

# VERIFIED VERSION

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into budget estimates 2012–13

Melbourne — 16 May 2012

#### Members

Mr N. Angus

Mr P. Davis

Ms J. Hennessy

Mr D. Morris

Mr D. O'Brien

Mr M. Pakula

Mr R. Scott

Chair: Mr P. Davis

Deputy Chair: Mr M. Pakula

#### Staff

Executive Officer: Ms V. Cheong

#### Witnesses

Mr M. O'Brien, Minister for Consumer Affairs,

Ms P. Armytage, Secretary,

Mr S. Condrón, Chief Finance Officer,

Dr C. Noone, Executive Director, Consumer Affairs, and

Ms C. Gale, Executive Director, Community Operations and Strategy, Department of Justice.

**Necessary corrections to be notified to  
executive officer of committee**

**The CHAIR** — I welcome from the Department of Justice Dr Claire Noone, executive director, consumer affairs, and Ms Carolyn Gale, executive director, community operations and strategy. I call on the minister to give a brief presentation of no more than 5 minutes on the more complex financial and performance information relating to the budget estimates for the consumer affairs portfolio.

**Mr M. O'BRIEN** — This presentation will cover both the activities of Consumer Affairs Victoria and also liquor licensing, given that both areas come under this portfolio. Certainly we are committed as a government to try and increase the focus on improved access to services and innovation in our service delivery through CAV and, as I touched on briefly in relation to the gaming portfolio, through improving administrative actions in relation to liquor and gaming as well.

**Overheads shown.**

**Mr M. O'BRIEN** — The budget breakdown for CAV and consumer affairs indicates again that it is not the largest spend amongst the whole justice portfolio, but given the focus on protecting consumers that Consumer Affairs Victoria has and given the importance and social sensitivity of alcohol regulation, I certainly think that CAV and our liquor licensing people do a very important job, and I think they do it extremely well.

In relation to the government's focuses and our election commitments, we wanted to refocus on service delivery, seek better use of electronic communications, better information for people entering and living in retirement villages, improved real estate regulation and practice, and a few other issues which I will not go through in detail there. That has been our focus as a government. I did mention the question of using electronic communication and better forms of getting information out to consumers and to traders. It is a better outcome for all if traders are aware of their rights and responsibilities and consumers are aware of their rights and responsibilities because that minimises the chances for disputes to occur in the first place.

The MyShopRights application has been very popular in terms of downloads. I launched it on Boxing Day 2010 in the Bourke Street mall. From that time up until March it has had over 15 500 downloads and over 12 000 mobile website uses, so it has certainly been very popular. That is a website which has got information for both consumers and traders, and it helps give people up-to-date information on Australian Consumer Law and particularly how it affects them. If you are in a store and you wish to return an item, it can take you through a series of questions about your reasons for the return and advise you as a consumer whether you have a legal right to return it or not.

We have also tried to focus more on small business. Small businesses as consumers themselves can often get a bit of a rough trot, and we have launched the *Stevie's Scam School* series of videos, which have been extremely successful — very popular, over 20 000 views since their launch just couple of months ago. It shows an animated character — you can see him there on the slide, Mr Chairman — who is a former scam artist explaining to small businesses the sorts of most common scams that people can be sucked in by. It gives advice on how they can avoid being victims of scam artists. We have also had an online scams quiz. Almost 3600 people taking that quiz since I launched it last year. We have been using social media such as Twitter and Facebook to get the messages out. Victoria has certainly been working with the Australasian Consumer Fraud Taskforce on activities to help monitor and reduce scams across Australia.

One thing I am very pleased to report to the committee is our efforts in relation to travelling con men. I signed a memorandum of understanding last year with my New South Wales counterpart, the Honourable Anthony Roberts. We have seen better collaboration between Victoria and New South Wales, better information sharing and the providing of authorisation to consumer affairs officials on both sides of the border, because con men do not respect borders or customers. That has been very effective. We have seen the arrest of 30 con men so far amongst the jurisdictions, a national hotline being established and a good use of online channels.

In relation to liquor licensing, we have seen our election commitments delivered there to establish a new Victorian Commission for Gambling and Liquor Regulation. We have seen the former director of liquor licensing, I think somebody who is quite respected in the industry, Mark Brennan as the inaugural chairman. Mr Bruce Thompson, who was the chair of the Victorian Commission for Gambling Regulation, is one of the deputy chairs. Gail Owen, another former VCGR member, is a further deputy chair. We have a number of other outstanding commissioners.

In terms of liquor licensing activities, we have seen a number of public order initiatives through the Justice Legislation Amendment Act 2011 come into operation. We have seen secondary supply laws being put into place. This has been a longstanding issue, and the government has acted. I think the community has welcomed the government's actions. The fundamental principle is that decisions over exposing minors to alcohol are ones for parents to make — nobody else. Through this legislative method and also through the surrounding education campaign, we are trying to get the message out very clearly that decisions about exposing minors to alcohol are very sensitive ones and the only people who are appropriate to make that decision are the parents of the minors concerned, not the parents of friends of the minors. Obviously there have been some tragic incidents where children have actually died as a result of the over-consumption of alcohol at parties where the parents had no idea that was going on. We are hoping the legislative change and the surrounding education campaign may help to prevent that happening in the future.

In relation to other liquor licensing issues, we have seen the commencement of the 5-star rating system and demerit points system. I think that is a very effective carrot-and-stick approach — the 5-star rating system will reward well-managed licensees who observe the law with liquor licence fee discounts for continued good practice. The demerit points system, on the other hand, will operate to more effectively and more quickly deal with recalcitrant licensees who keep cutting corners and keep breaking the law. Not only will they receive significant fines and increases in their liquor licence fees but they will also see automatic suspensions of their liquor licence.

We have created a wine and beer producer's licence, which has been well received by industry. It is far more efficient, more effective and there is less red tape for the businesses concerned.

We have got over 19 300 liquor licences in Victoria. There was a spike in revenue for liquor licences under the former government when it significantly increased fees. One of the first things we did when we came to office was to cut the fees for over 11 000 low-risk businesses — the RSLs, the bowls clubs, the cafes. They are hardly hotbeds of antisocial behaviour. They should not have been penalised as though they are King Street nightclubs. We made sure they were not by cutting their fees by half.

It has been a very busy year in this portfolio of consumer affairs and liquor licensing. There have been some significant achievements. We look forward to the future. I look forward to taking questions from the committee.

**The CHAIR** — In the remaining time until 10.45 we can take questions on the consumer affairs portfolio. Given the key growth and efficiency initiatives announced in the budget, can you please outline for the committee the likely impact of the budget on enhancing service delivery and promoting productivity and achieving efficiency gains within your portfolio? In responding could you please indicate how you also intend to monitor the portfolio's effectiveness in maximising improvements in these areas, and also, rather than asking you later, could you inform the committee what the likely impact will be on industry and community stakeholders of the portfolio initiatives?

**Mr M. O'BRIEN** — As I flagged, CAV is reprioritising and streamlining existing services and resources and implementing a number of very exciting innovations in service delivery. One of them is increasing the level of front-line resolution of disputes. As a former lawyer — and a number of members of this committee are — I know by the time disputes get to the lawyers they are often intractable, they are certainly very costly and they often end badly for all concerned, no matter who winds up on the right side of the judge or tribunal. By trying to push for more front-line resolution of disputes, we believe that we can deliver some significant improvements for outcomes for the community and also some significant improvements for the way in which CAV operates. CAV has completed a successful pilot of the new front-line resolution service which aims to resolve simple complaints within 48 hours and often with a simple call to a trader, and that has been very successful.

We are also, through legislation, looking to broaden the scope of the ability of CAV to engage in conciliation and front-line resolution, particularly in relation to business disputes. Small businesses can often be a one or two-person operation, and they are, in some ways, as vulnerable as individual consumers can be, particularly in dealing with big business, and we think it is appropriate that CAV work to assist those small businesses as well.

We are seeing CAV expand its use of electronic communications to more quickly and efficiently deliver information to consumers and business via Twitter, Facebook and YouTube. We have also seen, as I have flagged before, the wine and beer producer's licence being instituted. As a result, there are 727 licensees who

will benefit from this change. What it means is that instead of having a variety of previous licences such as a vigneron's licence, a pre-retail licence, a restaurant and cafe licence and temporary limited licences to promote their products at fairs and shows, which could have cost, for example, \$2600, they instead will be able to have one wine and beer producers licence which authorises the entity to promote their products off-site at fairs and shows which will cost \$299. You go from having four different categories of licence and a fee of nearly \$2700 to one licence under \$300. That is the sort of cutting red tape, improving efficiency and delivering benefits for the community that this government thinks is extremely important, and that is what we are delivering.

We have also sought to engage the public and industry through a number of initiatives. We established a dedicated unlicensed motor car traders hotline, a dedicated travelling conman hotline and a dedicated small business info line. As I indicated before, the Victorian Commission for Gambling and Liquor Regulation now provides a one-stop shop for entities that offer both gaming and liquor licensing, so instead of having to deal with different bureaucracies, there is the one-stop shop approach.

In terms of monitoring, CAV and the commission have got programs of active stakeholder engagement. One terrific example is the work that Claire Noone and CAV have done with the unlicensed motor car trader hotline. There has been very close liaison there with the Victorian Automobile Chamber of Commerce in terms of both the identification of the problem and the work that has been undertaken to establish the hotline and then to follow through with the concerns that have been raised with CAV through the hotline to achieve some very positive results. CAV also employs data analysis and customer satisfaction surveys, so we do think it is important that regulators keep a close eye on how their activities are perceived by both the community and industry in particular, and we think that the work that has been done to date has been very well received. However, we will continue to monitor that to make sure it continues to be so.

**Mr PAKULA** — Minister, to refer to your presentation, you have gone through a range of the liquor licensing initiatives and certainly the regime that is now going to be imposed on venues. You have talked about public order initiatives, audit of late-night licensed venues, five-star ratings, demerit point systems et cetera. You have also got the situation now where the old VCGR enforcement and compliance and monitoring role is rolled into the old RAV, so it is combined, and yet in budget paper 3, page 203, you are budgeting for no increase at all in inspections, compliance monitoring or enforcement activities. I am just wondering how that can be the case, given what you have told us about all the new enforcement, compliance and monitoring that you are going to be doing.

**Mr M. O'BRIEN** — I thank the member for his question. I flagged in my earlier discussions on the gaming portfolio that in fact it is very important that the activities of the regulator be focused on those areas that have the potential for greatest harm to the community.

The former government undertook a program of visiting every single liquor licensee and checking that they had their red-line plan behind the desk, checking that they had the responsible service of alcohol signs in the right spot and making sure that those responsible service of alcohol signs were of the appropriate dimensions et cetera. That was probably worthy in itself, but as an ongoing task the government thinks the community is more concerned with kids being served alcohol. We think the community is more concerned with drunks being continually served alcohol and then causing fights and antisocial behaviour in venues or on the street. The quality of the work that is undertaken and the quality of the monitoring activities is at least as important as the quantity, and those harder and more necessary monitoring tasks, such as observing where the drunks are being served and such as observing where the kids are being served in pubs and nightclubs, are time-consuming tasks.

With the extra resources that the commission now has, they will be able to undertake those more important tasks which take more time and which are of more benefit to the community. While there may not be an increase in the number of activities, there will be a significant increase in the quality of activities, and the focus will be on those activities that actually protect the public rather than dotting i's and crossing t's.

**Mr PAKULA** — Just to follow up, Minister, I want to understand what you are telling us. Are you saying that making sure the signs are on display or that the book is behind the counter are the only activities in terms of inspection, compliance and monitoring that will fall by the wayside, or are there others?

**Mr M. O'BRIEN** — I am not suggesting that any activities will particularly 'fall by the wayside'. What I am suggesting — in fact not what I am suggesting, what I am stating — is that the most important forms of

compliance monitoring are those which also take the greatest amount of time. To actually observe a venue for a period of time, to observe whether drunks are being served at a nightclub, to observe whether children are being given access to licensed premises, to observe whether children are being served alcohol at a pub or a hotel or a nightclub, are the sorts of activity that I think the public expects our liquor licensing team to be focusing on. When it comes to a choice between essentially administrative tick-offs or protecting the public, my view, the government's view and I am grateful to say the commission's view is that protecting the public should come first.

**Mr MORRIS** — Minister, I refer you to budget paper 3, page 200, and in particular to the output 'Promoting and protecting consumer interests'. I am wondering if you can indicate to the committee what steps are being taken to assist prospective and current retirement village residents.

**Mr M. O'BRIEN** — I thank Mr Morris for his question. In our election policy the government made a commitment to better promote understanding of retirement village residents' rights and obligations. It is a momentous step for a person or a couple to decide to enter into a retirement village. It is a big financial step, and in many ways it is a big emotional step. We have seen evidence — and I am sure all members have had it reported to them by their constituents — where sometimes it has not worked out as well as people would like.

To have disputes amongst retirement village residents or between residents and management is something which creates an ongoing issue for the people involved, and we do think there is a better way to try to seek to not only resolve disputes but to prevent them from arising in the first place. If residents have a better idea of what their rights and what their obligations are before they sign on the dotted line — before they enter into a village — we think that will help to shape the expectations and help them to make a more informed decision. Likewise, we think it is very important that retirement village operators understand what the legitimate expectations of their residents are and what best practice is.

With that in mind I asked Consumer Affairs Victoria to establish some consultation with both industry and residents' groups, and as a result of that work — and can I say it has been very constructive and collaborative work — we have had many organisations involved. From the residents side we have had the Residents of Retirement Villages Victoria, the Council on the Ageing, Housing for the Aged Action Group and a number of other organisations. From the operators side we have had the Retirement Village Association, Stockland and Aged and Community Care Victoria. Those organisations worked with CAV in a collaborative process to establish some new works and some new protocols and guidelines.

I was pleased to be able to launch these documents just last week. The first is *Retirement Villages — Good practice to address key issues*. I should say that this document actually has the logos of those organisations that have been involved in putting it together, which indicates the extent to which they are prepared to sign up to these. So we have retirement village protocols now issued which cover issues such as changes to services within the village, maintenance charges and processes, what is covered by service and capital charges — and I am sure members have had questions about sinking funds brought to them and whether appropriate activities should be paid for by the sinking fund or not — presentation of the annual financial statement, marketing procedures for a unit when a resident leaves or passes on, ongoing charges after a resident leaves or passes on and refurbishment and reinstatement of units. By having these protocols out there, and protocols which these organisations representing both the industry and residents have signed up to, we think we will lift the level of practice in the industry in Victoria and lift the level of outcomes for both residents and those who operate villages.

We also issued updated and improved internal dispute resolution guidelines for retirement village owners and managers. Essentially, while some of it may boil down to common sense, it is very helpful to get these guidelines on paper and ensure that retirement village operators and managers understand what their role is and what their obligations are when it comes to making sure that internal disputes within villages can be better dealt with.

As I did flag earlier, if you can avoid the lawyers, you are better to avoid the lawyers. You really want these issues to be dealt with as quickly as possible with as little emotion as possible so that everyone can get on with living their lives. Through this work that we have undertaken with residents groups, with retirement village groups and with great effort by CAV, we have now got protocols — guidelines — that everyone has signed up to that operate in Victoria essentially in terms of the peak bodies. We think this will make a significant

improvement in terms of the quality of life for those people who choose to enter into retirement villages in this state.

**Mr SCOTT** — Minister, in your presentation you made reference to the secondary supply laws under the Liquor Control Reform Amendment Act 2011. Obviously you outlined about the supply to children and the changes to the law there. I just really want to know: how many people have been fined under the provisions of that act since its introduction?

**Mr M. O'BRIEN** — Decisions about these matters are obviously matters for police. Under the legislation it is primarily a police enforcement matter, so it is probably a question that is better directed to the minister for police.

**Ms HENNESSY** — Come on. You are the minister.

**Mr M. O'BRIEN** — Mr Chairman, I am not seeking to be the minister for police; I am happy to answer on matters I am responsible — —

**Ms HENNESSY** — It is your legislation.

**Mr ANGUS** — Listen to the minister's answer.

**Ms HENNESSY** — Answer the question.

**The CHAIR** — Ms Hennessey, you cannot contain yourself, can you?

**Ms HENNESSY** — It is a simple question.

**Mr ANGUS** — Listen to the answer and you will learn the simple answer.

**The CHAIR** — Ms Hennessey, it is not your question. All right? It is not your question. Mr Scott asked the question. Allow the minister to respond without interruption, please.

**Ms HENNESSY** — Yes, Chair.

**The CHAIR** — Thank you.

**Mr M. O'BRIEN** — As I said, I am very pleased to discuss the legislative change because I think it is an important one. It is one that the former government neglected — or in fact not neglected but refused to undertake for 11 years.

**Mr PAKULA** — You will not tell us what it has done.

**Mr M. O'BRIEN** — Notwithstanding the many calls in the community for this to take place. This is not simply about enforcement; it is also about education, and the Department of Health has conducted a community education campaign that surrounds this legislation to make sure that people are aware of it. I went to a well-known large chain the other day to purchase something, and there on the counter were leaflets advising customers about this new law that has come into place. So passing law is one thing, but educating the community about it is just as important if it is to be effective. I think the government has not only passed the law, which is arguably the easy bit — although it was too hard for the former government for 11 years —

**Mr PAKULA** — You won't tell us how it is being enforced.

**Mr M. O'BRIEN** — we have also undertaken the education campaign surrounding it to ensure that the community understands it so there can be compliance. But in relation to matters of police enforcement, I suggest that those questions be directed to the minister for police.

**Mr SCOTT** — I do note that you seem to be saying that in areas that are not your direct responsibility you do not seek to have understanding of how effective they are, but is the reason that you do not want to answer that the answer is zero?

**Mr M. O'BRIEN** — I have nothing to add to my previous answer.

**Mr ANGUS** — Minister, I refer you to page 202 of budget paper 3, which notes the establishment of the Victorian Commission for Gambling and Liquor Regulation. I also note that you touched on that in your initial presentation to the committee. Minister, can you please explain to the committee the implications of the VCGLR for the liquor licensing regime?

**Mr M. O'BRIEN** — I thank Mr Angus for his question. The creation of the VCGLR is the fulfilment of another government election commitment. On 6 February this year the commission assumed all the functions of the director of liquor licensing, the Victorian Commission for Gambling Regulation and the Liquor Licensing Panel, as well some functions of VCAT and Responsible Alcohol Victoria. This new commission features a commission-style decision-making structure, with expert commissioners making decisions through a transparent process.

Under the previous system, where there was a liquor licensing application which was contested it would then be referred by the director of liquor licensing to the Liquor Licensing Panel. That panel would consider the matter, consider the application, consider the objections and take evidence, but it then had no power to actually make a decision. All it could do was simply make a recommendation to the director of liquor licensing, who could then ignore it, adopt it or start it again. It did not appear to us that that was the best structure for a modern liquor licensing system in this state.

We have adopted the commission-style decision-making structure of the former Victorian Commission for Gambling Regulation and applied that to liquor. I think the chairman, Mr Mark Brennan, is somebody who, as I said before, is widely respected in the community and in the industry. A former small business commissioner, he does actually understand the issues that face small businesses, and he is very keen to promote compliance. Through this commission we will see a streamlining of functions compared to the old fairly lumpy system. We will see a reduction in regulatory burden to businesses that have both liquor and gambling licences by providing a one-stop shop.

The VCGLR will also administer other reforms of the coalition government, one of which is the 5-star rating system. That system will provide that any licensed venue which has a track record of compliance with key liquor licensing provisions is eligible for a discount on their liquor licence fees. Through the demerit point system we are hitting hard businesses that are recidivist, that keep offending, and they will get hit through higher licence fees, fines and, ultimately, suspension of their licence if they accumulate enough demerit points. But we want to reward the responsible licensees — the vast majority — who run a tight ship, who understand their legal obligations and who make sure that they are observed.

Through the 5-star rating system we will be able to offer discounts of where a venue has a track record of 24 months or more of no relevant infringements a 5 per cent cut to its liquor licence fee. Where a licensed venue has got a track record of 36 months or more of no relevant infringements, they will receive a 10 per cent cut to their liquor licence fee. We are cutting the fees of responsible licensees and rewarding them for their good behaviour, which the community benefits from. We need to have a carrot as well as a stick.

The work of the Victorian Commission for Gambling and Liquor Regulation in implementing these reforms, both the 5-star rating system and the demerit point system, will be critical. We are very pleased with how the commission has operated to date. It has been very effective, and we think that well-run businesses can expect to see significant benefits as a result of the 5-star rating system and badly run businesses can expect to hear the VCGLR knocking on their door very shortly.

**The CHAIR** — After an hour and a half, Ms Hennessy, it is your moment to shine.

**Ms HENNESSY** — It is a very simple question, Chair. Minister, it is just a question about figures. In budget paper 3, page 201, the output cost for 'Promoting and protecting consumer interests' of 78.1 million is well down from the 2011–2012 expected outcome of 111.7 million. The footnote says that cut is due to the transfer of liquor regulation to the new VCGLR and also it reflects a reduction in the Victorian Property Fund grants program to replenish the working capital of the fund. We have 111.7; we are going to 78.1. Exactly how much of the protecting consumers output has been transferred to the VCGLR, and what will be the exact reduction in spending from the Victorian Property Fund?

**Mr M. O'BRIEN** — In relation to the amount of money which is transferred from the consumer outputs into liquor and gaming, I can advise you, Mr Chairman, and the committee that \$17.8 million has been

transferred to reflect the movement of liquor licensing regulation from CAV into gaming and racing. In relation to the Victorian Property Fund I make this point: that between, I think it was, 2007–08 and 2010–11, a four-year period, the former government ripped \$200 million out of the Victorian Property Fund.

It may well be that the use of that money for projects of the former government was warranted, but you cannot keep raiding the piggy bank and expect the piggy bank to still have money. There comes a time when the adults have to actually put money back into the piggy bank to make sure that the fund has got a long-term future. When the former government ripped \$200 million — that is, on top of the normal fund appropriations, so \$200 million extra — out of the Victorian Property Fund they left the capital in a severely depleted position. It seems to be the lot of coalition governments to come in after Labor governments have spent all the money — —

**Members interjecting.**

**Mr MORRIS** — On a point of order, Chair, I am sure members will not be surprised at what I am going to say, and I have made this point a number of times before. I also make the point that I held my peace during the gaming session, acknowledging that sometimes these matters require robust discussion, but it is very clear from the standing orders of both houses of this Parliament, from the standing orders of the House of Representatives and equally from Westminster parliaments generally that there are very limited opportunities to interrupt a member or a minister while they are speaking. Points of order are one, but simply interrupting because you do not happen to agree with what is being said or attempting to shout down someone in order to silence them is clearly against the standing orders. It is disorderly, and I ask you to rule that way.

**The CHAIR** — Thank you, Mr Morris. I have no choice in relation to Mr Morris's point of order but to rule that it is disorderly to interject while the minister is responding, and I would ask all members to take note of my response to the point of order.

**Mr M. O'BRIEN** — As I said, the former government took \$200 million out of the VPF between 2007–08 and 2010–11 in addition to the normal fund grants that were issued, so there comes a time when, as I said, a responsible government needs to replenish the capital that had been severely depleted by a former government, otherwise the future of the Victorian Property Fund will be in doubt. You cannot keep depleting the capital and then expect to be able to fund grants into the future. The grants are funded essentially from the interest that the capital creates, and I apologise if it sounds like I am trying to tell the Public Accounts and Estimates Committee basics in accounting, but it does sound as though some members may benefit from an explanation that increasing the capital of the fund will ensure that it can continue to issue grants into the longer term. And when \$200 million has come out, there does come a time — and that time is now — where the government needs to reduce the level of annual grants for a time so that we can replenish the capital of the fund and ensure that it can continue to serve Victorians into the future.

**Ms HENNESSY** — Just to clarify, your evidence is that of the 111.7 million, that has come down to 78.1, and of the difference, which is 33.6, 17.8 has been transferred across to the VCGLR. The remaining 15.8: is it your evidence that that is gone, that that is a cut from Consumer Affairs Victoria programs? Perhaps you could tell us what programs have been discontinued and what the value of those programs is?

**Mr M. O'BRIEN** — There is a variety of measures that Consumer Affairs Victoria has undertaken to ensure that it can operate within its appropriate budget. Over the course of the next year registration of business names is an area, for example, that has been a significant cost to CAV, and that is no longer being done by CAV. That will be done by the federal government under an agreement which was entered into, I believe, by the former Labor government here, so there are a number of areas where, for example, there may be transfers between states or between states and the federal government for various activities of Consumer Affairs Victoria. It is not necessarily a question of grants being reduced. Some grants have been reduced; some grants have been increased. In relation to consumer and tenancy services, for example, which provide assistance to some of the most vulnerable Victorians in relation to the housing market, supporting legal services, tenants advice et cetera, we have been able to increase the funding in that area by \$100 000.

**Ms HENNESSY** — On a point of order, Chair, under the standing orders to which Mr O'Brien referred previously — —

**The CHAIR** — Mr Morris.

**Ms HENNESSY** — Sorry, Mr Morris referred previously, responses are required to be direct. I am happy for the minister to take it on notice and to come back to this committee with a list of programs that have been discontinued.

**The CHAIR** — I do not think that is a point of order.

**Ms HENNESSY** — Minister, will you take that on notice?

**The CHAIR** — Let me chair the meeting.

**Mr PAKULA** — How about you do it then?

**The CHAIR** — Deputy, if you want me to literally interpret and enforce the standing orders, then it will constrain the capacity — —

**Mr PAKULA** — I want you to treat Ms Hennessy's point of order with the same seriousness you treated Mr Morris's.

**The CHAIR** — I am sorry, Deputy, it was not a point of order to restate the question. I will allow — —

**Mr PAKULA** — It was a point of order.

**The CHAIR** — I will allow the minister to conclude his response, and, as is the practice in this committee, when responses do not have the sufficient detail that the committee is seeking, we often take the question on notice for a future written response. So that is in order, but we do not need to take points of order in relation to that. Minister, would you like to conclude?

**Mr M. O'BRIEN** — Some grants are going up; some grants are going down. Some activities are no longer required because, for example, registration of business names is being transferred to the responsibility of the commonwealth government. In relation to the Victorian Property Fund and the specific changes there, there will still be approximately \$7 million of funding budgeted out of the VPF for 2012–13. There will be, by comparison, a \$14 million, essentially, contribution towards the replenishment of capital. The former government took \$200 million of capital out. We are having a reduction in VPF grants over 12–13 of \$14 million as a down payment on replenishing the money that Labor took away.

**The CHAIR** — I am conscious that Ms Hennessy is after some more particulars. If she would like to recite the particulars which she is seeking to put on notice, I am happy for her to do so.

**Ms HENNESSY** — Thank you, Chair. Minister, if you could bring back to the committee an outline of what Consumer Affairs Victoria programs, including grants, have been discontinued and/or transferred and what the value of those programs are.

**The CHAIR** — Thank you, Ms Hennessy. That will be a question that we will relay to you in writing.

**Mr D. O'BRIEN** — Minister, I also refer you to budget paper 3, at page 200, regarding the 'Promoting and protecting consumer interests' output. I ask: can you please provide details on the government's activities in providing grants to support services for vulnerable and disadvantaged Victorians?

**Mr M. O'BRIEN** — Can I say that notwithstanding the constrained financial position of the state and notwithstanding the fact that we have had to undertake work to replenish the capital of funds such as the Victorian Property Fund, which had been raided by previous governments, the government is still able to increase a number of grants to support very vulnerable Victorians. Could I just give just one example: the Pathways to Exit program, which is run — —

**Mr PAKULA** — Like all those new kids who cannot get into TAFE.

**Mr M. O'BRIEN** — Mr Chairman, this is about the Pathways to Exit program, which is about providing support for sex workers who want to leave the industry, and I am sure it is of great interest to members of the committee. In early 2011, I approved a further \$300 000 — an increase of \$70 000, or about 30 per cent over what the former government had provided — to Pathways to Exit to ensure that it can continue for the rest of

that financial, or the rest of this financial year. I am pleased to announce I have recently approved a further \$395 000 in funding to extend this service until June 2013. Pathways to Exit has achieved very strong results. Over one-third of its clients have reduced or ceased sex work altogether. It is a very important program dealing with some very vulnerable Victorians, and the government is pleased to be able to not just continue to support but to increase support for that program.

We are also supporting vulnerable Victorians through a \$2.4 million allocation to the Specialist Tenancy and Consumer Service in 2012–13; that is a \$100 000 increase on the previous year's funding. We have provided Kids Under Cover with \$2.2 million over three years — a significant increase over the former government's funding — to provide studio accommodation for homeless and at-risk young people. We have funded — increased funding, in fact — for the Department of Human Services Home Renovation Service program, which enables elderly people to stay in their homes longer. We have provided \$2.1 million over two years; it is an annual increase of over \$100 000. Mr Chairman, I am conscious of the time, but that is just an example of the increased funding out of the Consumer Affairs Victoria portfolio for vulnerable Victorians. It is about managing the money better, making sure the money goes to those who need it most and doing it as efficiently and effectively as possible.

**The CHAIR** — This concludes questions on the consumer affairs portfolio. I thank Ms Armytage, Dr Noone, Ms Gale and Mr Condrón for their attendance. We will take a short adjournment.

**Witnesses withdrew.**