initially lodged with the Municipal Electoral Tribunal in March this year, yet the matter was not heard until yesterday. The delay has led to considerable angst in the local community and concern about the council and the process.

I asked the minister for advice on clarifying eligibility criteria for qualification for local council elections. I am yet to receive any response from the minister on that matter.

I ask the minister to respond to the issue I raised on 5 October, and I also ask him to review the operation of the Local Government Act and the Municipal Electoral Tribunal to ensure complaints are dealt with quickly. In reviewing the act I ask the minister to amend it so that councillors cannot avoid penalty by resigning and renominating for council. In this instance it will cost the City of Monash $50 000 to hold another election, which

is a complete waste of time for both councillors and ratepayers. I urge the minister to provide a quick response to this concern.

Workcover: annual report

Hon. W. R. BAXTER (North Eastern) — I refer to the Minister assisting the Minister for Workcover the annual report of the Victorian Workcover Authority for 1999–2000, which was tabled in this house yesterday. I noticed what appears to be a discrepancy in the report when it is compared with the authority's report for last year, which was tabled in this house some 12 months ago.

I refer in particular to page 69, which deals with the remuneration of executive officers. The report shows in the comparative tables for this year and last year that last year nine executive officers received remuneration greater than $100 000. I compared that with what was shown in last year's report and noticed that it shows that 20 such officers received more than $100 000. At first glance one might say it is simply a typographical error. However, I examined the reports closely and noted that the table in the report for this financial year shows that the aggregate payment for such officers last year came to $1.219 million, whereas last year's annual report gives that figure as $2.273 million. So it is not just a typographical error — there are two alterations compared with last year's report.

I inquire from the minister whether last year's report is incorrect and has been corrected in this report without any notification being given or attention being drawn to the fact or whether there is another reason for this discrepancy. It is a serious matter when reports made to Parliament have changes from one year to the next in figures that ought to be identical.

Monash: by-election

Hon. ANDREW BRIDESON (Waverley) — I raise with the Minister for Energy and Resources in her capacity as the representative of the Minister for Local Government in the other place an issue affecting the City of Monash. On 4 April I raised an issue concerning the eligibility of a Mr Paul Klisaris to sit as an elected councillor because he gave a false address on his nomination form. I was grateful for the reply from the minister. Yesterday the Municipal Electoral Tribunal dismissed the case on the ground that Mr Klisaris had resigned from council and there was therefore no case to answer.

The sorry saga has resulted in a gross waste of taxpayers' money. As the Honourable Maree Luckins said, some $50 000 of taxpayers' money has been wasted, and probably another $10 000 of legal fees and associated costs have been outlaid by the City of Monash. This money has not been budgeted for in the current budget. By his actions Mr Klisaris has shown that he is not fit for public office, and if he decides to nominate for the by-election ratepayers will be urged to treat him with the disdain and contempt he deserves.

I urge the Minister for Local Government to assist the City of Monash to recover from Mr Klisaris the cost of the by-election and any associated out-of-pocket expenses incurred by the council.

Rescode: review

Hon. E. J. POWELL (North Eastern) — I raise with the Minister assisting the Minister for Planning, as the representative in this house of the Minister for Planning, country representation on the Rescode review. The Minister for Planning has issued a bulletin — I think all honourable members would have received a copy — which has been distributed across the electorates. In the bulletin the minister says the draft code was released for consultation and information sessions have been held. I know information sessions have been held throughout country Victoria. The minister said more than 1500 people attended the information sessions during the exhibition period.

At the information sessions a number of concerns were raised about how Rescode would affect country Victoria. The minister has now said that an independent advisory committee has been appointed to review the 403 submissions that have been received. I know a number of people from the country who made submissions to the Rescode review. The task for this nine-member 'highly regarded committee', as the minister calls it, is to assess the feedback and make recommendations to the minister on what is needed to ensure that the final Rescode adequately protects neighbourhood character, amenity and a number of other benefits. The Minister for Planning said the advisory committee is scheduled to report to him in late November at which time he will consider the recommendations and determine what work needs to be done including further testing to ensure the effective implementation of the final code.

The issue I raise concerns this nine-member advisory committee and concerns we have with planning issues in country Victoria. I would like to know how many of the committee members are from country Victoria. If the answer is none, will the minister immediately include a rural member or members?

Bass Coast: sewerage dispute

Hon. K. M. SMITH (South Eastern) — I raise a matter with the Minister for Sport and Recreation as the representative in this house of the Minister for Police and Emergency Services. On 6 September I raised for the attention of the Minister for Local Government an issue of extortion by the South Gippsland Conservation Society and the involvement in that of the Bass Coast Shire Council. The minister replied to me in a letter dated 18 October and cleared the council of any wrongdoing. The minister suggested that the issue of the duress — or extortion as I call it — be raised with the Minister for Police and Emergency Services.

Following a round table meeting last Friday with a number of interested parties I have a statutory declaration from the developer who states that work on the sewerage connection was stopped by the Bass Coast Shire Council on 18 July on advice from a conservation group member, Sophie Cuttriss. A meeting was set for 25 July, one week after the job was stopped, between the Bass Coast Shire Council engineers, the conservation group, Noel Maud, the mayor and former president of the conservation group, and the drainage contractors, but the developer was not invited to attend. The outcome of the meeting was not satisfactory to the developer.

The mayor subsequently argued that a new easement be created over the adjoining properties, a distance of more than 500 metres involving six to eight properties. The mayor then advised the developer to communicate with John Cuttriss of the South Gippsland Conservation Society as resolution of the issue with Cuttriss would be acceptable to the Bass Coast Shire Council.

Late on the night of Friday, 28 July, the developer was rung by John Cuttriss who said that if the developer was prepared to pay $5000 to the conservation group he would ensure that the contractors could resume work on the Monday. The developer again offered to plant new trees for any that had been removed. Cuttriss put the proposition more firmly, 'If you pay the $5000, your problems will disappear — —

Hon. T. C. Theophanous — On a point of order, Mr President, the normal process for quoting in this place is that honourable members either identify the source of a quote from a publication or attest to it themselves. As I understand it, Mr Smith is simply reporting a conversation between two individuals and has no first-hand knowledge of what the other individual he is referring to may or may not have said. The best that can be said about it is — —

Hon. M. A. Birrell interjected.

Hon. T. C. Theophanous — It is not as high as the standard you set in the book with your domed head!

Honourable members interjecting.

The PRESIDENT — Order! I suggest the honourable member finish his point of order.

Hon. T. C. Theophanous — My point of order is that Mr Smith was presenting what the individual said as a matter of fact, whereas I understand it is really an interpretation by the developer of a conversation between the developer and the conservation group, and it should be reported in that way.

The PRESIDENT — Order! If the house had a provision that ruled out hearsay evidence or hearsay statements we could all go home.

Hon. T. C. Theophanous — That's a pretty smart-arsed comment.

The PRESIDENT — Order! I suggest the honourable member withdraw that statement.

Hon. T. C. Theophanous — I withdraw.

The PRESIDENT — Order! If it is suggested that honourable members cannot in a hearsay form relate what other people have said, that would take out half the debate in the house. That is unrealistic. The honourable member began by referring to a statutory declaration, correspondence with the minister and meetings that have taken place. I invite the honourable member to come to a conclusion by making his request or complaint to the minister.

Hon. K. M. SMITH — Cuttriss put the proposition more firmly and said, 'If you pay the $5000 your protesters will disappear. We are not interested in your alternative suggestion'. The developer made a commercial decision to pay the $5000.

Hon. T. C. Theophanous — On a point of order, Mr President, I ask that Mr Smith be asked to identify whether he is reading from a statutory declaration or whether he is simply conveying to the house his understanding of a conversation. If it is a statutory declaration, in the interests of fairness, will he table it?

The PRESIDENT — Order! Rather than table it, is the honourable member prepared to make it available?

Hon. K. M. SMITH — I would be more than happy to make the statutory declaration available to the

Parliament. I would be more than happy to table it if necessary.

Honourable members interjecting.

The PRESIDENT — Order! I ask the honourable member to come to the nub of his question.

Hon. K. M. SMITH — The nub of the question is that Cuttriss contacted him again by phone and reported — —

Hon. T. C. Theophanous — On a point of order, Mr President, it is clear that Mr Smith is not reading from the statutory declaration.

Hon. Philip Davis — He is asking a question.

Hon. T. C. Theophanous — He is quoting a conversation and he is not reading from the statutory declaration. They are his own notes. My question was: is he reading from a statutory declaration and can he make it clear whether it is a statutory declaration or his own notes?

The PRESIDENT — Order! The honourable member did not have to introduce the statutory declaration at all. He is not required to base his comments on a statutory declaration or some — —

Hon. T. C. Theophanous — We are entitled to know one way or another.

The PRESIDENT — Order! I suggest the statutory declaration is available for Mr Theophanous and he can look at it at his leisure. However, I see no basis on which I can rule the statement out of order.

Hon. T. C. Theophanous — He has run out of time.

The PRESIDENT — Order! I ask Mr Smith, within 10 seconds, to come to his request or his complaint; otherwise I will call time.

Hon. K. M. SMITH — Thank you for your ruling, Mr President. Because of my concerns about the request that was made under duress and because payment was made I ask the minister to request that the police investigate this disgraceful issue. I ask that the police also investigate the involvement in it of the mayor, Mr Noel Maud, and that the police speak to me about the issue so I can provide them with all the necessary names to help their investigations.

The PRESIDENT — Order! You have made your point. You have asked the minister to have the police investigate the matter and to speak to you about this.

Hon. K. M. SMITH — Yes, Mr President.

Waverley Park

Hon. N. B. LUCAS (Eumemmerring) — In question time on 9 May the Minister for Sport and Recreation indicated that he had asked the Urban Land Corporation to look at potential creative solutions for AFL park. I know that is exactly what the ULC was undertaking — to look at creative solutions, including subdivisional potential — because I rang the corporation after 9 May and asked about the issue. The corporation talked about looking at underlying zonings, subdivisional potential and a range of other matters.

On the one hand we have been told on many occasions that the minister asked the ULC to look at potential creative solutions for the site, and on the other hand we are now asked to believe that what he really obtained was a briefing on something that occurred under the administration of the previous government.

If that is so, how does he explain the fact that the ULC was looking at potential creative solutions, as he said he had requested, after the date when he received the briefing?

Snowy River

Hon. E. G. STONEY (Central Highlands) — I seek the assistance of the Minister for Energy and Resources — the Minister for the Snowy. I refer the minister to the leaked agreement with New South Wales on the Snowy River that was discussed today in Parliament. Normally when a business or a government signs an agreement everything is stitched up, the fine print is assessed, every detail is worked out and everything is gone over with a magnifying glass.

I am concerned that the debate today has shown that much detail is yet to be revealed and perhaps to be agreed on. For example, we do not know what will happen when water is too expensive in drought years, how savings are to be achieved or where the savings are to come from. We do not know what the legal structure of the two-government entity will be. I draw attention to the fact that the so-called agreement has perhaps not even been signed, something to which Mr Hallam drew attention this evening.

I ask the minister why she announced that an agreement had been reached when in reality it is only a handshake and when Victoria might encounter enormous difficulties and be exposed to embarrassment because the detail has not been worked out.

Benalla: job losses

Hon. BILL FORWOOD (Templestowe) — I raise a matter with the Minister for Energy and Resources as the representative of the Minister for State and Regional Development in the other place. Honourable members will be aware that today it was announced there would be a loss of some 40 jobs at the spinning mills in Benalla. That is obviously a great cause for concern in rural and regional Victoria, as are any job losses, but in this case particularly in the Benalla electorate. It will have extraordinarily devastating consequences for the families and employees involved.

Would it be possible for the minister to meet with the company and see if there is any way he could assist the company to avoid shedding those jobs in Benalla? If that is not possible, could he organise a package of retraining and re-employment assistance to enable the families and workers to stay in the Benalla district?

I recollect that when the minister was the Leader of the Opposition he said words to the effect that the loss of 100 jobs in regional and rural Victoria was the equivalent of losing thousands of jobs in Melbourne. I submit that the loss of 40 jobs in Benalla is something that should be avoided at all costs, and I seek the minister's assistance on the issue.

Industrial relations: report distribution

Hon. J. W. G. ROSS (Higinbotham) — I refer the Minister for Industrial Relations to an issue raised by the Honourable Bill Baxter on 24 October concerning the delivery of multiple copies of the industrial relations task force report. I hasten to add that members on this side of the house are grateful to have received copies of the report. However, the waste of thousands of dollars of public funds with the repetitive and chaotic mailings of the report to all members of Parliament was simply beyond the pale.

In response the minister made two statements. Firstly, she said she was responsible for circulating the documents, and secondly, she said the multiple mailings were in direct response to members' requests for further copies. Subsequently, on the adjournment last night in the other place, the honourable member for Dromana asked a similar question of the Minister for State and Regional Development. I quote from the adjournment response of the minister in the other place last night:

> The honourable member said he had been sent 13 copies of the report, and a number of other members have also said they have been sent multiple copies. I do not have an explanation for that. I can only apologise to the house for the waste of public funds involved in sending out those reports. I will bring the matter to the attention of my department. I assume it has been caused by an error in the computer program.

Firstly, was the minister's response to the Honourable Bill Baxter obfuscation? Secondly, does the minister accept that the apology of the Minister for State and Regional Development was given in good faith and will she tender a similar apology to members of this house?

Snowy River

Hon. PHILIP DAVIS (Gippsland) — I raise a matter for the attention of the Minister for Energy and Resources. I refer to the secret agreement that the minister has so far declined to release to the Victorian community and to the Parliament in relation to arrangements for acquiring environmental flows for the Snowy River. Given that the minister has continued to express reluctance to release that document and given that the Premier advised today in the other house that it is a public document, will the minister now release the Snowy River agreement?

Responses

Hon. M. M. GOULD (Minister for Industrial Relations) — The Honourable Andrew Olexander raised a matter for the Minister for Finance in the other place. I will ask her to respond to the honourable member in the usual manner.

The Honourable Bill Baxter referred to the Workcover annual report and discrepancies in the number of executive officers at page 69. I will raise that issue with the Minister for Workcover in the other place and ask him to clarify the issues the honourable member has raised.

The Honourable John Ross referred to copies of the task force report circulated to members. There had been requests for copies from some members because they had received letters from their constituents. I arranged for further copies to be sent to all members so they could pass them on to their constituents. I have directed the department to desist from sending out further copies.

Hon. C. C. BROAD (Minister for Energy and Resources) — In relation to the matter raised by the Honourable Roger Hallam regarding Snowy River documents, I have already indicated to the house that the documents will be made available in due course.

In relation to the Honourable Sang Nguyen's matter for the Minister for Transport, I will refer the matter of disputes about City Link fines to the minister.

In relation to the matter raised by the Honourable Ron Bowden for the Minister for Transport, I will refer that matter to the minister.

I will refer the matter raised by the Honourable Peter Hall for the Minister for Environment and Conservation to the minister for response.

I will refer the request by the Honourable Maree Luckins of the Minister for Local Government to the minister for response.

In relation to the Honourable Andrew Brideson's request to the Minister for Local Government, I will refer that to the minister for response in due course.

In response to the concerns raised by the Honourable Graeme Stoney about the Snowy agreement, I could not hear what the honourable member was saying about that.

Hon. E. G. Stoney — I cannot hear the response, Minister.

Hon. C. C. BROAD — I still cannot hear.

Honourable members interjecting.

The PRESIDENT — Order! Once we get our new public address system we will all be able to hear everyone.

Hon. C. C. BROAD — That would be very much appreciated, Mr President, but I still have not been able to hear what Mr Stoney is saying.

Hon. Bill Forwood — On a point of order, Mr President, if Mr Stoney has raised an issue and it has not been heard, he ought to have the right to restate the issue and the minister could then respond. It is not good enough for the purposes of the house for the minister just to say 'I can't hear' or 'I didn't hear'.

Honourable members interjecting.

Hon. C. C. BROAD — On the point of order, Mr President, I paused to enable the honourable member to repeat his question if he wished to do so, since it was not because of any action on my part that I was not able to hear what he was saying in the first place.

Honourable members interjecting.

The PRESIDENT — Order! On occasion this chamber does get noisy and we sometimes cannot hear each other. Perhaps in future the minister might indicate that she cannot hear.

Just to clarify the position, we do need to do something about the PA system, particularly if we want to move to webcasting at some stage. There is a cost involved and a request has I think this day been formulated, but it is not around the corner.

In deference to the house, Mr Stoney should briefly repeat the nub of the matter he raised and the minister can then respond.

Hon. E. G. STONEY (Central Highlands) — The nub of the matter is that an agreement has been made, the finer details have not been agreed to and Victoria is exposed to embarrassment in the future.

The PRESIDENT — Order! What was the matter raised?

Hon. E. G. STONEY — The matter raised was: will Victoria be embarrassed in the future by the lack of attention to detail?

Hon. C. C. BROAD (Minister for Energy and Resources) — My response to the honourable member is no.

In response to the matter raised by the Honourable Bill Forwood for the Minister for State and Regional Development, I will refer that to the relevant minister for response.

In response to the matter raised by the Honourable Philip Davis about the Snowy River documents, I reiterate that those documents will be made available in due course.

Honourable members interjecting.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — On the first matter raised by the Honourable Jeanette Powell relating to country and rural representation on the assessment panel for the Rescode review, I will refer that matter to the Minister for Planning in the other place.

In relation to the matter raised by the Honourable Ken Smith regarding particular incidents surrounding the Bass Coast Shire Council and developers and conservation groups, I will refer that matter to the Minister for Police and Emergency Services in the other place.

In response to the matter raised by the Honourable Neil Lucas, in my previous answers to the house I used the term 'potential creative solutions'. I said I had asked representatives of the Urban Land Corporation to examine them. That was the context in which that

meeting took place. They informed me that they had already undertaken that work during the time of the previous government. I discussed that information with the Urban Land Corporation. I repeat that the information was work the ULC had undertaken during the time of the previous government.

Mr President, I express concern that Mr Lucas will not accept answers given in this house. He continues to contact public servants about issues, which does not reflect well on his behaviour. If the honourable member has queries, he should do the proper thing and direct them through the house.

Honourable members interjecting.

Hon. J. M. MADDEN — I qualify that by saying that if Mr Lucas has questions he should raise them in the house through the proper procedures rather than harassing public servants. That reflects poorly on the honourable member and on the opposition.

Motion agreed to.

House adjourned 12.13 a.m. (Thursday).