PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

28 November 2000

(extract from Book 8)

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By authority of the Victorian Government Printer

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The Lieutenant-Governor

Professor ADRIENNE E. CLARKE, AO

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

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TUESDAY, 28 NOVEMBER 2000

Tuesday, 28 November 2000

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

ROYAL ASSENT

Message read advising royal assent to:

Agriculture Industry Development (Amendment) Act
Country Fire Authority (Amendment) Act
Courts and Tribunals Legislation (Miscellaneous Amendments) Act
Duties Act
Fisheries (Amendment) Act
Melbourne City Link (Miscellaneous Amendments) Act
Mineral Resources Development (Amendment) Act
Tertiary Education (Amendment) Act
Transport Accident (Amendment) Act.

BUSINESS OF THE HOUSE

Sessional orders

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

That so much of the sessional orders be suspended as would prevent government business taking precedence of all other business from 12 noon during the sitting of the Council on Wednesday, 29 November 2000.

Motion agreed to.

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

COUNCIL OF AUSTRALIAN GOVERNMENTS

Communiqué

Hon. M. M. GOULD (Minister for Industrial Relations), by leave, presented Council of Australian Governments communiqué from meeting of 3 November 2000.

Laid on table.

ENVIRONMENT AND NATURAL RESOURCES COMMITTEE

Water resources allocation

Hon. E. G. STONEY (Central Highlands) presented interim report, together with appendices.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Alexandra District Hospital — Minister for Health's report of 27 November 2000 of receipt of the 1999–2000 report.

Ambulance Officers' Training Centre — Minister for Health's report of receipt of the 1999–2000 report.

Ambulance Service Victoria — Metropolitan Region — Report, 1999–2000.

Bairnsdale Regional Health Service — Report, 1999–2000 (two papers).

Central Gippsland Health Service — Report, 1999–2000 (two papers).

Far East Gippsland Health and Support Service — Minister for Health's report of 22 November 2000 of receipt of the 1999–2000 report.

Gippsland Southern Health Service — Report, 1999–2000.

Law Foundation — Report, 1999–2000.

Numurkah District Health Service — Report, 1999–2000.

Ombudsman's Office — Report, 1999–2000.

Parliamentary Committees Act 1968 — Minister's response to the Law Reform Committee's report upon Review of the *Fences Act 1968*.

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

Ballarat Planning Scheme — Amendment C13.

Casey Planning Scheme — Amendment C9.

Darebin Planning Scheme — Amendment C4.

Moorabool Planning Scheme — Amendment C5.

Prevention of Cruelty to Animals Act 1986 —

Code of Accepted Farming Practice for the Welfare of Goats (Victoria).

Code of Accepted Farming Practice for the Welfare of Sheep (Victoria) (Revision Number 1).

Code of Practice for Welfare of Rodeo and Rodeo School Livestock.

Code of Practice for Welfare of Animals at Saleyards (Victoria).

Revocation of Code of Accepted Farming Practice for the Welfare of Sheep.

Tallangatta Health Service — Minister for Health's report of 27 November 2000 of receipt of the 1999–2000 report.

Water Training Centre — Minister for Environment and Conservation's report of 22 November 2000 of receipt of the 1999–2000 report.

West Gippsland Healthcare Group — Report, 1999–2000.

West Wimmera Health Service — Minister for Health's report of 27 November 2000 of receipt of the 1999–2000 report.

Wonthaggi and District Hospital — Report, 1999–2000.

Yarram and District Health Service — Minister for Health's report of 22 November 2000 of receipt of the 1999–2000 report.

Proclamation of His Excellency the Governor in Council fixing an operative date in respect of the following Act:

Public Lotteries Act 2000 —Except sections 57(1), 57(2), 57(3), 58, 89, 90, 91, 92(2), 93, 94, 95, 96, 97, 98, 99(1), 100, 101(2) and 103(1) — 21 November 2000 *(Gazette No. G47, 23 November 2000).*

Ordered that Ombudsman's report be printed on motion of Hon. M. M. GOULD (Minister for Industrial Relations).

CRIMES (QUESTIONING OF SUSPECTS) BILL

Second reading

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

That this bill be now read a second time.

The government in its election policy promised that it would adopt a tough stance on crime and create a fair justice system. This bill delivers on those commitments.

There has recently been much community debate about the power of police to question a person who is in custody in relation to other offences. The Crimes Act 1958 provides that police cannot question prisoners for other offences they are suspected of having committed unless the prisoner consents. The government believes that this law should be changed.

Police should have the power to properly and fully investigate crimes. The law should not prevent police from doing this and should not leave victims of crime wondering whether the perpetrator would have been found guilty if only the police could have completed its investigations. However, as with other police powers, it is important that appropriate safeguards are provided.

The government is committed to improving the criminal justice system to help police investigate crimes, to help victims recover from crimes (through cases being fully investigated) and to ensuring that all people are equal before the law, regardless of whether or not a person is held in custody.

The controversy surrounding this issue is not new. The existing law in relation to the power of police to question suspects in custody was enacted following the recommendations of a consultative committee chaired by the then Director of Public Prosecutions, Mr John Coldrey, QC. The report noted the difficulty of balancing the public interest in:

convicting the guilty; and

protecting people from unlawful and unfair treatment.

This bill strikes an appropriate balance between these two important public interests.

Earlier this session, a private member's bill was introduced into Parliament seeking to amend the Crimes Act 1958 to enable a prisoner to be interviewed by police, regardless of whether the prisoner consents to the interview.

The government took the view that there were serious flaws in the private members bill and undertook to prepare a bill that would ensure that:

the right to silence was preserved; and

appropriate safeguards were provided.

Under the existing law, where an ordinary citizen is suspected by police of having committed an indictable offence the police can arrest that person and ask questions to determine that person's involvement in that offence. However, where a prisoner is suspected by police of having committed another offence a prisoner cannot be questioned by police in relation to that offence unless that prisoner consents.

The government's bill removes the right of a prisoner to refuse to be questioned by police. This will place a

person held in custody in as close a position as possible to that of an ordinary citizen.

A person who is arrested by police and questioned does not have to say or do anything. If a person does not wish to be questioned he or she may simply choose to remain silent. This right applies to ordinary citizens who are questioned by police following arrest, as well as people held in custody. Importantly the bill does not in any way alter this fundamental right.

Not only should a person have the right to remain silent, a person should be able to obtain legal advice to ensure that they understand this right. Accordingly, where police make an application to question a person held in custody, the bill will empower the court to order Victoria Legal Aid to provide legal advice to that person.

To ensure fairness and to reduce the prospect of issues concerning the voluntariness of any admissions or confessions obtained being raised at a later stage in proceedings, the bill provides that any admissions or confessions obtained must be videorecorded. This requirement will afford protection to both the prisoner and the police as claims about what occurred during the questioning process can be checked against the reality of the videorecording.

Significantly, the bill expands the categories of persons in custody that police can question. Under the existing legislation police can only make an application to question a person held in a prison, police jail or youth training centre. If a person is suspected of having committed a crime, the police should have the ability to apply to question that person, regardless of where that person is held.

The bill will enable police to question other people who are held in custody, even though they may not be held in a prison or police jail. For instance a person may be found not guilty because of a mental impairment. Such a person may then be held in custody under a custodial supervision order. Such a person may be held in a hospital in order to receive appropriate treatment. Accordingly, the bill further enlarges the power of police to investigate a crime by broadening the range of suspects that may be interviewed and treats all people equally before the law.

Our criminal justice system recognises that young people and mentally impaired people are particularly vulnerable. Accordingly the bill contains special safeguards for these classes of persons who are in custody. For instance, the bill provides that an independent third person must be present when a young person or a mentally impaired person is being questioned by police.

Unfortunately, in recent times, we have seen incidents in which young people have committed serious offences, even murder. It is therefore essential that police have powers to question young people. A young person under the age of 17 years may also be questioned where that person is suspected of having committed an indictable offence.

The bill provides police with important powers to question a person held in custody in relation to other offences. These powers will enable police to investigate serious offences, while ensuring that there are adequate safeguards for persons in custody. The bill enhances the range of investigative tools available to police and is consistent with recent legislative developments, such as the expansion of police powers to obtain forensic evidence.

The bill strikes a careful balance in this complex area of questioning of people held in custody and demonstrates this government's commitment to the principles of justice and the promotion of public confidence in the criminal justice system.

I commend this bill to the house.

Hon. C. A. FURLETTI (Templestowe) — Mr Deputy President, it is a great pleasure to answer the call to maintain the momentum generated by the shadow Attorney-General in the other place to ensure that the bill is passed by Parliament expeditiously. To that end I will forthwith make the contribution on behalf of the opposition, as initiated in the other place.

It is an irony that the Attorney-General is quoted as saying on 23 October:

> It would be a cruel hoax the Liberals would be visiting upon the Halvagis family if they're going to change the law and force any person to answer questions … because such confessions would be inadmissible in a court of law.

The irony arises because on 23 November the Attorney-General is reported as having said in the other place:

> The government believes that this law should be changed.

The opposition's stance was not a cruel hoax; it was deadly serious. I think it has proved to be a great victory for the opposition, without wishing to harp on it, that the bill is now before the house. What was it that caused the government's surprising backflip?

This is a great day for all Victorians because, although the bulk of the legislation that has passed this

Parliament in the past 12 months reflects the proper and effective operation of this Parliament, the process being followed with this bill exemplifies the advantages and possibilities a bicameral system can offer. It is a great day for this Parliament and for this Council, which initiated such a procedure.

Most significantly in the view of the opposition, this is a day of great relief and reassurance to the families and friends of victims of crime who can now have some expectation that with the passage of the bill the brick walls and razor wire that have protected suspects in custody from the normal interview processes will be pulled down.

The question the opposition asks is why the government could not have accepted, even with amendments, the private members bill introduced in this place two weeks ago. That bill would by now have been law had the government approached the issue in a bipartisan manner. The opposition was able to keep its finger on the pulse of the public view on this matter. The community expressed grave concern at the anomaly created by section 464B of the Crimes Act and section 41 of the Corrections Act.

The opposition was aware that the Victorian public wanted change. In fact 98.5 per cent of 2761 Victorians who went to the trouble of lodging responses to a survey conducted by the *Herald Sun* approved of and wanted the changes the opposition's private members bill would have introduced. Now we have this spectacular turnaround, with the government finally realising it was totally out of step with what Victorians wished to do about that anomaly. They wanted it to be eliminated.

There has been great concern about the right of the individual in debate on this matter. The right of victims of crimes, however, needed to be taken into account. A balanced approach was required. This matter should never have been turned into a political football. The delay should never have occurred.

The government could not accept that the opposition had made an appropriate proposal and was not able to adopt the bipartisan approach it should have adopted. It did not wish to take the broader view the opposition proposed, and its refusal to acknowledge the opposition's sensitivity to public demands by accepting the introduction of the measures set out in the legislation showed that in the final analysis politics won out against public interest.

Although the opposition supports the bill and will do nothing to delay its passage, it expresses its dissatisfaction with the fact that the bill does not go far enough. It is ironic, in the opinion of the opposition, that the bill is restricted to enabling investigators to interview only those who are suspected of having committed crimes.

Although the draft bill referred to by the Deputy Leader of the Government in his contribution on the private members bill was drawn in a way that would have left the door open for criminals, suspects and those in detention to have avoided subjecting themselves to questioning, because it contained a provision that if a prisoner whom it was intended should be interviewed refused legal aid the magistrate hearing an application for the right of access to that prisoner would have been obliged to adjourn the application until the prisoner accepted legal assistance, advice and representation, it is to the government's credit that when the opposition directed attention to the anomaly it amended the bill to provide that if a prisoner or a person in detention should refuse legal advice or representation the condition will not have to be satisfied.

The other anomaly on which the government took advice from the opposition was that the bill required, as is the case with section 464B of the Crimes Act, that suspects and prisoners be transferred from custody. The government has now amended its original draft to ensure that interviews can occur in the place of detention subject to appropriate conditions and the appropriate environment having been established.

The opposition is also concerned at the inclusion of minors in the bill. Its preferred stance was that minors be excluded from the operation of the bill, but it is happy to accept the compromise proposal for independent third parties to be present.

The bill is far more restrictive than the opposition's private members bill. The government has gone to extremes to provide suspects in custody with greater rights than are enjoyed by ordinary citizens. Parity between suspects and ordinary citizens will be restored by the removal of the anomaly that affords prisoners greater protection than ordinary Victorians.

The bill creates difficulties because of its specific provisions. For example, where during the course of interviewing a suspect that suspect volunteers information that implicates or condemns another person as the perpetrator of a crime the question arises whether that information is admissible, whether it be in proceedings against an alleged perpetrator when the ability to interview is being sought or in any subsequent trial. I direct that opposition concern to the government

and suggest it be addressed prior to the problem arising rather than subsequently.

In correspondence that was tabled and referred to, albeit selectively, by the Deputy Leader of the Government, the police support the opposition's proposition that there should be a broadening of the right to ask questions. Interfering with a person's right to remain silent is not an issue. The opposition in its private members bill ensured that the existing provisions protecting those rights would not be affected, and introduced further safeguards. The police have indicated, and support the proposition, that simply as the result of questions being asked new lines of inquiry can be opened. The opposition respects the fact that police interviewing skills can often elicit information from an initially uncooperative person and lead to the resolution of unsolved crimes. Often matters being put to suspects, based on other information, has the effect of convincing them to talk.

The Sentencing Act contains provisions based on the benefits that an accused person can derive from making admissions of guilt. The amendment proposed by the shadow Attorney-General in the other place would have opened up the right of investigators to ask questions of anybody detained in detention in one of the numerous institutions referred to. The government and the Independents refused to support the broadening of the provisions.

It is important to place on the record why the opposition believes there is a need for urgency in passing the legislation. It is not to seek interviews of prisoners before their release from jail. The reference by the honourable member for Mildura in the other place to the prospect of prisoners being released before the bill passed shows a total misconception of the bill's purpose, because the opposite applies. The reason for the urgency is solely to provide to victims of crime, if you like, some Christmas cheer. On its passage the bill will allow investigators immediately to commence their processes for seeking approval from a magistrate to interview suspects of other serious crimes who are currently held in places of detention. That could begin before Christmas. It is for that reason and no other that the opposition is keen to pass the bill today.

However, the opposition gives the government a guarantee that the issue remains alive and is contentious. Although the opposition accepts and supports the bill as a first step towards balancing the rights of prisoners and other persons, it will continue to move amendments that will broaden its scope to ensure that information that is currently held by prisoners and people in detention will be made available to assist in solving unresolved crimes and offences. The opposition commends the bill to the house and wishes it a speedy passage.

Hon. G. W. JENNINGS (Melbourne) — I am pleased to join the debate on the Crimes (Questioning of Suspects) Bill. During the course of my contribution I shall refer to the private members bill that was debated on 15 November.

All indications are that the opposition supports the bill with enthusiasm. I am pleased that over the past two weeks the government and the opposition have agreed on how to handle this matter with a sense of purpose and direction.

At the last election the government took to the people of Victoria a clear commitment to take a tough stance on crime and to do whatever it could to create a fair justice system within the state. The bill satisfies those undertakings, and the Attorney-General should be congratulated for working diligently to progress the matter in a timely fashion.

It is somewhat paradoxical that the Honourable Carlo Furletti believes that the passage of the bill may provide some cheer to the families of some victims of crime come this Christmas. On reflection he may think that is not the most appropriate word to use because there will be no cheer for those families until some justice has been meted out and their tragic wounds have started to heal.

The opposition's approach to the bill is in stark contrast to its approach to the Fair Employment Bill. Christmas cheer for Victorian workers was not an issue the opposition chose to deal with in as timely a fashion. However, I will not go down that path any further. It is timely for the Parliament to ensure that it addresses the urgent and heartfelt needs of the community. The bill deals with one of those issues.

Hon. C. A. Furletti — Why didn't you support our bill?

Hon. G. W. JENNINGS — Mr Furletti asks why I did not support his bill. On 15 November I addressed at great length — I will not repeat it this morning — the differences between the government's and the opposition's position at that time. I outlined the advice the government had received from the Law Institute of Victoria. I referred — it will probably be better if in future I refer fulsomely — to correspondence that I tabled in the Parliament from the Acting Chief Commissioner of Police, Neil O'Loughlin, and David Grace of the Law Institute of Victoria, and to a contribution made in the public domain by Roy

Punshon, the chair of the Criminal Bar Association. All were urging the government to proceed with the matter with some degree of caution and to ensure that, while seeking to reform the legislation to enable police investigating crimes to interview suspects in custody, important restrictions were imposed on the categories of people in custody who would come under the scope of the bill. In particular, they wanted safeguards in place to protect the interests of young people, the mentally ill and those who suffer from intellectual disabilities who may be held in institutions under various mental health acts.

The government has tried to ensure that the bill provides the police with proper powers to fully investigate crimes. The government does not want to leave the victims of crimes or their families wondering whether suspects could have been found guilty if the police had the power to interview them about those crimes. Currently the power to question people in custody about crimes which they are suspected of having perpetrated is not available to the police. The government seeks to ensure that suspects in custody can be questioned by police while at the same time they are treated in a fair and lawful manner. The Attorney-General has tried to maintain and protect the rights of all Victorian citizens, whether they be in custody or going about their normal lives on Victorian streets and in Victorian homes, while providing police with the opportunity to undertake their investigations.

The bill removes the right of persons in custody to refuse to be interviewed and leaves the decision about whether the police will be given access to them for the purpose of an interview to Victorian magistrates. The bill is consistent with the recommendation made as recently as 1998 by an all-party committee of this Parliament to reassert the right of Victorian citizens to silence.

The bill strikes an appropriate balance between the public interest in having criminals convicted for offences perpetrated in Victoria and in providing for people in custody protection and safeguards against being treated unlawfully or unfairly.

I will outline briefly how the bill will operate technically. The bill amends sections of the Crimes Act, in particular section 464B, the much-discussed section on the access of police to those in custody for the purpose of interviewing them. It maintains a number of the safeguards already in place under the Crimes Act — that is, it provides suspects with the right to make contact with a legal representative, friend, legal adviser, interpreter or consulate official when being interviewed by police. The bill specifically removes the right of persons in custody to refuse to be questioned and amends the Crimes Act by providing that appropriate police access to suspects for interview will be determined by a magistrates court.

However, I remind the house that an important element in that determination is that on all occasions there must be grounds for the police to believe that the individuals concerned are suspects for the crimes being investigated. The interview process is not to be used as a fishing expedition to entrap prisoners in relation to other crimes or to gather information about other prisoners in custody suspected of crimes. There is to be a specific linear connection between the person to be interviewed and the crime he or she is suspected of perpetrating.

It is important that the bill adequately describes the scope of those who will come within its terms. The amendments to the Crimes Act expand the categories of those who can be interviewed by the police by including prisoners held not only in jails and youth training centres but also forensic residents or security residents held in other institutions under the terms of the Mental Health Act and the Intellectually Disabled Persons' Services Act, and prisoners held pursuant to hospital security orders within the meaning of section 93 of the Sentencing Act or involuntary patients within the meaning of the Mental Health Act.

The government believes it is important that the legislation is appropriately scoped and that safeguards are in place to ensure that the most vulnerable members of the community are not dealt with unfairly throughout the process. The bill specifically provides that the magistrate will need to determine whether a person who is held under various categories under the Mental Health Act is fit to be questioned. The magistrate will be asked to assess whether the suspect will not directly suffer consequences from the interview process, and will be able to function properly within the interview regime. It also contains safeguards through provision of access to videotaping and the opportunity for an independent person to accompany suspects at all times at both the hearing before the magistrate and in the police investigations.

The government believes those are the main qualitative differences between the government's legislation and the private members bill that was introduced and considered in this place two weeks ago. As I clearly outlined in my contribution to the debate on that bill on 15 November, that is one of the critical reasons why the government sought to introduce a bill of its own.

Another qualitative difference between the two bills is how each applies to those people under the age of 17 years. The government believes safeguards similar to those I have just outlined for those persons being considered under custodial arrangements under the Mental Health Act should be applied to persons under the age of 17 years. It is with some degree of pleasure that I confirm that there is a convergence between the views of the government and those of the opposition. I note that in his contribution Mr Furletti indicated that on some future occasion there may again be a diversion. I hope that will not be the case. It would be useful for the Parliament to agree on an appropriate regime for a justice system under the Victorian statutes which protects the public interest as it relates to justice and does not adversely impact on the civil rights of Victorian citizens. I hope the government and opposition parties are able to converge rather than diverge in their approach to these important issues.

As I said at the beginning of my contribution, some sense of justice needs to be obtained to deal with specific horrendous crimes that have occurred in Victoria, and a great deal of healing needs to take place. This bill may play a small role in that healing process. It would be overly optimistic to say that it would make a quantum leap with any specific investigation of any specific crime. That has been clearly overestimated and overstated in the course of the public debate that has taken place in Victoria over the past few months. But if it plays a small role in providing some improvements to the criminal justice system in a way that does not impact adversely upon the rights of Victorian citizens, it is a positive move.

I applaud the Attorney-General for introducing the bill. I hope it will receive a speedy passage — all the speedier for my urging the Parliament to support it.

Hon. R. M. HALLAM (Western) — Only two weeks ago this chamber debated the Crimes (Further Amendment) Bill, a private member's bill which was introduced to provide police with the opportunity to interview a prisoner in jail in respect of a further crime or crimes.

The National Party supported that bill, not on the grounds that it would necessarily lead to a huge increase in the number of crimes in our community that were solved, and certainly not on the grounds that it would necessarily lead to the solution of particular crimes, but on the grounds that it addressed an obvious and incongruous anomaly in the structure of our law.

Currently prisoners have the right to refuse to be interviewed — a right which no other persons in the community have or would expect to have. So the Crimes (Further Amendment) Bill, which addressed a shortcoming in our law and which was recognised and understood by the community in that it offered a remedy, deserved our earnest attention as legislators.

The National Party examined the private members bill and concluded that it was a step in the right direction. It was a fair compromise between two clearly competing rights — those of the individual prisoner as opposed to those of the community: those rights relating to the rule of law, and those rights involving the expectation of the community that crimes would be thoroughly investigated, that criminals would be caught and punished and that victims would be acknowledged and respected.

The National Party looked carefully and particularly at the extent to which imprisonment may render an individual more vulnerable, and acknowledges that that circumstance calls for special provisions, given that custody of itself and by definition impacts upon the basic rights of an individual. But after its careful consideration it concluded that the bill introduced in the form of a private member's bill provided all the necessary safeguards. Police had not only to gain permission of a magistrate before questioning a prisoner, but had to convince the magistrate of the basic reasons for the questioning. The police had to give notice to the prisoner — so there was no element of surprise involved — they had to videorecord the interview, they had to provide a caution to the prisoner, they had to offer and arrange legal presentation, and all the circumstances of the interview in respect of time, place, format and so on were at the directional discretion of the magistrate.

The National Party's reasoned position was that this was not a reduction, a retraction, or a withdrawal of the right to silence, because clearly the prisoner was still at liberty to refuse to answer, but that it was at least a part remedy to the anomalous right of that prisoner to refuse to be interviewed. So after its careful consideration its members resolved to support the private members bill and set out to articulate the reasons for its decision.

Why is it relevant to return to that debate in the context of the Crimes (Questioning of Suspects) Bill — the bill currently before the house? Quite simply because — with two practical exceptions, which I intend to address — the bills have precisely the same objective and precisely the same effect. Both address the now acknowledged — I underline the word 'now' — anomaly that currently prisoners can decline to be interviewed. So having got to that point the National

Party sees no need to go back over the ground covered during the previous debate.

But the similarity of purpose raises one central point — a point which was canvassed in passing by the Honourable Carlo Furletti. If the objective and effect of the Crimes (Questioning of Suspects) Bill is so similar to that of the Crimes (Further Amendment) Bill, why is the house going through this charade? Why did Labor not simply support or embrace the private members bill and localise the debate on the few areas of difference? I remind honourable members that I am talking about a significant legal issue and one which has prompted considerable interest across the community.

I have come to the sad conclusion that the Attorney-General simply could not bring himself to support something that someone else had thought of. I have also come to the sad conclusion that the remaining members of the Labor government were too weak-kneed to take him on. What a travesty.

We are addressing exactly the same circumstances as those of an earlier question addressed in this place about persons on bail and whether those persons should be entitled or required to serve on juries. The opposition said no to that question, and I have no doubt it had the absolute support of the community.

I suspect the Attorney-General recognised that we had logic on our side, but he just could not bring himself to step back. So we now have a half-baked compromise and an illogical position at law, all to save the ego of the same person. What a man!

Let us examine the differences between the opposition's and the government's bills as captured by the amendments moved by the shadow Attorney-General in the other place. The first point I note is that the Liberal Party announced that it would not persist with its amendments because it was not prepared to imperil the bill. It did so on the basis that 90 per cent of the loaf would be better than no loaf at all. I report that the National Party agrees with that strategy but hopes the Liberal Party will persist with the amendments required to capture the original concept. We are also happy to put on the record that if the Liberal Party persists with those amendments it can count on the National Party's ongoing support.

The opposition's bill specifically excluded minors on the basis of their immaturity, inexperience and vulnerability. The government now says minors should be included. The National Party will agree with that, provided that the inclusion is restricted to serious offences. I make the point that the word 'bingo' comes to mind: we actually have agreement — and it was not all that hard. How come we get agreement when the bill happens to be coming via the government's patronage, yet we were denied anything that looked remotely like cooperation when a similar bill was coming from the other direction?

The only remaining issue is the question of whether a prisoner can be questioned about an offence where there is no suspicion or suggestion of personal involvement — that is, where a prisoner may be helping police with inquiries about crimes concerning which he or she is believed to have information that could assist the investigation rather than there being any suspicion that he or she was directly involved. In those circumstances the government says absolutely not, and the opposition parties say why not. That is the fundamental difference we have left, and it is the only remaining difference between the two bills.

What is that difference? I suspect the government's position is not sustainable and is illogical, particularly now that the government itself acknowledges that the right of prisoners to decline an interview is anomalous.

I examined the second-reading speech and found it difficult to comprehend that it came from the same Attorney-General who just a few weeks ago was piling acrimony on the bill proposed by the opposition. It does not sound like the same man. His speech says:

> The Crimes Act 1958 provides that police cannot question prisoners for other offences they are suspected of having committed unless the prisoner consents.

Then he says — this is the gem:

> The government believes that this law should be changed.

How refreshingly different! It continues:

> Police should have the power to properly and fully investigate crimes. The law should not prevent police from doing this and should not leave victims of crime wondering whether the perpetrator would have been found guilty if only the police could have completed its investigations.

All that has a familiar ring to it. It is precisely the sentiment the opposition set out to capture in its Crimes (Further Amendment) Bill. Then I read in the second-reading speech:

> The government is committed to improving the criminal justice system … regardless of whether or not a person is held in custody.

That goes to the fundamental issue that was the subject of the opposition's bill, but it leaves a gaping hole. If a person should be able to be interviewed about a crime in which he or she is suspected of being directly

involved, why should the same principle not apply when he or she is suspected of having information about other crimes?

As I said, I believe the distinction is not logical or sustainable, and eventually the Attorney-General will have to give ground on that issue as well. I suspect again that it is only his ego that is preventing him from acknowledging the illogicality of that position, particularly given the opposition's offer to restrict that access to crimes defined as serious under the Sentencing Act. We are talking about information in respect of murder, rape and kidnap. Again I make the point that the National Party believes the Attorney-General's position is not sustainable.

I am reminded that when the opposition's bill was announced the Attorney-General dismissed it as unacceptable. He said the bill would erode the right to silence and therefore could not be accepted by the government. He has now stepped back from that dramatically. Why does he not just take the next small, logical step and embrace the concept in respect of information relating to other serious crimes! The Attorney-General's argument is that a private citizen can walk away from an interview unless he or she has been charged and that that is somehow a special right that is not available to a prisoner. In my view that rings absolutely hollow, given that for a private citizen the application for the interview and the circumstances under which it is conducted are not vetted by a court. The prisoner's rights have been reasonably protected.

Honourable members should remember that in any event the prisoner is under no obligation to answer. The prisoner can still maintain his or her right to silence. The only difference is that the prisoner would be subject to a face-to-face interview with a skilled investigator — and the National Party recognises that not only the spoken word but also body language and so on become important in that context. I also make the point that in those circumstances the court could interpret the relevance of the prisoner's declining to answer, and I compare that with the current right to decline to be interviewed.

The National Party is disappointed that the parties did not reach agreement on the entire thesis underpinning the opposition's bill. The bill now before the house falls short of the National Party's preferred solution, but it is miles better than the government's original reaction, which was simply to denigrate the opposition's attempt to achieve a remedy.

The National Party supports the bill, and it puts the government on notice that it will support any future bill that will make it possible for police to interview a prisoner in respect of a serious crime not only where that prisoner is suspected of being directly involved but also where there are reasonable grounds for believing he or she may have valuable information about that crime. It is on that basis that the National Party supports the passage of the bill.

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, Gavin Jennings and Roger Hallam for their contributions to the second-reading debate.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

MAGISTRATES' COURT (INFRINGEMENTS) BILL

Second reading

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

That this bill be now read a second time.

This bill introduces a number of reforms to the system for enforcing unpaid infringement notices (or on-the-spot fines as they are commonly known).

The Victorian infringement notice system is a principal feature of the criminal justice system. It is the most common way of addressing less serious breaches of the criminal law. By addressing minor offences with infringements, they are diverted from the courts, freeing up their time to deal with more serious offences. Prosecuting these minor offences in court would be a very inefficient use of court and prosecution resources.

An infringement notice gives a person a choice about how their alleged offence is processed. A person issued with an infringement notice has the option of electing to pay a reduced fine. This also saves them the expense

and time of going to court. Alternatively, the person may dispute the matter in open court.

When a person receives an infringement notice, they can write to the enforcement agency (which is usually Victoria Police or a local council) that issued the notice if they wish to dispute the offence. If they do not pay, they are notified a second time by a reminder notice, and then a third time by a letter from the PERIN (penalty enforcement by registration of infringement notice) court.

If this third notice is ignored, a warrant is issued. This warrant authorises the Sheriff to seize and sell personal property to cover the fine and costs of enforcing the fine. Ordinary household items that are considered the necessities of life and some cars cannot be seized. If there is insufficient property to pay the outstanding amounts on the warrant, the Sheriff may arrest the defendant.

Under the current system, when a defendant is arrested they are taken into custody. Most defendants are then released on a custodial community permit to do community work in lieu of serving a term of imprisonment. Defendants who do not qualify for a CCP serve a term of imprisonment. There is no opportunity for a court to determine whether prison and the automatically set prison term are suitable sanctions in the particular case.

In contrast, when a person does not pay a fine imposed by a court in other summary matters, they are brought before a magistrate to determine whether prison is appropriate. It is anomalous that a final hearing prior to imprisonment is mandatory for failure to pay fines imposed in open court for more serious summary matters, but is not available in the PERIN system for failure to pay infringement penalties issued for minor offences.

The most important reform in this bill is the introduction of a Magistrates Court hearing to consider whether imprisonment is an appropriate final sanction for infringement defaulters. Imprisonment as a sanction should only result from the exercise of judicial power. This bill will ensure that infringement defaulters who are arrested and do not obtain a CCP are brought before a court.

When a person is brought before court under the new provisions, the court will have a number of options. Unfortunately, some people incur infringements or go through the infringements enforcement system as a consequence of a mental disorder or an intellectual impairment that prevents them from fully understanding or being responsible for their conduct. The current system can result in very harsh outcomes for these people. This bill will reform the system to take into account the special needs of these vulnerable people.

Where the court is satisfied that the offence or the default in payment is as a consequence of a mental disorder or an intellectual impairment, and the defendant has no means to pay or a reasonable excuse not to pay, the court may dismiss the matter in whole or in part. Alternatively, the court may adjourn the matter for up to six months on any conditions it thinks fit. Conditions could include attendance at an appropriate program. Thus the bill creates an opportunity to help people who have fallen foul of the infringements system due to a mental disorder or intellectual impairment. After such an adjournment, if the conditions have been satisfied and the defendant has no means to pay or a reasonable excuse not to pay, the court may dismiss the matter in whole or in part.

Where there are exceptional circumstances, the court may grant the person a community-based order. This reform recognises that there may be exceptional circumstances applying to a person who does not suffer from a mental disorder or intellectual impairment but who does not deserve to be imprisoned for default in payment of their infringements.

In ordering imprisonment, the court may impose a maximum term at the default rate (one day per every $100 or part thereof owing). Alternatively, the court may reduce the term by up to two-thirds of the original term, taking into account the defendant's circumstances.

The sentencing options available to the court are more limited than the sentencing options that are generally available to the court. This is important to ensure that defaulters are encouraged to go to open court at the outset if they wish to seek alternative sanctions. It is also important to ensure that defaulters are encouraged to act when faced with infringement notices, reminder notices, enforcement orders and warrants in the knowledge that if they do nothing, they will get to the end of the line and still have all of their options open. The bill strikes a balance between:

encouraging infringements to be paid early;

encouraging defaulters to seek alternative sanctions early on; and

giving the court suitable options for dealing with infringement defaulters.

The bill makes a number of other important reforms. The bill grants the registrar of the PERIN court a power to revoke an enforcement order and refer a matter to open court. This is to ensure that in circumstances where a case may be better dealt with in open court, the enforcement order may be revoked and the case sent to

open court despite the defaulter not seeking such a revocation.

The act currently prevents part paid infringement notices from being registered for enforcement with the PERIN court. This discourages issuing agencies from helping people to pay their infringement penalties by offering instalment arrangements. Issuing agencies are encouraged to offer instalment arrangements to infringement defaulters. The bill also enhances the enforcement powers of Sheriff's officers.

The introduction of a court hearing to consider whether imprisonment is an appropriate ultimate sanction for infringement defaulters is an important reform to the Victorian justice system. It makes the infringements enforcement system fairer, and increases access to justice for the disadvantaged. People should not be imprisoned without a judicial hearing. This bill overcomes this fault in the infringements enforcement system.

I commend the bill to the house.

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

Debate adjourned until later this day.

UNIVERSITY OF MELBOURNE LAND BILL

Second reading

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

That this bill be now read a second time.

The bill relates to the veterinary school site at the University of Melbourne in Parkville and to the Bio21 Parkville development which is a cornerstone of the government's biotechnology strategic plan for Victoria. It is designed to make Melbourne and Victoria a world-leading location for biotechnology research, development and commercial activities.

Bio21 will put Victoria at the forefront of one of the world's fastest growing industries and will create thousands of new jobs each year. KPMG conservatively estimates that the development of Bio21 Parkville alone will result in:

the creation of a minimum of 5 to 10 new small businesses annually;

$30 million annual investment if the businesses remain in Victoria;

100 new jobs annually; and

substantial flow-on jobs and millions of dollars in high-value-added exports.

The land is presently permanently reserved for the purpose of a school of veterinary science. It is held jointly by the University of Melbourne and the Minister of Agriculture under a conditional Crown grant, which granted the land on condition that it be used for the reserved purpose.

The University of Melbourne plans to develop this land as part of the $400 million Bio21 development at Parkville. However, the existing reserve purposes do not allow the land to be available for biotechnology education, research and development purposes.

Legislation is needed to enable the land to be used for Bio21 and related purposes. I turn now to the particulars of the bill.

Clause 5 revokes the existing permanent reservation and Crown grant.

Clause 7 then re-reserves the land by deeming it to be permanently reserved as a site for science and biotechnology education, research and development.

Clause 8 empowers the Governor in Council to grant the land to the University of Melbourne on condition that the land must not be used for any purpose inconsistent with the reserved purpose.

Clause 9 provides for the Crown grant to be revoked if the land is used for any purpose inconsistent with the reserved purpose.

It is intended that the new reserved purpose will allow the University of Melbourne to use the land for a broad range of science and biotechnology education, research and development purposes. These purposes will include the construction of a building to accommodate elements of the university's Molecular Science and Biotechnology Institute and the provision of facilities and services to students, scientists and biotechnology developers seeking to commercialise research outcomes. Such facilities and services will include the construction of a privately operated car park on the site, the operation of appropriate commercial businesses such as a bookshop and a cafeteria and the provision of private sector legal and financial expertise relevant to biotechnology development and the commercialisation of research outcomes.

Clauses 11, 12 and 13 empower the University of Melbourne to grant leases, licences and other agreements in respect of the land for any purpose not inconsistent with and not detrimental to the reserved purpose.

Clause 16 ensures that existing third-party interests in the land are unaffected.

This bill is one of the first steps towards helping make Victoria a world leader in biotechnology — one of the fastest growing industries in the world.

I commend the bill to the house.

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

Debate adjourned until next day.

GAMING No. 2 (COMMUNITY BENEFIT) BILL

Second reading

Debate resumed from 21 November; motion of Hon. J. M. MADDEN (Minister for Sport and Recreation).

Hon. C. A. FURLETTI (Templestowe) — It gives me great pleasure to speak on the Gaming No. 2 (Community Benefit) Bill. It has five principal purposes which are clearly outlined. It is another example of the government introducing legislation to some extent on the run and without full and appropriate consultation, a fact to which I will refer subsequently. The bill affects all aspects of bingo: the operators, the players and, of course, the community and charitable organisations (CCOs) that currently benefit from it.

Bingo is played on every continent and in 90 per cent of the world's countries. Although its origins cannot be fully identified, it is believed that current-day bingo may have come from an Italian lottery game called Lo Giuoco Del Lotto Ditalia which originated in 1530 and is still played today. In the late 1700s, Le Lotto appeared in France. Therefore, bingo is not only a fairly ancient game but also obviously very popular worldwide.

The opposition does not oppose the bill but it has some reservations about the regulations referred to in clause 12. As I indicated, the bill affects five principal aspects, the most significant of which is the provision for the pooling of funds in bingo centres. It allows the Victorian Casino and Gaming Authority (VCGA), and in particular its director, to declare which organisations qualify as community and charitable organisations. The bill also provides for the conduct of trade promotions as an adjunct to the purposes of CCOs and for regulations on the expenses to be charged by operators of bingo centres and those selling lucky envelopes. An ancillary provision redefines amusement machines and seeks to prohibit cash prizes being awarded from the playing of those amusement machines.

It is important to put on the record that in the other place the full course of debate on the bill was not permitted but was truncated. It falls to this chamber to fulfil the purpose it performs very well — that is, to scrutinise, comment on, clarify and review the legislation the government introduced in the other place but, by using the guillotine a couple of weeks ago, refused to allow to be properly analysed and debated.

The concept of pooling seems to have been fairly well received throughout the industry. From some of the consultation conducted with the opposition it appears that without pooling, a particular centre in the south-western suburbs would have closed in early 1997. That indicates that while there is no legal format for it, pooling exists. The main purpose of this bill is to give pooling some legal standing and to clarify the basis on and the parameters within which it will take place. It is significant that only those pooling schemes conducted under the provisions of the bill will henceforth be legal. The purpose of the pooling system is to ensure that pooling scheme rules are established. Those rules will be different from the regulations made under section 105 of the principal act. The VCGA will oversee the forms and controls of those rules. It is not intended that the VCGA prescribe the rules but it will certainly require certain rules to be included with others added to suit the particular bingo centre.

Given the government's commitment to openness and consultation it was surprising that a large number of operators indicated that they had not been contacted by the government. A number of members of the opposition's policy committee also indicated that they were not aware of the bill until it was introduced in the other place. The main concern appears to be the contents of the minister's second-reading speech where the government has indicated that its preferred option is for a fifty-fifty split of the proceeds of ticket sales. That has caused a great deal of concern. The fact that the government's proposal is not in the bill is significant and should be put on the record. It is intended that the split will be established through regulation, as indicated as a passing comment in the minister's second-reading speech.

The opposition has consulted widely and concluded that implementing the government's preferred option could destroy a number of major bingo centres and, as a worst-case scenario, could possibly eliminate bingo centres as we know them. The opposition reached that conclusion based on the comments it received from the industry.

For example, one operator comments that favouring a fifty-fifty option would close all bingo centres. Another operator suggests that the fifty-fifty split of gross proceeds will be:

> … found to be totally unworkable.

Another operator says of the fifty-fifty split:

> This percentage is not possible in the present scenario, if the bingo centres are to survive.

Another indicates that the fifty-fifty split:

> … will simply not work.

Bingo operators are concerned that the government's proposal could have serious ramifications on not only their operations but also that down the track the benefits to be derived by community clubs and organisations, albeit those benefits being small, will disappear.

Victoria has about 30 bingo centres, mainly in the metropolitan area. The days of meeting occasionally to play bingo for the exclusive benefit of a club, church or community organisation have gone. Now operators conduct major businesses with numerous sessions on seven days a week and generally the centres function well. One concern of the operators is that the proceeds from, for example, a Monday morning bingo session would differ from and be considerably less than the proceeds from Friday or Saturday evening sessions. Although I do not wish to be overly critical, it is clear that their concerns need to be addressed with some degree of finesse and tact to ensure adverse outcomes do not result.

It should be noted that the fifty-fifty proposal would be difficult to implement across the board in any event. One need not stretch the imagination unduly to appreciate that different centres in different areas will have different levels of expenditure for rent, power, cleaning or whatever. I put the minister on notice that during the committee stage he will be asked to provide the government's definitive views about regulation making and other bingo expenses as they relate to clause 12.

Proposed section 26H in clause 7 was introduced by amendment in the other place. It provides that political parties will not be deemed to be CCOs. That change was made after concern was expressed by the shadow minister following a series of events a couple of years ago.

An article in the Insight section of the *Age* of 21 May 1998 by Bill Birnbauer referred to a number of associations in the western suburbs — namely, the Keilor Golf and Social Club, the Keilor Environment and Conservation Society and the Keilor Civic Group. The article states:

> Bingo generated about $520 000 for the organisations between 1991 and 1997.
>
> …
>
> All the groups were formed at Shop 1, 662 Old Calder Highway, Keilor. Two were created on the same day in September 1991, and one in November 1990. At the time, the shop was the electorate office of Mr Seitz —

that is, the honourable member for Keilor in the other place —

> The people operating the groups are either related to or are associates of Mr Seitz, the MLA for Keilor since 1982 …
>
> Mr Seitz, according to *Who's Who*, is a member of the three organisations.
>
> …
>
> Each organisation had a minor gaming permit and sponsored games at the St Albans community bingo centre.

I do not wish to cast aspersions, but one need consider what that was all about. On 22 May the same journalist states, in another article in the *Age*, that:

> The associations' accounts show much of the money was spent on 'consultancies', 'volunteer expenses' and 'miscellaneous expenses'.

Doesn't that have a ring about it! In his defence the honourable member for Keilor, George Seitz, accused racists in the ALP of trying to destroy the party. I do not know whether any of that money was shunted around in brown paper bags, but it is good that the door allowing for political parties to be involved in the process has been closed. The opposition commends the government for picking up on its suggestion.

Clause 13 refers to declarations about CCOs and has been introduced on advice from the minister's department to clarify existing provisions that are apparently unclear. It appears one thousand applications, mostly to conduct raffles and the like, are made each year for declarations by CCOs and most of the processes involved are administrative. The intention in this instance is that the gaming director be appointed to process those applications but the director's determination can be appealed to the VCGA. I am keen

to put on record that proposed section 12J(1) provides that a person or organisation dissatisfied with a determination of the VCGA may appeal to the Supreme Court.

Hon. R. M. Hallam — That's novel.

Hon. C. A. FURLETTI — Yes, it is novel and unusual. This bill provides that if a CCO who is a beneficiary of returns from bingo — I am not talking about substantial sums but about significant financial support — is dissatisfied with the determination of the VCGA on its status as a CCO it can appeal to the Supreme Court whereas legislation introduced previously in this sessional period provided that a person who has had conditions imposed on the conduct of a multimillion dollar industry, such as a lottery or footy tipping competition, has no right of appeal to the Supreme Court. Therefore, an anomaly has been created. I highlight the — —

Hon. R. M. Hallam — Incongruity.

Hon. C. A. FURLETTI — An excellent word, Mr Hallam — incongruity exercised by the government in its management of gaming.

Finally, I refer to part 4, which deals with responsible gambling. Clause 21(2) inserts into the principal act proposed section 7(2)(ba), which prohibits the use of an amusement machine to allot a prize of which money forms a part. I note with interest the new definition of 'amusement machine' in the bill. That takes me back to my early days in the law and the legal acrobatics that were engaged in concerning the definitional aspects of amusement machines when it was suggested that they were used for pursuits other than amusement, such as gaming. The definition of 'amusement machine' appears to be as convoluted as past definitions and I am grateful that I will not have to interpret it.

The definition will exclude amusement machines that are used at fairs, shows and the like. It is targeted specifically at amusement and other recreational centres to avoid young people being encouraged to participate in gambling. It is intended to minimise the impact of gaming on young people. I accept that as an admirable outcome if it can be achieved. However, whether or not that is the way to achieve it I put on the record that the intention is to address and focus on machines that allow players in the course of amusement to either win money or prizes or tickets that are redeemable for money through amusement machines. While the objective is admirable, it remains to be seen whether it is an effective way of blocking that loophole.

Finally, the bill addresses a number of housekeeping matters. The period of duration of employee licences will be extended from 3 years to 10 years. There is no need for operators and the CCOs to have separate permits. As has been discussed during debates on previous legislation, the bill gives authority to the VCGA to not only cancel the licence but also to disqualify a licence-holder from applying for a new licence in different areas of gaming for a period of up to four years. The bill also makes some supplementary changes to the definitions of 'associates' and 'nominees' under the Gaming No. 2 Act.

The opposition does not oppose the bill but raises concerns about the government's intentions. Those matters will be taken up when the bill is in the committee stage. I commend the bill to the house.

Hon. KAYE DARVENIZA (Melbourne West) — I am pleased to have an opportunity to contribute to the debate on the Gaming No. 2 (Community Benefit) Bill. The bill continues the government's commitment to the responsible regulation of gambling in the interests of the community. The bill particularly focuses on community and charitable fundraising through gaming activities in which the community is involved in trying to raise funds, such as bingo, raffles and lucky envelopes.

The bill makes a number of changes that will benefit the community, particularly organisations that are involved in gaming activities, such as charities, schools and sporting groups. It will provide a better environment for them to use such activities to raise funds. That is particularly important when one looks at the changes in our community in recent times. Much of the money that in the past was spent on minor gaming activities is now being directed to gaming machines. The minor gaming operators at the grassroots community level, which work with community organisations, have seen an exodus of people from their gaming activities to the pokie venues.

I refer firstly to a matter raised by Mr Furletti in his opening remarks about the government's extensive consultation in putting the bill together. The Minister for Gaming in another place, the Honourable John Pandazopolous, released a discussion paper that was widely dispersed. It went to all bingo operators, as well as to all permit-holders. The government received a number of submissions in response to that discussion paper, including support for the pooling scheme.

The bill covers a range of activities, including the expenses of bingo and pooling systems to community and charitable organisations, the conducting of trade

promotion lotteries and the prohibiting of cash prizes on amusement machines in amusement centres. I will refer briefly to some areas dealt with by the bill.

Firstly, the main purpose of the bill, as is set out in clause 1, is to amend the Gaming No. 2 Act. A range of provisions are set down and I will not go through them all.

In his speech Mr Furletti referred to clause 12, and I will take honourable members to that clause which provides for regulations to be made to ensure bingo permit-holders — that is, charities, schools and sporting groups — get a guaranteed minimum return from bingo sessions run by bingo operators. Stiff competition exists between bingo centres, with operators offering bigger prizes and bigger jackpots. The easiest short-term way for operators to offer bigger prizes is to pay out a higher proportion of the receipts they receive from a bingo session, which means a considerable reduction in the money available for community and charitable organisations. As was outlined in the second-reading speech by the minister in the other place, in at least one case a permit-holder has lost money on a bingo game.

The government's proposal will split the proceeds of ticket sales, after the prize money is paid out, between the permit-holders and the operators. The government favours a fifty-fifty split, but before the regulations are made extensive consultations will occur with all stakeholders, including registered charities, church organisations, sporting groups and bingo centre operators. The government wants fair and equitable arrangements put in place.

Clause 7 will insert a new pooling system. At present, community and charitable permit-holders often hold bingo games with other permit-holders. This informal pooling arrangement offers little if any protection for the permit-holders. Mr Furletti referred to this issue in his contribution. It is worth making the point again because the pooling provision is important. Permit-holders require one or two sessions to conduct their bingo games, and some sessions are more popular than others. Mr Furletti gave the example of Friday evening being more popular than Monday evening.

An operator who has a good session earns more money but if it is necessary to operate a less popular session less money is earned and the fundraising activities suffer accordingly. The bill will allow permit-holders and bingo centre operators to pool the gross proceeds. Permit-holders will now get a reasonable return because those operators holding bingo games on the most popular sessions will have to share their returns with those conducting bingo games on the least popular sessions.

Clause 8 will allow community and charitable organisations to conduct trade promotion lotteries. The provision will protect charities who offer a person who purchases a stick pin or a badge a draw in a lottery by sending in his or her details to the organisation. Many charities do this already but their activities do not comply with the regulations for trade promotion lotteries because a charity is not recognised as a business in the strict sense of the word and those provisions allow the activity to be regarded as a trade promotion lottery.

I refer to the use of certain amusement machines. Mr Furletti spoke in some depth about his experiences prior to him coming to this place. I feel strongly about this issue because it demonstrates the government's responsible gaming policy. Proposed sections 3 and 7, which are inserted by clause 21, will protect young people playing what are nothing more than de facto gaming machines. Kids play machines in amusement centres that look and behave like gaming machines, and although they do not win a jackpot they can cash in redeemable tokens. The bill will prohibit those machines in some amusement centres but not in others. The machines will still be able to be played in temporary establishments such as shows and fetes. Under this provision a young person is not likely to be put at the same level of risk as the potential harm is more likely to occur with the habitual playing of machines in permanent venues.

The bill makes a number of minor amendments to improve the effectiveness of the regulations. Clause 26 extends the licence period from 3 years to 10 years, which reduces the unnecessary burden on licensees when renewing their licences. Clause 27 allows the Director of Gaming and Betting to cancel licences and impose an ineligibility period up to four years. During that time a licence-holder or permit-holder will be unable to obtain a licence or permit in the gaming industry. The measure is designed to protect the integrity of the industry.

Clause 29 provides for the suspension of a licence to correct an anomaly that currently exists. It will allow the director to suspend the licence of the person who is found guilty of an offence. At the moment the director can suspend the licence only of a person who has been charged with an offence but has not been found guilty. If the director is not aware of a charge until after the person is found guilty he or she cannot suspend the licence. The amendment will allow the suspension of a licence while disciplinary action is proceeding.

The bill continues the government's commitment to responsible gaming. It will strengthen already rigorous standards and maximise the opportunity for community and charitable organisations to benefit from the involvement in minor gaming activities. I commend the bill to the house.

Hon. R. M. HALLAM (Western) — This is the fifth gaming bill to come before the house in the current session, and apparently it is to be assumed that it is relatively minor. However, in one respect it is quite important because it is symbolic of the dilemma facing the Bracks government in its stance on gaming.

The bill relates to bingo, and in the grand scheme of things bingo is seen as a benign pastime. The stakes are relatively small, and the time taken to determine the fate of each investment is relatively long. It is hard to lose big dollars in a bingo game. On that basis the inference is that it is entertainment rather than gambling per se, and therefore it is harmless.

I have no problem with that view, but that is not to say that people do not get hooked on bingo. I could introduce honourable members to many people who have become hooked on it. And it is not to say that people do not get great entertainment and pleasure from other forms of gaming. I do not see the distinction; I think it is quite false. I acknowledge that it is hard to lose one's shirt in a big plunge on bingo, but it can be very costly. There are plenty of examples of people gambling on bingo beyond what they can afford.

Here is the double standard I spoke of. The last bill in the suite was the Gambling Legislation (Miscellaneous Amendments) Bill, which was designed to tap the community's conscience and demonstrate that Labor was chasing the demons. The next bill, the Gaming No. 2 (Community Benefit) Bill, is designed to promote the concept of a community benefit being gained from gambling. There is some fancy footwork and flexibility involved.

The National Party starts from the premise that the test must be whether the player can afford the investment. That should apply just as saliently to Kerry Packer at the baccarat table as it does to someone's pensioner aunt at the bingo. That is the point that should be made about the double standards being demonstrated. However, for the sake of the debate on the bill I will assume that bingo is benign, and given that it is designed to streamline the operation of bingo the bill should be straightforward. But that is not so. It is actually quite complex, and I suspect it will cause the government some pain. I believe there will be quite a stir in the community.

Apparently the Labor government agrees with me, because if one looks at clause 2 one sees that the proclamation date is quite different. It has a sweeper clause that says that if all else fails it will be proclaimed on 31 December 2002 — two years down the track! That is a sure sign that all is not well. It is hardly an indication of confidence.

Firstly, the bill provides for the pooling of funds from bingo centres, but I hasten to add I am unconvinced by the description offered by the previous speaker. The suggestion that all community and charitable organisations (CCOs) would get the same call from a bingo ball is slightly novel, but I leave that to one side.

Secondly, on the issue of the definition of community and charitable organisations, the application process is to become more transparent and practical. The National Party will support that process. I note the conduct of trade promotion lotteries is to be added as an adjunct to the approved community and charitable purposes of an organisation. I also note the regulation of expenses charged to those organisations — that is, the CCOs in conducting bingo and lucky envelopes — is now regulated under the bill. The bill also addresses the issue of cash prizes on amusement machines.

I will talk to each issue. I turn firstly to the easy subject of cash prizes on amusement machines. Apparently a loophole allows cash prizes to be offered on those machines. That is not on. Certainly that was not the intention of the original legislation, and it should not be permitted. National Party members make the point that young people are under enough pressure on the attraction of easy money and instant wealth. We do not see the need to increase it to include cash prizes on amusement machines, and we certainly agree with the change that will see that concept outlawed.

I turn to the process by which community and charitable organisations apply for classification as CCOs. It has been said that the applications are running at something like 1000 a year. The National Party agrees that the process as currently constructed is unnecessarily formal. I note that under the provisions of the bill applications will no longer go directly to the Victorian Casino and Gaming Authority, but to a senior officer of that organisation, with a right of appeal to the authority and ultimately the Supreme Court.

Like Mr Furletti, I cannot help but note the incongruity — that is the word I offered him during his contribution — of providing for an appeal to the Supreme Court on whether a CCO is deemed to be a CCO when provisions dealing with substantial issues in earlier bills do not provide for any form of appeal; the

matters rest directly with the minister, and there is certainly no appeal to the Supreme Court. In any event, on what has been advised the new process seems to be practical. In our view it is a glorified delegation with a formalised appeal process. That seems to be appropriate, and the National Party will support that provision.

I turn to the provision that would allow CCOs to conduct trade promotion lotteries as an adjunct to their primary purposes. The National Party believes that is simply a clarification of the law. Our presumption is that when the law was cast there was no intention to preclude community and charitable organisations from undertaking trade promotion lotteries. It was not envisaged, and the bill fixes that unintended consequence. The National Party supports that change.

I turn to the concept of pooling across bingo centres. That is another logical step in the reform of the industry that started under the previous government. The concept of pooling is supported.

I briefly turn to the background of the administration of bingo. As Mr Furletti pointed out, bingo began as a club-based, harmless and occasional pastime designed as a community fundraiser. What started out in that guise has now developed into a fully blown commercial operation in centralised venues with professional callers and staff, and some at least semi-professional players. And a number of dodgy practices emerged.

While I was Minister for Gaming it became clear that there was a need to clean up the industry and to protect some of the players against the minority of unscrupulous operators. The former government set about trying to preserve the club-based weekly game by making it easier to administer. It streamlined the processes and recognised the role of the volunteers. It recognised also that the club-based operations were facing inroads from poker machines at the time. The government cut the costs quite dramatically. I could not find the precise amount, but as I recall it forwent approximately $6 million in annual revenue to aid the operation of the club-based games.

I do remember having one guinea pig, in that the Hamilton District Pensioners Association has its clubrooms directly across the street from my office. Its long-term president, Charlie Newbould, is a friend of long standing, and he gave me a blow-by-blow description of how each of the legislative changes worked in a practical sense.

The coalition government set rules for the commercial operators and licensed them and their employees, and it established the concept of community and charitable organisation permits. Then it regulated and set limits in respect of operator fees and expense charges. It all worked pretty well. Many club-based occasional operators are now winning back their patrons, and Charlie Newbould would reinforce that. They are doing very nicely indeed. There is also plenty of evidence that the commercial centres have returned to profitable operation. They have also been well patronised.

Although the general position is that the industry is certainly recovering, some permit-holders, in particular commercial venues, were reporting that they were not doing well and were claiming that they were being squeezed unfairly. So while pooling across all permit-holders was taking place on a de facto basis, the incoming government decided to allow for pooling to be undertaken formally and therefore to regulate the basis upon which it operated.

Members of the National Party believe that to be realistic. We presume it will be welcomed by permit-holders across the commercial sector and should at least give them the comfort of knowing they are being treated fairly. We note that pooling is to be scrutinised and audited by the Victorian Casino and Gaming Authority (VCGA). I will come back to that; it is another issue I will pursue during the committee stage.

The initiative taken by the Bracks government on pooling in a general sense is good. Up to that point it has all been plain sailing, but now comes the contentious bit. Up until now the concept of pooling has been envisaged to ensure fairness between permit-holders — that is, between the CCOs in a commercial bingo centre. But the government wants to go the next step and prescribe the sharing of the pool between the operator and the permit-holder — in other words, to prescribe the way the spoils are divvied. Even to that point we could say so far, so good, but then the government went the next step. It advised of its intention to frame regulations to achieve its objective, and then said at the end of that that it favoured the fifty-fifty split.

Even that would not have been too bad, but the second-reading speech is quite misleading because it goes on to talk of proceeds ‘after deducting prizes’. One of the questions we will be pursuing is whether that constitutes gross proceeds as defined under the bill. There is a definition in the bill, but it is not used in the second-reading speech, which of itself is pretty interesting. If in fact the fifty-fifty split is after the payment of prizes — that is, the gross — I am not surprised every commercial operator is screaming at the

prospect. Here is the devil in the detail. Based upon what we are told in the second-reading speech, I would assume that you take off the prizes and split the difference, in which case the operator would have to meet the costs of operation. No wonder the hairs on the back of their necks have stood up.

Then we learn that the same basis of sharing remuneration will apply to lucky envelopes. The National Party says that is okay. Maybe there are some complications out there in the marketplace that will emerge in the consultation process, but we will leave that to one side because we do not see any problems up front.

But in respect of the application of the fifty-fifty split to commercial bingo operators, we learn that the operators themselves are fearful that the split could close them down. They acknowledge that they cannot operate without the permit-holders and that there is a mutual dependency — that is obviously understood — but they say fifty-fifty is simply unrealistic and likely to send them to the wall. If that is the case it is certainly not in the interests of the permit-holders, the community and charitable organisations. They certainly have no interest in the commercial operators going to the wall. The sharing arrangement has to be practical, and there has to be consultation. In fact, it might take until 31 December 2002. Maybe the government is being clairvoyant and acknowledging that in-depth and sensitive negotiations will be needed.

Members of the National Party are sure a simple solution can be found, and we believe that could probably be achieved through a different sharing arrangement. Our position is that we support the concept of protecting shareholders. We are relaxed about the pooling of proceeds as between the permit-holders, and we are even relaxed about the sharing of proceeds between the permit-holders and the operator being determined by a formula that is vetted by the VCGA. But we conclude that the percentage offered by the government is not on, and we acknowledge the concern that is coming from the industry itself.

We would like to know from the government what the consultation procedure is likely to be, what time frame it is envisaged it will involve, what the objective of the consultation process is, and how the permit-holders and the operators will be protected in that process. To that extent we reserve our judgment on the final application of the pooling concept and will be following the consultations very closely.

Apart from that one reservation, we do not oppose the bill and we look forward to debating individual clauses in the committee stage.

Hon. ANDREW BRIDESON (Waverley) — I am pleased to speak on the Gaming No. 2 (Community Benefit) Bill. I put on the record my agreement with previous speakers from both the opposition and the National Party. The bill has been given a thorough going-over by all previous speakers. Essentially I want to concentrate on the concerns of the bingo industry.

Opposition members have consulted widely on the bill, and unearthed a fair amount of disquiet among bingo operators, particularly on the regulation of bingo expenses. As previous speakers have said, we will not oppose the bill. In fact, we welcome the clause that will prohibit cash prizes on machines in amusement centres.

I would also like to put on the record the opposition's appreciation of the fact that in the other place the government accepted an amendment moved by the shadow Minister for Gaming. That amendment had the effect of stopping political parties from taking advantage — I guess that is one way of putting it — of pooled bingo schemes.

I do not think previous speakers have mentioned this fact, but it also needs to be put on the record that it was the former government that began the process of reform the bill brings about. It is significant that the reforms follow on from what it proposed prior to losing the election some 12 months ago.

From discussions I had with operators it appears the bingo industry is relatively fragile. The 30 bingo centres operating throughout Victoria employ about 700 people, many of whom work on a part-time or casual basis. Over the past few years the south-eastern suburbs have been devastated with the closure of centres at Chadstone, Moorabbin and Cheltenham. The reason given for the closures and the difficulties faced by the industry is that it operates in an extremely competitive environment and has to withstand the onslaught of other forms of gambling. One operator told me he believes the reason the Chadstone centre shut down was because of the anti-smoking legislation that was introduced some time ago. The government will have to listen carefully to the operators, and if it does not it will have to wear the odium of wiping out the industry.

The Honourable Roger Hallam said that bingo is regarded as a benign form of entertainment, but it is interesting to witness people who frequent bingo centres. It is a niche market. Those who attend do not in

the main enjoy the experience of sitting in front of poker machines, attending casinos or playing other games. They go to bingo essentially for social interaction, and are generally older people whose weekly outing to the bingo centre is to meet friends, have a cup of coffee and share an enjoyable time.

The bingo industry is under great pressure from two new forms of the game, one being a national pooling scheme under which bingo centres are linked via a television network throughout Australia. At a certain time each day local bingo games stop and the centres concentrate on the television screen, where numbers are called from a central location. Such a scheme increases the prize money. That form of bingo has been encouraged in many bingo centres.

The other day when I was on the Internet I typed in the word 'bingo' and the site that came up was Megabingo, an international game. I believe one can play it in Victoria as a result of the Interactive Gaming (Player Protection) Act. One can access bingo games that pay up to $250 000. It is a fragile industry that has much competition and is experiencing massive change. The government must take all matters into consideration.

As part of the consultation process last week the Honourable Gerald Ashman and I visited the Blackburn North bingo centre to see how a bingo centre operates day to day. The centre operates seven days and seven nights. It is open from 11.00 a.m. to 2.30 p.m. and 7.00 p.m. to 10.30 p.m., and occasionally it has moonlight sessions. It runs four sessions a day of 15 games a session and averages from 130 to a maximum of 320 people. Some of the centres are large. The Blackburn North centre employs seven or eight people. Eighty per cent of gross receipts is paid out as winnings and up to 14 per cent is taken as legitimate expense charges. Between 5 and 6 per cent of takings is returned to the community clubs and charities.

The industry is happy with that outcome that has evolved over time. Any significant move from those percentages will be devastating not only to the industry but to the clubs and charitable organisations that are the ultimate beneficiaries. The bingo prizes are not large. They vary from $20 to $25 up to a jackpot of $500, and on occasion $1000-plus. Any reduction in prizes will lead to a drop in the number of players, which will lead to a downward spiral of participants and therefore the closure of centres.

A bingo operator who visited my electorate office last week said the fifty-fifty split, which the Honourable Roger Hallam outlined and which was referred to in the government's second-reading speech, would be hopeless and would result in the closure of 90 per cent of centres within weeks. He also said 5 to 6 per cent of takings was acceptable to the clubs and pooling had been in place since 1992–93, with an equal share of funding going to the community and charitable organisations. He said the largest expenses are usually lease or rental charges, which are substantially fixed costs that cannot be recovered from participants.

During the third-reading stage of the bill in the other place the Minister for Gaming said the Bracks government had met with the Bingo Industry Association and that the bill was the result of submissions and discussions. The gentleman who visited my electorate office is an executive member of the bingo operators association and cannot recall one meeting or discussion with anybody from the government. The operator Mr Ashman and I visited at the Blackburn North centre told us exactly the same thing. The only time he knew the bill was being introduced was when the honourable member for Hawthorn in the other place sent a copy of the bill and the second-reading speech to all bingo operators. I do not deny that bingo operators made submissions to the review the government conducted earlier this year, which is another matter, but on this legislation there was no consultation.

The opposition does not oppose the bill but will be seeking clarification of several aspects during the committee stage. I cannot overemphasise the concerns of the bingo operators about the regulation of expenses. The industry does not oppose the introduction of formal pooling schemes and the administrative charges proposed in the bill.

However, the bingo operators are extremely concerned. I ask the government to listen carefully to those concerns; otherwise, as I said earlier, it will have to wear the odium of the collapse of an industry that is very important to many people. I look forward to hearing some answers during the committee stage.

Hon. S. M. NGUYEN (Melbourne West) — I am delighted to support the Gaming No. 2 (Community Benefit) Bill. It is a minor bill, but important to the bingo industry.

As the Honourable Carlo Furletti said, for a long time bingo has been a popular game in Australia and around the world. When I was young and living in Vietnam my friends and I used to buy toy bingo games and play them on the streets and in the schoolyard. When I came to Australia I visited one of the bingo centres, which were very popular in those days — a lot of people attended them, especially at weekends. Before the

formal gaming industry was introduced in Victoria many senior citizens centres and church groups organised bingo for their members.

Bingo has helped many community organisations raise funds for their own activities while providing their members with the opportunity to meet and enjoy themselves. However, because the gaming industry has changed it is becoming harder for bingo operators to raise money for their own organisations. The Honourable Andrew Brideson said that five bingo centres have closed down because they have been unable to raise money for their organisations.

The bingo industry must change to meet the current needs of the gaming industry in Victoria. Many senior citizens who used to go to bingo centres are now playing poker machines because they are more fun and more exciting. Every day the demand for bingo centres is decreasing. It is becoming harder for many bingo permit-holders to raise money, so together with the bingo operators they are looking for the best solution to their problems and considering other means of raising funds.

The bill provides a review of that whole range of issues. At some venues bingo is operated by more than one permit-holder, each being assigned one or more sessions per week. Because it is easier to raise money on Friday nights, Saturdays or Sundays than on weekdays, the bill provides for bingo operators to organise a pooling system, by which the money raised will be divided on a fairer basis among all permit-holders.

An important aspect of the bill is that it will prohibit amusement centres from giving out cash prizes or prizes redeemable for cash, because the government does not want to encourage young people who attend those centres to become involved in gambling. That is in line with the government's decision to prevent young people from buying lottery tickets, as was provided for in the Tattersall Consultations (Amendment) Bill that the house debated a few weeks ago.

Currently Victoria has 500 bingo permit-holders. The bill amends the provisions affecting the eligibility of persons to hold permits and to be operators of bingo venues. It will also ensure that the financial operations of bingo venues are controlled and that they are accountable.

The bill also amends the provisions for the suspension of bingo employees' licences. The bill allows the director of the Victorian Casino and Gaming Authority to suspend the licence of a person found guilty of an offence. Currently, the director may suspend the licence of a person who has been charged; however, if the director is not aware until after the person is found guilty that the person has been charged, the director cannot suspend the licence while disciplinary action or prosecution proceeds. The amendment will ensure that people who have been found guilty of an offence will have their licences suspended, which will better serve the interests of the industry.

The bill also deals with the declaration of charitable or community organisations by the Victorian Casino and Gaming Authority.

Section 4 of the act allows the Victorian Casino and Gaming Authority to declare an organisation to be a community organisation or a charitable organisation. In practice, however, it is the Director of Gaming and Betting who signs off the grant of declaration applications. People have to declare whether they are involved in political organisations, how the money will be raised, what it will be used for and how the funding will be distributed.

The bill also provides for the extension of bingo employees' licences from 3 years to 10 years. The ongoing monitoring of licensees means that at the time of renewal most licensees will have no issues of concern. That provision will guarantee that licensees have long-term licences, that licenses are standard, and that licensees are monitored so they perform well.

The minister's second-reading speech reflects the concerns of the big operators as well as those of community organisations that people must stop using them as political parties for their own interests. The industry requires the support of the government to ensure that it will survive. It will only survive if the set-up costs are fairer, which will give people a chance to make money for their organisations.

At the moment it is tough. I am sure the bingo operators will rally to the minister, the department and the authority to see how the legislation will or will not help them. The government would like to hear from them to see what it can do to improve the situation.

I support the bill because it will make the bingo industry fairer and more workable in the community and for the Victorian Casino and Gaming Authority, which is responsible for working with the bingo industry. I commend the bill to the house.

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The bill makes a number of amendments that demonstrate the government's commitment to the responsible regulation of gambling in the community interest, with a particular focus on community and charitable fundraising through minor gaming activities. I particularly make the point that the regulation of bingo is not being relaxed by this bill and that stringent regulation of bingo is continued by the legislation.

The bill has a default commencement date of December 2002, but it is open to the government to proclaim the legislation at an earlier date. It is certainly the government's intention to proclaim the legislation at the earliest possible date, and to do so in the next 12 months. However, the government is conscious of the opposition's concerns that there be a full consultation process on the regulations to be made under this legislation. Once the consultation and the regulatory impact statement processes are concluded, those parts of the legislation will be ready for proclamation. A number of the other provisions will be able to be brought into operation sooner, including strengthening disciplinary and offence provisions, the amendments extending appeal times, and the banning of cash prizes for amusement machines in amusement centres.

The bill also provides for regulations to be made about the method of calculating the expenses of bingo centre operators. One of these methods is by calculating a percentage of gross proceeds — that is, a percentage of the receipts less the prizes paid out. The definition of 'gross proceeds' in the bill makes that clear. Other methods could be prescribed, such as calculating expenses as a percentage of gross receipts. The current method is using a fixed amount per session of bingo games or a fixed amount per week. The government has a view about which is the preferred method — that is, calculating expenses as a percentage of gross proceeds. That view is based on information collected from the industry that the current method of calculating expenses can and does result in some permit-holders — that is, the community and charitable organisations — that are supposed to benefit from the running of bingo and bingo centres receiving little or no return from bingo.

Historically the rationale for legalising bingo is to enable community and charitable organisations to raise funds for their purposes. Bingo centres emerged as a service to permit-holders who do not have premises of their own in which to run bingo. Bingo centre operation is recognised under the Gaming No. 2 Act as a legitimate commercial enterprise. However, it does not follow from that recognition that bingo centre operators should benefit from bingo to a larger extent than do the permit-holders. By determining centre operators' maximum expenses on gross proceeds there will be a greater incentive for operators to fix prize payout levels in a way which is more likely to give the permit-holder a positive return.

A split between bingo centre operators and permit-holders of fifty-fifty of proceeds has been suggested as an equitable starting point. It is emphasised that this is a theoretical figure that might be applied in an ideal situation. It is recognised that both permit-holders and bingo centre operators have a legitimate interest in profiting from bingo, but that the interest of the bingo centre operator is not greater than that of the permit-holder. It has been suggested that the permit-holders may be disadvantaged by a regulation that provides for sharing gross proceeds between the bingo centre operators and the permit-holders.

Currently bingo centre operators may charge permit-holders a maximum of 12 per cent gross receipts for expenses. An operator may also charge a permit-holder up to 2 per cent of gross receipts for running a session of bingo for the permit-holder.

There is also a minimum and maximum percentage of gross receipts that can be paid as prizes. However, there is no guaranteed minimum return to the community and charitable organisations that are meant to benefit from this form of fundraising activity. Returns provided by permit-holders and bingo centre operators indicate that some organisations are actually incurring losses while the operators receive the maximum expenses chargeable.

Calculating expenses as a percentage of gross proceeds would ensure that if a bingo centre operator receives a share of the gross proceeds there will also be a return to the permit-holder. If expenses are calculated in this way the current maximum of 12 per cent of the gross receipts maximum will no longer apply.

The government understands the interdependent relationship of permit-holders and bingo centre operators and that the failure of bingo centres is detrimental to all industry participants. The government

is concerned to ensure that its regulations do not unnecessarily burden bingo centre operators.

Because the method of calculating expenses is to be prescribed by regulations this matter must be the subject of public consultation in the regulatory impact statement process. Under the Subordinate Legislation Act the regulatory impact statement process is required before the making of any new statutory rules of a substantive nature. The process will follow the detailed requirements of the Subordinate Legislation Act.

All the alternative methods of calculating expenses will need to be assessed and submissions arguing for a method of calculating expenses other than by a reference to gross proceeds and for other levels of any split of proceeds, if that is the method of calculation prescribed, will be considered in the regulatory impact statement process.

In addition, before the regulatory impact statement is finalised, the government undertakes to consult with bingo industry stakeholders, including the Bingo Industry Association, individual bingo centre operators and permit-holders in bingo centres — approximately 250 to 300 of them. Industry participants will have ample opportunity to make known to the government their views on the various methods of calculating bingo expenses. This process will ensure that all interested persons are able to make a submission and have their views taken into account before a decision is made on what is a fair, equitable and workable agreement.

The government's objective for the consultation process is to determine the appropriate split of bingo proceeds so it may provide a minimum percentage return from bingo to the permit-holders.

The CHAIRMAN — Order! I remind Mr Furletti that he cannot debate what the minister said, but must confine his query to the commencement clause.

Hon. C. A. FURLETTI (Templestowe) — I am very conscious of that, Mr Chairman, but I appreciate your reminding me of it.

The opposition is grateful for the minister's explanation of various provisions of the bill. Indeed, he has picked up on a number of concerns I had intended to raise about the commencement date and the regulations that are to be made under clause 12.

Given the minister's explanation to the effect that provisions will be introduced at various times up until the automatic operation date, has the government considered which provisions will be held out beyond two years from now? The government must be aware of the provisions that will cause the greater concern, so I ask for an explanation and identification of the relevant provisions that may cause the government those problems.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I think I can reinforce what I said in my remarks on clause 2 a few minutes ago. The issues surrounding the regulatory impact statement are the ones likely to extend the process. I have already mentioned that I believe the issues that the government may consider implementing at the earlier time, or sooner, are those relating to strengthening disciplinary and offence provisions, the amendments extending appeal times and the banning of cash prizes for amusement machines in amusement centres. The provisions relating to those three areas are likely to be brought into operation sooner rather than later.

Hon. C. A. FURLETTI (Templestowe) — For the purpose of clarity, I point out that the regulatory impact statement process will relate to any regulations that the government makes. The minister's answer seems to imply they are the regulations made under clause 12, because the introduction of other provisions — unless the minister can direct me to them — would not involve a regulatory impact statement. Does the minister wish to clarify that?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — Again I refer to what would probably be the more contentious issues relating to items that the regulatory impact statement would need to address — that is, the calculation for the sharing of proceeds and how it can be regulated in a way that maintains the viability of bingo centre operations.

Hon. C. A. FURLETTI (Templestowe) — So that it is perfectly clear, I ask: will a regulatory impact statement be needed for regulations proposed to be introduced under clause 12?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — That is correct.

Hon. C. A. FURLETTI (Templestowe) — And therefore will it be only under clause 12 that the problem of such a long lead time is envisaged?

The CHAIRMAN — Order! I remind Mr Furletti that the committee may not discuss clause 12 when it is considering clause 2.

Hon. C. A. FURLETTI — It is in relation to the commencement date, Mr Chairman.

The CHAIRMAN — Order! In that case, I invite Mr Furletti to continue.

Hon. C. A. FURLETTI — As the minister said, the regulatory impact statement relating to regulations introduced under clause 12 appears to be the only issue that extends the lead time to 2002.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that a regulatory impact statement will be needed for regulations under clause 11 for lucky envelope expenses.

Clause agreed to; clauses 3 to 5 agreed to.

Clause 6

Hon. R. M. HALLAM (Western) — Clause 6 amends section 26(2) of the principal act. I very carefully superimposed the amendment in the bill over the original section, and my conclusion is that about the only change of moment is the inclusion of the word 'maximum' in respect of the fees.

So instead of talking about fees, clause 6 talks about a maximum fee. Can I ask what the purpose of that amendment is? Why is a maximum fee needed in that context?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that clause 6 amends section 26 of the principal act to allow for the maximum bingo centre operator's fee to be prescribed by regulation.

Hon. R. M. HALLAM (Western) — That goes about a quarter of the way. I remind the minister that in the second-reading speech we are advised, in the context of the sharing of revenue and costs:

> One way of addressing this issue is to make regulations to place the operators and permit-holders on the same basis of remuneration.

How does the same basis of remuneration fit with the concept of a maximum fee?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the current additional allowance for bingo centre operators is 2 per cent of gross receipts. Because the policy underlying the amendments is to pay bingo centre operator's expenses as a proportion of gross proceeds — receipts less prizes — the basis of calculation of that allowance must also change. Amendments are made to the regulation-making powers relating to expenses of bingo. The regulations currently require no less than 50 per cent of the receipts to be returned as prizes. Typically gross proceeds will be between 50 and 20 per cent of gross receipts, although some permit-holders surveyed recorded losses on bingo suggesting gross proceeds as low as 12 per cent.

Hon. R. M. HALLAM (Western) — That is not much help. I am talking about proposed section 26, which is headed 'Permit holder may contract with operator to conduct bingo'. You are actually changing the current rules to now impose a maximum fee. I hear the minister say that that is by way of additional regulation, but I am now even more confused because the second-reading speech states:

> If this bill is passed, the government proposes to prepare regulations to split the proceeds of ticket sales, after the payment of prizes —

I underscore the definition 'the proceeds of ticket sales, after the payment of prizes' —

> between the permit-holder and the operator.

There is no mention of expenses. I therefore start with the basic question: does the minister acknowledge that the definition provided in the second-reading speech — namely, 'the proceeds of ticket sales, after the payment of prizes' constitutes gross proceeds?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that clause 6 provides for a maximum fee for running a session of bingo for a permit-holder. Section 26 does not relate to the expenses payable to bingo centre operators generally, which is the concern of clause 12.

Hon. R. M. HALLAM (Western) — We will come back to that. That provides some of the answer, but with respect my question was quite different. I asked whether the description 'proceeds of ticket sales, after the payment of prizes' is by definition the gross proceeds.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that it is gross proceeds — ticket sales less prizes.

Hon. R. M. HALLAM (Western) — I agree with that, because that is what the definition states. But here comes the next question. If we are talking about gross proceeds, and that is apparently acknowledged, where do the expenses fit into what is described as the split of gross proceeds? You go on to talk about it being fifty-fifty. We are talking about splitting gross proceeds. Where do expenses fit into that formula?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the expenses to the bingo centre operators are from their share of the split.

Hon. R. M. HALLAM (Western) — That is very helpful. So to take the next step, the government's favoured fifty-fifty option means that the operator would meet all of the costs of operation from its 50 per cent?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that if after the consultation process the fifty-fifty split remains, that is the case.

Clause agreed to.

Clause 7

Hon. R. M. HALLAM (Western) — We are doing well. I want to ask the minister about the role of the Victorian Casino and Gaming Authority in the regulation of the new pooling schemes under clause 7. Proposed section 26B(1) says the pooling system can operate only if the authority is given a copy of the rules. Proposed section 26C(3) says the rules take effect 28 days after they have been given to the authority. Proposed section 26D says the authority may specify the rules, and proposed section 26E says it may actually disallow those rules. But I cannot find where the authority is required to physically authorise the rules.

From the second-reading speech — this is what throws me — we learn that the pooling arrangements will be scrutinised by the Victorian Casino and Gaming Authority. But on my reading of the bill they may in fact come into being despite an administrative oversight or by the authority doing nothing. In fact one provision states that the rules come into being 28 days after the authority has been given them. I want to know where in the bill there is anything that remotely addresses the pooling arrangements being under the scrutiny of the authority.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the authority has power to specify matters that must be included in the rules. It may also disallow the rules once they have been made. That process is consistent with the process enabling the authority to disallow betting rules under the Gaming and Betting Act.

Hon. R. M. HALLAM (Western) — My point was slightly different. I have read the rules that will apply to the authority, and I know it has the power to knock back the new provisions for a particular pooling arrangement, but nowhere can I find a clause that states that the authority shall do something to authorise the pooling.

Can the minister advise the committee how a community and charitable organisation would know whether the pooling arrangements have been scrutinised, endorsed or received an elephant stamp? From my point of view there is nothing in there that would put them on notice. Can the minister put the committee at rest on that issue?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that proposed section 26E provides for the disallowance. That is the means by which the VCGA will scrutinise the pooling arrangements.

Debate interrupted pursuant to sessional orders.

Sitting suspended 1.02 p.m. until 2.02 p.m.

QUESTIONS WITHOUT NOTICE

Electricity: supply

Hon. PHILIP DAVIS (Gippsland) — I refer to the February electricity crisis and ask: is it a fact that on 28 January 2000 the National Electricity Market Management Company, Nemmco, met with the chief of staff of the Minister for Energy and Resources and advisers from the Premier's office to discuss involuntary load shedding and that Nemmco advised that there would be statewide electricity shortages if hot weather occurred subsequently?

Hon. C. C. BROAD (Minister for Energy and Resources) — The honourable member has referred to a meeting which he claims was held in January of this year. I was not present at that meeting, I am not aware of that meeting and I do not have a report of it.

Water safety: government initiatives

Hon. R. F. SMITH (Chelsea) — Will the Minister for Sport and Recreation advise the house of what action he is taking to improve water safety in Victoria?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The weather is getting warmer in the lead-up to summer and I am pleased to announce that last Friday at the Waves Leisure Centre in Melton I launched Water Safety Week, which will run from 25 November until 1 December as part of the Play it Safe by the Water campaign. The great thing about Water Safety Week is that it features 160 activities in

metropolitan and regional Victoria to encourage community participation in water safety activities.

From 1 July 1999 to 30 June 2000, 55 people lost their lives in Victoria as a result of drowning. While that startling figure remains below the 10-year average, Victorians still need to be reminded of the dangers associated with the beach, swimming pools, spas and inland waterways, particularly those in regional Victoria. This summer the Play it Safe by the Water campaign will focus on three key messages.

Opposition members interjecting.

Hon. J. M. MADDEN — I will refer to those messages so that honourable members can reinforce them through their electorate offices and when they are out in the community. The messages are: at the beach always swim between the flags; at inland waterways check whether it is okay to swim; and at the pool never take your eyes off infants and toddlers in particular.

Most people learn to swim in the relative safety of backyard or municipal pools but the reality is many of the drownings, accidents and rescues occur in unpredictable open water environments. Therefore this year many activities will provide education and experience in water environments other than pools. The activities include surfing for girls, boat safety tips and the open water learning experience program, which is a key to the water safety program. It is based on a teaching manual which will be used by secondary schools in educating students in various aspects of open water safety, such as reading surf conditions, safe boating practices, and swimming in and accessing inland waterways.

This year's campaign will have an increased focus on toddler drownings. I have previously reported to the house that 17 of the 55 people who lost their lives in water this year were toddlers. In response, the government has developed a new toddler initiative which is aimed at reducing the number of toddler drownings. The initiative will involve new television commercials, brochures and public education. In addition, the government is increasing the fine for pool owners who fail to comply with swimming pool safety barrier requirements from $500 to $1000.

The campaign is also trialling new beach signage at six of Victoria's surf beaches: they are Anglesea, Urquhart Bluff, Point Roadknight, Woolamai, Smiths, and Logans Beach in Warrnambool. This trial will address issues such as inconsistent water signage, signage duplication and poorly located signs which do not conform to the Australian standards.

The campaign specifically targets ethnic communities and communicating the potential danger of our waterways through media advertisements, water safety activities and a telephone information service in 10 languages.

The Play it Safe by the Water campaign brings together government, water safety bodies, business and the community in a coordinated and concerted effort to promote water safety and save lives. I would like to thank the principal sponsors of the Play it Safe by the Water campaign. They are the Herald and Weekly Times, Channel 7, the Community Support Fund, the Victorian branch of the Royal Life Saving Society Australia, Surf Life Saving Victoria, the Victorian Aquatic Industry Council, the Marine Board of Victoria, the Victorian Yachting Council and Surfing Victoria.

Electricity: supply

Hon. M. A. BIRRELL (East Yarra) — I refer the Minister for Energy and Resources to her answer to the Honourable Philip Davis's question about the February electricity crisis. Is it not a fact that the National Electricity Market Management Company, Nemmco, has produced a report, held by the government, that proves that her chief of staff and the Premier's advisers knew on Friday, 28 January this year, that the February electricity blackouts would occur?

Hon. C. C. BROAD (Minister for Energy and Resources) — In response to the Leader of the Opposition's question and further to my first answer, I am not aware of whether such a meeting occurred. I can advise the house that the National Electricity Market Management Company, Nemmco, produced its statement of opportunities report setting out the situation in relation to south-eastern Australia, including Victoria. That report was substantially the same as the previous statement of opportunities report presented to the previous government, a report about which that government did precisely nothing. When as the incoming minister I was presented with the report from Nemmco, I took steps which led to the publicly released security of supply report which set out the action that this government is taking in terms of securing electricity supplies for Victoria. Nemmco is currently in the process of further revising its statements. The Victorian government has through Vencorp — —

Hon. M. A. Birrell — On a point of order, Mr President, I have listened to the minister's answer and am waiting for her to address the issue. The point of order is on her being relevant to the question, which

was whether Nemmco has produced a report that the government holds that proves the minister's chief of staff and the Premier's advisers knew on 28 January that the February electricity blackouts would occur. The minister has not addressed herself to the Nemmco report and whether Nemmco has produced a report, as I mentioned, which is now held by the government.

Hon. C. C. BROAD — On the point of order, Mr President, I have said a number of times during my answers that I am unaware of any such meeting that the Leader of the Opposition and the previous honourable member referred to. I have referred a number of times to reports from Nemmco and its statement-of-opportunities reports. Those are public reports. I was in the process of explaining that Nemmco is now in the process of further updating those reports, and when that process is complete I expect that will also be publicly released.

The PRESIDENT — Order! The question was specific in relation to a report in the minister's office which gave certain information about an alleged meeting at which the minister's chief of staff and the Premier's advisers were present. The minister has not addressed herself to whether there is such a report although I understand the remainder of what she said. Is the minister prepared to address that specific aspect of the question or has she concluded the comments she wishes to make?

Hon. C. C. BROAD — If I may further clarify matters, I am not aware of any such meeting and I have indicated that the Nemmco reports are publicly available.

Station Pier

Hon. KAYE DARVENIZA (Melbourne West) — The previous Kennett government failed to adequately provide for the future development of Station Pier. Will the Minister for Ports outline the government's plans for the pier?

Hon. C. C. BROAD (Minister for Ports) — It is true that the previous government did not have a long-term plan for Station Pier. It was content to maintain the status quo rather than see the pier reach its full potential as Victoria's leading cruise shipping facility.

I am pleased to advise the house that the Bracks government now has under way at Station Pier works including $2.8 million in repairs to the roadway and $1.3 million to upgrade services. I am pleased to advise the house that in addition to new works to upgrade facilities the new logo for Station Pier was launched on Friday, marking the beginning of the marketing program designed to build the profile of the pier and secure its long-term future. The new logo represents a fresh approach to Station Pier and skilfully captures the atmosphere of the pier in its current role as a passenger ship facility. Importantly, it also captures the sentiments of thousands of Victorians whose lives have been touched by that historic landing place. The marketing effort will begin locally and will seek out opportunities for the pier to be used as a location for community events, performances and festival activities.

The initiatives by the Bracks government stand in contrast to the failure of the previous government to secure the long-term future of Station Pier, and in turn to contribute to the economic growth of Victoria through the facility's contribution to tourism gains resulting from cruise ship visits. The 2000–01 cruise ship season began on 6 October. Some 20 cruise ships have berthed or will berth at Station Pier for a total stay of about 26 days. I remind the house that on average cruise ships inject the significant amount of about $1 million per ship into the Victorian economy. The 2001–02 season looks even more promising with 26 ships scheduled to visit Melbourne.

I am confident that the actions of the government will provide the facility with a long-term future that will benefit the whole of Victoria.

Electricity: tariffs

Hon. R. A. BEST (North Western) — My question is to the Minister for Energy and Resources. The Regulator-General has recommended a reduction in network electricity charges of approximately 20 per cent for Powercor customers. Will the government guarantee that the savings will be passed on to all Powercor users and ensure that Powercor is not able to give substantial discounts to its metropolitan customers at the expense of its rural customers?

Hon. C. C. BROAD (Minister for Energy and Resources) — The honourable member has indicated that the Regulator-General, who regulates network prices in recognition of the fact that the networks are monopolies, has recommended price reductions. I expect the honourable member would also be aware that Powercor is one company which is now going through an appeal process. It is the government's expectation that the announced prices will be passed through, and that if there is any change to that recommendation by the Regulator-General it will be an improvement and not a diminution for customers.

Pawnbroking: regulation

Hon. E. C. CARBINES (Geelong) — Will the Minister for Consumer Affairs inform the house of progress the government has made on the review of the regulation of pawnbroking?

Hon. M. R. THOMSON (Minister for Consumer Affairs) — Pawnbroking, which has been raised in Parliament during adjournment debates, is of concern to probably the most vulnerable of Victorian consumers. The government has been concerned about how well the current legislation governing pawnbroking and its regulatory environment is working, given the development of payday lending and a number of issues highlighted in the public arena, including the report into pawnbroking released by the Good Shepherd Youth and Family Service.

The government has launched a discussion paper, which has been made available to those interested in the subject — to pawnbrokers offering services, consumers groups and consumer credit groups. The government will be holding associated forums around Victoria. The paper has been placed on the Consumer and Business Affairs Victoria web site at www.consumer.vic.gov.au. Honourable members who are concerned about the issue should download the paper and study the issues raised in it.

Payday lending and payday loans are not covered under either the Second-Hand Dealers and Pawnbrokers Act or the Consumer Credit Code. The issue has now been raised nationally to ensure there is at least coverage under the Consumer Credit Code. I hope the review of the act will cover the situations where the most vulnerable consumers are offering for either the pawnbroker or the payday lender items that are valued at more than the amount of money they get.

Honourable members interjecting.

The PRESIDENT — Order! I ask honourable members on my left to desist and Mr Theophanous not to help his minister.

Hon. M. R. THOMSON — People are putting up for hock things that are well and truly worth more than the amount of money they are being lent, and when they default on the loan they forfeit those things. It is important that the act reflects what is happening now in pawnbroking and payday lending. This will go a long way towards ensuring all contingencies are covered.

Workcover: premiums

Hon. BILL FORWOOD (Templestowe) — I refer the Minister for Small Business to yesterday's hearing of the Economic Development Committee into Workcover at which the chief executive officer of the Victorian Workcover Authority, Mr Bill Mountford, admitted that no assessment was ever done of the impact the Bracks Labor government's Workcover premium increases would have on employers. Will the minister now concede that that blunder, that admission, has caused massive distress and financial hardship to small businesses everywhere and that she has failed the very people she is meant to represent?

Hon. M. R. THOMSON (Minister for Small Business) — I have answered numerous questions about Workcover, the construction of the premiums and the factors that led to the complexity of those Workcover premiums. Some 17 per cent accounted for the new legislation to restore limited common-law rights. It also covered bringing the system into the black and the GST component that would not be recoverable by Workcover. We have talked about the other components, responsibility for which lies with the previous government's position on Workcover — the experience ratings system, which impacts poorly on businesses.

The government has never run away from the fact that some businesses are experiencing difficulty with Workcover premiums. It dealt with that immediately on the premium notices going out. It understands pain has been felt by some small businesses, and that is why the Minister for Workcover announced a review of the experience ratings system.

Industrial relations: Corporations Law reform

Hon. T. C. THEOPHANOUS (Jika Jika) — Is the Minister for Industrial Relations aware of the rejection by most state attorneys-general of plans by the federal Minister for Employment, Workplace Relations and Small Business to use changes to the Corporations Law to establish a unitary system of industrial relations? If so, what are the implications for industrial relations arrangements in Victoria?

Hon. M. M. GOULD (Minister for Industrial Relations) — On 17 November state and commonwealth attorneys-general met in Launceston to discuss, among other things, reforms to the Corporations Law. At that meeting all attorneys-general except the South Australian Attorney-General passed a resolution condemning the federal minister responsible for workplace relations, Peter Reith, after his release of

a discussion paper promoting the possibilities of the federal government using the Corporations Law to override state industrial relations powers.

That discussion paper is at odds with previous assurances given by the federal Attorney-General, Darryl Williams. The federal Attorney-General is saying one thing — that the reforms to the Corporations Law would not be used for that purpose — yet Mr Reith came out saying the exact opposite.

As I have told the house on many occasions, in principle the Bracks government supports a single unitary system of industrial relations in Australia, but it must be fair for both employers and employees. A huge number of Victorians are already covered by federal awards. Peter Reith's bleatings about industrial relations law reform have never been a source of reassurance that those reforms will be of benefit to anyone or anything except Mr Reith's conflict-based approach.

The Bracks government does not believe reliance on corporations power will solve the problems of the current system. Even the federal minister concedes that hundreds of thousands of employees will be excluded from the federal system he proposed based on the corporations power. Mr Reith's discussion paper suggests states will be required to have their own industrial relations systems to regulate state industrial relations arrangements for non-corporations.

However, there has been no guarantee that the Corporations Law model would not further reduce the 20 allowable matters down to the miserly minimum schedule 1A provisions other Victorians have been forced to work under since the referral to the commonwealth of the industrial relations powers by the previous government.

It is fair to say that Peter Reith is talking up plans to make the corporations power a substitute for conciliation and arbitration. He does not want conciliation and arbitration. His motivation was revealed in a speech to the Business Council of Australia last week. On the same day in Tasmania the attorneys-general condemned the proposal. He wants to wind down the Australian Industrial Relations Commission; he wants to phase out conciliation and arbitration; and he wants a conflict-based approach, as he has been stating all along.

That approach by Mr Reith is part of an ongoing agenda to ensure that workers are not covered by a fair industrial relations system. Victoria certainly does not support that proposal. The reduction of the terms and conditions, which is what Mr Reith wants, will not be accepted by the government.

On Friday of this week, at the workplace relations ministerial council in Melbourne, on behalf of the Victorian government I will be telling Mr Reith that the government will not accept his corporations power proposal. It will support his view that Victoria does need a state-based system; it will pursue that and ensure that Victorian workers are properly covered.

Sheraton Hotel, Geelong

Hon. I. J. COVER (Geelong) — I refer the Minister for Industrial Relations to Victoria's largest new tourism infrastructure project — the $40 million Sheraton Hotel development in Geelong. Is the minister aware that as a consequence of union bans and intimidation, that major project, which was due to open in August this year, can now not open until 2001?

Hon. M. M. GOULD (Minister for Industrial Relations) — The honourable member for Geelong Province raises an issue about a construction site at Geelong where he claims one particular issue is the reason for the delay, which is totally inaccurate. As the honourable member would be aware, there have been delays on that site.

Honourable members interjecting.

The PRESIDENT — Order! The Minister for Sport and Recreation is not helping the house. Both sides are contributing to the disruption. The house wants to hear the minister's answer.

Hon. M. M. GOULD — A number of issues have affected the construction program on that site. The developers, the unions and the building construction company are aware of the issues. One of the reasons for the delay in completing the project is inclement weather. Honourable members opposite may laugh because it is hot today.

Honourable members interjecting.

The PRESIDENT — Order! I am sorry the minister has to shout to make herself heard above the noise, but Hansard has to hear the minister's answer. I ask all honourable members to be quiet.

Hon. M. M. GOULD — Another reason for the delay was that Workcover ordered the construction company to remove numerous pieces of prefabricated concrete that were unsafe. That put the project weeks behind, but Mr Cover has not mentioned that issue at all. He is just looking after his Liberal mates, who

cannot get a run in the local paper. In January this year time was lost during the enterprise bargaining negotiations.

The reasons for the delay in completion of the project were inclement weather, the shutting down of the project by Workcover because of poor construction techniques and industrial stoppages during enterprise bargaining negotiations.

Unions have been working with the local council and my department in raising issues of concern about the delays. An afternoon shift has been put on and weekend overtime instituted. A meeting is being arranged with the City of Greater Geelong, the unions and the building companies. Mr Cover should look at all the reasons for delays in the construction program.

Mr Cover has not referred to those issues. He is just looking after Mr Jarvis Kontelj, who was a candidate at the last election and failed miserably. He is trying to crank him up. The accusations he made are inaccurate and false. The main problem involved technical issues concerning Workcover's decision to close the site because of prefabricated concrete that was unsafe.

National Schools Basketball Tournament

Hon. G. D. ROMANES (Melbourne) — Will the Minister for Sport and Recreation inform the house what steps he has taken to ensure regional Victoria shares in Victoria's major events bonanza?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am pleased to announce that the National Schools Basketball Tournament will be held in Ballarat from 5 to 9 December 2001. For the past six years that significant event has been held in Canberra. More than 1400 participants of secondary school age compete in the event over five days. Many parents and relatives also attend. The event is expected to create more than 7000 bed nights and generate an economic impact of almost $1 million.

Basketball Australia and Basketball Victoria have worked with the state government to win the event for Victoria and have it located in Ballarat. The securing of the event was part of an agreement Sport and Recreation Victoria developed with Basketball Australia to secure major basketball events for the state over a three-year period. It is fitting that Ballarat, which has a significant basketball following, has won the right to host the event, and it reflects the government's commitment to attracting sporting events to regional Victoria.

QUESTIONS ON NOTICE

Answers

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

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

The question numbers are: 879–80, 1128, 1159–60, 1178, 1185, 1190, 1194, 1211, 1223, 1256–8, 1263, 1267–8, 1296, 1357–9, 1368–9.

Motion agreed to.

The PRESIDENT — Order! It may assist the house if the minister supplies extra copies of the list of questions on notice to Hansard and to honourable members.

Hon. R. M. HALLAM (Western) — I did not hear the minister refer to question on notice 1120, which was posed by me to the Minister for Industrial Relations for the attention of the Premier on 3 October. The question asked:

> What is precisely the basis on which the Premier has calculated the federal government is receiving a windfall gain of 2.5 cents a litre of fuel as cited in the *Age* of 25 September?

Why has that question on notice not been answered, given 30 days have elapsed?

The PRESIDENT — Order! Has Mr Hallam given the minister notice?

Hon. R. M. HALLAM — No.

The PRESIDENT — Order! The guidelines are clear that the honourable member must write to the minister telling him or her that the matter will be raised in the house, so the minister can be expected to have at least an interim answer.

Hon. R. M. HALLAM — With respect, Mr President, I have given the minister notice that I will raise the matter tomorrow.

The PRESIDENT — Order! The guidelines issued on 29 April 1993 state:

> A member intending to ask for an explanation as to why an answer has not been provided should contact the minister or his office the day before failure to supply an answer is to be raised in the house to discuss the likelihood of an answer being provided or the reasons for the delay, particularly in the case of complex questions.

The guidelines do not state that the matter must be raised in writing. The minister has been given notice and that appears to satisfy the provision.

Hon. M. R. Thomson — On a point of order, Mr President, I seek clarification of that matter. The practice has been that notice is given in writing. If it is done only by verbal notification there will be no trail to show that notice was given. It is important that it should be in writing and that your ruling not be a precedent for further occurrences.

The PRESIDENT — Order! It was always intended that notice should be given in writing, but the guidelines do not say that. Mr Hallam has clearly given notice to the minister that he intends to raise the matter tomorrow. However, I suggest to all honourable members that it would be better if in future notice were given in writing.

Hon. J. W. G. ROSS (Higinbotham) — I seek an explanation from the Minister for Small Business, who represents the Minister for Aged Care in the other place, about her failure to answer questions on notice 1300–18 inclusive, each of which has been outstanding for more than 30 days. I advise the house that in accordance with the sessional orders I contacted the minister's office in writing in respect of those questions yesterday.

Hon. M. R. THOMSON (Minister for Small Business) — Although I have not sighted the letter, I understand the answers to those questions on notice should be provided tomorrow.

Hon. A. P. OLEXANDER (Silvan) — I also raise a matter under standing order 71AA. On 4 October I placed on the notice paper question on notice 1126 for the attention of the Minister for Youth Affairs. The question has not been answered for a period in excess of 30 days. I wrote to the minister's office on 21 November asking for a response and indicating my intention to raise the matter in the house for an explanation of why the question has not been answered.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I will undertake to have a response to that question before the end of tomorrow.

The PRESIDENT — Order! I report to the house that the Honourables Roger Hallam and David Davis wrote to me seeking my ruling on certain answers to questions on notice. In coming to my conclusions I have relied on previous rulings given by President Hunt and on advice from the Clerks.

The Honourable Roger Hallam asked me for a ruling on an answer to question on notice 1277 provided by the Minister for Industrial Relations. In my opinion the minister has fully answered part (a) and arguably part (c) of the question, because I believe the answer provides enough information as to the processes followed by the department in reporting purchasing and procurement activity undertaken by it. In my opinion part (b) has not been answered, and I therefore direct that that part of the question be reinstated on the notice paper.

On the question of time, as that part of the question has not been answered, the original date for asking the question must stand and therefore time is running against the minister.

The Honourable David Davis asked me for a ruling on three answers to questions on notice — 1193, 1196 and 1217 — provided by three different ministers. Although the answers provided were responsive to the questions asked, in my opinion none of the answers submitted, with the exception of part (e) of question 1196, were specific to the questions put to the ministers. Surprisingly, the answers provided to those three questions seem to indicate that the information is readily available and it probably would not have taken much more effort to provide specific answers to Mr Davis's questions.

On that basis I direct that those questions be reinstated, with the exception of part (e) of question 1196, which, as I said, I believe has been answered.

GAMING No. 2 (COMMUNITY BENEFIT) BILL

Committee

Debate resumed.

Hon. R. M. HALLAM (Western) — Before the suspension of the sitting, I sought an explanation from the minister as to the role of the Victorian Casino and Gaming Authority in the recognition of the new pooling arrangements. I reminded the minister that the second-reading speech gives the commitment that the pooling arrangements shall be scrutinised by the authority, but when one reads the bill one notes it provides that the authority must be given notice and that it will have the opportunity to disallow. I cannot find anything anywhere that remotely addresses the issue of scrutiny.

I asked the minister whether he could report to the committee on how a permit-holder would know that a

pooling arrangement had been endorsed by the authority, given that nothing in the bill requires any overt action by the authority. Perhaps my question is best summarised in this form: I ask the minister to advise the committee how a permit-holder in a pooling arrangement would know that that pooling arrangement had been authorised by the authority?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that if no notice has been given to the scheme within 28 days after the rules have been given to the VCGA, the rules may be assumed not disapproved.

Hon. R. M. HALLAM (Western) — That is fine, and I read that into the bill myself, but that does not answer my question. How would a permit-holder know that the pooling arrangement had been authorised by the authority?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I refer Mr Hallam to my previous answer: if no notice has been given to the scheme within 28 days after the rules have been given to the VCGA, the rules may be assumed not disapproved. I believe that answers the question.

Hon. R. M. HALLAM (Western) — It is a far cry from the terminology used in the second-reading speech where we learnt that the pooling arrangement will be scrutinised. I put this proposition to the committee: a set of arrangements is in place whereby the authority might be deemed to acquiesce to the pooling arrangement. It does not need to give notice to anyone. It might be drawing a long bow to assume that a permit-holder is disadvantaged by that in a new pooling arrangement, but I add that the same provisions apply to a change in the rules. Nothing in the rule book states that a permit-holder need know that an application has been made to the authority to change the rules. In those circumstances, how is the permit-holder to know, firstly, that the operator has applied for a change in the rules, and secondly, that the change in rules has been authorised and approved by the authority?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I ask Mr Hallam to repeat the last part of the question.

Hon. R. M. HALLAM (Western) — I will take the minister through it very carefully. Proposed section 26E states about the disallowance of rules that:

> (1) The Authority, at any time, may disallow the rules of a pooling scheme or any amendment of those rules, by giving written notice to the members of the scheme, if the Authority considers that the rules or the amendment —
>
> (a) are not sufficiently clear or certain …

My question is: how is the permit-holder to know, firstly, that an application has been made by the operator to the authority for a change in the rules, and secondly, that such a change in rules has been vetted and authorised?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that all permit-holders in the centre are members of the scheme. All permit-holders may assume that if the VCGA has not advised them within 28 days that the rules are not disapproved, that the rules are not disapproved. Amendments to the rules must be approved by two-thirds of the members of the scheme, so permit-holders will be aware of the amendment.

Hon. R. M. HALLAM (Western) — With great respect, Mr Chairman, I do not believe the bill says that anywhere, and I think there is another quite specific hole in the application of the new rules.

In my view — I suspect the view is shared by a percentage of the industry — the new rules relating to the introduced concept of pooling are certainly not a question of further scrutiny by the Victorian Casino and Gaming Authority. From my reading of the bill, they actually come into being if the authority sits and does nothing. There is nothing that would guarantee that a permit-holder would get to hear about an application for change of rules or whether one had been endorsed. All I can do is highlight the fact that I see some great holes in the drafting of the bill and hope we can catch it up in the process of consultation.

Hon. C. A. FURLETTI (Templestowe) — For the purposes of clarification, the proposed new section 26B(1)(a) refers to the pooling scheme operating only if all the community or charitable organisations agree to the scheme. Can the minister clarify that one party would have the right of veto?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the answer is yes.

Clause agreed to; clauses 8 to 11 agreed to.

Clause 12

Hon. C. A. FURLETTI (Templestowe) — I refer the minister to clause 12 which amends section 105 of the Gaming No. 2 Act. Section 105 of the act deals with the regulation-making power of the Governor in Council. Section 105(2) states in part:

Regulations made under this Act —

…

(b) may differ according to differences in time, place or circumstance …

I seek not to prolong this committee, minister, but by changing the very general provisions of subsection (1)(g) of section 105 and substituting it with the proposed new subsection (1)(g), there appear to be four new options and variables provided pursuant to which regulations can be made.

Because subsection(2)(b) seems to indicate that different regulations can be made for different places — for that I read 'centres' — can the government give an undertaking that in promulgating regulations under the proposed new subsection (2)(g), they will be uniform regulations for the whole of the industry and not restricted to specific centres?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that in theory section 105 of the act may allow regulations that provide for different methods of calculating expenses. The government will take the advice of the Chief Parliamentary Counsel on this question. However, in practice, such regulations would be difficult to enforce and would require constant amendment. It is preferable to determine the extensive consultation that is planned and the best possible method of calculating expenses that is applicable to all centre operators and permit-holders.

Hon. C. A. FURLETTI (Templestowe) — I hear what the minister says, but I am afraid it does not answer the question I posed, which was very simple. I appreciate the fact that the minister will consult. I accepted the minister's undertaking in his speech on clause 2 that the government will consult extensively in formulating the regulations and I do not intend to ask the minister to reaffirm that. I am saying that in the making of certain regulations obviously there is provision for variation between various centres. I refer specifically, for example, to the provisions of section 105(1)(a) where prescribed conditions of licences and permits can be made. I understand that is an area that will be centre specific. However, I suggest that under proposed new subsection (1)(g) that should not be centre specific. I am seeking an assurance that the government's intention is that it will be for the whole industry.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised it is not intended to make centre-specific regulations.

Hon. R. M. HALLAM (Western) — Mr Chairman, when the minister was providing his commentary in response on clause 2 — a response for which we thank him — he kept referring to the term 'calculating expenses', and he referred to the question of gross receipts and gross proceeds as the basis on which expenses could be calculated. I note in the terminology in clause 12 it talks about expenses being incurred. I am bemused by the minister's terminology. Are we not really talking about the basis on which those expenses can be allocated, rather than incurred or calculated, to use the minister's terminology?

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised it is not intended that there be any difference.

Hon. R. M. HALLAM (Western) — Difference in what? I am keen to have absolutely clarified that the terminology the minister resorts to — namely, calculating expenses — will not be used as some sort of guise to justify an expense simply because that would represent a certain percentage of gross proceeds. I am keen to have on the record that the minister is talking about that as a basis for the allocation of expenses incurred, under whatever guise they are incurred.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — To get to the nub of that, I ask Mr Hallam to repeat the phrase so that I can be clear that the definitions he seeks are also clear to me?

Hon. R. M. HALLAM (Western) — The minister has repeatedly used the word 'calculated' or the phrase 'method of calculating expenses'. The minister referred to it as 'receipts' on one occasion, and to 'gross proceeds' on another. He has talked about it being a fixed amount per session of bingo or a fixed amount per week. Indeed, when I look at the bill I do not see the term 'method of calculating expenses'. Instead I see the term 'incurred'.

I am trying to get from the minister some clarification that what we are really talking about is not the calculation of expenses, not the incurring of expenses, but the actual allocation between the parties.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that, if made by reference to gross proceeds, the regulations will in effect decide how they are allocated.

Hon. R. M. HALLAM (Western) — I do not believe that goes to my issue. I understand the committee is shooting in the dark by anticipating regulations in the future. The concept I am trying to get to is the determination of expenses and the extent to

which they can be allocated across the operation. To some degree this is a hypothetical debate. If one takes into account the definition of pooling and the arrangements offered by the minister, expenses do not come into it because we are talking about a split of gross proceeds which, according to the definition, is before expenses are mentioned.

Notwithstanding that, clauses 6 and 12 refer to the maximum fees and prescribe the amount a holder of a minor gaming permit may incur as expenses of bingo. That has me bemused. With all the grace in the world I cannot see how one can prescribe the way an operator can incur expenses. One may be able to prescribe the way those expenses can be recognised and then shared, but for the bill to refer to the way they are calculated or incurred leaves a range of questions unanswered.

I want a commitment from the minister that during the consultation process for the framing of the regulations expenses will be referred to in the context of how they will be shared, allocated and recognised rather than calculated or incurred. I suggest that question is relatively simple.

The CHAIRMAN — Order! Minister, the committee is awaiting your response.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the expenses, whatever they may be, will be incurred by the operator, but the consultation process will finalise the regulations and those regulations will provide for the rate of the expenses from the permit-holder. In other words, the ratio will be determined by the regulations and therefore the ratio will encompass those expenses.

If there is an issue about the consultation process where the operators believe the expenses are substantial, then within the consultation process and the development of the regulatory framework, the extent of those expenses would have to be taken into account. The expenses will always fall onto the operator. What is flexible as a result of the consultation process is the extent of the breakdown to be determined vis-a-vis the regulations.

Hon. R. M. HALLAM (Western) — We are almost there. The terminology describing the extent to which the expense was incurred, or the expense to which it was calculated, is misleading. Honourable members are talking about the allocation of those expenses at the end of the day between the operator and the permit-holder. It is the terminology with which I am having some difficulty. If the minister is prepared to put on the record that what is being discussed is the sharing of those expenses then I will go home pleased.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that expenses are not shared, nor is it the intention to share them. The operators recover expenses from permit-holders. Regulations will determine how much of the expenses can be recovered.

Hon. R. M. HALLAM (Western) — The minister used the word 'recover' and I used the word, 'share'. Mr Chairman, I am not certain where to take it because I believe the terminology employed in the second-reading speech and in the bill is misleading. I suspect, although I cannot get the minister to say it, that the committee is discussing the formula by which the expenses incurred or calculated are allocated or shared between the operator on the one hand and the permit-holder on the other. I would have liked the minister to have confirmed that because I suspect that every bingo operator in the marketplace will be watching this like a hawk, but if the minister is not prepared to do that I say on behalf of members of the National Party that we are disappointed we cannot get that clarification. We will watch the consultation process carefully, we will wait for the regulations to be framed and we will make our views known at that time.

Hon. C. A. FURLETTI (Templestowe) — In an effort to take the Honourable Roger Hallam's question further and achieve the outcome he was seeking, I ask the minister whether we are to understand that, after consultation with the industry, expenses will be recovered from the operator through an adjustment of the apportionment of the gross proceeds.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — I am advised that the answer is yes, if gross proceeds is the method eventually provided for by the regulations.

Clause agreed to; clauses 13 to 33 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

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

That this bill be now read a third time.

I thank the Honourables Carlo Furletti, Kaye Darveniza, Roger Hallam, Andrew Brideson and Sang Nguyen for their contributions to the debate. I also thank honourable members who made contributions during the committee stage. I particularly thank the advisers for their consideration and understanding

during the passage of the gaming legislation throughout the sessional period.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

MARINE (AMENDMENT) BILL

Second reading

Debate resumed from 22 November; motion of Hon. C. C. BROAD (Minister for Ports).

Hon. PHILIP DAVIS (Gippsland) — I rise to speak on the Marine (Amendment) Bill. The opposition will not delay the passage of the bill nor oppose it; however, some issues the government will need to take into consideration in its implementation of the detail of the bill will be raised during the course of debate.

Water and boating safety are important issues for the community, particularly given the impact of unsafe practices with boats and water activities. I am sure all honourable members would want Victoria to have a proper regulatory framework in place to control the behaviour of boat operators and ensure that boating is safe.

Boating is an activity that is strongly supported by the community. According to the 1999–2000 annual report of the Marine Board of Victoria, 134 641 recreation vessels were registered as at 30 June 2000. From that considerable number of vessels one can infer that a much larger number of persons will regularly be operating those vessels and will therefore be affected by the bill.

The types of vessels registered include personal watercraft or jet skis. At the end of the financial year 3106 such watercraft were registered, an increase from the 2776 that were registered the previous year. There is clearly an increasing trend in the overall number of recreational vessel registrations and in particular in the proportion of personal watercraft registrations.

As a local member in the Gippsland region I know the importance of boating for recreational purposes. The Gippsland coast has a number of important bays and inlets that are habitually visited by boating enthusiasts from around the state — not just Gippslanders but also a lot of Melburnians. I know that from the Friday night before Christmas until after the New Year holiday the traffic will be bumper to bumper eastwards down the Princes Highway with every second vehicle dragging a boat of some description. Those boats will end up at Corner Inlet, the Gippsland Lakes, Lake Mallacoota or other inlets along the eastern coastline.

Port Phillip Bay and Western Port are also very popular recreational boating areas, as are many of the inland lakes, including Eildon. Those man-made lakes are important not only for their water storage and supply capacities and the value adding they bring to agricultural industries, the rural economy and rural urban communities, but also for the boating opportunities they provide, which have become very important to the economy of their regions.

It is important to recognise that with the growing popularity of boating in its various guises, including the use of powerboats and yachts, safety issues are involved. Inevitably it needs to be recognised that there are issues associated with people using waterways as a source of quiet enjoyment, whether they are fishing, cruising or just being moored in a quiet place enjoying the sun and the waves lapping against the hull of the boat while they are absorbing some Christmas cheer — otherwise referred to as alcohol.

It is disturbing to read the hard-core statistics on the incidence of boating mishaps resulting in loss of life that jump out at one from the annual report of the Marine Board of Victoria. Over the five-year period to 30 June there were 45 deaths, 10 of which occurred in the past year alone. Without wanting to in any way detract from the obvious tragedies highlighted by the statistics, I point out that there were almost as many deaths on inland waters as there were in coastal areas.

That shows that boating tragedies are not confined to the images of major storms associated with events such as the Sydney–Hobart yacht race and do not occur only in coastal areas where environmental conditions can be a significant hazard. They also occur on quiet and calm inland waterways. That highlights the fact that the problem is not just boating accidents and resulting injuries and deaths. The underlying problem is really a lack of knowledge and understanding of boat handling, the rules of the sea and safe practices.

The work undertaken by the water police, which is reflected in the infringement notices that have been issued, is well summarised in the report. It shows that in 1999–2000 there were 318 breaches of vessel registration. And that is only the number of boat operators who were found as a result of contact with water police to be in breach of the registration requirements. I dare say many others were not detected.

In 1999–2000 there were also 722 breaches of safety equipment requirements and 242 speeding infringements. A total of 1410 infringements were issued; 6551 vessels were inspected; 1535 warnings were issued; and 1202 persons were breath tested.

What surprised me was that of those 1202, only 7 persons were found to have a blood alcohol limit exceeding 0.05 per cent. That is an interestingly low proportion of the total number of persons tested, especially given that there is sometimes a presumption about the behaviour of people who operate boats, particularly in the festive season, when relaxation and socialisation are an important part of the whole activity. Perhaps boat operators display a much higher degree of caution, safety and prudence than popular perception would suggest. Nevertheless, boating safety is important.

The second-reading speech states:

> The bill applies licensing to all operators of registered recreational boats, defined in Victoria as any boat equipped with an engine that is used or is capable of being used for propulsion.

It is important to understand the intent of the bill. Its introduction is an attempt by the government to implement its pre-election policy commitment about personal watercraft and extend the regulations beyond watercraft so that they apply to all registered recreational vessels. That will bring Victoria into line with all the other states except Western Australia. I understand the ACT and the Northern Territory do not have licensing schemes at present but will be working towards them.

It is important to note that the licensing regime does not apply to the operators of commercial and hire-drive vessels and that therefore for the time being the commercial industry will not be caught up in the legislation. That is a matter I shall return to shortly.

The minister clearly indicated that licence revenue will be reinvested in community boating safety initiatives but that the revenue is not hypothecated.

The bill flags a phase-in period for the implementation of the provisions. In practical terms the phasing-in will occur in two stages. The new provisions will not apply to the coming summer boating season. In a year's time the first tranche of licensing will be introduced, with boat operators under 21 years needing to be licensed for the 2001–02 boating season and the remaining operators needing to be licensed for the 2002–03 boating season — not an unreasonable step. However, as a result of the modest amount of media exposure the measure has attracted, I have no doubt many in the community are under the misapprehension that the provisions are to apply forthwith.

During the summer I am sure the minister will have to deal with many complaints about incidents involving jet skis. I suspect there is an expectation in the community that the measures applying to jet skis should be implemented forthwith. No doubt the minister would argue that the practical opportunities for that to occur are limited. The opposition has to accept that, but I emphasise that that is an issue about which the community is concerned. I have already received a number of inquiries on the matter.

The bill covers transitional arrangements to ensure that the licences of the 40 000 Victorians who already hold interstate licences will be recognised in Victoria, and ultimately they will hold Victorian licences that will be recognised interstate. It is important for such interstate mutual recognition arrangements to be in place. It can be very difficult and frustrating for operators to have to obtain licences in every state they visit.

It is important to note some details about the structure of the bill, concerning both its practical application and the extent to which Parliament is being asked to agree to it. I must admit that it took me some time to work through the proposal, given that to do so one needs a detailed understanding of definitions and provisions in both the bill and the principal act. One must look carefully at the regulations to understand that the provisions apply only to, as the second-reading speech says, 'any boat equipped with an engine that is used or is capable of being used for propulsion'.

I tried to follow the matter by examining proposed part 10A to be inserted by clause 22, which deals with the licensing of operators of recreational vessels. Under division 2 of that part, proposed section 115, which refers to offences for unlicensed operators of certain classes of recreational vessels, states in part:

> (1) A person must not operate a general recreational vessel unless —
>
> (a) the person is the holder of a licence issued under this Part that authorises the person to operate such a vessel; and
>
> (b) the person operates the vessel under and in accordance with the licence.

A similar provision is contained in proposed subsection (2) relating to the operation of personal watercraft.

One then has to understand what a general recreational vessel is and what a personal watercraft is. So one must go to the definitions under proposed section 113, where one discovers:

> 'general recreational vessel' means a recreational vessel that —
>
> (a) is not a personal watercraft; and
>
> (b) is of a kind which is required by or under this Act to be registered …

Similarly the proposed section contains a definition of 'personal watercraft'. One must turn to the principal act to find out about registration. Section 8 of the act states that it is an offence if a vessel is not registered. It provides:

> (1) A person must not —
>
> (a) operate a vessel on State waters; or
>
> (b) being the owner or person in charge of a vessel, cause or allow it to be operated on State waters —
>
> unless that vessel is registered under this Part or exempted from registration by the regulations or by a notice given by the Board under section 67.

What does that mean? One must go to the regulations to find out. An examination of the regulations reveals that effectively everything seems to be exempt, except boats that have motors on them. Without belabouring the point or going through the detail of the Marine Regulations 1999 as amended, I point out that regulation 406, which deals with general exemptions from registration, relating to tender vessels, includes:

> … a vessel that does not have an engine that is used or is capable of being used for propulsion …

That seems to be referring to a yacht or row boat. Of course, fishing, trading and hire-and-drive vessels are covered by other regulatory arrangements.

The bottom line is that the government is asking Parliament to agree to give a head of power to the minister of the day to impose a licensing regime on the operators of vessels that the government deems by way of regulation should have a licensed operator in charge. Those exemptions can be varied by the government without, as I understand it, reference to Parliament. Disallowance provisions certainly exist with respect to fines, fees and charges, but in regard to these particular regulations Parliament will not have any oversight. So the minister of the day can, as a matter of government policy, implement a change to the regulations that would rope in potentially the class of vessel referred to in regulation 406(1)(b) — that is, a vessel that does not have an engine that is used or is capable of being used for propulsion.

Such vessels are currently exempt, and clearly it is not the government' stated intention to require those vessels either to be registered or to have a licensed operator. I refer in practical terms to non-powered yachts, probably small rowing boats, and indeed racing eights for that matter. In practical terms it would be possible to require those boats to be registered and subsequently the operators to be licensed as a result of the passage of this bill. I thought I would note that in Parliament because under those circumstances honourable members are invited to exercise an act of faith, I suppose, in supporting the bill because of the wide powers it provides.

It is important for the house to note that although the minister has appropriately issued a press release and there has been some small coverage of the matter, the consultation that the Liberal Party has undertaken has demonstrated that, regrettably, outside what I would describe as the peak organisations there has been a very low awareness in the boating community of these proposals.

I must say the consultations have revealed that generally speaking people associated with any form of powerboat operation have been supportive of the measure. The opposition and the National Party are generally supportive as well. But the bill has some clearly unintended consequences, the most significant of which is the effect — I am sure it is unintended — on yachts, which are typically the trailer-sailor type that have a small motor for the purpose of either safety or, more particularly, in-harbour manoeuvring for mooring purposes — in other words, where it is not a regular feature of the activity of the vessel to be using the motor.

It is clear those sorts of vessels will be caught in the bill's proposals given that the minister's advisers and departmental officers said clearly during the opposition briefings that it was not the intention at that time for any vessels that had a motor to be exempt, no matter what the horsepower or the conditions of use. I am raising this as a matter of concern because it will affect particularly the quiet family enjoyment that is typically associated with yachting, which is often a family activity. One of the great traditions of mariners is to learn from a young age about boat handling and being in charge of a vessel.

It would be disappointing if the unintended consequence of the operation of this bill and the promulgation of amended regulations to go with it was

that vessels under sail were caught in a provision that was clearly intended to apply to vessels under power. So I urge the minister to give serious consideration to ensuring that when regulations are drafted they provide an exemption for vessels under sail.

The issue was raised with a number of yacht clubs. The matters before the house had not been directed to their attention by anybody before the opposition made contact with them. Apart from the Victorian Yachting Council, the opposition contacted the Gippsland Lakes Yacht Club, the Geelong Trailable Yacht Club, the Albert Park Yacht Club, the Metung Yacht Club and many others, including some in central Victoria and on the New South Wales border.

The other issues I shall briefly touch on relate to the costs of testing and licence fees. It seems to me and the Liberal Party that it is important to consider providing pensioner concessions for testing and licence fee costs.

Certainly no indication has been given that concessions are proposed, but I understand there is no prohibition on the regulations being drafted with reference to concessional fees. I will be interested to hear what the minister intends, particularly for pensioners.

From discussions with the briefing officers I understand that conceptually the bill is about introducing a licensing regime for safety purposes best analogous to road safety measures and licensing. However, those arrangements offer no obvious encouragement to learners. Perhaps there needs to be a practical vehicle, again by way of regulation, to encourage young people in particular to obtain licences and not to put any difficulties in their way to participate in boating activities with their families rather than in a traditional male-drives-boat arrangement. I would far prefer that the family as a whole unit — children and spouses — shared the boating activities without any disincentives. Some practical way of introducing a learning scheme is therefore needed.

In discussions with boating organisations around the Gippsland Lakes the matter of voluntary support in search and rescue was raised. Many organisations provide voluntary support, whether by way of search and rescue boats associated with yacht races or by assistance from the Australian Volunteer Coast Guard or the State Emergency Service (SES). For example, at the moment every night we see on television pictures of floods in New South Wales. Two years ago there were floods in East Gippsland and SES volunteers had to jump in boats and carry out rescues on an impromptu basis. It is important to ensure no liability is attached to emergency services and other ancillary support workers providing community safety services.

I suggest the regulations provide for those services and I will nominate some of them; it is not an extensive list. Exemptions or other arrangements should be provided for the Australian Volunteer Coast Guard, the State Emergency Service, lifesaving clubs and people who operate rescue craft associated with recreational boating activities. I am not suggesting the operators must be skilled; I am suggesting that it is not appropriate for them to be in a position where they may incur a financial liability or be in breach of the law. My concern is therefore a practical one.

Earlier I alluded to the difficulty I see in that the proposals do not deal with the operators of hire-drive craft. On the face of it that seems to be strange, although honourable members are yet to see how the regulations will be drawn. I am sure the minister and her advisers have in mind new regulations to deal with such craft. I seek an assurance from her that there will be parallel arrangements to ensure that the standard of safety for operators of hire-drive craft is not lower than it is for people operating their own vessels. That would clearly be inequitable. Although I recognise the impact of such measures on the hire-drive commercial industry, the matter must be addressed in a practical way. I am interested in the minister's solution to that.

In summary, I am pleased to state that the opposition supports in principle the measure before the house. However, as I have suggested, the minister must address a number of implementation aspects of the proposal. Indeed, the minister must give the house a clear sense of what may be done under the regulatory provisions of the bill.

Hon. R. F. SMITH (Chelsea) — I have some satisfaction in speaking on the bill because of my past experiences and knowledge of the sea, inlets and so on and the need for safety standards and recognition of the dangers associated with sailing and boating of any description. The bill significantly enhances the safety standards applying to boaters and users of personal water craft, more commonly known as jet skis. Anyone who doubts that should listen closely to the following statistics. Between 1989 and 2000 some 120 deaths have occurred as a result of accidents associated with boats on waterways. All will agree that that is tragic and could arguably have been reduced if people had a better understanding of the way to use their boats and if tighter boat safety regulations existed.

At the moment children as young as 12 can operate boats or jet skis because no laws apply to that. There is

no need for children to understand rules about safety standards, although I daresay most would have some guidance from their parents. However, as all honourable members would appreciate, some children would have had no training whatsoever. That is unacceptable, and the proposed regulations tighten up that area.

In the last financial year something like 853 incidents associated with boats, skis, power skis and the like were reported to police. That is unacceptable. In the past 12 months 10 fatalities and 22 serious injuries have occurred, which again emphasises the need for legislation to tighten safety standards within the industry. The cost to the community as a result of those injuries has been of the order of $15.5 million.

The bill brings Victoria's marine regulations into line with other states and territories, except Western Australia and the Northern Territory. Western Australia provides training courses on the basis of voluntary participation, which is admirable, but there are no other regulations. The Victorian government believes that is inadequate and will not enhance boaters' understanding or knowledge of boat safety and safe practices. It is far better that people have licences and a demonstrated capacity to handle their boats in a safe manner.

The bill is consistent with National Marine Safety Council guidelines for boating licences. Again, the government believes that is in the interests of Victorian boaters.

As has already been outlined by Mr Philip Davis, all operators of boats with motors will be required to have licences and there has been some discussion or debate about sailboats as most sailboats have backup engines or outboards in addition to their sail power. While I understand that members of the yachting fraternity may have some argument about exemptions, I suggest that they will be one of the more significant beneficiaries of the changes and the higher standards that will be established. They will be much safer in the knowledge that everyone out there, whether on skis, in power boats or whatever, has a much better understanding of the water.

In addition, the fees they will be required to pay will contribute to a much safer system. The people who play or work on the water will have a better understanding and knowledge of the water and of better safety practices; and the Australian Volunteer Coast Guard will have better resources available to it to service those people who might consider they should be entitled to exemptions. In the main their boats tend to break down and require search and rescue services or towing back to safe harbours. I suggest that yachties rethink their view that they should be exempt from paying the proposed fees. After all, $25 is not a lot of money compared with the cost of a yacht.

Before the election the Labor Party promised that it would ensure that the operators of ski boats in particular would be required to have licences. The government has gone beyond that and included all operators of motor boats, vessels, et cetera, which is a sensible thing to do. It does not allow for any claims of discrimination or the like; it is one in, all in.

Some suggestion has been made that operators of what are referred to as 'tinnies' — that is, small aluminium runabouts with outboard motors — should also be exempt. People in tinnies tend to stay in inland waters such as lakes but the statistics show that 40 per cent of all water accidents occur in inland rivers and waterways and in the main involve those little aluminium runabouts. This year there have been eight fatalities. I suggest that the government should ignore any argument the users of those craft put about exemptions.

Included in this bill is a clause providing higher penalties for breaches of the law by operators of personal watercraft such as jet skis. As that particular form of recreation has enjoyed a significant increase in popularity, the incidences of tomfoolery or hooning have also unfortunately increased. There had been a number of incidents involving ski-boat riders at the Patterson River estuary and earlier this year the minister rightly banned the use of jet skis in that facility with the threat that, if necessary, that ban would be extended to all parts of the bay and coastal waters. A small group of jet ski operators have tended to spoil it for everyone. As I said, the bill provides for a significant increase in penalties for people who breach the law in using jet skis.

The bill has had significant support from a number of quarters including the State Boating Council. Mr Corrie Banks said that the bill will make a major contribution to safety in the boating industry in this state. The Boating Industry Association supports the bill. Mr Lindsay Grenfell, the chief executive officer, has said that the association looks forward to working with the government and the Marine Board of Victoria on the introduction of licensing and the development of programs for the betterment of all boaters.

Victoria Police is also a strong supporter of this bill. Superintendent Peter Teather from the traffic and operations support department has said that the bill ensures that every operator will demonstrate a degree of competency and that that will enhance safety on our

waterways for everyone. He said Victoria Police would work with Vicroads and the board to ensure the smooth passage of the changes.

The fees associated with the bill will be a $25 annual fee for adult boat users and a $30 annual fee for adult jet ski operators. Members might ask why there is a difference. The answer is that more extensive testing is required for jet ski operators, they operate differently and it is considered appropriate that that be recognised in the fee structure. It should also be noted that there are reduced fees for young people who use jet skis or boats — that is, $12.50 for boats and $15 for jet skis. There will also be a $20 fee for testing for the knowledge required to operate boats or jet skis in Victorian waters. A number of people have expressed interest in being providers of those tests including the boating associations, the Australian Volunteer Coast Guard and Vicroads. Although the fee is set, the government supports Vicroads in its indication that if private providers can demonstrate an ability to provide the necessary training they will be able to set their own fee, which will be determined by market forces.

It is estimated that approximately 250 000 boat users in Victoria will be licensed. That begs the question: what happens to the money? If the number of boat users is multiplied by $25, that equates to roughly $6.25 million in annual fees. The government has stated that that money will be used to provide training courses, community awareness programs and to target some ethnic groups who may not fully understand the changes due to a lack of understanding of the English language. A significant number of people of non-English-speaking backgrounds use boats.

In addition, the money collected over the next five years will be used to refurbish old boats and purchase new vessels for the Australian Volunteer Coast Guard, which is ecstatic about what the government is proposing in the bill. It has already received two new boats and, if my memory serves me correctly, two about-to-be-refurbished police boats for use in inland waters. Having talked to a number of people associated with the coastguard, I can tell honourable members that they are very happy that in the 12 months since this government came to power they have had their prayers answered. Considering the state of the boats they had, they must have been praying, praying and praying.

It is fair that the net proceeds from licence revenue will be ploughed back into the industry, although some costs will be incurred. At present Victoria has about 40 000 licensed boat users, but many licensed operators live in New South Wales, Tasmania and South Australia and use Victorian waters. The government will recognise their licences for three years, after which they will need to be licensed under the Victorian regulations. Minor details of that change need to be worked through in recognition of South Australian and Tasmanian residents having licences for life issued in those states. As I said, they will be given three years to get Victorian licences, but that should not create problems, particularly as the Victorian fee will be only $25. They should have no problems in passing the licensing knowledge tests.

The provisions of the bill that effect the transfer to a new licensing system will take time to implement. Priority should be given to jet ski operators and boat users aged under 21 getting their licences. Younger people need that training as soon as possible. The vast majority of more mature people have been boating for many years and have more experience than younger citizens on Victoria's waterways.

Vicroads has a database of boat owners. It will be enhanced and made available to private providers who can demonstrate their ability to test and assist in the patrol process. The Honourable Philip Davis queried the situation with hire-and-drive boats. The government recognises that it is not necessarily a problem, but the issue needs to be worked through. Already the government has arranged to work with industry representatives to find a sensible and rational way to determine who should hold licences. The tourism benefit is an important aspect of hire-and-drive boating, and if the provisions were implemented without recognising that, businesses could be severely impacted upon. Within about the next six months the government will have worked through the issue of how hire-and-drive boats will be covered by the legislation.

The bill is designed specifically to enhance the safety, health and wellbeing of all boat users in Victorian waters. For that reason the bill should be supported, and I commend it to the house.

Hon. B. W. BISHOP (North Western) — I am pleased to contribute to debate on the Marine (Amendment) Bill. The bill is interesting, and were I cynical I would say its effect is to charge people to make the world safe. The National Party strongly supports boating safety, but as it worked through the proposed legislation it became concerned about the patchiness of its provisions covering interstate arrangements and its lack of consideration of the interests of some members of the community. Without doubt, the bill needs more work.

The bill will lead to a mishmash of rules between the states, and the Honourable Bob Smith mentioned a

couple of examples. The National Party is particularly concerned that extra costs will be imposed on families, particularly pensioners — nothing has been said about concessions — who take their small tinnies onto the water a couple of times a year or, as other honourable members have said, when they take their yachts out to enjoy what is a relaxing recreational pursuit.

During the departmental briefing the National Party was advised that the bill was driven by safety concerns and was the subject of an intergovernmental agreement that was mooted six years ago. I understand no licences have yet been issued in Western Australia, Victoria, the Northern Territory or the Australian Capital Territory. Also during the briefing the National Party was informed that the government has signed off on a national training program that is consistent with the principles of the National Marine Safety Council. If that is the case, why have the states ended up with a mishmash of rules?

The National Party is disappointed because the bill is an opportunity for the government to provide leadership and solve some of the problems with rules as they arise between the states, but it has not taken that opportunity and has actually headed off on its own.

Hon. P. R. Hall — I thought we had a border anomalies committee.

Hon. B. W. BISHOP — That is an interesting point. There is a border anomalies committee, and the honourable member for Swan Hill in the other place and I attend its meetings. I presume that at its next meeting we will have to say, 'Guess what? The Victorian Parliament has done it again. Its action has resulted in increasing the border anomalies between South Australia, New South Wales and Victoria'.

The bill will affect many people because about 130 000 boats are registered in Victoria for recreational purposes and about 250 000 Victorians are potential licence-holders. The ALP election commitment was to license personal watercraft (PWC) or, as the community more popularly knows them, jet skis. However, now the government has decided to extend the imposition of licensing to all users of boats powered by engines.

The licensing process will be undertaken in a couple of stages. All operators of PWCs and operators aged from 12 to 21 years will be in the rule book by the 2001–02 boating season. The remainder will follow in the 2002–03 season. Compulsory licensing will apply to all boat users.

A transitional period will be allowed for the approximately 4000 licences held by Victorians who use New South Wales waters, which generally would be users of the River Murray. The South Australian users will be treated in the same way. A boat owner will need a Victorian licence upon the expiration of his or her licence or after three years from the commencement of the Victorian legislation.

A couple of categories of licences will be introduced. The general operator's licence does not cover the operation of PWCs. If a person wants to operate a PWC, he or she must obtain a specific licence endorsement — but only if the person owns the craft. If the PWC is hired, the rider does not need to hold a licence.

A restricted operator's licence covers 12 to 16-year-olds. Licensing testing fees will be $20. I understand there is to be a consultative process to decide the licensing fees but it has been suggested that the general operator's licence will be $25 a year, a licence for a personal watercraft will be $30 a year and a restricted licence for someone between 12 and 16 years will be 50 per cent of that charge. Licences will be issued for one, three or five years — whichever suits the applicant. The licence fees will be used to establish a five-year boating safety funding program that will be used for the provision and support of boating safety services; the provision of boating safety training, education and promotion; and the provision and maintenance of safe boating facilities. Those are all good moves.

The National Party supports and will continue to support the introduction of all safety initiatives. It strongly supports the licensing of operators of personal watercraft. I am sure the statistics would confirm the suggestion that such craft can be extremely dangerous, regardless of the waters in which they operate. The National Party is concerned about moving down the path provided in the bill because until the process is completed the owner of a personal watercraft will need to be licensed but a person who hires one will be able to just turn up, pay his or her money, hop on the ski and ride away without needing a licence. The delicate situation of hire-and-drive vessels on lakes and rivers — for example, houseboats — and the impact of the changes on the hire-and-drive industry are understood. The issue needs to be handled carefully. I suspect that the introduction of a quality assurance program might lead to such vessels being managed sensibly and may add some structure to the process.

I refer back to the hiring of personal watercraft. Even after the bill is passed a person without any training will

be able to walk into a hire company, pay his or her money, get on a jet ski and ride away. I suspect that poses the highest risk. While Mr Hall and I were examining the bill, I wrote to the minister about our concerns. We also met with the minister, for which we thank her, and requested that she bring those arrangements within the 2001–02 limit. We believed that the hiring of personal watercraft particularly should be brought in at the start of the 2001–02 season, when the first tranche of the legislation takes effect. It became apparent that it would be sensible to hold the legislation over to allow more time for consultation.

It is interesting that when we began to ring people about the legislation — for example, the field and game people — they replied that they had never heard of it. They had no idea. Obviously the yacht clubs are in the same situation. I am sure there are many other separate small boating organisations that have not heard of it. I will refer later to the larger organisations because they have certainly been made aware of the legislation, and they support it. If the legislation were held over it would allow time to sort out the border anomalies and the hire craft issue. The National Party is concerned that not all boat owners and operators are aware of the initiative. It would prefer that it be held over until next year, given that the legislation will not take effect until the boating season of 2001–02. I spoke to Mr Lindsay Grenfell, the chief executive officer of the Boat Industry Association, one of the largest boating associations, and it certainly supports the bill.

As I said, with the help of Mr Hall I wrote to the minister. I thank her again for her prompt response while the bill was between the houses. The first issue raised in the letter was the use of the funds collected from the licence fees. I requested that some consideration be given to the establishment of a trust fund similar to that established to hold moneys for recreation angling licences. Such a gesture would give the people who paid the licensing fees confidence that a fund would be established and utilised in toto — that is, the net proceeds of the fund would be used for boat safety and boat handling facilities throughout the state. The letter also asked for a guarantee that the introduction of the bill would not lead to any diminution in the moneys collected from boat registrations, which are presently directed to some boating safety areas, boat ramps, and so on.

The minister was kind enough to respond to my letter. I will go through that response and paraphrase what the minister said. She stated that in the first five years of the program nearly $16 million raised from licensing will be reinvested back into the boating community. She said that in relation to the trust fund, the minister and the government believe that what they are doing is preferable to a statutory trust fund because such a fund would have limited flexibility. The National Party still believes a trust fund would be the best method. It certainly would give more confidence to the boating industry than what exists at the moment. However, the government has rejected that view.

We in the National Party are concerned about the impact the charges will have on families and pensioners, particularly when they might use their boats only occasionally. A 10 or 12 foot tinnie that would be used a couple of times a year could cost $100 a year for a family of four. We suggest an alternate scheme under which the registered owner or licensed operator of a craft would accept responsibility for immediate family members who temporarily take control of the vessel. We made it clear that did not apply to jet skis. As a quality assurance program it would work. The government was not at all keen on the proposal.

The fees will be set by regulation and there will be a formal regulatory impact statement process, which will include extensive consultation with communities. The minister's letter states that the proposed fees are comparable with those in other jurisdictions, so that will also be considered. The proposal of the licence-holder or registered owner of the boat taking responsibility was rejected as it is not supported on safety grounds or allowed in respect of road vehicles. It is drawing a long bow to compare boats with road vehicles. However, the proposal and other initiatives put forward by the National Party were rejected.

The National Party pressed quite hard on the issue of anomalies with New South Wales and South Australia. In New South Wales a boat does not have to be registered if it is under 5.5 metres in length or if the engine is under 5 horsepower and a licence is not required unless a boat travels at more than 10 kilometres an hour. The National Party requested that consideration be given to introducing the same provisions in Victoria to avoid anomalies between the states. I am sure the many people who use the River Murray run into that difficulty.

A situation may occur where people from New South Wales travel in their boats at speeds of less than 10 kilometres an hour. They will be okay on the River Murray, which is New South Wales water, but will be in trouble the minute they go up a creek or billabong on the Victorian side, because in Victoria they will have to be licensed. I am annoyed that although the initiative is being driven from a national perspective there are huge anomalies between the state rules.

The Honourable Bob Smith mentioned that under the South Australian education-based system there is one licence that is issued for life.

There are anomalies between the states. The National Party is concerned about the state emergency services — not an issue that was raised with the minister — which do a marvellous job. I do not want their work hindered by increased costs. They are properly trained and organised in the work they do.

Concern was expressed during the briefing by officers from the minister's department about the role the police or authorised officers would play in the regulation of these provisions. The minister has responded in some detail on that issue. In a letter dated 16 November the minister states:

> The marine board advises that the police are the main enforcement arm and are responsible for the issue of the vast majority of marine infringement notices (MINs).

They will be the main enforcement agency. The letter further states:

> Only the police have powers of arrest and are empowered under the drug and alcohol provisions of the Marine Act. Also, only police are issued with laser speed detection devices.

I do not think laser speed detection devices will be much good for tinnies — the 5 horsepower motor boats that just putt along. The letter goes on to say that police are supported by authorised officers employed by local waterway managers, including local councils, Parks Victoria and the Department of Natural Resources and Environment, who can also issue infringement notices. I hope overzealous officers are not hunting for quotas among the boating fraternity. The National Party has consulted widely and has real concerns about some aspects of the bill. It supports the safety thrust of the bill but believes it is structurally deficient and asks the minister to consider the issues it has raised.

The National Party accepts the safety principles, but is concerned about the cost to families and pensioners. I do not believe the provisions adequately cover personal watercraft and hire boats. I ask the minister to consider the regulation of personal watercraft and hire boats by 2000–01. The anomalies will be annoying particularly to those people who live along the Victorian–New South Wales border. The bill provides the opportunity for too much regulation of the industry. I notice the Minister for Transport referred to that issue in the other place, particularly for small horsepower motored yachts and I hope tinnies. I will listen with interest to the minister's response. I reiterate that the National Party supports the safety aspects of the bill but is concerned about its structure.

Hon. R. H. BOWDEN (South Eastern) — I have much pleasure in contributing to the debate on the Marine (Amendment) Bill, and I will raise several points that are important to the recreational boating community. The bill is intended to increase and enhance safety on our waterways by enforcing a degree of knowledge on boat users and making better known the regulations for our waterways.

The contribution to the economy of the state by the recreational boating industry is significant, and safety and knowledge are important issues. It was said earlier that since 1989–90 there have been 120 recreational boating fatalities, 4 of which involved personal watercraft. The minister's second-reading speech states that in 1999–2000 a total of 853 incidents were referred to police, with 10 fatalities and 22 serious injuries involving recreational boats, at a community cost of $15.5 million.

I agree with the suggestion that, given that the introduction of a licensing regime should enhance safety issues, marine insurance providers should examine the benefits derived from the regulations and consider lowering premiums for recreational craft. The bill is consistent with national mutual recognition of qualifications, so at long last interstate and Victorian licences will be recognised. Victoria has approximately 131 000 registered recreational boats with about 250 000 potential licence operators.

The Marine Board of Victoria will provide the management and regulatory support for the program, including training, conducting appropriate tests and the provision of licences for people who already hold a relevant marine qualification. Personal watercraft and sailing boats are extremely important economically. I understand that yachts and boats fitted with low-powered motors used for moving in and out of moorings or manoeuvring will require a qualification. I am not sure that is a good thing. The coast guard, lifesaving boats, rescue boat operators and the state emergency services may not necessarily use boats for recreational purposes. They provide a valuable community service. Consideration should be given to a concessional licence or, as suggested earlier, no licence at all for those special categories. The minister may review the issue of voluntary operators who provide a valuable service being caught up in this regime. Senior citizens should be given consideration and concessions, which is in line with the intention of not penalising senior citizens who want to enjoy the marine environment.

I am pleased that funds raised from licence fees will go towards enhancing boating safety, boat training and education and providing safe boating facilities. It is estimated that by the fifth year $4 million will be raised from the licensing program.

In conclusion, the recent introduction of the fisheries bill and this bill will mean a greater number of authorities may issue penalty infringement notices against the boating fraternity. Police, councils, fisheries officers and other agencies will be authorised to issue infringement notices. I am concerned about the potential for so many authorised officers, which I believe will require further evaluation. The emphasis on knowledge and safety is supported. The insurance industry should take on notice the fact that some honourable members, including me, will look at the industry's attitude to the cost of boating insurance when the licensing regime becomes fully operational.

In conclusion, I believe there is a long way to go in making the bill totally harmonious with Victoria's sister states. I suggest that the matter of hire-drive vessels, including personal watercraft, will require a great deal of further consideration. The New South Wales regulations operate very well. I have held a New South Wales licence for more than 20 years, and I look forward to holding a Victorian licence, which will be valid in other states, including Queensland.

Hon. P. R. HALL (Gippsland) — I welcome the opportunity to contribute to the debate on the Marine (Amendment) Bill. After some discussion and deliberation by its members, the National Party has decided not to oppose the bill. However, notwithstanding that decision we still have significant concerns about aspects of the bill, which I will discuss during my contribution and about which I will seek a response and commitment from the minister that serious consideration will be given to addressing at least in part some of the concerns we believe may be able to be addressed through the regulation-making powers available to the minister under the bill.

The minister's second-reading speech states that the bill deals with marine safety, and certainly National Party members would be most reluctant to oppose any intended measures that address safety issues. The provisions in the bill relating to the dangerous and careless operation of vessels and blood alcohol levels while operating vessels are welcome, and we have no hesitation in supporting them.

The bulk of the bill deals with the introduction of licences for boat operators, and it is aspects of those measures about which the National Party has some concern. Before going to them I shall make a general statement about the introduction of licences. It is assumed by people who read the second-reading speech that the introduction of licences for boat operators will bring about an improved outcome in marine safety. However, the introduction of licences for the operators of vessels does not in itself mean an improved outcome with regard to marine safety issues.

As with the operation of motor vehicles, for example, I argue that the way one uses a motor vehicle and the care and responsibility one demonstrates is a prime factor in the safety of the person using the vehicle. I suggest that will also be the case with marine vessels. It is not so much that one holds a licence, but rather the care and responsibility one demonstrates when using that vessel that will be more important in achieving improved marine safety outcomes.

I turn to some of the concerns National Party members have with the bill. We are concerned that the operators of small low-powered vessels will now be required to be licensed, and the issue about operators of yachts, for example, has been well canvassed by previous speakers. The National Party agrees with that point of view — where a yacht is primarily powered by means other than a motor, some consideration should be given to exempting it from the requirement for the operator to be licensed. The National Party argues that that same argument could well be extended to some of the small tinnies, to use a colloquial expression — the small aluminium boats used for recreational fishing in inland or protected waters and also for recreational activities such as duck hunting. Some people use their tinnies to travel around in pursuit of their recreational activities, whether it be fishing or duck hunting, on only two or three occasions a year, and they certainly do not travel at high speeds.

I have heard the argument that those small vessels have contributed to the statistics with regard to incidents on the water, but at the same time there will be people of limited means — for example, pensioners — who use low-powered boats for recreations such as fishing or duck hunting and probably only use their boats for minimal amounts of time each year. They will now be required to be licensed. It is not just the $25 annual licence that must be paid; there is an initial $20 fee to sit the test as well. Some consideration needs to be given by the government, perhaps as part of the regulatory impact process that will follow in developing the regulations relating to the bill, to considering the impact on people who use low-powered vessels on very rare occasions. Perhaps there is a possibility that some of them could be exempt.

The National Party also raised some issues about families using boats. The Honourable Barry Bishop put forward the National Party's argument that one licensed operator of a vessel could take control and responsibility for other people using that boat in the presence of that person, and in particular I refer to mum, dad, and the kids going out during the annual Christmas holiday in a vessel. Mum and the kids may not use the boat nearly as regularly as dad, yet all members of that family will be required to hold licences if the child or spouse of the operator wishes to take control of the vessel.

The Honourable Philip Davis raised an interesting point about that situation. He said that no means will be provided for a person to undertake a period of learning, such as is provided with motor vehicles on roads. Perhaps consideration should be given to implementing a system whereby a person can undertake a learning period in the use of marine vessels.

Another significant issue was the lack of progress on licences for people who hire marine vessels. I understand that the industry needs to be consulted quite broadly and intensely about the issue because of the importance of hire-vessel operators to the tourism industry, particularly in coastal areas of Victoria and the major inland waterways. Consultation needs to be undertaken, and the National Party agrees that to date consultation has not been undertaken. The Parliament would be foolish to rush in any provisions relating to the hire industry. Nevertheless perhaps it would have been wise for the government to hold the legislation until such time as that issue is addressed so that there would be consistency in the introduction of the licences for operators of marine vessels.

National Party members feel strongly about the use of personal watercraft, which are most commonly referred to as jet skis. It is totally wrong and inconsistent that come the start of the boating season next year — 1 December 2001 is the usual nominal date for the start of the boating season — if you own a jet ski you will be required to be licensed, but if you hire a jet ski you will not have to be licensed. What we have asked and again ask from the minister is that during the course of the debate today we see an absolute priority to at least address the issue about the hiring of personal watercraft, or jet skis, prior to the commencement of the boating season next year. It should be brought in at the same time as the first stage of the introduction of licences for operators of marine vessels.

The government had a pre-election commitment to introduce licensing for personal watercraft, not boats in general, and the National Party supports that. It feels strongly that the personal watercraft issues relating to the hire industry need to be organised and sorted out, and that a system needs to be introduced that runs parallel with the introduction of the general licensing provisions for other marine vessels. The National Party asks the government to move quickly on bringing in a general procedure for the use and hire of marine vessels throughout the state.

Another issue about which we have raised concerns with the minister is the funds collected from the licence fees. I am aware that a commitment is given in the second-reading speech that over the next five years the sum of $15.9 million is going to be put back into recreational boating safety initiatives. Members of the National Party welcome that, although we believe consideration should perhaps have been given to establishing a trust fund for those moneys. After all, it was the Honourable Bob Smith himself who this afternoon said it was estimated that in a full year these licence fees would raise in the order of $6.25 million — not next year because it is only going to be partly introduced, but in a full year.

If $15.9 million is to be put into recreational boating safety initiatives over five years, it is apparent that only $3.25 million of that $6.25 million a year will be returned to boating. If that is so of course people who are concerned about the extra fee or levy or tax being imposed upon them will ask, 'Isn't this just another revenue-generating measure introduced by the government?'. That is why we have said we would be much happier if a trust fund were established for the net proceeds of the licences, to ensure that the money collected through the licensing system is not redirected into general revenue.

That is something we as a Parliament and we in opposition will keep a pretty close eye on over the next couple of years. We will seek information from the government, and I am sure members on the opposition benches will want to make absolutely sure that the money has not been siphoned off into general revenue. Equally, we would want to see that the amount collected from boat registrations is not diminished in any way. The money collected from boat registrations is currently returned to the industry in the form of boating safety initiatives, and we would want to ensure that that is not diminished or offset in any way by a return of funds collected through licence fees.

It appears to the National Party that the establishment of a trust account similar to that established under the Fisheries Act for the recreational fishing licence proceeds would be fair and reasonable. As I said, we will keep a pretty close watch on this matter.

The last general issue I raise is the matter of border anomalies. I will not go into detail because my colleague the Honourable Barry Bishop, who represents an electorate that is right on the border, has discussed border anomalies fairly thoroughly.

Members of the National Party have raised some important issues. We recognise that the bill has strong support from organisations such as the Boating Industry Association of Victoria, the State Boating Council and VRFish, but I have to say we are not so sure that it has wholehearted support from many of the boat users in the community, especially the owners of low-powered vessels who use them infrequently. In fact, not many people know about the licences. There has been limited press coverage of the introduction of the measure. As my colleague Mr Bishop has also said, when we contacted the Field and Game Association only two weeks ago we found they had not even heard of the introduction of licences. I would think that a lot of people are in for an unpleasant surprise in 12 months time when they are notified that they are required to get themselves operating licences for the vessels they have owned and operated for many years without needing licences.

That is why we believe the government should look at some of the issues the National Party has raised — the impact on families; the impact on operators of low-powered vessels; the impact on the hire industry — and use the powers in the act to address them at least in part.

I particularly refer honourable members to schedule 5 to the Marine Act, which is headed 'Subject matter of regulations'. It lists a whole range of issues on which regulations can be made. The bill itself amends schedule 5 of the act by adding further matters on which the government may make regulations. The one listed as no. 93 under the heading 'Licensing of operators' says:

> The exemption of persons or classes of persons from the requirement to obtain an operator licence.

Members of the National Party read that as an ability to make regulations that would exempt certain categories of people from needing to obtain boat operators' licences. They might be operators of yachts; they might be people over a certain age, for example — that would make it possible to accommodate the difficulties pensioners will have; they might be people under a certain age, which would make it possible to accommodate the difficulty young children in company with their parents may have if they want to operate a vehicle; or they might be people who operate low-powered vessels.

We are asking the minister to give further consideration to some of the concerns we have raised and in particular to consider using the ability to make regulations under the act that would exempt certain classes of people from having to obtain licences to operate marine vessels.

The National Party is not opposing the bill, but it does have some issues. It is concerned that this major new initiative is not all that well known among the general public. At the very least the government has a big job on its hands to make Victorians aware of this initiative and to sell it to them. With those few words I indicate that although we have some concerns members of the National Party are not prepared to oppose the bill.

Hon. J. W. G. ROSS (Higinbotham) — I am pleased to speak on the Marine (Amendment) Bill and to indicate that the opposition does not oppose the measure. The main objective is to make provision for the licensing of operators of registered recreational marine vehicles and there is a raft of other miscellaneous amendments.

Being a bayside electorate, my electorate will obviously be significantly impacted upon by the legislation. I make particular mention of the Mordialloc Creek, which provides access for a range of boating enthusiasts, and the hire boat industry operates out of that creek. In addition my electorate is home to a number of major yacht clubs, such as Beaumaris, Black Rock, Sandringham and Royal Brighton. Another organisation that may very well feel the impact of the bill is the Brighton sea scouts, with accompanying vessels such as rubber duckies that may present some anomalies. Then there are the more traditional fisherpersons, operating out of the Beaumaris Motor Yacht Squadron with their trailers, and the more general issue of access to the bay for people from all over the metropolitan area at launching places such as the Black Rock pier and the North Road boat access ramp. I again mention small motor-powered vessels such as so-called rubber duckies. At least half a dozen lifesaving clubs will be affected by the legislation.

I acknowledge the point the government has made that a large number of recreational boating fatalities have occurred over the past 10 years. The extent to which they are stratified through the various types of vessels is not clear to me. However, it should be said that Victoria in general has a lower rate of boating accidents than other states. That is probably reflective of the shorter boating season Victoria enjoys.

Mention has already been made of personal watercraft, also known as jet skis, wave runners or motorised

surfboards, and the fact that they have been involved in some spectacular accidents. The present legislation stipulates that only persons 16 years of age or more may travel at a speed of more than 10 knots without some form of supervision.

The problems with personal watercraft are their capacity for high speed, their high level of manoeuvrability and the extent to which they are operated by individuals that can be described only as hoons. A step-up from jet skis are the powered jet boats that are a little larger but have similar speed and manoeuvrability and can cause great nuisance on Port Phillip Bay in particular. One of the problem activities is wake jumping, where hoons follow the wakes caused by larger vessels moving into harbours and jump over the wakes. They obviously obtain enjoyment from such an irresponsible activity. Concern has been expressed about the extent to which an anomalous situation is developing between persons who operate small craft with lower levels of manoeuvrability and low speeds and those operators of personal watercraft.

The opposition is concerned that the present licensing system builds upon significant costs that are already exist. Obviously the legislation is intended to target larger vessels with regard to radio licence fees paid to the Victorian Volunteer Coast Guard of about $52 a year. Those who use their vessels for fishing must add to that a licence fee of about $25 a year, $30 a year for trailers being taken to the bayside for launching and mooring fees for larger vessels of more than $1000 a year. I am the first to acknowledge that the licensing fee for those larger vessels is insignificant in comparison to the overall cost and the opposition has no difficulty with it. However, the operators licence fee builds upon significant costs, particularly for many constituents in my electorate where recreational fishing and boating are preferred pursuits of many retirees. Some consideration should be given to the overall cost of boating for pensioners and self-funded retirees who have low incomes.

I have already mentioned Mordialloc Creek and the anomalies for hire boat operators, and make particular mention of industries such as Pompei's boat building works in Mordialloc which has been a landmark for more years than I can remember. I also mention the small boat hire businesses, such as Peter and AM Alnutt and Blue Line Boats. The people likely to hire boats from those operators are also likely to be inexperienced and subject to the problems the legislation is attempting to target.

I acknowledge that the government recognises the matters relating to the maintenance and viability of the industry. Nevertheless, the opposition believes real anomalies exist in the bill, and I urge the government to consider them and undertake some fine tuning before the legislation becomes operative on 1 January 2003. The opposition does not oppose the bill.

Hon. ANDREA COOTE (Monash) — I have much pleasure in making a contribution to the debate on the Marine (Amendment) Bill, which improves marine safety throughout Victoria with the introduction of licensing of operators of registered recreational vessels. Other honourable members, particularly my opposition colleagues, have spoken at length about their concerns. Honourable members must be mindful of the fees charged for the increasing number of pensioners and self-funded retirees. A number of self-refund retirees in my electorate are keen boating enthusiasts and will be concerned about increases in fees and their effect on their enjoyment of their recreational pursuits.

There is no provision for learners and competent yacht owners and drivers in the bill. The St Kilda Yacht Club is well renowned for its number of good yachts, many of which are moored at the St Kilda marina. It is the personal watercraft, or the jet skis, which I am concerned about, and I raised this matter on 8 December 1999 with the Minister for Energy and Resources:

> Several Elwood residents have expressed grave concerns about the number and behaviour of jet ski or personal watercraft operators. Residents are particularly concerned about the safety of their children.

Many people launch their personal watercraft at the North Road boat ramp and go through to the beaches at Elwood and Port Melbourne, the area covered by the Monash Province. A number of people take their jet skis to those good beaches located close to the city, even after work, which places an enormous amount of pressure on that particular stretch of the bay.

There is a good balance between the responsible yacht owners, the small watercraft operators, the ferries that go to Williamstown, and the windsurfers, who have a designated area at St Kilda which works well. However personal watercraft operators do not have a designated area and often enter the area that windsurfers use. From my observations, personal watercraft users are not as considerate of those who use the beaches, such as swimmers and windsurfers, as they should be.

The educational aspect of the bill is important for personal watercraft users. They should be educated about marine safety, as should other users of our bay, including windsurfers, swimmers and parents of small children.

The Melbourne University Boat Club has experienced problems from time to time where schoolchildren learn to row on the Yarra River. There was an incident recently where a personal watercraft user came up the Yarra River at a speed far exceeding the legal limit and caused consternation to the coaches and all those involved at the rowing club. The potential for accidents on the Yarra River exists, and consideration must be given to inland waterways as well as the bay. I ask the minister to direct her attention to what happens on the Yarra River because there is potential for accidents to happen.

The 1995 Werribee tragedy that has already been mentioned touched all of us. At the time I was a member of the Parks Victoria board, and all the members of that board were severely distressed by the tragedy. We spent a considerable time looking into what could be done to deal with the increasing prevalence of personal watercraft and the problem of people riding them irresponsibly. I hope the bill will help ensure that that ghastly tragedy is never repeated.

One of the suggestions that the Parks Victoria board came up with was to have designated areas set aside specifically for personal watercraft. The first area suggested was Carrum, and I recall being heavily lobbied by the Honourable Cameron Boardman, who said his constituents were very concerned and worried about having Carrum as a designated area for personal watercraft. I place on the record the fact that as far back as 1995 the former Kennett government was looking into the issue of personal watercraft safety and was very concerned about some of the problems that were arising at that time.

I express concern about the proposed staged implementation of the bill. The minister, in the second-reading speech, said that personal watercraft operators and young operators aged between 12 and 21 years are to be licensed first, although I am not certain when. However, the second-reading speech states that the licensing of those operators will be followed by the licensing of other operators, and that it is proposed that by 1 January 2003 the licensing requirements will apply to all Victorian operators.

Given that I raised the issue last year and that boating safety was an ALP policy promise, I am concerned that the policy will not be implemented much earlier than is provided for, in particular for personal watercraft users. On 8 December last year the minister said she would establish a roving team to go around the bay visiting places where incidents needed to be addressed, including Elwood in my electorate. The issue of personal watercraft safety has been out in the community for a considerable time. Given that the former Kennett government had started addressing the issue, I am concerned that it will not be resolved for the coming summer. That is a matter of concern for all Victorians.

As other honourable members have said, Western Australia also has grave concerns about personal watercraft. In the *West Australian* of 25 November a Mr Dunlop, who is chairman of the Australian Marine Conservation Society of Western Australia, says that the jet skiers there:

> … are breaking the law all the time and there is no-one stopping them. My preference would be to designate areas for them to go, like we did with waterskis.

As I said, designated areas were mooted in Victoria once before and did not meet with great approval.

I am concerned that there will not be sufficient new police officers to make an impact on the problem of water safety. I would hate the regulations proposed in the bill to be brought in and then not followed through. Personal watercraft are very fast and their operators think it is very smart and clever to get away from the police. It is imperative not only that offenders are apprehended and their licences checked, but also that the regulations and rules introduced by the bill are implemented so that the message gets out to the boating community that unacceptable behaviour will not be condoned.

The article in the *West Australian* also raises a totally new issue that has not been referred to in the debate today; however, I will raise it because it has some implications not so much for safety but for the environment, and I would like to get that on the record. The article quotes Mr Dunlop as saying that the emissions from jet skis:

> … lead to hydrocarbons going straight into the water and some studies suggest up to 20 per cent of fuel escapes into the water …

We should be very mindful of the pollution caused by the use of jet skis on the Yarra River in particular, given that is such a small area in comparison with the bay.

I welcome the additional police numbers and the boating safety education programs. However, I call on the minister to ensure that not only the operators of the boats but also parents of young children understand that personal watercraft are dangerous pieces of machinery. I would like to see the number of roving teams that the minister spoke about last year increased so that Victorians will have safe beaches this summer and so that the people of Monash Province represented by me

and the Honourable Peter Katsambanis feel they can use the beaches along the foreshore of Port Phillip Bay in safety, without a repeat of the 1995 accident. I hope those matters will be implemented and watched. I do not oppose the bill.

Hon. C. A. STRONG (Higinbotham) — It would be very hard to oppose the basic principle underlying the Marine (Amendment) Bill, which is to establish a safety regime for watercraft. Many serious accidents involving watercraft have occurred, and no-one could disagree with the need for boating safety. However, in some ways the licensing requirements contained in the bill are a major overkill in the achievement of what I believe is basically not an unreasonable objective.

It is hard to know where to draw the line. Should the government say, 'We want to license operators of the most dangerous craft only and not the operators of less dangerous craft'? It is an extremely grey area in which to draw the line. There will always be difficult questions to be answered in framing such legislation, and where to draw the line will always be a matter of fine judgment. However, the bill's drawing of the line goes too far.

As was suggested by the Honourable Peter Hall, the government should use the opportunity of the proposed lengthy phase-in period to review the full extent of the licensing of watercraft operators. As I understand it, there is scope within the framework of the regulations for that to occur. I urge the government to look closely at those regulations with a view to making the licensing a little less of an overkill than is currently proposed. At one extreme are the licensing requirements for the operators of jet skis. As other speakers have said, those requirements are entirely appropriate. For various reasons many operators of jet skis operate their craft in an irresponsible manner — for example, they operate them close to swimmers, which can be very dangerous. Relatively inexperienced operators, even with the best of intentions, may make a tight turn, hit a wave, spin over and cause accidents and harm to swimmers and other boating operators.

On the one hand I do not think one can logically say it is anything but highly appropriate to see that these people are licensed, but on the other hand the following rather ridiculous situation could occur. In the coming summer yachting period a yachtsman who is a highly experienced boat operator may be a contestant in the Melbourne to Devonport yacht race. He may have negotiated his way from Melbourne across Bass Strait to Tasmania and all the way back to Melbourne via Port Phillip Bay and may have a little 1 horsepower motor on the back of his yacht that he uses to moor it. Although he is clearly skilled, he would have to have a licence to take that little 1 horsepower motor the last 50 yards to his mooring.

Clearly there is scope for the regulations to handle such situations. Most yachtsmen who have little outboard motors to help them to moor — or perhaps operators of dory boats or something — are highly skilled and highly responsible and are not the people this legislation is properly trying to catch. It would be highly appropriate if the regulations could somehow deal with situations such as those.

I will now look at some other matters that are in the detail, but are nonetheless important. They relate to the bill taking in in one sweep all powerboats and all people who operate them at all times and under all conditions, which is extremely broad. That is really an indication of bureaucracy gone mad, and some balance needs to be introduced — particularly when, as I understand it, the licences will have to be renewed every year.

Not only around the bay but throughout Victoria a great many people enjoy boating. It makes me think back to my youth. I spent my childhood by the seaside, where I grew up with boats from a very young age. From eight or nine years of age to gain experience in using a boat I would sail or take the tiller of a boat that was putting around. I think Victorians very much value water skills such as those.

The bill essentially means that the parent of a family who is using a boat cannot simply say to little Johnny or little Jane, 'Would you like to hold the tiller for 5 minutes to get a bit of experience of how it feels and a bit of an understanding of what the water and waves feel like under a boat?'. The boat could have a 2 or 3 horsepower motor or it could be a hire boat or something like that. Children cannot even get a fundamental understanding of boating to see whether they are interested in pursuing boating activities.

It is hard to see how that sort of arrangement would pose any real risk to safety. Perhaps the definition in the regulations could be recast to exclude high-powered craft but enable people, young and old, when they are out in a boat simply to hold the tiller or the wheel to see what it feels like. The provision in clause 134 that makes it an offence for somebody to do that is a massive overkill.

Take my own example. If I were out on the bay for a couple of hours with my little grand-daughter and said, 'Dear, would you like to hold the tiller for a moment just to see what it feels like?', under clause 134 I could

be fined. That is a little hard. A little more judgment needs to be applied in deciding where to draw the line in such matters. I reiterate that the regulations offer that possibility.

Hon. G. R. CRAIGE (Central Highlands) — I shall add to the debate on the Marine (Amendment) Bill with some comments about its history. There is significant evidence to suggest that there is no real difference in the incidence of serious accidents involving powered vessels whether they be personal watercraft (PWCs) or other vessels powered by motors in states with licences compared with states without licences. There is evidence that the Marine Board of Victoria has opposed licensing because it does not improve safety on waterways. That evidence is clearly on the record, so the real reason behind the licensing must go beyond that.

Much has been said in the debate about personal watercraft. None of us would oppose legislation that provides for licences for users of personal watercraft, simply because although they are great fun machines and recreational vessels they are lethal weapons in the wrong hands. I always say that with rights come responsibilities, and one of the responsibilities involved with using a PWC is that one must obtain a licence.

I also do not necessarily oppose the introduction of licences for powered vessels, although many honourable members on this side of the house have indicated that some areas of the definition of a powered vessel need to be examined.

The issue of inconsistency between states and national uniformity has also been raised. I am amazed that there are still huge licensing variations between states. That worries me, and has always worried me.

Another concern involves Victorians who hold licences in New South Wales. A Victorian who is the holder of a licence in New South Wales cannot use that licence in Queensland, because his or her address is in Victoria; but a licence-holder from New South Wales can use the licence in Queensland. I am deeply concerned that by introducing licensing in Victoria we might have those anomalies all over again and create all sorts of inconsistencies across the borders, particularly across the New South Wales border where Victorians go to operate boats. Those are the real issues that need to be addressed in a practical way. A committee was established some three years ago to examine national uniformity of licensing. I place on record that much work was done by Victorian public servants in seeking to achieve nationally uniform boating licensing. It is a tragedy that it has not been possible to achieve and it has not occurred even 12 months into the Labor government's regime.

I place on record a warning to all recreational boat users in Victoria. It is for the Boating Industry Association and everyone: they must ensure the funds gained from licensing are all directed back to boating, not with a mere promise or a mere statement from the minister or anything like that. The boating industry always wanted direct hypothecation, as has occurred under the fisheries legislation. I sound a warning to all recreational boat users in this state who will be licensed: keep an eye on what happens to your money and how much actually goes towards fulfilling the promises made by Labor that the funds will be used on recreational safety issues for boat users. The Boating Industry Association has a direct responsibility to all boat users in this state to make the government accountable for that money. It is imperative that it does that.

I do not wish to add any more to the debate other than to say that I do not think the process of licensing is such a bad thing. However, the bill leaves many questions unanswered.

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

Bells rung.

Members having assembled in chamber:

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! So that I may ascertain whether the required majority has been obtained, I ask those members in favour of the question to stand in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read second time.

Committed.

Committee

Clause 1 agreed to.

Clause 2

Hon. C. C. BROAD (Minister for Ports) — I thank honourable members for their contributions to the second-reading debate. In doing so I welcome the

Liberal Party spokesperson's support for the principles of improving boating safety and note that the National Party does not oppose the bill.

I acknowledge that a number of implementation issues need to be addressed, and the government will consult about them. However, I stress that those matters do not go to the content of the bill and the government has taken the view that by progressing the legislation at this time it is maximising the time available for consultation without unduly compromising the bill's objectives to increase boating safety.

Concern was expressed in the second-reading debate about the need for action to be taken as soon as possible on the behaviour of some riders of personal watercraft (PWCs). I agree with the honourable members who have made those observations in the debate and refer them to a number of initiatives that are in place for the 2000–01 boating season. They include the PWC courtesy rider program, which was very successful last summer and was well accepted by the community and PWC users; it is being expanded this season to include regional areas, particularly the Gippsland Lakes. There is also improved enforcement against activities including speeding, breaching no-go or low-speed zones and other inappropriate or unsafe behaviour. The Marine Board of Victoria is working with the water police and waterway managers to target offenders in particular problem areas, which a number of honourable members identified in the second-reading debate.

I also point out, given that the importance of education was raised in the second-reading debate, that the Marine Board of Victoria is also finalising input into a nationally supported information video that will be distributed to new riders through PWC dealers and other outlets.

In summary, a number of actions are being taken that involve education, information and enforcement relating to PWCs. In relation to PWC hire, which was also raised in the second-reading debate, I have requested the Marine Board of Victoria to progress the licensing of operators who hire PWCs with a view to introducing arrangements for PWC hirers at the same time as putting in place arrangements for all other PWC operators, following consultation with the hire-and-drive industry.

The possible extension of regulation of licensing to vessels which are not mechanically powered was raised in the second-reading debate. In response I point out that the second-reading speech is very clear on that point. In addition, the national principles for boat operator licensing which Victoria has endorsed refer to mechanically powered vessels, and it is most certainly the intention of the government that that is precisely what the bill should apply to.

In response to the matter of possible exemptions including yachts, I point out that the bill provides regulation-making powers to deal with exemptions from licensing which can be clearly justified on safety grounds. That will allow yachts to be dealt with through the public consultation process. I certainly acknowledge, as a number of members noted in their contributions, that many yachting clubs have excellent training courses that make an important contribution to safety in boating.

The costs of licensing was also raised. The government's view is that the proposed fees, which are subject to public consultation, are very moderate. I point out that there are no concessions in motor vehicle licensing and although there are concessions for motor vehicle registration fees, they are very much higher than boat registration fees. Therefore when all of those factors are taken into account the government's view is that the proposed cost of licensing is very moderate.

On learner schemes for young operators, the new licensing proposals provide that operators aged from 12 to 16 years will be eligible for a restricted licence. It is expected that the restricted operating conditions will be similar to those that currently apply. However, they will also be subject to community consultation — and I am pleased to note that the opposition parties seem to be keener about and more committed by the minute to consultative processes.

The impact of the additional costs of licensing members of voluntary search and rescue organisations was also raised in the debate. I acknowledge the very important contribution made by voluntary search and rescue organisations and point out that in future they will be significant beneficiaries of the revenue the bill will generate through operator licensing. Nevertheless, I will examine options for reimbursing search and rescue organisations for the costs of licensing of their members via the grants that they receive as an additional measure by this government to support those organisations and the very important work that they perform for the whole community.

I provide the assurance that arrangements to be put in place for the hire-and-drive industry will not result in a lower standard of safety being applied to that industry following the consultation to be undertaken with the industry. On border anomalies, the key point is that other states will recognise Victorian licences and

Victoria will recognise interstate licences. The bill provides a three-year transition period before Victorian residents holding interstate licences are required to convert to a Victorian licence. Where interstate licences expire before that time the holder will be required to convert to a Victorian licence.

As was pointed out in the second-reading debate, to some extent licensing systems vary between states but the Victorian proposals are consistent with national principles. The New South Wales approach of requiring a licence for boats travelling at 10 knots or more per hour is not favoured on safety grounds and is understood to present some significant enforcement difficulties in that state, so the 10-knot criteria is inconsistent with the government's objectives for improving water safety and the whole purpose underlying licensing.

The bill has no effective implications for Victorian users of the Murray River who currently have a New South Wales licence, except that they will be required to convert to a less expensive Victorian licence by the end of the three-year transition period. The only potential change as a result of the passage of the bill is that Victorians using the Murray River who have not been required to have a New South Wales licence because they have been operating low-speed boats will need a Victorian licence if they take their boats into Victorian waters. If they continue to use their boats only on the Murray River — which is in New South Wales — at less than 10 knots per hour, the bill will not affect them.

Victorian residents who are holders of South Australian licences will be required to convert to Victorian licences by the end of the three-year transition period. It has been noted that those licences are cheaper; however, I am advised that South Australia effectively compensates for its once-only licence fee approach by charging an annual $25 boating facilities levy on registration fees for boats. When those fees are considered as a package, the Victorian proposals compare very favourably with those of New South Wales and South Australia.

The last matter raised in the second-reading debate to which I will refer relates to the operators of low-powered small boats, particularly those referred to as tinnies, on inland waters. The request for an exemption for small-powered boats appears to stem from the perception that because those boats operate at low speeds they are safer and their operators do not require to be licensed. However, as was acknowledged in the second-reading debate, the incident and accident statistics do not support that perception; they indicate that inland waters can be just as dangerous and treacherous as other waters, depending on weather conditions and other factors. Small boats are regularly involved in incidents, accidents and, tragically, fatalities. Over the past five years almost 40 per cent of recreational boating fatalities have occurred on inland waters. In the period 1996–98 to 1999–2000, 9 of the 24 recreational boating fatalities were among people in small low-powered boats on inland waters.

The bill provides regulation-making powers to deal with exemptions that can be clearly justified on safety grounds and that do not detract from safety objectives, and that will be dealt with through the consultation process.

Clause agreed to.

Clause 3

Hon. PHILIP DAVIS (Gippsland) — I would like to thank the minister for her extensive response to the second-reading debate in her comments on clause 2. She has clarified a number of issues. However, in respect of the matter of licences for operators of vessels under sail I want to unequivocally clarify the intent and definition of the term 'operator licence'.

From the minister's comments on the previous clause the intent seems to be unequivocal in as much as it is intended that where a yacht has a motor of any description the operator of that craft must hold an operator licence regardless of whether the vessel is under sail at the time. That is notwithstanding the fact that a licence is not required in respect of a vessel of exactly the same specification which operates on the same waterways under sail but which does not have a motor attached. In other words, the effect of the bill would be to discriminate between operators of exactly the same craft simply because one vessel had attached to it a small outboard for the purpose of in-harbour manoeuvring even if the vessel were used explicitly for sailing, particularly in classic local yacht club point-to-point races.

Hon. C. C. BROAD (Minister for Ports) — That is the type of situation the government is indicating will be examined in consultation on the regulations. That consultation will be conducted with a view to determining whether the safety objectives of the legislation are being compromised by exempting through the regulations those types of vessels with very low-powered motors that are used purely for manoeuvring purposes, berthing and so forth.

Hon. PHILIP DAVIS (Gippsland) — The minister is acknowledging the potential that there be a licensed

operator in charge of a vessel at some times and somebody who is not a licensed operator at other times if there is no application of the general rules which we are agreeing in effect should apply to powered vessels and the vessel is distinct in its mode of operation — that is, it is primarily a sailing craft and at most times is under the control of somebody for that purpose but from time to time needs to be under the control of a licensed operator when it is using its motor.

Hon. C. C. BROAD (Minister for Ports) — Yes, I am acknowledging that possibility in the context that operators of those types of vessels tend to be well versed in how to operate a vessel safely.

Hon. PHILIP DAVIS (Gippsland) — As much as I would like to abridge this discussion, I am concerned about the equivocal response the minister is giving. I am looking for a commitment. The intention of the bill as promoted in the second-reading debate, the minister's press release and all the comments made by the government is to deal with powered craft. The minister is saying to honourable members that they should pass this bill and that not only will it incorporate powered craft but also vessels under sail. That is really not an acceptable position. The minister should be unequivocal about that. Either she intends to licence only operators who are operating powered vessels as prescribed by the rhetoric of the intent of the bill or she intends to widen the net and include vessels that are under sail. I do not think one can be equivocal about that, it is yes or no.

Hon. C. C. BROAD (Minister for Ports) — In response let me be very clear and unequivocal. The bill and the second-reading speech made it very clear that the government's intention is that these amendments will apply licensing to all operators of registered recreational boats, which are defined in Victoria as any boat equipped with an engine that is used for or capable of being used for propulsion. The government's objective and intent is very clear. What I am indicating further to that is what was indicated by the responsible minister in the other place. In the spirit of consultation to which the government has committed itself in relation to the regulations that apply to these amendments, if it can be established by the yachting organisations that there is a legitimate case to be made and that safety would not be compromised by providing an exemption in relation to vessels that use very low-powered motors only for berthing, the government will be willing to consider that exemption.

Hon. PHILIP DAVIS (Gippsland) — I am actually trying to be helpful rather than difficult. Only a few weeks away is the season when I know that in my part of the world there will be hundreds if not thousands of families on the water. If this issue is left as equivocal as it is there will be a perception that members of a family are likely to be disenfranchised in terms of their ability to control a sailing vessel even under supervision because it has a motor for the express purpose of that mooring activity. The reality is that some of these vessels could easily dispatch their motors and operate quite happily without them except for the practical manoeuvring in difficult conditions coming into harbour.

Hon. G. R. Craige interjected.

Hon. PHILIP DAVIS — It is a bit hard to get out of the water too. The issue here is quite clear. The minister has introduced legislation without having given full consideration to its implications for a class of boat operator. The minister is asking the house to take it on trust that the government intends to do the right thing but she is not prepared to say what right thing the government will do. I am concerned that the action of introducing this bill and the difficulty of the consultation and regulation-making process will mean that potentially a group of boat operators will be denied the opportunity to operate boats simply because of a quirk in the definition of to whom an operator licence should apply. There needs to be a commitment that there will be an exemption in respect of yachts under sail.

Hon. C. C. BROAD (Minister for Ports) — I appreciate the assurance from the shadow minister that he is trying to be helpful here and that he is concerned about the imminent boating season and summer. However, the fact is that for a very long time Victoria has not had any form of licensing. The government has indicated there will be a substantial period of consultation. The example that has been given relates to yachts but other examples have been raised in discussions with me to date. I am sure that through the consultation process many further examples will be raised and cases will be made as to exemptions which should be permitted.

The government believes that, prior to the government making any firm decisions about what exemptions may apply by regulation, the appropriate way to deal with those cases where exemptions may apply under the legislation is to properly consider them in consultation with the appropriate organisations that are active in the area.

On the particular example raised, I reiterate it is the government's view that a good case is to be made that

that exemption can be applied without compromising the safety objectives of the bill.

Clause agreed to; clauses 4 to 25 agreed to.

Schedule agreed to.

Reported to house without amendment.

Report adopted.

Third reading

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

Bells rung.

Members having assembled in chamber:

The ACTING PRESIDENT (Hon. E. G. Stoney) — Order! So that I may be satisfied that an absolute majority exists, I ask honourable members supporting 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.

BUILDING (LEGIONELLA) BILL

Second reading

Debate resumed from 22 November; motion of Hon. M. M. GOULD (Minister for Industrial Relations).

Hon. P. A. KATSAMBANIS (Monash) — The Building (Legionella) Bill deals with a most important matter of public health and safety — specifically legionella, the incidence and detection of which, apart from recent outbreaks, appears to have steadily increased in Victoria in the past decade or so.

The bill has been introduced after the report in June of the working party chaired by Associate Professor Christopher Fairley of Monash medical school, to which the government responded in July. The government has accepted seven of the eight recommendations made by that working party and has suggested it will take the eighth recommendation into active consideration and consult further prior to its implementation.

The eighth recommendation relates specifically to any existing systems that do not meet the Australian and New Zealand standard AS/NZS 3666. It requires the fitting of drift eliminators, automated biocide dosing and automated bleed-off systems to all cooling towers. The government has undertaken to consult widely with industry to assess the impacts of any requirement to upgrade existing systems to the Australian and New Zealand standard. The opposition will await the government's findings or recommendation following consultations.

The opposition has had the benefit of a significant briefing from officials of the Building Control Commission, the Department of Infrastructure and the Department of Human Services. It does not oppose the bill. During the debate the opposition will raise a number of issues, but in the main it accepts that the incidence of legionella gives rise to important public safety and health considerations. The issue should not be used as some form of political point-scoring exercise but should be treated with the utmost respect and concern required in addressing such a serious health matter.

That attitude is in stark contrast to that of the government when in opposition, and specifically of the current Minister for Health in the other place who, at other times, chose to use outbreaks of legionella to mount attacks on the former government, particularly on the then Minister for Health, the Honourable Rob Knowles, a former member of this house. On the serious issue of legionella the opposition will not indulge in such a cheap, political point-scoring exercise today or in the future.

The bill is straightforward. It has a number of provisions, some relating to the Building Act and others to the Health Act. I will concentrate on the Building Act and the Honourable Maree Luckins will deal with the Health Act.

The bill requires owners of land on which cooling tower systems are located to register the systems yearly. Landowners will also be required to take all reasonable steps to ensure risk management plans are prepared for cooling towers; and their plans are to be reviewed and, if necessary, updated every year.

The bill requires records relating to the plans to be kept on site for inspection. Landowners will have to take all

reasonable steps to ensure that the plans are audited each and every year in the period up to three months before the expiry of the registration of the systems. The audit must be performed by approved auditors, and I will touch on that in a moment.

The bill provides for the appointment of inspectors, who will be given the usual range of duties generally undertaken by inspectors. They will able to enter premises that have registered cooling tower systems and inspect them for compliance with the legislation and any regulations, and specifically with the requirements of keeping an audited risk management plan.

The bill gives the Building Control Commission and the Department of Human Services the ability to set fees. The bill also makes it clear that regulations under the Health Act relating to infectious diseases can cover the cleaning, maintenance, examination, testing and decontamination of anything likely to give rise to, harbour, or propagate infectious disease.

As I said, the opposition does not oppose the bill but joins with the government and every Victorian in hoping that its objective of reducing the incidence of legionnaire's disease in this state is achieved. Legionella is an important public health issue. Unfortunately, not a lot is known by the medical profession let alone the general public about the disease so a procedure must be in place to ensure that any incidence of the outbreak of the disease is minimised. Where there are outbreaks of the disease, mechanisms need to be in place to identify not only where the disease might have come from but also any person who has come into contact with it. It must be possible to react quickly to minimise the impact of any outbreak on the surrounding area and any humans that come into contact with it.

It is from that element of wanting to get the best possible system that the opposition raises a number of concerns, firstly, in relation to the system of approved auditors. It is a little unclear in the bill as to who such approved auditors might be. In the initial stages of implementing the bill, sufficient numbers of approved auditors must be available to carry out the functions required by the legislation.

The minister made the point in the second-reading speech — the same point was made to the opposition in briefings received from the department — that it is likely that approved auditors will be drawn from the ranks of building surveyors and environmental health officers, including council environmental health officers. The opposition understands there will be a need for some training. First and foremost, people will need to be willing to undergo the training and take on the additional obligations of being approved auditors under the scheme as well as their normal duties as building surveyors and environmental health officers. Assuming that can be overcome and the training regime is put in place, I hope the availability of approved auditors will increase in time. However, monitoring will be needed to ensure there is no overload of work and that audits are able to be carried out, especially in remote areas.

From my recollection of what was said at the briefing, provision is made for a paper audit, so it is not necessary for the auditor to be physically present on site. That is an important provision when auditing in rural and regional areas where access to approved auditors may not readily be available. There are approximately 10 000 cooling towers in about 5000 systems, because systems may have more than one tower. The systems are located on 3500 sites spread around Victoria. It will not be an easy task to ensure that risk management plans are not only developed but are audited annually by an approved auditor. That is why the availability of auditors is important.

The provision relating to approved auditors complying with national competition policy guidelines is important. The opposition objects neither to that requirement nor that approved auditors must conduct audits of risk management plans, but it is concerned about the compliance with national competition policy if the provision is extended beyond the requirement of an approved auditor to conduct the audits of risk management plans and is to be interpreted to impose obligations on landowners that they cannot hire anyone else to perform functions that fall within the definition of the risk management plan unless that person is an approved auditor. I hope the minister can address that issue when closing the debate.

I ask the minister to clarify how broadly the use of an approved auditor will be insisted upon. Will it relate only to audits of risk management plans or will it extend beyond the scope of the conduct of the audit to include anything that may reasonably be deemed to be part of the development of the risk management plan? That has implications for national competition policy as well as the issues I raised earlier about the availability of approved auditors.

Another issue raised with me by landowners is the relationship they have with lessees of certain premises and their ability, imposed with a heavy burden, to get lessees to comply with the legislation, especially in the early years of its implementation. I do not envisage that

will be a problem with commercial or residential properties, but with industrial properties where landowners may not be the owners of the plant and buildings on site the situation may occasionally arise where the landowners do not know that the lessees are operating cooling tower systems.

The government must ensure that the landowner has the power at his or her disposal to insist on compliance from the lessee and to have access to the land to ensure risk management plans and audits are conducted. I envisage a situation in the future where this sort of access will be written into leases, but for current leases on foot it may be the case that the existing lease provisions do not allow for the landowner to insist that the lessee or the occupier of the land — it might not necessarily be a lessee; it could be somebody occupying the land under licence or under some other form of arrangement — provide access and the necessary information to allow for registration, and the drawing up and audit of a risk management plan.

I hope the government can address the issue of how particularly at start-up this issue can be overcome to ensure full compliance. If important public health issues are to be properly addressed by the bill, it is important to ensure that every cooling tower system in Victoria is registered and that there are no gaps.

The fee-levying power that I mentioned previously is extremely broad. It appears to be unique, because apart from allowing for fees to be struck, for the proper administration of the bill, for cost recovery and for the proper purposes of departmental officers to conduct their work under the bill, proposed section 261(2)(d) will enable fees to be imposed:

> … to enable education and research activities relating to the eradication, prevention or control of Legionella to be undertaken …

That is a laudable cause. No-one objects to education and research into the eradication, prevention or control of legionella. However, it is drawing a long bow to be able to use fees from the registration of cooling tower systems to fund that research. It is there in the bill in black and white. The opposition has been assured that it is not the intention of the government that building owners will somehow fund widespread research into legionella. However, the provision leaves it open for the government to impose such a fee. Instead of being a cost-recovery fee for the purposes of registration, it can be a hidden tax — an off-balance sheet and off-budget tax — if it is misused.

It should be highlighted that it is incumbent on the government to give a firm commitment that the fee-making power will not be used to extend the fees charged under the bill to beyond the province of the administration of the act. Building owners and the public of Victoria are entitled to expect that the power will not be used to the full extent permissible under proposed section 261(2)(d) because, as I said, if it were so used it would add another hidden tax.

Another issue that has come to my attention with regard to legionella is that in recent court actions there has been a significantly higher number of people claiming illness and injury as a result of legionella outbreak than has been reported to the Department of Human Services. Therefore a certain number had been reported to the Department of Human Services, and another greater number claimed in court actions subsequently that they had been affected by legionella.

In raising this matter I do not comment at all on the veracity of those individuals' claims. I bring it to the attention of the house to highlight that it may well be that the department's information-gathering process may not be as complete as it could be. I raise it in good faith and trust the government will take it on board and investigate the department's process for gathering information on notifications of individual instances of legionella to ensure that the true extent of a particular outbreak is recorded in the statistics.

If that were done we could continue to add building blocks to our protection against this dangerous and largely unknown disease, which has unfortunately over the past few years caused significant illness and death to Victorians.

I reiterate that the opposition does not oppose the bill, but I trust the government will take on board and address the opposition's concerns, either in the house today or in the future, to ensure that as much as possible the people of Victoria are protected from future outbreaks of legionella.

Hon. KAYE DARVENIZA (Melbourne West) — I am pleased to have the opportunity to make a contribution to the debate on the Building (Legionella) Bill, which deals with proposed measures to assist in the control of legionnaire's disease in the community that have the support of both sides of the house. It is always refreshing with important issues like this that go very much to public safety and public health to see that we have a bipartisan approach.

The Bracks government acknowledges the level of community concern about legionnaire's disease. To see why there is concern one has only to look at the incidence of the disease and the number of outbreaks.

This disease has serious effects on those members of the community who are most susceptible to it — those over the age of 50; heavy smokers and drinkers; people with medical conditions, particularly chronic medical conditions; the elderly; and people who are receiving treatment that reduces their immunity, such as chemotherapy for cancer or treatment for diabetes.

Legionnaire's disease is increasing in our community because of the greater use of airconditioning in public places such as office buildings and shopping centres. The reported incidence of legionnaire's disease in Victoria has risen from 13 cases in 1999 to 215 this year. That is a significant increase. It is important to note it is not just in this state that an increase in the incidence of the disease has been observed. It has also occurred in other states. The principal source of legionnaire's disease is cooling towers. It is usually spread through aerosols drawn into the air by the cooling tower fans.

Cooling tower maintenance is currently regulated through guidelines referred to in the Health (Infectious Diseases) Regulations 1990. The guidelines are advisory in nature rather than setting out clearly specified enforcement requirements. Cooling towers are usually maintained by subcontracted water treatment companies or on-site maintenance staff; sometimes the owners of businesses themselves carry out the maintenance.

There are estimated to be about 10 000 cooling towers and 3500 sites throughout the state that contain cooling tower systems. The government's strategy is a new approach to managing cooling towers. The government is committed to the new approach to minimise the risk of legionnaire's disease to the community and wants to improve public safety.

The amendments outlined in the bill require the registration of all cooling towers; the preparation, review and auditing of risk management plans; and random inspection by the Department of Human Services. The amendments will be supported by improved health regulations to replace the Health (Infectious Diseases) Regulations 1990, an education campaign and an improved investigation service for the control of legionella.

The bill sets up the framework for a reform package for handling cooling towers and legionnaire's disease. I turn to the clauses that deal with cooling tower systems, registration, application for registration, registration fees, risk management plans, auditing of those plans and enforcement.

The purpose of the bill is to amend the Building Act and the Health Act. Clause 5 inserts part 5A, which deals with the registration of cooling tower systems. The definition of a cooling tower system targets towers that are at risk — that is, towers that recycle water and reuse fanned water cooling. That is important because it excludes towers that are not at risk — those that use once-through running water and those that operate without fans.

Proposed section 75DH provides for a cooling tower system register and requires that all cooling tower systems on buildings or work sites be registered with the Building Control Commission. The register will include important data such as the owner of the cooling tower system, details about the maintenance contractors and water treatment contractors as well as other information.

The register will provide a database to enable advisory and education programs to be targeted at those who own or are involved in the maintenance of cooling towers. The government does not believe it should set up legislation and a regulatory system with a range of requirements for those who own and maintain cooling tower systems without putting in place a system that will provide them with useful information and advice to assist them in the management of their systems. In the event of an outbreak of legionnaire's disease the register will assist in the identification of cooling towers in the area and possibly make the investigation process far more speedy.

The bill provides in proposed section 75BA that property owners must apply to register their cooling systems within six months of commencing operation. The Building Control Commission will administer the register and provide access to key regulatory bodies such as the Department of Human Services, the Plumbing Industry Commission, the Victorian Workcover Authority and local government. The government believes the six-month period will provide property owners with sufficient time to become familiar with their cooling systems and to gather all the relevant information they need to make their applications for registration.

Clause 13, to which the Honourable Peter Katsambanis referred earlier, relates to registration fees. A fee of $110 per cooling tower will be charged for the first year and $85 per year will be charged after that. The registration fees will be prescribed in regulations to be developed after the bill has passed through the Parliament. The funds will be used to cover the cost of a range of important activities set out in the bill: maintaining the register; providing information and

education services, about which I have already spoken; providing technical advice to cooling tower owners; and providing inspection services to be carried out by the Department of Human Services.

Clause 5, which among other things inserts proposed part 5B into the Building Act, deals with risk management plans for cooling tower systems.

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

Hon. KAYE DARVENIZA — Prior to the suspension of the sitting I was referring to the provision covering the individual assessment of risk management plans to be required for each cooling tower system.

The bill also provides that property owners must ensure that audits are conducted, that they have a responsibility to ensure that a risk management plan is developed and that the risk management plan will be reviewed and updated prior to the renewal of registration. The registration will take place annually. That means the maintenance program remains relevant and addresses the risks that have been identified. That is an important provision, in that it puts the responsibility on the owner of the land on which the cooling tower system is located, in much the same way as occurs at the moment, with the responsibility being on owners of land on which buildings are located.

The Department of Human Services is developing a model for risk management that is designed to assist property owners in developing risk management plans. The framework will include a maintenance program template that is designed to assist the owners of the cooling tower systems to develop the plans that will be required under the new legislation.

Not only do the owners have to complete and develop a risk management plan but the plan will then be audited by an independent auditor engaged by the owners. The independent auditor will issue a certificate saying the plan is adequate and that it meets all the requirements or will be required to notify the Department of Human Services if the risk management plan is not being implemented.

Mr Katsambanis referred to the need for accreditation programs for independent auditors and having people who will be able to undertake that responsibility. The Department of Human Services is aiming to set up courses that auditors will be required to undertake. Consideration is being given to setting up accredited courses through either TAFE colleges or some other industry facility during the next year.

I have already mentioned the bill's requirement that the auditors must be independent from cooling tower owners and maintenance contractors. Proposed section 75GE deals specifically with conflict of interest to be avoided and some of the issues I have already outlined.

The audit does not require an inspection of the cooling tower system. It can be conducted off-site and the documents can be copied and sent to the auditor performing the audit. That will particularly assist the owners of cooling tower systems in rural and regional Victoria. It will make it easy for them to send the necessary paperwork to the auditor and have it dealt with without a visit to the site.

Proposed part 5C deals with enforcement. It enables the Department of Human Services to take action against owners of cooling tower systems that fail to register, fail to complete risk management plans or fail to have the plans updated and audited. The Building Act already contains powers that are exercised by other inspectors, and the bill now provides the same powers to Department of Human Services inspectors. The general powers are also set out in the bill.

I refer now to the regulation-making powers in the bill.

The ACTING PRESIDENT (Hon. R. F. Smith) — Order! A number of conversations are occurring in the chamber, which make hearing difficult for Hansard and for me. I ask honourable members to keep their voices down.

Hon. KAYE DARVENIZA — I mentioned those earlier when referring to the setting of fees in regulations and the fact that the regulations will be made following the passage of the bill.

While the building regulations and the health regulations are being prepared the government will consult widely with stakeholders and the public. A regulatory impact statement will be published along with the draft regulations, and the government will seek submissions from the public and from those who are directly involved in either owning or maintaining building cooling systems.

I refer honourable members to the development of the bill and the industry consultation that occurred prior to that stage. The government undertook extensive consultation with all the stakeholders, including industry peak bodies, building owner representatives and local government bodies. A working party was established last November, and the bill is based on its recommendations.

The bill will benefit the community by reducing the impact of legionnaire's disease. It will result in a reduction in deaths and illness associated with the disease and a reduction in the amount of anxiety and concern the public has about the disease. It will also have an impact on the medical costs of dealing with the disease.

The bill increases our ability to identify where problems may occur and to avoid outbreaks of the disease, so it has a very important purpose. The bill can only assist in ensuring that the health of the community is improved. I commend it to the house.

Hon. E. J. POWELL (North Eastern) — I am pleased to speak on the Building (Legionella) Bill on behalf of the National Party. The National Party does not oppose the bill. Honourable members would support any initiatives to control legionnaire's disease in the community. The bill is the government's response to the increased incidence of the disease in Victoria, but it has not increased in Victoria alone; it has increased in all other states. However, the bill is Victoria's initiative to stem the flow of deaths that occur as a result of legionnaire's disease.

Another issue to take into account is community concern, given the fear of legionnaire's disease as a life-threatening illness. The number of reported cases in Victoria has gradually increased from 13 in 1990 to between 20 to 40 cases notified each year from 1991 to 1997, with deaths during that time ranging from one to nine. It went from 8 notified cases and 8 deaths in 1998 to 64 cases and 5 deaths in 1999. From 1 January to 16 May this year there were 64 cases of legionnaire's disease and 6 deaths, and to date this year 215 cases have been notified. There have been about four outbreaks in major areas of Victoria, including the Melbourne central business district, Carlton and the Melbourne Aquarium. I was surprised to find that one outbreak occurred in Cobram, which is in the electorate the Honourable Bill Baxter and I represent. In May of this year six people in Cobram were diagnosed with the disease.

There is a lot of fear and concern in a small country town when something like legionnaire's disease is present. As I said, it is a life-threatening disease, and in some instances it cannot be determined where the disease has come from. On 31 May the *Cobram Courier* ran an article headed 'Puzzle at bug source', which says:

> The source of the legionella bacteria in Cobram has gone unidentified, angering a family which has been affected by the outbreak.
>
> On Wednesday the Department of Human Services said health officials investigating the outbreak had been unable to identify the source.
>
> The department's head of communicable diseases, Dr John Carnie, said only one of the 29 towers tested positive.
>
> …
>
> As reported in last week's *Courier*, one of the 17 towers at Murray Goulburn tested positive for legionella.
>
> However, a sample taken two days before the positive test showed negative for legionella bacteria.
>
> 'We also know that none of the people who fell ill had any known direct contact with these premises', Dr Carnie said.
>
> …
>
> The department tested 29 towers, with negative results from sites including the Cobram hospital, a dairy factory, a fruit-packing business, the abattoirs and a juice company.
>
> All cooling towers in the area are now considered safe after being treated with biocides.

If we can identify suspect towers more quickly and control them, that will create a lot more confidence among members of the community when they go into public buildings. A lot of the towers are in buildings members of the public enter. There is now a lack of confidence in some of those areas, particularly in tourist areas like the Melbourne Aquarium, which acted quickly to clean out its towers and restore some confidence in the aquarium among members of the community.

The increase in notifications is believed to be due to greater public and clinical awareness and improved diagnostic methods. There has been a fall in deaths from legionnaire's disease in Victoria as a percentage of notified cases. That figure has been reduced from 50 per cent in 1982 to 8 per cent in 1999. That is thought to be due to increased public awareness and early detection by doctors. While an 8 per cent death rate is still too high, it is much better than the large number of deaths that occurred in earlier years.

Many deaths were prevented because the community is more aware of what to look for and knows the symptoms of legionnaire's disease. People know it causes flu-like symptoms and that if they have been anywhere where there is an outbreak they should go to their doctor quickly, and the doctors know what to look for. The identification of legionnaire's disease has improved. Doctors know how to identify the disease sooner, so people are able to be admitted to hospitals more quickly and receive better treatment.

As a number of honourable members have said, the disease is contracted by some of the most vulnerable people in our community such as the elderly and those

who have asthma or other respiratory diseases. It seems to affect those people most.

The bill amends the Building Act 1993 and the Health Act 1958. I would like to thank Wendy Clancy from the office of the minister for the briefing we received. Representatives of the Department of Human Services and the Department of Infrastructure made themselves available. It was an intense briefing. We were able to ask a number of questions and got a quite a few answers. A few questions were not answered, and I will come to them later in my presentation.

In December 1999 the Minister for Health established a legionella working party to advise the government on the enforcement of best practice for the maintenance of cooling towers to reduce the risk of legionnaire's disease. The working party was asked to review the roles and responsibilities of relevant agencies that deal with cooling towers and to look at places of risk and ensure they were putting in place practices to ensure the bacteria did not develop in their cooling towers. The working party reported in June 2000 and put forward eight recommendations.

Seven recommendations were agreed to by the government. The eighth, which was not agreed to, was to upgrade the existing cooling tower systems that do not meet Australian and New Zealand standards by requiring the fitting of drift eliminators, automated biocide dosing and automated bleed-off systems to all cooling towers. The government has agreed to have further consultations with the industry to assess the impact of that recommendation and perhaps to make future recommendations. As most honourable members know, legionnaire's disease is spread through people breathing in airborne aerosols, even if they are outside buildings. I believe the working party's final recommendation was good and the government will look at the costs and impact on cooling tower operators of implementing it.

Legionnaire's disease is caused by a legionella organism and although its spread is mostly associated with cooling towers it has been known to be spread through warm water systems, such as spas. In a number of notifications the disease has been caused by leaking spas. Although the bill does not directly relate to that issue the strong public health requirements for spas will be reviewed and updated to ensure they meet current health standards. Many public spas are used frequently, and it is important there be no risk to public health through people contracting legionnaire's disease by using spas.

The bill deals specifically with cooling tower systems that use fans in combination with recirculated water, which produce the aerosols that carry the disease. While researching the issue I asked a local refrigerated airconditioning firm, Monahans Airconditioning, for its opinion. I showed members of the company the bill and the second-reading speech and asked whether they thought the legislation could have any unnecessary impact. The only comment was that refrigerated systems could not be suspect because bacteria would not be carried. At its briefing the National Party was assured that refrigerated units do not carry the bacteria.

Another concern about the proposal was that it is great to ask for the towers to be registered, but strict fines or deterrents should be in place for those who fail to register their cooling towers. People will always try to get past the system. It is important to step up the penalties in the legislation to ensure that people whose cooling towers are ineffective and who do not register are heavily fined. It is hoped people will do the right thing in the future.

Symptoms of the disease resemble influenza. People may not go to the doctor because they think they only have the flu and will get over it by themselves. In a number of instances legionnaire's disease has gone undiagnosed. Sometimes people have treated the disease as flu. There have been instances of people catching the disease but not to the extent that it became life threatening.

As was said in the second-reading speech and by honourable members, it is estimated that 3500 sites in Victoria accommodate 5000 cooling tower systems, so obviously a number of organisations have more than one cooling tower on each building. Each cooling tower must be individually registered. It is estimated that Victoria has 10 000 cooling towers, which is a large number considering there is no database containing information on which inspections can be launched or which will identify where the cooling towers are located. The working party's recommendation is good. I am pleased that the government has picked up on it and will ensure cooling towers must be registered.

Under the new regulations the owner of the land on which the cooling tower or towers operate must register the cooling towers, complete a risk management plan identifying the risks, have in place a maintenance plan and stipulate the location of the towers on the land. The business owner of the land must be listed so it is easy to contact people. The risk management plan must also contain the names of the people who maintain the cooling towers, given that these days most people who have cooling towers contract out their maintenance. It is

important that those people are identified to ensure they are doing the right thing in the cleaning process and are putting the right chemicals into the cooling towers.

It is important to note that the risk management plans must be held on the premises, so that when an inspector visits the premises all the information needed can be picked up quickly — for example, the risk management and maintenance plans. The risk management plans need to be reviewed and audited each year by an approved auditor. It has been suggested that an approved auditor could be an environmental health officer, probably from a council, or a building surveyor. All must be approved by the Department of Human Services.

As a resident of country Victoria one of my concerns is that there will not be enough auditors approved by the Department of Human Services. I seek an assurance from the government that it will work with councils to ensure plenty of people in the country are trained as auditors, that the registration fee will not be just for people who will be audited and inspected in the city, and that driving into the country to inspect towers will not be part of the fees councils have to pay. I hope those considerations are taken into account.

The legionella working party also identified the fact that there will be an increased burden on local government. Many local councils may have only one environmental health officer and the work of the building surveyors may have been contracted out. That is not something councils necessarily need to do. The working party wanted to ensure that any approach adopted be jointly agreed to and not based particularly on cost shifting to local government. I wholeheartedly agree with that. It is difficult, particularly in the country with its smaller rate bases. Many planning officers have been asked to do a lot of work, and if the cost is shifted onto local government that will be one more burden.

The report also does not support the maintenance of cooling tower registers by the 78 Victorian councils. It considered councils maintaining cooling tower registers but it did not recommend that to the government because of the increased cost to local government. It would also have meant coordinating 78 registers. The working party thought that would generate inconsistency and lack of coordination across municipalities. It is important that one department oversee the register so that the database is kept up to date.

The bill provides for ongoing education programs funded by registration fees. I hope those education programs will increase the awareness of owners, operators, tenants and environmental health officers. One of the most important areas is the education and training of the people servicing the cooling towers. When servicing the cooling towers they must use the appropriate type and amount of chemicals and ensure it is done on a regular basis. I believe a couple of the infected cooling towers were regularly attended by maintenance operators. Obviously something fell between the gaps if the towers were still infected when maintenance providers were being paid to service and repair them. In those instances the maintenance providers must have overlooked something.

The bill amends the Health Act by imposing tighter maintenance and testing standards on cooling tower systems. Those stricter standards are to be included in the risk management plan. It is important that maintenance is undertaken quickly, because we do not know how to control the disease. Sometimes people who have not even been in a building with an infected cooling tower have contracted the disease, so to control it we need to find out how it spreads. If an infected cooling system is not found quickly, as in the case of the Melbourne Aquarium, more people may be infected.

The government said it consulted widely with industry and business sectors. The report of the legionella working party indicated it included representatives of industry, local government, the Department of Human Services, the Victorian Workcover Authority and the Plumbing Industry Commission. The overall cost to industry of the requirements imposed on it is estimated to be a one-off amount of $2.5 million and recurrent costs of $2.4 million per annum.

I pick up the point Mr Katsambanis made about the use of the fees. The National Party also supports the fees being used only for training, education, monitoring and inspection, but not for research. I do not believe the registration fee should be used for research, because that is the responsibility of the Department of Human Services or other bodies.

I hope the provisions meet the purposes for which the bill is introduced — namely, to reduce the incidence of legionnaire's disease and to strengthen the requirement and controls on cooling tower systems. I commend the bill to the house.

Hon. M. T. LUCKINS (Waverley) — I will speak on the health aspects of the Building (Legionella) Bill. The bill deals with a public health imperative — the increase in legionnaire's disease notification, especially during the past year. The bill requires landowners to register all cooling tower systems on their land and to

reregister those systems each year. The opposition accepts that landowners should be ultimately responsible for cooling tower systems, but concerns have been expressed about how landowners can be held responsible in some cases when there are leasing arrangements for tenanted buildings.

One query concerns access for the maintenance and inspection of cooling tower systems on properties leased to tenants. The bill requires landowners to take all reasonable steps to ensure risk management plans are prepared for all cooling tower systems on their land and that they are reviewed and updated annually. It requires landowners to take all reasonable steps to ensure the risk management plan is audited by an approved auditor each year in the three months before the registration is due to expire.

The bill also provides for an inspector to issue an improvement notice to landowners who fail to comply with the requirements of the bill and imposes fees for the registration and renewal of registration of the cooling tower systems. Those fees will be used for administration, for the functions of the Secretary of the Department of Human Services regarding the eradication of legionella bacteria, the prevention and control of legionella, and education and research activities relating to the prevention, eradication and control of legionella. I will expand on that broad provision later.

Regulations enabled by the legislation under the Health Act relate to cleaning, maintenance, examination, testing and decontamination of anything that is likely to give rise to harbour or propagate an infectious disease.

The bill largely implements the recommendations of the government's legionella working party, which reported in June. Concern has been expressed about the number of qualified auditors who will be available to ensure that the regulations are enforced once the bill is enacted. There are also concerns about requirements for property owners to effectively fund research and development projects on an open-ended basis.

Some 3500 sites in Victoria accommodate an estimated 5000 cooling tower systems, and it is estimated that there are about 10 000 cooling towers in Victoria. The reported incidence of legionella disease has risen from 13 cases in 1990 to 64 cases in 1999 and 215 cases this year. During my contribution I will provide examples of some of the outbreaks in Victoria during that time.

The costs imposed on the owners of the sites are quite hefty. The minister's second-reading speech estimates them to be in the order of a one-off cost of $2.5 million and a recurrent cost of $2.4 million a year. During the departmental briefing, which I was pleased to attend, it was estimated that the fees could range from as little as $300 for the completion of the risk management plan and audit to many tens of thousands of dollars for large buildings with a number of cooling towers.

The aim of the bill is to reduce the incidence of legionella contamination in Victoria, from which about 10 per cent of patients die. Those deaths cause great distress to family members, workplace colleagues and friends of the person who has contracted the disease. The illness is difficult to deal with and requires invasive medical treatment. Any reduction in the number of cases reported in Victoria will be greatly welcomed and certainly supported by the opposition.

It is also important that the Department of Human Services can trace the possible sources of outbreaks of the disease. It can often take a number of weeks to identify a source because there could be many. I will return to the details of that issue later in my contribution.

The risk management approach to maintenance programs should over time also reduce the risk to property owners. The opposition accepts that although $2.4 million is a significant impost annually on building owners in Victoria, it is necessary to ensure that public health protection is paramount and that legionella outbreaks are contained in the future.

Legionnaire's disease was proclaimed to be a notifiable disease in Victoria in 1979, which required all cases of contraction to be notified to the health department. Regulations have been in operation since 1990. They incorporate guidelines for the control of legionnaire's disease released in 1989. Under those guidelines, which were not prescriptive or mandatory and were intended only for guidance, registration of towers was not required and there was no requirement for the audit or inspection of systems. However, in the regulations and guidelines there were some clear preventive measures and requirements for building owners, in particular, to ensure their properties were up to scratch.

The guidelines from the commonwealth of Australia dated 1989, on which the Victorian guidelines are based, deal with design features to facilitate cleaning to control bacterial growth and minimise drift carryover from cooling towers. They list, for example, conveniently accessible openings, components that can be easily removed for cleaning, sumps that can be readily drained, materials that are compatible with the use of disinfectant and hosing with water jets, components that would minimise corrosion, surfaces

that can be readily cleaned, and the protection of wetted services from direct sunlight. Recommendations for the siting of cooling towers are also included in the existing guidelines.

It was recommended that towers be inspected monthly, that maintenance records be kept and that those records should include the results of testing and maintenance, cleaning and disinfection procedures, as well as a complete, up-to-date plan to ensure that no part of the system is missed. Although they were quite firm guidelines, as I have said they were not mandatory, and as a result many building owners did not choose to comply with them.

Legionnaire's disease has very similar features to pneumonia and generally develops into pneumonia. According to the Department of Human Services environmental health unit leaflet on legionnaire's disease, it can be caused by more than 20 species of legionella. *Legionella pneumophilia* is responsible for the majority of cases. The bill deals with legionella that is contracted through cooling towers, but it has also been found in lakes, rivers, creeks, hot springs and other bodies of water, and in soil. Basically the legionella bacteria flourishes between temperatures of 20 and 45 degrees and cannot survive temperatures of more than 60 degrees.

Legionnaire's disease is contracted by the breathing of aerosols — minute particles of bacterium — straight into the lung. It cannot be passed from person to person but strikes the most vulnerable in the community, particularly the elderly, the infirm and those whose systems have low immunity levels. The problem with cooling towers is that there is often a leakage of water that enables droplets of bacteria to float through the air and be inhaled by anyone in the vicinity. Many cases were reported in the past 12 months. In particular many people who attended the Melbourne Aquarium between 11 and 25 April were infected.

A legionella working party that was established in December 1999, prior to the major outbreak this year, was asked before making its recommendations to consider the April outbreak at the aquarium. The working party was chaired by Associate Professor Christopher Fairley of the epidemiology and preventative medicine department at Monash medical school and included representatives from the Municipal Association of Victoria, local councils, the Australian Institute of Environmental Health, the Victorian Employers Chamber of Commerce and Industry and government agencies. It consulted with the Property Council of Australia, the Building Control Commission, suppliers of cooling tower treatments and, as is usual for Labor-appointed bodies, the key trade unions.

The working party made its recommendations in June this year, and the government accepted seven of the eight recommendations. The only one not accepted was the adoption of Australian and New Zealand standard AS/NZS 3666, which would have required the fitting of drift eliminators and automated biocide dosing and bleed-off systems to all cooling towers. The government has undertaken to consult further with industry on those standards but acknowledges that this could require the upgrade or replacement of existing cooling towers, which would add another impost on property owners.

We have heard much about the legionella outbreaks relating to airconditioning units, but as I mentioned earlier legionella can be prevalent in soil. A number of people have been infected opening potting mix in their back gardens, particularly those who have breathing difficulties or are asthmatics, who are most prone to picking up the disease, which can flourish in a warm bag of potting mix.

Surveys show that up to 50 per cent of cooling towers may be colonised by legionella, but it can also flourish in many central hot and cold water units. Given that the temperature for legionella bacteria to thrive is from 20 to 45 degrees, it is often found in domestic hot water services. It can be dislodged from tap washers or shower heads. Hydraulic shocks and vibration may dislodge biofilms, which not only increases the number of bacteria in the system but the dislodging also circulates the droplets through the air, and they can then be inhaled particularly by older and more vulnerable people.

Spa pools are also a breeding ground for bacterial growth and should be controlled through cleaning and disinfection. There is evidence, based on the results of several antibody surveys, that up to 30 per cent of healthy Australians have been infected with legionella at some stage. That is evident from the antibodies present in their systems.

Although it is the old and the infirm who are particularly at risk from this insidious and dangerous disease, it is prevalent in the community in general, not only in airconditioning systems. I hope in the future if it ever becomes clear that the disease can be harboured in other equipment, such as household equipment, consideration will be given to recommending how home owners can eradicate legionella bacteria.

One of the most famous legionella outbreaks occurred early this year at the Melbourne Aquarium. Visitors were exposed to legionella bacteria between 11 and 25 April. In the past legionella had been associated with older cooling towers, but the Melbourne Aquarium was a new building with a new system. Often the problem arises when the cooling service starts up or has been closed down and not used for some time and the water becomes a breeding ground for the bacteria.

According to the *Herald Sun* of 5 May, 66 people contracted the disease, and two fatalities resulted from the infection. When the aquarium was identified as the source of the contamination its owners moved very swiftly to disinfect all its cooling towers. On 17 May the owners hired air-cooled airconditioning systems to use while a new system was being custom made for them.

Although it had not long been open at the time, many people had visited the aquarium prior to the outbreak being reported. A very important cocktail party was held there in April — at which approximately three-quarters of the Liberal Party members of Parliament were present and quite a few contracted the disease. As I said, the disease affects the old, the infirm, heavy smokers and those with low immunity.

In 1993 the National Centre for Epidemiology and Population Growth carried out a study in Sydney of 152 retirees who had attended an investment seminar in a Sydney hotel. Two attendees had been infected by legionella traced to the hotel's car park. The study found that 40 of those who attended the seminar had raised levels of legionella in their blood or had suffered symptoms similar to those of legionnaire's disease, but only two of the cases were notified. That study confirms that many cases are not notified to the health authorities and suggests that the rate of legionella infection could be much higher than has been published in the past.

Legionella bacteria droplets can spread up to 2 kilometres from the source. While a small percentage of people infected die, most recover following aggressive treatment to rid them of the dangerous bug.

An article in the *Herald Sun* of 11 February states:

> Health authorities warned electricity disruptions could lead to more cases as airconditioning cooling towers were turned off and on.

While going through the parliamentary library newspaper clippings on the issue I observed that although many legionella outbreaks occurred in Melbourne during the dangerous periods of summer and autumn, a high proportion occurred in the early part of this year, particularly in February and March. It may be drawing a long bow, but I note on the record that Victoria's power blackouts as a result of industrial action, during which cooling towers were closed down for a time and turned on and off, may have contributed to the breeding of the legionella bacteria in cooling towers throughout Melbourne. I simply note that there was a higher incidence of legionnaire's disease in Melbourne in February and March of this year than at other times.

The bacteria have been located all over Melbourne: a judge of the County Court was struck down in February this year; the offices of the Transport Accident Commission and the Victorian Workcover Authority at 222 Exhibition Street were also found to have the bacteria; and outbreaks occurred in Fitzroy, Carlton, the Frankston Hospital and the Qantas building in Camberwell.

I refer to an article that appeared in the *Age* of 30 June. As a Carlton supporter I am not particularly fussed about it, but I would hate anyone to become seriously ill. The article reads:

> The entire Collingwood football team has been summoned to Victoria Park today to be tested for the potentially fatal legionnaire's disease after an outbreak at the club.

They will use any excuse to explain their poor performance, Mr Acting President!

I have several concerns about the bill. One relates to the auditors who will be appointed under the provisions of the bill. Initially paper audits will be conducted by building surveyors and environmental health officers. I am concerned that the paper audits should be conducted by accountants rather than by building surveyors and environmental health officers. I hope that is reviewed after time.

The Department of Human Services will certify the auditors. The opposition was advised at the departmental briefing that a performance review will be conducted after 12 to 18 months. Currently the environmental health officers are predominantly employed by local government and deal particularly with food safety but also ensure that tattooing and piercing are performed under appropriately sterile conditions according to health standards.

Given that the environmental health officers are predominantly employed by local councils, the opposition has a concern that there may be a shortage of auditors and that they may have to be contracted on a

fee-for-service basis from the local councils to assist the government in conducting the proposed audits.

A number of provisions deal with regulations to be made. I look forward to seeing the regulatory impact statement of the Scrutiny of Acts and Regulations Committee, which will oversee the nuts and bolts of the bill and ensure that the fees are appropriate in all the circumstances.

As has been expanded on fully by previous speakers, the bill addresses all the requirements for an owner of land on which a cooling tower system is located. It provides that the owner must apply to register the cooling tower system within 6 months of the bill coming into operation and must renew the registration every 12 months. It also contains provisions dealing with second and subsequent renewals.

I have some concern about the fees outlined in clause 13 of the bill, which is particularly broad. Clause 13(1) provides an additional fee regulation-making power by inserting proposed subsection 261(ka), which covers:

> … fees payable for the registration or renewal of registration of cooling tower systems, including application fees …

The bill provides that fees may be imposed by regulation to cover the costs of administration and enforcement and to cover costs incurred by the commission in carrying out its functions under the act and those incurred by the Secretary to the Department of Human Services in carrying out any function conferred on the secretary by or under any act.

The bill also allows for the transfer of information between the Plumbing Board of Victoria, the Building Control Commission and the Department of Human Services. That is necessary to ensure that the commission keeps the register up to date at all times.

Although the opposition has concerns about the bill, it is basically in support of any measures that will eradicate legionnaire's disease from buildings throughout Victoria and will protect the public. The bill will ensure that cooling tower systems in all buildings comply with the regulations and are clean and disinfected, and that a risk management study is undertaken in every case.

I look forward to more research material becoming available on the issue, particularly on the growth of legionella bacteria in spas, pools, home taps and showers, and on how to treat or prevent an outbreak of legionella in potting mixes. I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

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

That this bill be now read a third time.

I thank the Honourables Peter Katsambanis, Kaye Darveniza, Jeanette Powell and Maree Luckins for their support for the bill.

Motion agreed to.

Read third time.

Remaining stages

Passed remaining stages.

ADJOURNMENT

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

That the house do now adjourn.

Greater Dandenong: performing arts centre

Hon. N. B. LUCAS (Eumemmerring) — I raise with the Minister for Energy and Resources, who is the representative in this place of the Minister for Local Government, the proposed regional performing arts centre initiated by the City of Greater Dandenong. The council has made a submission to the Community Support Fund for $5 million towards a project that will cost in the order of $13 million. One page of its submission to the fund relates to the estimated operating costs of the centre. There is only one page of information about the financials, which I find absolutely astounding.

The council is relying on a feasibility study prepared in 1998 to justify the construction of the centre. That study shows the centre will make a profit of $100 000 in the first year. However, a further report on the project predicts a loss of $450 000 for the centre. The Community Support Fund application contains an indication that for the first five years there will be losses of $300 000.

The feasibility study on which the council relies includes the following statement at page 12:

> The key conclusion from those sensitivity tests is that the financial performance of the venue is largely dependent upon: [GMK to insert].

At page 16 of the feasibility study upon which the council relies the following statement appears:

> Risk management — The key sensitivities of the business plan are xxxx.

I find it extraordinary that the council has forwarded to me a feasibility study that is obviously incomplete.

I understand no decision has been made about proceeding with the development. However, the council's annual report for 1999–2000 states at page 83:

> Project manager and architects appointed. Project proceeding.

The project has not even been funded yet and apparently the council has not yet made a decision to proceed, but there is also an advertisement in the local newspaper about a permit being sought.

I am so concerned about the matter that I wrote to the chief executive officer on 19 October. I telephoned him on 1 November and 22 November — I still have not had the courtesy of a reply — to express my concern that a council would seek to justify the expenditure of $5 million with an incomplete feasibility report and a submission that included just one page of financial implications of the building of such a centre.

I ask the minister to investigate the matter with a view to achieving more professional and financially responsible management of the Greater Dandenong council.

Alpine cattle grazing

Hon. P. R. HALL (Gippsland) — I raise for the attention of the Minister for Energy and Resources, who is the representative in this place of the Minister for Environment and Conservation, alpine grazing licences. The holders of five grazing licences that cover areas in the Alpine National Park that were affected by the 1998 Caledonian fires are becoming increasingly concerned about whether they will ever be able to graze cattle in that area again. Certainly the most recent actions of Parks Victoria give them good reason to believe the government is implementing its policy to phase out all grazing in the Alpine National Park and is achieving that by stealth.

I am advised that the licence-holders have all been offered monetary compensation to agree not to graze cattle in the areas covered by their licences for the next five years. The five-year term is interesting. The compensation offer is not for 1, 2, 3 or 4 years but for 5 years, and it just so happens that that 5 years coincides exactly with the expiration of their current 7-year licences. It is nothing but a blatant attempt to completely eliminate grazing from those areas.

I ask the minister on whose authority Parks Victoria has been instructed to offer five-year compensation deals to licence-holders. Was that compensation appropriated for in this year's budget, and will the government now admit that this is a further step in eliminating one of the Victoria's finest traditions?

Police: Frankston station

Hon. B. C. BOARDMAN (Chelsea) — I direct to the attention of the Minister for Sport and Recreation, who is the representative of the Minister for Police and Emergency Services in another place, a copy of an item published in the Viewpoint column in today's edition of the Frankston–Longbeach *Flier*. The column attributes a number of comments to Cr Mark Conroy, but unfortunately it does not say here 'From the electorate office of the Honourable Bob Smith'. It refers to Cr Conroy as the mayor of Frankston. Both of his positions are only part time! He states:

> Frankston city was promised 20 extra police by the state government and they have now been delivered.
>
> I take my hat off to that.

Isn't that wonderful! He takes his hat off to the state government — his own party delivered extra police. He goes on to state:

> However, the issue of police resources is far from over.
>
> Although it is pleasing to see 20 more … police officers introduced at Frankston, I believe we also need more experienced officers to help deal with the day-to-day problems that arise in the local area.

What an insult that is to the additional 20 police who arrived at Frankston! Is the mayor saying he is not satisfied with the capabilities and qualifications of the 20 extra police that he lauds the government for delivering? He is not satisfied with them; he wants more. He continues:

> But it is not just an issue of police numbers.

This is the same mayor who for about two and a half years now has been talking about nothing but police numbers, so it is utterly disgraceful for him to completely contradict himself in a newspaper article.

I point out to the minister that while I and other local Liberal members of Parliament welcome the 20 additional police, there has been an increase in the

area of Frankston the station must police. With an increase in area comes an increase in population and a considerable increase in workload. In fact, since the election there has been no net increase in police resources at Frankston. The minister should be very much aware of that. I ask the minister to stipulate whether the minimum strength of 68 members currently stationed at the Frankston police station is sufficient to provide an adequate police service to that area.

Electricity: rural Victoria

Hon. R. A. BEST (North Western) — I refer the Minister for Energy and Resources to the question I asked earlier today about resolving a policy issue that has been raised with me as a matter of major concern and importance to country customers of Powercor. It really gets down to a question of metropolitan versus country issues in that the decision by the Regulator-General was to see a reduction of approximately 20 per cent in network charges for Powercor customers. The question being raised with me is whether the reduction of approximately 20 per cent can be manipulated by Powercor across its customer category and base.

Powercor customers in the metropolitan area may receive a bigger reduction than the 20 per cent and customers in the country may receive less than a 20 per cent reduction. Powercor has the capacity to average out a 20 per cent reduction, which will result in country Victorians missing out on the spirit of the Regulator-General's recommendations. Will the government ensure that the spirit of the Regulator-General's recommendations will apply to all customers within Powercor's region so that customers in all categories will receive the full 20 per cent reduction in network charges?

Monash: by-election

Hon. C. A. FURLETTI (Templestowe) — I raise an issue with the Leader of the House as the representative in this house of the Minister for Multicultural Affairs. The City of Monash is conducting a by-election for Warrigal ward. It is a postal election and 16 000 ballot papers were sent out by the Victorian Electoral Commission (VEC) last week. In that mail-out there were no instructions in languages other than English. I am told that 4690 people had voted by last weekend. Today, almost as an afterthought, the electoral commission sent out under separate cover instructions in numerous languages.

Given that more than 40 per cent of the residents in Warrigal ward are from non-English-speaking backgrounds, and that a field of 14 candidates has resulted in a very complex voting paper, the opposition hopes the VEC's conduct is an oversight. There is no doubt that this may have had an effect on the result of the by-election. In particular, it has deprived those many voters in the ward who are not proficient in English of the opportunity to be fully informed, and that is contrary to the government's multicultural affairs policy. What measures will the Minister for Multicultural Affairs take to ensure that such a debacle does not occur again in municipal elections conducted by mail?

Snowy River

Hon. W. R. BAXTER (North Eastern) — I raise with the Minister for Energy and Resources the restoration of certain flows to the Snowy River. The house will be aware that although there has been some difference in statements made by the Premier and the minister as to whether that water will be sourced in part by purchasing water entitlements, I think it is acknowledged that provision for that is contained in this so-called historic agreement and entitlements may well be purchased in the marketplace.

Hon. Bill Forwood — And cancelled.

Hon. W. R. BAXTER — And cancelled. My request to the minister goes specifically to the Goulburn Valley and those irrigators who draw their water from the Goulburn River. That water is largely sourced from Lake Eildon, which is in the lower house electorate of Benalla. For the past three years due to the dry conditions those irrigators have struggled to receive 100 per cent of their water rights. Fortunately that has been achieved in each of those years but the struggle is indicative of the strain the Eildon system is under. Irrigators, particularly those in the dairy industry, have had to resort to the water market to see them through the recent irrigation seasons. There is tremendous concern in the Goulburn Valley that the purchase of water in the market to supply the Snowy, would seriously corrupt the water market in the Goulburn Valley and cause a great deal of concern and perhaps disruption to the great agricultural and horticultural industries in the Shepparton region. While acknowledging that the agreement provides for the purchase of entitlements, I invite the minister to categorically rule out the purchase of entitlements on the Goulburn River upstream of Kanyapella.

Deakin University

Hon. ANDREW BRIDESON (Waverley) — I direct to the attention of the Minister for Sport and Recreation for the Minister for Post Compulsory Education, Training and Employment in the other place a dispute that has developed between Deakin University and the Department of Education, Employment and Training. Apparently the Deakin University secondary education degree has been deemed inadequate for graduates to teach physical education and science students. Either Deakin University has misled its students or the Department of Education, Employment and Training has shown a complete disregard for students now enrolled by changing the criteria.

A constituent of mine, a young lady who enrolled three years ago, was told by Deakin University that at the end of the course she would be qualified to teach physical education, biology and science to students in years 7 to 10. After applying for a new state government teaching service scholarship earlier this year she was told she was qualified to teach only biology. The alleged reason was that the employment and assessment centre was not satisfied with the course structure at Deakin University for the science and physical education aspects of the course.

I am advised that the university has scheduled a meeting with the department to discuss what can be done to bring the students up to standard, but no solutions have been reached. It seems ridiculous to ask students to complete additional studies to achieve a standard when they entered a course subject to a different agreement. I seek the minister's urgent intervention to resolve the situation.

Light brown apple moth

Hon. B. W. BISHOP (North Western) — I direct a matter to the attention of the Minister for Energy and Resources for referral to the Minister for Agriculture in the other place. It has come to my attention that future citrus exports to the United States of America from the Sunraysia area could be jeopardised by the discovery of light brown apple moth infestations. The industry development officer of the Murray Valley Citrus Marketing Board, Mr Peter Morrish, has said he wishes to alert all growers in the industry to the discovery of the pest and has stressed that it is vital for the problem to be dealt with immediately.

The moth is a quarantineable pest and if it is not eradicated completely from the citrus crops the whole of the USA export program for the coming season could be put at risk. There is no doubt that the quarantine officials in the USA would need discover only one larvae to stop access to that market.

Reports have come from several citrus growers in the area that large-scale infestations have been detected in the Sunraysia. I am talking about next season's navel orange crop and the damage that could occur if the moth were allowed to develop. America has been a good market to break into and a problem such as the moth could compromise all that has been achieved so far. There is still room to eradicate the pest before further developments take place. The vital message is for the authorities to act quickly and to take action as only limited time is available to deal with the pest.

Growers and the industry are doing their part, and details of control measures, spraying regimes and suitable products for use are available from the citrus marketing board. Grower action should be taken in the couple of weeks after peak moth flights by using baits as a monitor, or after eggs have hatched. The short time frame means action must be taken quickly to combat the moth and I urge growers to start the fight immediately.

I ask the minister what measures his department may be putting in place to ensure the light brown apple moth is eradicated and citrus growers continue to gain access to the American market.

Wallington Primary School

Hon. I. J. COVER (Geelong) — I direct to the attention of the Minister for Sport and Recreation for referral to the Minister for Education in the other place, who is also Minister for the Arts, Wallington Primary School in my electorate. The area covered by my electorate is also well represented by the honourable member for Bellarine in the other place.

Last weekend Wallington Primary School held its annual strawberry fair, which this year attracted about 30 000 visitors. I pay tribute to Ken Drysdale, the chairman of the strawberry fair organising committee, who has done a marvellous job in building up the interest in the fair that has attracted so many people to it.

Although the good news for Wallington Primary School last weekend was that the strawberry fair was so well attended, there is also bad news attached to the matter I raise tonight. Wallington Primary School is celebrating its centenary and to mark the occasion has made an application to the local history grants program administered by the government and run through Arts Victoria and the Community Support Fund. I am

saddened to report that the school's application has been knocked back.

As I said, it would have been a marvellous opportunity last Sunday in front of the 30 000 people at the strawberry fair to announce that the application had been successful, but it has been knocked back. It would have been a marvellous opportunity under the local history grants program for the school to record its history. It had the support of the Bellarine Historical Society, among others, for the production of a centenary CD-ROM and oral and video records of the school and community as part of its application.

I put it to the minister that this is an insult to the Wallington Primary School and its community. I ask that he make urgent representation to the Premier and to the Minister for Education, who is also the Minister for the Arts, to reconsider the application and its knock-back.

Gaming: political donations

Hon. R. M. HALLAM (Western) — I refer the Leader of the Government to a document entitled 'Responsible gaming' and subtitled 'Labor's balanced approach to the gaming industry', which was released during the last election campaign. I refer particularly to the commitment given by Labor that it will:

> … insist on better disclosure of political donations by owners and operators.

Given that specific undertaking, I ask the minister whether she can give the house a categorical assurance that there have been no undisclosed donations to the Labor Party from owners and operators of the gaming industry since the Bracks government came to office.

Docklands: Footscray link

Hon. S. M. NGUYEN (Melbourne West) — I refer the Minister for Energy and Resources, as the representative in this house of the Minister for Transport, to the steadily increasing population shift to Melbourne's western suburbs in recent times. More and more it has become a popular choice for those wishing to live close to the central activities district. As the population increases so does the need for public transport improvements.

After many meetings with local residents and local councils, the idea of developing a light rail system connecting the Docklands precinct to Footscray has been raised. Will the minister advise of the possibility of conducting a feasibility study to investigate the development of a light rail facility along Footscray Road between the Docklands precinct and Footscray?

Vicroads: tenant legal fees

Hon. G. B. ASHMAN (Koonung) — I direct my request to the Minister for Energy and Resources, as the representative in this house of the Minister for Transport. I have been approached by a constituent, Mr Cooper, who leases a property from Vicroads for the agistment of horses. The property is at Lot 100 Morack Road, Vermont. He also rents the house directly opposite. He has rented the house for the past 20 years and the agistment block for about 8 years.

On 15 November he received a letter from Barton Real Estate, acting on behalf of Vicroads, advising that the rent would increase from $80 a month to $1000 a year, effective from 1 November. Although that notification does not give adequate notice, he is not overly concerned. However, he is concerned that for the first time Vicroads is seeking a $500 security deposit on the property. He is willing to pay the deposit , but he questions its purpose as he has been renting the property for the past eight years. His major concern is the $440 in legal fees sought for the drafting of what appears to be a standard agreement between the tenant and Vicroads.

Will the minister investigate the $440 legal fee, because Vicroads must generate thousands of similar documents and that amount seems to be excessive for drafting an agreement that could be handled by an exchange of letters.

Fire blight: New Zealand imports

Hon. E. J. POWELL (North Eastern) — I raise for the attention of the Minister for Energy and Resources, as the representative in this place of the Minister for Agriculture, an issue concerning the disease fire blight. Honourable members may be aware of the successful fire blight rally held in Shepparton today and organised by John Corboy, the chairman of the fire blight task force. About 4500 people attended in Queens Gardens, next to my office, to support fruit growers in their efforts to keep New Zealand apples out of Australia.

A number of businesses closed in support of the lunchtime rally. My electorate officer and my husband attended the rally, as did the honourable member for Shepparton. Although the Honourable Bill Baxter and I were unable to attend because of our parliamentary commitments we were there in spirit. About 15 pantechnicons were placed around the perimeter of the gardens, which was impressive and demonstrated

the level of support for the fruit growers of the Goulburn Valley.

Fire blight will affect all of the Goulburn Valley, not just the fruit growers and, as other honourable members have said, it will affect other areas throughout Victoria. The Honourable Ron Bowden spoke to me about the effect fire blight would have in his area. Mr Bill Shorten, the secretary of the Australian Workers Union, addressed the rally and spoke about the impact the disease would have on employment and the job losses that would occur.

On 20 October I wrote to the Minister for Agriculture regarding the draft import risk assessment report for New Zealand apples recently released by Biosecurity Australia. I asked the minister whether the Victorian government accepted the scientific analysis and the conclusion drawn by the report. I further asked:

> You will understand there are now less than 60 days for comments on the report, and the Victorian government's scientific advice on the science used by Biosecurity Australia would, I believe, be of great interest to the discussion.

I received a letter from the minister saying:

> I have asked DNRE regulatory and technical experts to carefully review the document following consultation with interstate experts and various local industry groups to develop a response for consideration by AFFA. When this consultation process is completed I will be in a better position to advise on the scientific merits of the draft.

Submissions to the draft import risk assessment report close in about two weeks. If the minister does not respond within that period we may have missed out. I urge the government to make a submission in support of the fruit growers of the Goulburn Valley and the rest of Victoria to make sure fire blight does not come into Australia and devastate the fruit industry.

Yarra Ranges: Lilydale youth services

Hon. W. I. SMITH (Silvan) — I raise with the Minister for Youth Affairs a matter referred to me by the Shire of Yarra Ranges. The issue relates to a shopfront the shire is trying to organise as a focus for health services for youth in Lilydale, which has high youth unemployment and a high incidence of homelessness. The shire is trying to put together a range of community health services specifically for youth in an informal environment where young people can come along and feel relaxed.

The Shire of Yarra Ranges community health service has recruited an experienced community worker to establish an advisory group. It has also asked for assistance from a range of health providers in the shire. A shopfront in the main street at Lilydale has been established, and I have been asked to raise the matter with the minister because assistance is needed. The shire requires funding for a $50 000 refurbishment of the shopfront and is looking for an advocate to assist in furthering the project. I am sure shire representatives will write to the minister, but I direct the matter to his attention because it is obviously a worthwhile project.

Land tax: residence exemption

Hon. P. A. KATSAMBANIS (Monash) — I raise with the Minister for Energy and Resources as the representative in this place of the Treasurer the issue of land tax on the principal place of residence. Honourable members would know that one of the significant achievements of the former coalition government was the removal of all land tax on the principal place of residences of Victorians. In the interim report of the review of state business taxes commissioned by the government a number of submissions were put by various interest groups seeking the removal of the exemption from land tax on the principal place of residence.

Further, I note a number of submissions suggested that should there be cases of financial hardship as a result of land tax that is levied on the principal place of residence, the land tax should not be forgone but instead deferred for payment until the sale of the property or the death of the owner of the property. As honourable members would understand, those submissions to the review of state business taxes have caused grave concern in my electorate, particularly among people on fixed incomes, who through the increase in property prices over time may have seen an increase in their property values but have no analogous increase in income to meet imposts such as land tax. Those people had benefited from the removal of land tax on the principal place of residence by the former Kennett government.

It has been interesting to note that the government, through the Treasurer, has to date not ruled out the reimposition of land tax on the principal place of residence. I call on the Treasurer to categorically rule that out during the term of this government.

Saving Lives initiative

Hon. M. T. LUCKINS (Waverley) — I refer the Minister for Youth Affairs to the release today by the Premier of the Saving Lives Initiative, which commits $77 million over three years to drug prevention and treatment programs. I am pleased that the government has accepted most of the recommendations made in the

Liberal manifesto, 'Combating drugs — a safer way', which was released in August. However, the initiative launched by the government today does not cover the important areas of alternative pharmacotherapies and tougher penalties for traffickers. Of particular relevance to the minister's portfolio is the fact that most chaotic drug users causing problems on the streets from overdoses, crime, and so forth, are very young. Currently there is no requirement for overdose victims to be admitted to hospital after treatment with Narcan by ambulance officers.

The other concern I have is that the government has set quite low targets for access to detoxification and withdrawal services, which are particularly relevant to young people. The government has undertaken that no-one will wait for more than 10 days for such services. I ask the minister: why not aim for a zero waiting period over that three years?

Will the minister advocate for the compulsory treatment of overdose victims who have been treated by ambulance officers and ensure there is a zero waiting period for drug withdrawal and detoxification services, which is particularly crucial when an addict has made the decision to get clean and stop using drugs?

Revitalising Regional Retailers program

Hon. G. K. RICH-PHILLIPS (Eumemmerring) — The matter I raise with the Minister for Small Business relates to her answer during question time this afternoon to question on notice 1358 asked by the Deputy Leader of the Opposition. The minister indicated that the Revitalising Regional Retailers program would be funded to the extent of $210 000, of which $190 000 would be spent in 1999-2000 and $20 000 in 2000-01. The minister indicated that the program will provide funds to peak associations representing retail sector industries that have faced significant challenges to their business environments, including regulatory change.

Will the minister provide the house with a list of which organisations have been or will be provided with funding and how much that funding will be for each organisation?

Minister for Small Business: question on notice

Hon. A. P. OLEXANDER (Silvan) — In seeking the assistance of the Minister for Small Business, I refer to her Showcasing Small Business initiative in which taxpayers funds were used to prepare the case histories of and showcase and promote five Victorian small businesses.

I refer the minister to her recent answer to question on notice 1357. She was asked what was the process of selecting the five businesses that were showcased in her initiative, how many were considered but not selected, and what criteria she used for the selection of those small businesses. In her reply the minister said:

> The businesses featured in the recently launched 'Showcasing small business' statement were some of those I met during my 'Listening to small business'. To date, as part of this, I have met with over 600 small business operators from across metropolitan, rural and regional Victoria. The case studies —

the five —

> were selected from a range of new and traditional industries for their innovative approaches to business.

Is it not a fact that Lynda Bertoli of Sage Computer Support — one of the five companies that was showcased in the initiative — is a member of the minister's Small Business Advisory Council? If so, can the minister explain to the house why she failed to disclose that fact in her recent answer to question on notice 1357?

Gold discovery anniversary

Hon. ANDREA COOTE (Monash) — I refer the Minister for Energy and Resources to question on notice 1296 in which the Honourable Bill Forwood asked for details of the steering committee overseeing the $1 million that will be provided for the celebration of the 150th anniversary of the discovery of gold in Victoria.

The answer received this afternoon indicated that the steering committee, which is chaired by Jacinta Allan, the honourable member for Bendigo East in the other place, is required to prepare an action plan and submit it to the Community Support Fund for approval. The funds will be allocated once the applications have been evaluated by the Country Victoria Tourism Council in accordance with the funding criteria and the approved action plan. Given that funding applications must be in on 6 December, which is next week, has Jacinta Allan, chairman of the steering committee, submitted the action plan and has it been approved? I understand the minister may not have the details at her fingertips, but will she put it in writing as soon as possible?

Geelong: water sports complex

Hon. BILL FORWOOD (Templestowe) — I raise with the Minister for Sport and Recreation a matter I raised on the adjournment debate last Thursday which, as the minister will recall, was about the review into water sports facilities. The minister indicated that the

review would be finished some time next year, in either February or March, but my understanding is that $52 000 has already been allocated to the Lake Wendouree course and a further $32 000 to the Nagambie course.

Recently I was in Ballarat where I met with some of the departmental officers there. In particular I discussed the fact that in 2002 the Lake Wendouree course will be used for the World Masters Games and a substantial amount of work must be undertaken for the course to be ready for that regatta, which is an important part of the government's rural and regional events program.

Hon. I. J. Cover interjected.

Hon. BILL FORWOOD — Indeed.

Hon. M. A. Birrell — They could have it at the site of the Head of the River.

Hon. BILL FORWOOD — They could not have it at the site of the Head of the River because that has been scrapped also. I understand that this year Sport and Recreation Victoria has made a grant of $52 000 but that the shortfall in the sum required to ensure that Lake Wendouree is ready and available for the 2002 World Masters Games is about $180 000.

Will the minister ensure that, despite the fact that we will not know the results of the review into water sports facilities until next year, funds will be made available so that the World Masters Games will take place in Ballarat on schedule?

Electricity: supply

Hon. PHILIP DAVIS (Gippsland) — Earlier today I asked the Minister for Energy and Resources about a meeting with her chief of staff to discuss involuntary load shedding in the event of hot weather. Has the minister discussed this matter with her chief of staff and will she now confirm that there was a meeting between her chief of staff, the Premier's office and the National Electricity Market Management Company on 28 January?

Box Hill Bowling Club

Hon. D. McL. DAVIS (East Yarra) — I direct to the attention of the Minister for Sport and Recreation the attempt by the Box Hill Bowling Club, in preparation for the 2006 Commonwealth Games, to relocate to Sparks Reserve, where it would act as a bowls centre. That bidding process has been continuing for more than 12 months and follows the successful bid for the Commonwealth Games by the previous government. The proposed 20 000 square metre development in the south-west corner of the reserve is expected to cost about $8.3 million. The club requires a decision by the end of the year, preferably a good deal sooner if possible, to enable it to plan the move and to build its new home. That important facility has the support of local members. The honourable member for Box Hill in the other place, the Honourable Mark Birrell and I have worked hard with the Whitehorse City Council in advocating for the centre. There are still fears that Darebin City Council may be successful, as it is pushing ahead with its bid.

There are also fears that if the matter is not resolved before the tramline extension begins early next year it will seriously disadvantage the club, so there is an urgency about the matter. Further, it has been raised in this house for the minister's attention on at least three occasions that I am aware of. I note that a number of honourable members have raised it.

I seek from the minister an urgent decision on the matter, which has been around for quite a while. I ask him as the minister and as a member of the government to stop dithering and to make a decision.

Responses

Hon. M. M. GOULD (Minister for Industrial Relations) — The Honourable Carlo Furletti raised a matter for referral to the Minister assisting the Premier on Multicultural Affairs, and I will pass that on.

The Honourable Roger Hallam raised a matter about disclosure of donations to political parties. That matter does not come within my ministerial portfolio.

Hon. C. C. BROAD (Minister for Energy and Resources) — The Honourable Neil Lucas asked the Minister for Local Government to investigate actions by the City of Greater Dandenong with a view to ensuring improved financial management. I will refer that request to the responsible minister.

The Honourable Peter Hall asked the Minister for Environment and Conservation to investigate the actions of Parks Victoria in relation to alpine grazing licences. I will refer that matter to the minister.

The Honourable Ron Best raised a further matter relating to the question he asked in question time today about the Regulator-General's decision on network prices. He sought assurances about the benefits of network pricing decisions made by the Regulator-General being passed through to country customers. Further to the information I provided during question time, I can add that the government is awaiting

advice from the Regulator-General about the tariffs that will replace the current tariff regime, which expires at the end of this year, as they relate to the gazetted tariffs that have been put in place by the other businesses.

The government has clearly stated that its expectation is that as an absolute minimum customers will be no worse off under the new tariffs and that it has retained under legislation passed through the Parliament the power to intervene if that does not prove to be the case.

The government is also awaiting further advice from the Regulator-General about the higher costs that Powercor has argued are reflected in its country customer base as a result of the higher proportion of off-peak customer loads that it says should result in lower retail margins. That relates to customers who will continue to be non-contestable from the start of next year. Contestable customers have been contestable for some time and have already received substantial benefits through being able to operate in a competitive environment.

The Honourable Bill Baxter again raised the matter of restoration of environmental flows to the Snowy River and requested that I give certain assurances in relation to water entitlements. Mr Baxter and the National Party can continue to play the game of seeking to beat up that issue and asking the government to rule in or rule out particular water entitlements in any number of areas around the state. This is not a game the government intends to engage in. The Premier and I have given assurances on this matter, and those assurances stand.

The Honourable Barry Bishop raised a matter for the attention of the Minister for Agriculture in which he asked what measures the Department of Natural Resources and Environment is taking to ensure the eradication of the light brown apple moth. I will refer the matter to the minister for a response.

The Honourable Sang Nguyen requested that the Minister for Transport investigate the feasibility of connecting the Docklands precinct to Footscray by light rail. I will refer the matter to the responsible minister.

The Honourable Gerald Ashman requested that the Minister for Transport investigate the legal fees charged for the drafting of documents. I will refer the matter to the responsible minister.

The Honourable Jeanette Powell also raised a matter for the Minister for Agriculture, in which she urged the minister to make a submission on fire blight in support of growers as a matter of urgency. I will also refer that matter to the minister.

The Honourable Peter Katsambanis raised a matter for the attention of the Treasurer and requested a response on the matter of land tax. I will refer the matter to the Treasurer.

The Honourable Andrea Coote referred to my answer to Mr Forwood regarding funding for the celebrations for the 150th anniversary of the discovery of gold. In response to her question I undertake to seek from the Minister for Major Projects and Tourism, who has ongoing responsibility for the celebrations, information on the preparation of the action plan by the steering committee and a direct response to the honourable member.

The Honourable Philip Davis again raised a matter about certain meetings, which he referred to earlier today in question time. As he might well expect, since then I have made inquiries of my department and my private office in relation to the matter of meetings. The advice I can provide to the house is that I understand that a meeting occurred on 28 January, which was a general briefing on various communications and protocol issues that arise within the national market at times of low electricity reserve, not only in Victoria but in all jurisdictions.

I am advised that that meeting did not refer to any specific potential shortages that might occur in Victoria and that in fact at that meeting the National Electricity Market Management Company, Nemmco, indicated that the reliability of Victorian generators has been extremely high and as a result there was very little likelihood of a concurrence of events such as those that took place in early February.

Hon. M. R. THOMSON (Minister for Small Business) — The Honourable Gordon Rich-Phillips raised a matter concerning revitalising regional retailers and asked what organisations receive funding and how much. I will provide that information to him in writing.

The Honourable Andrew Olexander raised the matter of the five case studies of small businesses that were featured in the Showcasing Small Business initiative. Part of showcasing small business is about providing examples of small businesses which are innovative and creative and which struggle through and become successful. A number of small business operators have told me they find hearing stories of what people have gone through and what they are doing with their businesses keeps them going in their own businesses and spurs them on when they are going through tough times. The government intends to continue that process of using successful businesses to encourage other

businesses and also as mentors to encourage businesses in their areas to keep going when difficult times strike.

In regard to Lynda Bertoli and Sage Computer Support, I was not asked about the background of the case studies and Ms Bertoli's membership of the Small Business Advisory Council was not a factor that was taken into account when she was chosen. She was chosen because of the kind of business she runs and the fact that it is an innovative business in regional Victoria.

Hon. J. M. MADDEN (Minister for Sport and Recreation) — The Honourable Cameron Boardman raised a question about police resources in the Frankston area. I shall refer that to the Minister for Police and Emergency Services in the other place.

The Honourable Andrew Brideson raised a matter relating to a dispute between Deakin University and the department about course qualifications and potential teaching employment. I shall refer that to the Minister for Post Compulsory Education, Training and Employment in the other place.

During his long dissertation about the strawberry fair held at Wallington Primary School, the Honourable Ian Cover failed to acknowledge that, as I have been advised, the government has just announced funding for a major upgrade of the school. I am happy to refer his query to the Minister for Education in the other place.

The Honourable Wendy Smith raised a matter concerning the needs of the Shire of Yarra Ranges youth health services. I look forward to receiving details of the initiative in the shire and thank her for advising me of it in advance.

The Honourable Maree Luckins raised a matter concerning today's launch and announcement on the saving of lives. Although I understand the issues raised, specific issues on treatment needs are the direct responsibility of the Minister for Health. I am happy to refer those matters to him.

The Honourable Bill Forwood referred to the water sports facility in Ballarat and its relationship to the World Masters Games. I am aware that the City of Ballarat has made a commitment to provide eight lanes in its bid to secure the rowing event for the games in 2002. I advise the house there was no guarantee that the state government would support additional work through the community facilities funding program and the grant was made in the context of supporting an improvement to a regionally significant rowing course. Yesterday at the community cabinet meeting I spoke with the mayor of the City of Ballarat, John Barnes, about this specific matter. I am well aware of the issues surrounding that city's application for funding assistance for the works. I expect it will reapply for additional funding assistance in this year's funding applications, and I expect the watercourse review to be finalised while those applications are being assessed and before the announcement of the community facilities funding grants.

The Honourable David Davis raised a matter relating to the relocation of the Box Hill Bowling Club in connection with initiatives around the Commonwealth Games. A detailed analysis of the issues has been conducted by Sport and Recreation Victoria. The process of submission evaluation has been prolonged because neither proposal has yet been able to meet all the specific project requirements. I have recently written to the councils involved inviting them to resubmit their proposals to address the key unresolved issues.

I am also conscious of the specific issues relating to the Box Hill Bowling Club. I hope that between the club, the City of Whitehorse and Sport and Recreation Victoria we can address the bowling club's needs.

Motion agreed to.

House adjourned 10.01 p.m.