PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE COUNCIL

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Tuesday, 10 December 2013

(Extract from book 17)

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The Honourable Justice MARILYN WARREN, AC

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(from 22 April 2013)

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Procedure Committee — The President, Mr Dalla-Riva, Mr D. Davis, Mr Hall, Mr Lenders, Ms Pennicuik and Mr Viney

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Economy and Infrastructure References Committee — Mr Barber, Mrs Coote, #Ms Crozier, Mr Drum, Mr Finn, #Mr Leane, Mr Lenders, Mr Melhem, #Mr Ondarchie, Ms Pulford and Mr Ramsay.

Environment and Planning Legislation Committee — Mr Dalla-Riva, Mr Elsbury, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Peulich, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

Environment and Planning References Committee — Mr Dalla-Riva, Mr Elsbury, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Peulich, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

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Scrutiny of Acts and Regulations Committee — (*Council*): Mr Dalla-Riva. (*Assembly*): Ms Barker, Ms Campbell, Mr Gidley, Mr Nardella, Dr Sykes and Mr Watt.

Heads of parliamentary departments

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FIFTY-SEVENTH PARLIAMENT — FIRST SESSION

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Coote, Mrs Andrea	Southern Metropolitan	LP	Mikakos, Ms Jenny	Northern Metropolitan	ALP
Crozier, Ms Georgina Mary	Southern Metropolitan	LP	Millar, Mrs Amanda Louise [4]	Northern Victoria	LP
Dalla-Riva, Hon. Richard Alex Gordon	Eastern Metropolitan	LP	O'Brien, Mr David Roland Joseph	Western Victoria	Nats
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Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Tarlamis, Mr Lee Reginald	South Eastern Metropolitan	ALP
Koch, Mr David Frank	Western Victoria	LP	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Tierney, Ms Gayle Anne	Western Victoria	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP

[1] Resigned 26 March 2013
[2] Appointed 8 May 2013
[3] Resigned 1 July 2013
[4] Appointed 21 August 2013

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TUESDAY, 10 DECEMBER 2013

Tuesday, 10 December 2013

The PRESIDENT (Hon. B. N. Atkinson) took the chair at 12.04 p.m. and read the prayer.

DISTINGUISHED VISITORS

The PRESIDENT — Order! I take this opportunity to advise the house of a distinguished visitor who is with us in the gallery today. Senator Dr Monica Xavier is president of Frente Amplio, one of the political parties in Uruguay, and a member of the Uruguayan Parliament. We are delighted to have you with us in our Parliament today.

HIS EXCELLENCY NELSON MANDELA, OM, AC, CC, OJ, GCStJ, QC, GCH, BR, RSO, NPK

Hon. D. M. DAVIS (Minister for Health) — By leave, I move:

> That this house expresses its sincere sorrow at the death, on 5 December 2013, of His Excellency Nelson Mandela, OM, AC, CC, OJ, GCStJ, QC, GCH, BR, RSO, NPK, and places on record its acknowledgement of the valuable services rendered by him to the people of South Africa and for the causes of peace and justice internationally.

In moving this motion, I note that I do not think there is a person in the chamber, in Victoria or in Australia who does not know of Nelson Mandela. He was a person who reached international prominence, which he had until his death recently. He was widely respected in our community and internationally. He set an example and an approach to life as much as an approach to politics. He was a person from whom all of us can learn.

Mr Mandela was born Rolihlahla Mandela, the son of a Thembu tribal chief, in Mvezo in South Africa's Eastern Cape on 18 July 1918. He was the first in his family to go to school, and it was there he received the name Nelson, as it was customary for schoolchildren to be given English names.

In 1941, to avoid an arranged marriage, he fled to Johannesburg where he began work at a law firm. Mr Mandela joined the African National Congress (ANC) in 1944. He qualified as a lawyer, and in 1952, with Oliver Tambo, he set up the country's first black law firm. Fearing a ban by the apartheid government, the ANC asked Mr Mandela to make plans to ensure his party could work underground. He was arrested in 1956 and, along with 155 others, was charged with treason. The trial lasted four-and-a-half years, and ended with his being acquitted. In 1958 he married his second wife, Winnie.

There were also the matters around Sharpeville in 1960, after which the government clearly feared retaliation. Through the process set up, Mr Mandela was arrested and tried for leaving the country illegally. In 1963, while in prison, he was charged with sabotage; and in 1964 he and seven others were sentenced to life imprisonment and jailed. It was a very long-term jailing, and the impact on him and his family must have been enormous. We can only imagine what impact that would have on a person — on their soul and on their commitment to their country, held against the enormous deprivations that they were suffering. It was his response to that jailing that I think has marked him out so strongly — that is, his response to the deprivations that were put upon him.

From 1967 the international community increasingly imposed sanctions on the South African apartheid regime. It was a long campaign, the details of which I am not going to list here, but it was a campaign with which I think everyone in this chamber will be familiar. It was the time in which many of us grew up, and we remember the decisions made, whether they be in sport or in other arenas, to impose sanctions to send a message to the South African regime. However, the international community did put pressure on the regime, and by 1990 it led to President F. W. de Klerk lifting the ban on the ANC.

On 11 February 1990 Mr Mandela was freed after spending 27 years in prison. Crowds cheered as he and his wife, Winnie, left the prison grounds. The following year, Mr Mandela was elected president of the ANC at the party's first national conference, and talks began on forming a new, multiracial democracy.

In 1993 Mr Mandela and South African President F. W. de Klerk were jointly awarded the Nobel Peace Prize for their efforts to bring stability to South Africa. The Nobel committee said both men had made 'a brilliant contribution to peace'. On accepting the award Mr Mandela said, 'We will do what we can to contribute to the renewal of our world'.

In 1994, for the first time in South Africa's history, people from all races voted in democratic elections. The ANC won the election, and Mr Mandela became president. He said at his inauguration in May 1994, 'Let freedom reign. God bless Africa'. This was a very significant message to the world. He went about establishing an approach to government that was inclusive and sought to bring people from all backgrounds into the governance of and major roles in that country of South Africa. Mr Mandela stepped down as ANC president in 1997, and his successor,

Thabo Mbeki, led the party to victory at the polls in 1999.

Mr Mandela suffered a long illness, as people will be aware. He was admitted to hospital in January 2011 with a respiratory infection, and he suffered repeated infections over the period after that. It is believed that his lungs may have been damaged from the time he spent in the prison quarry. He died at home on 5 December this year.

The lessons from Mr Mandela's life are many. Those in the chamber and the Victorian community wish his family and the South African people the very best at this time, because they have lost a truly remarkable individual, a person who will be seen as taking an approach to his political tasks from which we all seek to learn. We can only hope that the work that has been done by Nelson Mandela and his successors in South Africa will deliver the prosperous and positive outcome that everyone seeks. He was a truly great individual, who suffered greatly but who had great humility and great humanity.

Mr TEE (Eastern Metropolitan) — I rise to speak on this condolence motion. I was born in a South Africa where Nelson Mandela was strangely everywhere and nowhere. He was nowhere because the South African government banned the publication of any images of him and banned the reporting of any statements made by the African National Congress (ANC) or Mr Mandela. But he was also everywhere because the South African government did its utmost to demonise both Mr Mandela and the ANC. If you believed the government rhetoric, Mr Mandela and the ANC were hell-bent on using violence to overthrow not just the government but also the economy. They were demonised and represented as being subhuman. His brand of ideology was antidemocratic, anti-God and antifamily. The ANC and Mr Mandela were to be both feared and reviled.

Ironically it was not until many years later when I went to Robben Island and looked into Mr Mandela's cell that I truly visited inhumanity. When you arrive on Robben Island you walk through an archway inscribed with the Afrikaans words 'Ons dien met trots', which mean 'We serve with pride' — a faint echo of the Nazi gas chamber slogan 'Work will set you free'. Robben Island is a barren rocky outcrop. It is a limestone island covered in scrub. There is no dignity and no pride in spending your days working with a hammer smashing rocks. There is no humanity in a cell where standing in the middle you could almost touch the four walls.

In the South Africa of my childhood there was a chasm between the privileges I enjoyed and the conditions for the black majority, but there were also divisions within the white community. Those with English ancestry dominated the economy and saw themselves as the inheritors of progressive liberal values. My dad was English. His side of the family was in business and, like many white South Africans, they followed cricket. The black community overwhelmingly played soccer.

The Afrikaners — my mum's side of the family — were farmers, Boers. They dominated the government and the bureaucracy. They were the teachers and the nurses, and many Afrikaners made up the police. They were the enforcers of the apartheid regime. They followed rugby. Afrikaners saw themselves as the inheritors of a proud heritage and legacy. They were a nation of 5 million with their own unique culture and language, their identity forged by wars against the Zulu nation and two wars against the British.

The South Africa of my childhood was increasingly at war with itself, and so dominant was the notion of Afrikaner nationalism that many, including my parents, never believed that a democratic election in South Africa would be achieved without a civil war and without massive bloodshed. Many like my parents, who had the resources, migrated.

I happened to be in South Africa when Nelson Mandela was released from prison. Amongst the white community indoctrinated to loathe Mr Mandela there was a mixture of fear and disbelief, and yet the ANC government with Mr Mandela as President was a very effective government. I remember the shanty towns I saw in my childhood in the afternoons being covered in a haze of smoke as women prepared the evening meal over open fires. Many of those mothers went on to die of lung cancer. When I was in South Africa five years ago the smoke was gone and in its place was a labyrinth of powerlines resembling a spider web. That one action — providing electricity — saved so many lives.

But for me Nelson Mandela's most startling intervention was his support for the South African rugby team, the Springboks, during the 1995 World Cup. This was not about reaching out to form an alliance with the mainly English white community — far from it. This was about reaching into the core of the Afrikaner psyche. Mandela did not need the votes — two-thirds of the population was voting for the ANC — but his stance was certainly not popular with those who voted for the ANC.

One of the most notorious atrocities of the apartheid period was the Soweto uprising on 16 June 1976 when

police opened fire on demonstrating schoolkids. Hundreds died. Those students were risking their lives because the South African government had decided that they had to be taught in Afrikaans — the language of the oppressor. Now 16 June is a public holiday in South Africa. Yet in 1995 here was Nelson Mandela legitimising Afrikaner nationalism, attending the rugby games and appearing on TV wearing the uniform of the Springboks. It defied belief that he would literally embrace the symbolism and the culture of the very ideology so identified with the oppression that he himself had felt so directly, but his actions had a transformative effect. Almost overnight South Africans of all races started taking an interest and a pride in the success of their rugby team.

For me the lasting impression was the impact Mr Mandela's actions had on Afrikaners. He reached into their hearts and showed them that they were not apart from the new South Africa — that they were not an isolated, threatened minority. Mr Mandela showed them that the new South Africa was not created at their expense, but that they were part of the rainbow nation. They could retain and celebrate their identity, but they were also part of something bigger and better. Mr Mandela had broken the link between Afrikaners and those who had committed the apartheid atrocities. As the Truth and Reconciliation Commission showed, the new South Africa was not about sweeping the past under the mat but about moving forward together. When I think of the fractured South Africa of my childhood, I understand how important it was to bring Afrikaners into the tent. I can see why it was so important to take such a risk to bring together a nation that for most of my life had seemed destined to pull itself apart.

There are many critics of the ANC government today — and I am sure that some of that criticism is justified — but I have no doubt that South Africa is now better able to deal with those challenges because it is united. It was united by a man who understood that he had to forge a nation by reaching out to those who had humiliated him. This one act made Mr Mandela a great South African, but his example is universal and timeless. He was not just a great South African; he was a truly great human being who has taught me so much, and for that I will forever be grateful.

Hon. P. R. HALL (Minister for Higher Education and Skills) — On behalf of my colleagues in The Nationals, I join the Leader of the Government, Mr Tee, and other members of this chamber in expressing our sincere condolences on the passing of Nelson Mandela on 5 December at the age of 95. Much has already been said and written about Nelson Mandela, and nothing I could say today would add to that. Some of the tributes have been absolutely moving and have covered all the areas in which he had an interest in life. I want to start by saying to Mr Tee that I really appreciated his contribution on the condolence motion today and the insight that he brought, with his personal experience of living in South Africa during the time of Nelson Mandela's imprisonment. It was very insightful, and I commend him for it. As I said, much has been written and said about Nelson Mandela, and I do not think there is a man or woman alive today who could stand on stage with Nelson Mandela and claim to be his equal; he achieved so much that it is unbelievable, and he has my utmost admiration for all that he achieved.

Mr Tee finished by talking about sport. I want to begin by talking about sport, because it was sport that first brought me into contact with apartheid, and of course anti-apartheid was the lifelong quest of Nelson Mandela. It was at the MCG on 1, 2, 3, 4 and 6 January 1964 that I attended the second test match when Australia played South Africa. It was a memorable test match for a number of reasons, including the debut of people like Ian Redpath — who made 97 in that test — and the like. There were some great cricketers, and I remember seeing Graeme Pollock, Peter Pollock, Colin Bland, Eddie Barlow and a few of that ilk playing cricket for South Africa at that time. That was during 1963–64, and the next time the South African cricket team played on Australian soil was 1992. During the time in between, sanctions were imposed by the Federation of International Cricketers Associations because of the anti-apartheid stand against the South African government at that time. I think some of the sanctions applied to sport had a real impact and helped the anti-apartheid cause.

During the interval between 1963–64 and 1992 there was one other action of significance undertaken by the great Sir Donald Bradman when he was chairman of the then Australian Cricket Board. In that capacity he went to South Africa to discuss the upcoming tour of 1971–72, when Australia was scheduled to tour and play against South Africa. It was then that the South African Prime Minister at the time, John Vorster, made the comment that blacks were not capable of playing cricket. That offended Sir Don's sense of justice and equality to such an extent that he immediately, as chairman of the Australian Cricket Board, cancelled the tour there and then, on the spot. As I said, it was not until 1992 that the South African cricket team again played on Australian soil. Both rugby and cricket were subject to the sanctions being applied by world bodies.

To turn the clock forward to 1995, to the events to which Mr Tee referred, the Rugby World Cup hosted by South Africa was encouraged and very much facilitated by the newly elected President, Nelson Mandela. As Mr Tee said, the moment that brought about real racial healing in that country was the image of Nelson Mandela, wearing the Springbok jumper, embracing Francois Pienaar, then the captain of the South African rugby side. It was the proactive stance taken by Nelson Mandela to heal the wounds and demonstrate to a nation, both black and white, that they could be one nation. That image has been immortalised in the film *Invictus*, and I am sure many people would have seen it, and it is there for others to see in the future.

Nelson Mandela was a man who not only was capable of healing the racial tensions of his own country but also added to resolving racial differences right across the world. His magnificent achievements were spread over his 95 years. He was a man from very humble beginnings, a very modest man throughout the entirety of his life, but one whose achievements have no parallel, and in this chamber today we are right to celebrate a magnificent life and express our sincere condolences to those who will mourn his loss, particularly his family and so many friends all around the world.

Mr BARBER (Northern Metropolitan) — I will not try to capture the essence of Mr Mandela's leadership. I would be here for many hours and possibly still find myself not up to the task, but it has been touching over recent days to hear people talk about Mr Mandela in one of two ways: one way being what he meant to the world, and the other way being what he meant to them personally. I have listened to everything, from US President Barack Obama to teens who recorded video tributes on social media. The first is a potent worldwide symbol of black liberation, and the latter is a heartfelt tribute on video by a young teen, saying that she wished she had met him even more than she would like to meet Justin Bieber.

I first heard of Nelson Mandela in 1984 via a pop song called *Free Nelson Mandela* by The Specials, which I think was produced by Elvis Costello, but when I read Nelson Mandela's autobiography I got a real history lesson. The African National Congress (ANC) and its immediate predecessor organisation was actually formed in 1912, and Mr Mandela was part of a second generation of activists who joined that movement in the 1950s. By the time the cause came to fruition there was a third generation of people who probably did not even know how the ANC itself had been formed or how modest its aims were at the time it was formed — for example, simple requests for basic dignity. One thing the ANC was asking for back then was the removal of the pass law system — black people needed an identification pass to go around; white people did not — but as the decades and the generations went on, the ANC's demands became much stronger until ultimately it was seeking a complete overturning of the social order in that country.

I never met Mr Mandela or ever heard him speak in person, but I have met many others in his category; they are the exiles, the kidnapped or the jailed, prisoners of conscience, those who have been physically beaten or publicly demonised for the roles they played. What is the essence of those roles? In the case of Mr Mandela it was the simple taking of a moral position and the willingness, even the desire, to accept the consequences that made him such an inspiration to all of us and to many people around the world.

The PRESIDENT — Order! I will briefly add that we have had a rare privilege in our lifetimes to bear witness to the life of an extraordinary man — really a Leviathan of history — who despite repression and internment, responded with an extraordinary dignity and humanity. He might well have been angry and violent in his response to the treatment he and many of the people he had worked with politically had received, but he responded with love and respect and an intention to be inclusive. He transformed a nation and in some measure also changed our world. He showed us that a peaceful approach can be so much more powerful than violence. For that we all owe Nelson Mandela an extraordinary debt of gratitude.

I also take the opportunity to congratulate Mr Tee on his remarks on this motion today, which were heartfelt and gave a very personal insight into South Africa and the extraordinary and indelible legacy of Nelson Mandela.

I ask members to stand in their places for a minute's silence.

Motion agreed to in silence, honourable members showing unanimous agreement by standing in their places.

ADJOURNMENT

Hon. D. M. DAVIS (Minister for Health) — I move:

> That, as a further mark of respect to the memory of the late Nelson Mandela, OM, AC, CC, OJ, GCStJ, QC, GCH, BR, RSO, NPK, the house do now adjourn for 30 minutes.

Motion agreed to.

House adjourned 12.37 p.m.

The PRESIDENT took the chair at 1.10 p.m.

ROYAL ASSENT

Message read advising royal assent on 3 December to:

Crimes Amendment (Investigation Powers) Act 2013

Emergency Management Act 2013

Road Legislation Amendment 2013.

RULINGS BY THE CHAIR

Questions on notice reinstatement

The PRESIDENT — Order! I refer to a request of Mr Barber that I review his question on notice 8152. He requested that the question be reinstated because he felt that the response to the matters raised in that question was insufficient. I have reviewed the question and the answer. The question was to the Minister for Higher Education and Skills for the attention of the Minister for Energy and Resources. I am of the view that Mr Barber's question has not been adequately answered. Whilst I appreciate that part 3 of the question might well have some commercial sensitivities that the minister might have relied on in terms of providing an answer — and part 4 follows part 3 in that sense — certainly parts 1 and 2 could have been answered. In my view the response did not address either of those two parts, and I think the minister should give further consideration to parts 3 and 4. I direct that question 8152 be reinstated on the notice paper.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 17

Hon. R. A. DALLA-RIVA (Eastern Metropolitan) presented *Alert Digest* No. 17 of 2013, including appendices.

Laid on table.

Ordered to be printed.

PAPERS

Laid on table by Clerk:

Australian Children's Education and Care Quality Authority — Report, 2012–13.

Interpretation of Legislation Act 1984 — Notices pursuant to section 32(3) in relation to —

State Environment Protection Policy (Prevention and Management of Contamination of Land).

Statutory Rule No. 133.

Parliamentary Committees Act 2003 — Government Response to the Law Reform Committee's Report on Sexting.

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

Banyule Planning Scheme — Amendment C91.

Campaspe Planning Scheme — Amendment C99.

East Gippsland Planning Scheme — Amendments C100 and C111.

Hume Planning Scheme — Amendment C156.

Indigo Planning Scheme — Amendments C52 and C54.

Macedon Ranges Planning Scheme — Amendments C88 and C94.

Maroondah Planning Scheme — Amendment C90.

Maribyrnong Planning Scheme — Amendments C95 and C117.

Mitchell Planning Scheme — Amendment C87.

Moreland Planning Scheme — Amendment C131.

Mornington Peninsula Planning Scheme — Amendment C135 Part 2.

Mount Alexander Planning Scheme — Amendment C63.

Nillumbik Planning Scheme — Amendment C84.

South Gippsland Planning Scheme — Amendments C66, C68 and C87.

Stonnington Planning Scheme — Amendments C161, C163 and C169.

Strathbogie Planning Scheme — Amendments C50, C65 and C67.

Surf Coast Planning Scheme — Amendment C74.

Swan Hill Planning Scheme — Amendments C46 and C47.

Wodonga Planning Scheme — Amendments C87 and C102.

Wyndham Planning Scheme — Amendment C203.

Statutory Rules under the following Acts of Parliament:

Bail Act 1977 — No. 141.

Children, Youth and Families Act 2005 — Nos. 140 and 145.

Public Health and Wellbeing Act 2008 — No. 143.

Racing Act 1958 — No. 144.

Victorian Civil and Administrative Tribunal Act 1998 — No. 142.

Subordinate Legislation Act 1994 —

Documents under section 15 in respect of Statutory Rule Nos. 143 to 145.

Legislative Instruments and related documents under section 16B in respect of —

Specification of postcode areas of residence of respondents for the making of counselling orders in relation to the Heidelberg venue of the Family Violence Court Division of the Magistrates' Court of Victoria of 13 November 2013 made under section 128(b) of the Family Violence Protection Act 2008.

Specification of postcode areas of residence of respondents for the making of counselling orders in relation to the Ballarat venue of the Family Violence Court Division of the Magistrates' Court of Victoria of 13 November 2013 made under section 128(b) of the Family Violence Protection Act 2008.

Specification of postcode areas of residence of respondents for the making of counselling orders in relation to the Moorabbin venue of the Magistrates' Court of Victoria of 13 November 2013 made under section 128(b) of the Family Violence Protection Act 2008.

Specification of postcode areas of residence of respondents for the making of counselling orders in relation to the Frankston venue of the Magistrates' Court of Victoria of 13 November 2013 made under section 128(b) of the Family Violence Protection Act 2008.

Specification of postcode areas for proper venue in relation to a proceeding in respect of which the Family Violence Court Division has jurisdiction of 13 November 2013 made under section 3(1) of the Magistrates' Court Act 1989.

Notice fixing the value of the supervision charge made under section 3.6.5A of the Gambling Regulation Act 2003.

Greyhound Racing Victoria — Rule Amendments made under the Racing Act 1958.

Proclamations of the Governor in Council fixing operative dates in respect of the following Acts:

Bail Amendment Act 2013 — 20 December 2013 (*Gazette No. S419, 26 November 2013*).

Children, Youth and Families Amendment Act 2013 — 1 December 2013 (*Gazette No. S419, 26 November 2013*).

Courts Legislation Amendment (Judicial Officers) Act 2013 — Parts 1 and 4 — 1 January 2014 (*Gazette No. S431, 3 December 2013*).

Education and Training Reform Amendment (School Attendance) Act 2013 — 1 January 2014 (*Gazette No. S419, 26 November 2013*).

BUSINESS OF THE HOUSE

General business

Mr LENDERS (Southern Metropolitan) — By leave, I move:

(1) That precedence be given to the following general business on Wednesday, 11 December 2013:

(a) order of the day 7, resumption of debate on motion relating to the provision of the business case for the proposed east–west link project;

(b) the notice of motion given this day by Mr Leane relating to the election promises on the 2010 how-to-vote card of Ms Dee Ryall, MP;

(c) notice of motion 670 standing in the name of Ms Hartland to introduce the Accident Compensation Legislation (Fair Protection for Firefighters) Bill 2013; and

(d) the notice of motion given this day by Mr Barber noting the finding of the Intergovernmental Panel on Climate Change's 2013 working group; and

(2) that standing order 6.15 be suspended in relation to the motion moved by Mr Tee relating to the provision of the business case for the proposed east–west link project.

Motion agreed to.

MEMBERS STATEMENTS

Werribee Secondary College

Ms HARTLAND (Western Metropolitan) — Along with Mr Pallas, the member for Tarneit in the other house, last week I attended a meeting at Werribee Secondary College to discuss the poor physical condition of the buildings and grounds. I understand from the school that the Minister for Education, Mr Dixon, as well as Mr Elsbury and Mr Finn, were invited; unfortunately none of them were able to attend.

I knew there were many problems with the school, but I was shocked at just how bad the situation is. The school council outlined the situation for us. There is a substantial drain upon school maintenance funds, as the school has to divert funds from the current educational program, and there are potential occupational health and safety and fire hazards. The urgent need for building works poses a significant risk to student and teacher safety as well as to the general community.

The school has taken the unprecedented step of commissioning the development of a comprehensive evidence-based business case for submission to the state government. This innovative business case requests funding of up to $7 million to be provided immediately to mitigate or remove the immediate risks currently faced by the school's teachers, students and parents. This evidence-based business case approach has not been undertaken by any Victorian government school before. The business case, as I understand it, was scheduled to be delivered to the state government last week, and I urge the government to take it seriously and to watch the presentation we saw, which showed quite dramatic damage to the school and that many of the buildings are from the 1940s and are now completely unrepairable.

His Excellency Nelson Mandela, OM, AC, CC, OJ, GCStJ, QC, GCH, BR, RSO, NPK

Mr SCHEFFER (Eastern Victoria) — Thousands of tributes and reminiscences have flooded the global media since the announcement of the death of Nelson Mandela on Friday morning. Nelson Mandela is eulogised as a saint — media tributes depict him as a man of peace whose deep humanity, dignity, charity and grace moved us all — but apartheid was not overthrown by acts of goodness, moral example or magic. Mandela, the African National Congress and its allies defeated the white supremacists of South Africa not simply through the rightness of the cause but through political force that included armed struggle.

In honouring Nelson Mandela's singular achievements we remember the 3 million people forced by the South African government to resettle in so-called homelands; the massacre of 69 peaceful demonstrators at Sharpeville, an event that shook the world; the shooting of hundreds of children in Soweto and the subsequent national uprising; and the murder of Steve Biko in police custody. Black South Africans mobilised to bring the country to a standstill. They walked away from their jobs, refused to cooperate with the apartheid administration and mobilised international opposition.

The campaign to economically, militarily and culturally isolate South Africa, especially by discontinuing trade and investment in the rogue state, was initially resisted by the West — by Britain, the US, France, Israel and Australia. Students and academics across America championed campaigns that resulted in many universities divesting completely from South Africa. In the end apartheid crumbled, Mandela was released and majority rule prevailed. Though branded a terrorist, we honour Nelson Mandela as a freedom fighter, a campaigner for liberation and a healer when the time for healing came in post-apartheid South Africa. He was a man for all seasons.

World Diabetes Congress

Ms CROZIER (Southern Metropolitan) — The World Diabetes Congress was held in Melbourne last week over five days. It was the largest health conference ever to be held in Australia, with 10 500 delegates from over 100 countries attending. It was an outstanding success on a number of levels. Delegates who were scientists, researchers, physicians, diabetes educators, nurses, advocates and parliamentarians visited our state. They came together to share their experiences and knowledge and to understand further how we can best manage and treat this devastating disease, one that is a burden to us all. Every 3 seconds someone develops diabetes, and every 6 seconds someone in the world dies from the complications of diabetes.

On Friday, before the congress commenced, I attended an event where the International Diabetes Federation (IDF) and the Fred Hollows Foundation announced a 10-year partnership to tackle diabetic retinopathy, a very common complication of diabetes that causes blindness.

In terms of putting together the congress, I would like to especially acknowledge the work of the president of the IDF, Sir Michael Hirst; Anne-Marie Felton, the vice-president of the IDF, who described the program, which had over 2423 abstracts, as a kaleidoscope of information; and Professor Paul Zimmet, AO, from the Baker IDI Heart and Diabetes Institute here in Melbourne, who is program chair of the World Diabetes Congress. Together they did an extraordinary job.

The sessions I attended and chaired, including 'Tackling obesity — innovative health promotion programs in the community', were really well received. I also acknowledge Dr Shelley Bowen, who is coordinating the Healthy Together Victoria program, which is running throughout the state in a number of local jurisdictions.

Stacey Gladman

Ms TIERNEY (Western Victoria) — I take this opportunity to congratulate Ms Stacey Gladman, a journalist at the *Cobden Timboon Coast Times*, who was named as the winner of the TAC Award for Local Reporting at the recent Victorian Country Press Association awards. Ms Gladman, who has written a series of articles on the Timboon P–12 School

stalemate, received the award for her 'straightforward, hard-hitting' journalism and was recognised for a 'great example of excellence in local political reporting'. Ms Gladman is very professional and has an enormous amount of passion for and dedication to her work and the community in which she works. This award is just deserts for her excellent work.

Robyn Brandenburg

Ms TIERNEY — On another matter, I would like to congratulate Ms Robyn Brandenburg, an associate professor at Federation University Australia, who has recently received a prestigious national teaching award, the Office for Learning and Teaching Excellence Award, for her 15 years of quality teaching. Commenting on her award, Federation University Australia vice-chancellor David Battersby said:

> Associate Professor Brandenburg is an innovative and passionate scholar who regards student voice and experience, as well as reflection, as core to her practice.

Kane Rogers

Ms TIERNEY — I had the opportunity to speak with staff and tour the facilities at South West Institute of TAFE's Portland campus. During the visit I had the pleasure of meeting an impressive young man named Kane Rogers, who was recently awarded Outstanding Apprentice of the Year, Engineering, in the third year of his apprenticeship. Kane is a great example of what can be achieved through hard work at excellent training institutions like South West Institute of TAFE and in particular of the need for outreach campuses such as Hamilton, Portland and Warrnambool.

Abortion legislation

Ms PULFORD (Western Victoria) — I take this opportunity to commend Premier Denis Napthine on his recent video statement clarifying both his and his government's position on abortion. As the Premier said, this matter was dealt with by the Parliament five years ago, some 40 years after the common-law right to abortion was established by the courts.

I have been concerned by media reports of a deal between the government and the member for Frankston in the Assembly that would enable the Parliament's consideration of legislation to limit access to abortion. It has been reported that Mr Shaw seeks to restrict access to abortion by amending section 8 of the Abortion Law Reform Act 2008. Section 8 provides an explicit protection for medical practitioners who object to providing abortion services, but it also provides that such an objection does not impede a woman's access to a medical service by requiring an objecting medical practitioner to provide a referral to another medical practitioner who is known to not share the same objection. Section 8 enables medical practitioners to say no but not to the extent that access to health services can be denied.

In his video statement Dr Napthine said:

> As Premier, neither I nor my government have any intention of introducing legislation that would reduce a woman's right to choose.

It is reassuring that the Premier also said in his statement that he would not support legislation 'that would reduce a woman's right to choose'. As the proposed change to section 8 of the act would reduce a woman's right to choose, the Premier's opposition to such a move is welcome news indeed.

In light of a resolution passed by the Liberal Party state council on 1 December that called 'on the Parliament to remove section 8 from the Abortion Law Reform Act in order to restore freedom of conscience', the Premier's statement provides certainty for women, their medical practitioners and the overwhelming majority of Victorians, who believe that our laws must recognise that women are perfectly capable of making their own decisions when it come to their reproductive health.

His Excellency Nelson Mandela, OM, AC, CC, OJ, GCStJ, QC, GCH, BR, RSO, NPK

Ms MIKAKOS (Northern Metropolitan) — I wish to pay tribute to His Excellency, the late Nelson Mandela, South Africa's first black President and a man who was imprisoned for 27 years for his belief in the inherent equality of humankind and who helped reconcile a nation following a long history of social division. I was a secondary school student when I first learnt about the repulsiveness of the apartheid regime and about Mr Mandela's imprisonment. Like many young people, this happened to me through music — The Special AKA's protest song *Free Nelson Mandela*. Apartheid was a brutal and despicable regime where people were separated in all areas of life on the basis of race.

I was proud that Mr Mandela and the African National Congress received the strongest of support from the Australian government under Prime Minister Bob Hawke and from the Australian trade union movement at a time when this was not universally a popular cause. Mr Mandela even credited Bob Hawke with playing a major role in his eventual freedom, hence Mr Mandela's visit to Australia — even to this Parliament — soon after his release. Nelson Mandela's

enduring legacy to South Africa and the world is the example he set through the forgiveness and compassion he showed his oppressors.

One of my strongest memories is of watching Mr Mandela walk out of his Robben Island prison on 11 February 1990 after 27 years of incarceration. When he spoke of leaving prison he said:

> As I walked out the door toward the gate that would lead to my freedom, I knew if I didn't leave my bitterness and hatred behind, I'd still be in prison.

Mr Mandela facilitated an era of peace and reconciliation in a deeply divided country. More than his long campaign against apartheid in South Africa and his tireless struggle for human rights, I believe it was Mr Mandela's attitude to his oppressors that earnt him the love and admiration of the world. This was truly a man who left this world a better place than when he found it. I express my deepest sympathy to Mr Mandela's family and to the South African people.

Foodbank Victoria

Mr MELHEM (Western Metropolitan) — International Volunteer Day was held on 5 December. It is an opportunity for volunteer organisations and individual volunteers to make their contributions visible. Last week I had the opportunity to visit Foodbank Victoria in my electorate, where I met some of its many amazing volunteers. I was able to work with them for about 4 or 5 hours.

Foodbank Victoria is an effective not-for-profit charity that aims to deliver nutritious healthy food to individuals and families experiencing difficult times. With more than 80 years experience, Foodbank Victoria is the state's oldest and largest food relief organisation. It sources and distributes donated food and provides emergency relief to Victorians through a network of community organisations, including welfare agencies, schools and local resources. Through partnerships with generous donors Foodbank is able to store and redistribute food and materials to the most vulnerable people in our community. Volunteers remain critical to Foodbank because without them the organisation would not be able to provide the service it provides to people in the community who find themselves in desperate, hard and tragic circumstances. I applaud the food donors, the many Victorian companies and businesses, the volunteers and all those involved who dedicate their time and skills to giving to those in the community who are experiencing hardship.

As Foodbank Victoria is part of the state government's disaster response and recovery plan, I urge the government to continue its support and increase the funding in the next budget.

ECONOMY AND INFRASTRUCTURE LEGISLATION COMMITTEE

Reference

Hon. D. M. DAVIS (Minister for Health) — I move:

> That this house —
>
> (1) notes the details in appendix 4 of the Department of Treasury and Finance's 2012–13 annual report and further notes the discussion on pages 159 and 160 of the Department of Health's 2012–13 annual report, and in particular, the sections titled energy consumption and greenhouse emissions;
>
> (2) further notes that some degree of energy consumption in the production of health services is inevitable and unavoidable but nevertheless incurs a carbon tax;
>
> (3) requires the Economy and Infrastructure Legislation Committee to inquire into and consider —
>
> (a) the impact on public health services of the carbon tax introduced by the former commonwealth government on 1 July 2012; and
>
> (b) the benefits to Victorian public and private health services and their patients of the current commonwealth government's promised abolition of the carbon tax;
>
> and to present a final report by 30 May 2014 and make any interim reports the committee thinks fit.

Obviously this motion establishes an inquiry for the Economy and Infrastructure Legislation Committee which will enable committee members to look at those sections of the Department of Treasury and Finance and Department of Health annual reports that focus on energy consumption and energy use in the hospital and health sector, and in particular the impact of the carbon tax on the sector. The government has expressed its position on these matters and its concern about the carbon tax of around $14 million imposed directly on Victorian public hospitals — and indeed more on private hospitals if they are counted — and the carbon tax's significant impact on ambulance services and its significant impact in terms of costs for a whole range of other services.

Some will argue, with legitimacy, that there should be energy-saving measures and that they make perfect sense. They make good business sense because they lower the cost of health services' energy production, and the government would certainly support those measures. Indeed I have said in this chamber that the

previous government also took a number of steps to save energy through energy efficiency and energy saving measures. However, for whatever level of energy efficiency a public hospital achieves it will incur a carbon tax under the current arrangements. I was discussing this with someone recently and pointing out the distinction between domestic bills and commercial bills. Domestic bills do not itemise the carbon tax generally, but on commercial energy bills you can actually see the carbon tax that is paid directly by that user of energy.

Mr Barber — Two and a half cents per kilowatt hour. It's easy!

Hon. D. M. DAVIS — There is a significant impost, and Mr Barber puts figures into the equation here, but I have to say that whatever level of energy efficiency a health service achieves the carbon tax is put on top, and it is a tax directly on health services. As we understand, the tax will take money that would otherwise have been used for other services, and it will slow the growth in services we would all like to see.

The commonwealth government was obviously elected on a mandate to repeal the carbon tax. Nothing could be clearer in terms of an electoral mandate than the one Prime Minister Tony Abbott and his government received at the recent federal election. It was a clear mandate to remove the carbon tax, to take the costs off the community and to take the costs — in the context of this motion — off hospitals and health services across the country. The state has obviously gone to some effort to manage these costs as best it can. I am sure it is not perfect — I am sure there is always more we could do — but as I say, for any level of energy efficiency, the carbon tax will still be imposed on top. That carbon tax will directly reduce the amount of financial resources that are available to deal with patient needs and direct service delivery.

The motion is quite a simple one in its essence. It directs the committee to note that some degree of energy consumption in the health services is inevitable and unavoidable but that nevertheless it incurs a carbon tax; it requires an examination into the impact on public health services of the carbon tax introduced by the former commonwealth government and the benefits to Victorian public and private health services and their patients of the current commonwealth government's promised abolition of the carbon tax; and it seeks a report by the end of May. This is a very reasonable motion. It enables the Economy and Infrastructure Legislation Committee to do this work and to come back with a report and any interim report it deems fit. I know the community will respond to that.

It is important in this context to give some scale. I will not read out the whole table; no doubt the committee will look at similar tables as the time comes along. In the financial year 2012–13 the Alfred Health carbon tax cost was $814 612; Austin Health, $1.44 million; $412 896 at Bendigo Health; Barwon Health faced a $494 120 carbon cost charge; $502 735 at Ballarat Health Services; and at Albury Wodonga Health, $208 183. I have said in this chamber that these are not estimates; they are the actual numbers from the bills. Eastern Health faced $688 134; Goulburn Valley Health, $257 884; and Latrobe Regional Hospital, $161 641. Even a quite small health service like Hepburn Health Service faced $30 163 in carbon tax costs. Monash Health faced $1.299 million, and Northern Health faced $429 630.

There was a total carbon tax cost of between $13 million and $14 million for our major public health services in Victoria, and that is not the full cost on health. As I say, there are many other health services that are not captured in this figure, including the ambulance service, where the cost was hundreds of thousands of dollars, with a tax on aviation spirit. The tax has an impact on them all.

The committee will be in a strong position to respond. After it has examined the evidence, it will see that there is an impact on our hospitals and health services and that the impact would be lessened if the carbon tax were abolished, as is proposed by the federal government and as its mandate clearly — —

Mr Finn — Endorsed by the people.

Hon. D. M. DAVIS — Endorsed by the people, Mr Finn; thank you,

Mr LENDERS (Southern Metropolitan) — My remarks will be brief. I find this an unusual motion for the Leader of the Government to bring on for debate in a week when all parties are being asked to curtail the time spent on debate so that the government's legislative program can get through. We have all agreed to shortened breaks and longer sitting hours to achieve this, so I find it strange that the Leader of the Government would give this motion priority and go back to his foible of blaming everything on the carbon tax. My response to his substantive motion is contained in three words: bring it on!

Mr BARBER (Northern Metropolitan) — I will be somewhat more expansive. I am looking forward to serving on this committee and bringing forth a report card on another aspect of Mr Davis's management of his portfolio — that is, the very important question of

energy use, broader resource use if you like, within the health sector. Of course we will conclude at the end of this inquiry, as we now already know, that the carbon tax itself has raised the cost base to the health sector by 0.1 per cent. Of all the aspects of managing a modern health system, of all the drivers of cost, of all the challenges of performance, Mr Davis has permitted my committee to conduct an inquiry into one aspect, which is the carbon tax having a 0.1 per cent impact on the cost base.

Motions that have been put forward by the Greens asking for an inquiry into the performance of a range of public sector agencies have been knocked back. The government does not want us hauling different public sector agencies in front of a parliamentary committee to ask them about their performance based on their annual reports. I tried to get Southern Rural Water to appear before a parliamentary committee; I tried to get VicForests in there; my colleagues have tried to get a number of agencies from their portfolio areas to appear before a parliamentary committee and answer questions about the information that is tabled in the annual report. No way — the government does not want an inquiry until it knows the answer.

Here we already know the answer, and the answer is a 0.1 per cent increase in the cost base of the health sector. It will be timely, though, to see how those health boards under the supervision of Mr Davis have fared since the tabling in 2012 of the Auditor-General's report on his inquiry into energy efficiency in the health sector. That audit looked only at the period 2005–06 through to 2010–11 and reported in 2012. Here is a brief description of its findings:

> Despite the deficiencies with the performance measures, Department of Health and health services' reported performance shows improvement in energy efficiency. Between 2005–06 and 2010–11, the total volume of health services' energy consumption increased by around 1 per cent, or approximately 30 000 gigajoules. This is a positive result given:
>
> > the total floor area across all health services increased by 6.3 per cent …
> >
> > the total number of bed days increased by 7 per cent …
> >
> > the total number of separations increased by 16.4 per cent …
>
> Over the same period, health services' energy costs have increased by around 25 per cent.

That is the 2005–06 to 2010–11 period. I do not believe the carbon tax was up and running during that particular period but somehow the health services' energy costs increased by 25 per cent. The government is going to have to find another culprit to take out and shoot; it cannot blame the greenies for this one. Of course when you are in government you have to take responsibility for the performance of your agencies.

To move onto the recommendations, I would be very keen to hear not only from the minister himself during this inquiry but also from all the relevant CEOs and responsible staff on the many health boards that have been named many times and the other health agencies as well. I want to see them all come forward to our inquiry and answer to the following recommendations from the Auditor-General's report:

1. The Department of Health, in consultation with health services, should improve the measures it uses to assess health service energy efficiency performance.

2. The Department of Health should adopt a more focused and strategic approach to planning for energy efficiency in the health sector to:

   support consistent planning at a health service level

   align with statewide goals for health services.

There are a number of further recommendations relating to the Department of Health and also to the Department of Treasury and Finance. Recommendation 4 is that those two agencies should 'agree on which health-care facilities are to be included in the Greener Government Buildings program going forward'.

I would like to see a greener government going forward. We are probably going to see a greener government in New Zealand fairly shortly, and as for the state election here in Victoria, watch this space. We will find out in about a year from now whether the next government in Victoria is to be any greener than the current one. That should not be hard, given the low standard that has been set.

Recommendation 5 is:

> The Department of Health, after consulting the Department of Treasury and Finance and approved energy service companies, should assess the risks associated with:
>
> > the Department of Health's modified approach to delivering energy performance contracts in health services
> >
> > the industry's capacity to deliver energy performance contracts in line with the Department of Health's planned rollout under the Greener Government Buildings program.

Energy performance contracting is a little developed area but one that I would like to see all ministers

driving through their portfolios. That is where you take the management and the costs associated with your entity's energy bill out of your hands so that you as an entity can get on with your core business of managing a health service, a fire service or whatever it is and another expert body with responsibility in energy management gets to take on that task for you, give it its full attention and ensure that your energy performance and energy efficiency are improving and that the savings from that that are there to be had are shared between both the partner agency and the energy service company. We may be able to go into a number of these matters and query all these different departments as to their progress in that area as a kind of follow-up to the Auditor-General's report from couple of years ago.

Recommendation 6 is:

> The Department of Treasury and Finance should strengthen its governance arrangements for the Greener Government Buildings program to:
>
> better protect its investments through the program
>
> influence departments' participation by clarifying roles and responsibilities and its required involvement in delivering and scheduling energy performance contracts
>
> clarify departments' performance reporting obligations
>
> encourage information sharing between departments.

Hopefully we will hear from the Department of Treasury and Finance as well. It is going to be awfully hard for members of the committee to pin the blame on the carbon tax, because when it comes to rising retail electricity prices, the result has actually been quite dramatic. It will only take Mr Finn a few keystrokes on his BlackBerry to google up — —

Mr Finn — It's an iPhone.

Mr BARBER — We have got a personal digital assistant snob over here! He says he would not be seen with a BlackBerry; he is an iPhone man. Well, excuse me, Mr Tech-head. Sorry to have tripped over your particular preferences there.

On anything that can access the mysterious internet you can google 'consumer price index' and 'retail electricity prices'. I have a copy of an index from March 2003 through to March 2013, which is a 10-year period. In fact, even looking at the relevant period you find that between 2005, which is when the Auditor-General first started looking at this issue, through to the current day there is a near doubling in retail electricity prices, most of which occurred long before the carbon tax.

For the benefit of Mr Finn and others who may pay attention to the progress of this inquiry at least the carbon tax is transparent and you can understand that 2.5 cents of the per kilowatt hour part of the electricity bill over at the Finn residence is due to the carbon tax. Good luck finding out where the rest of the money went. Was it the wholesale price of electricity traded in the grid; was it the gold-plated costs of delivering through poles and wires the electricity to Mr Finn's house; was it the retail profit margin? Good luck even finding out the retail profit margin under the privatised system that Mr Finn set up when he was a supporter of the Kennett government. Or was the biggest driver of Mr Finn's electricity bill the price of all those doorknockers who came knocking on his door attempting to get him to change plans?

We are launching an inquiry here today into a matter we already know the answer to. According to the Minister for Health's document the answer in relation to the carbon tax is 2.5 cents a kilowatt hour and a 0.1 per cent increase to the cost base of public hospitals. We are having an inquiry into something where the minister proposing the inquiry has already told us the answer. Much as I am going to enjoy — —

Ms Pennicuik — Short inquiry.

Mr BARBER — No, it is going to be quite a detailed inquiry, Ms Pennicuik. We are going to call a large number of witnesses and invite submissions from the public. It could be that energy contracting companies, as mentioned in the Auditor-General's report, might like to make submissions about how they believe the government has gone in this area and about the further benefits that could be maintained.

Whether it is long or short or whether we get to hear from all of the relevant witnesses — and I am not speculating that government members might try to shut down the inquiry when it is not going their away — the one thing that will not be unknown is the answer to the inquiry, which is that the carbon tax has led to a 0.1 per cent increase in the cost base of our hospitals. So much for that.

Mr Finn is raring to go because he agrees with me that we already know the answer — which is 0.1 per cent or 2.5 cents a kilowatt hour. Mr Finn wants to talk about all the rest of it. He wants to talk about the carbon tax and the global warming conspiracy.

Mr Finn — It is not a conspiracy; it is an industry.

Mr BARBER — He should hold fire. In fact he should not anticipate debate, because there is a motion on the notice paper that I proposed this morning — —

Mr Finn — What are you talking about?

Mr BARBER — I am anticipating Mr Finn's contribution. There is a notice of motion that I have just placed on the notice paper that invites the house to both move and endorse the findings of the intergovernmental panel on climate change. We know Mr Finn will be speaking on the motion; the question is whether Mr Finn will be voting on it.

Mr Finn interjected.

Mr BARBER — We know Mr Finn already disagrees with the content of the motion. He disagrees that humans are playing a role in global warming. The question is whether Mr Finn will bring it to a vote, because in seven years I have heard a lot from Mr Finn on the subject of global warming, but I have heard very little from his colleagues on the subject. If his colleagues disagree with him, they are certainly not sticking up their heads to say it. The main benefit Mr Finn has had in this house — —

Mr Koch interjected.

Mr BARBER — Mr Koch will have his chance as well. If there is a vote called on my motion, which we will be debating tomorrow, Mr Guy will give us his view on whether he endorses the findings of the Intergovernmental Panel on Climate Change. However, despite Mr Finn's best efforts to cow the rest of his party into tacitly endorsing his position, I think it will be him who is told to pipe down. I do not believe Mr Finn will call a vote on that motion. He will use today's motion to troll over what is effectively the same territory and give us his whole view — we have all heard it a million times in this house — about the global warming conspiracy. What he will not do is back it up.

Mr Finn — It has made Al Gore a very rich man.

Mr BARBER — We have heard about Al Gore, we have heard about Tim Flannery — we have heard about them all. And tomorrow we will get to hear from Mr Finn whether or not he has the willingness to vote according to his convictions. He espouses his convictions.

Mr Finn — On a point of order, President, for the best part of the last 5 minutes Mr Barber has been debating the motion that is on tomorrow's notice paper. My very respectful suggestion to you would be that he be brought back to the motion that is before the chamber at the minute.

The PRESIDENT — Order! Unfortunately the Leader of the Government was quite wide in his debate on this motion, and as a lead speaker Mr Barber has the opportunity to respond relatively expansively, particularly given the ambit that was opened up by the Leader of the Government in his remarks on this motion. I am afraid I cannot uphold the point of order.

Mr BARBER — I am certainly not trying to anticipate a debate on my own motion tomorrow. I am simply observing that I think we are going to hear a speech we have heard many times before from Mr Finn about how global warming caused by humans is a hoax.

Mr Finn — Despite your best efforts, you cannot change the truth.

Mr BARBER — You cannot change the truth — that is absolutely true. You cannot change biophysical reality either. You can wave your arms and yell a lot — and Mr Finn has been doing that for seven years in this chamber — but what you cannot do — —

The PRESIDENT — Order! To the extent that Mr Finn's point of order took up the position that Mr Barber was spending a good deal of time talking about Mr Finn and what his views may or may not be, I think Mr Barber would be better to come back to the motion itself rather than to canvass what he sees as Mr Finn's positions on these matters. That can be taken up on another day, and I think we have probably heard enough from Mr Barber on Mr Finn.

Mr BARBER — Thank you, President; I will certainly take your advice on that. It is just that little earworm in my left ear that is throwing me off my game today.

As I have said, I am looking forward to this inquiry. We already know the answer, but I am still looking forward to the process. The process is very important. The process is to invite submissions from members of the community with an interest in this matter — for example, health professionals. If only the Minister for Health would lead them, I am sure that health professionals would be part of an exercise to reduce resource use in the health sector. It could be that groups of health professionals would like to make submissions to this inquiry. Not to verbal anybody, but I believe it is quite likely that they will not just talk about the carbon tax.

In those submissions they will talk about not only how they can reduce resource use but the impacts of global warming more generally as health professionals. They will probably talk about the impact global warming has on the health sector when people are affected by

climate change — including victims of heatwaves, for example. Tragically we saw many of those victims in January 2009 turn up to those same hospital emergency wards needing acute treatment as a result of the effects of heatwaves. The sorts of burdens that might put on the health sector is just one of many issues which I could potentially canvass, but I will save it for when we see the sorts of submissions that come forward to this particular inquiry and have a debate, possibly outside the chamber, about which of those submitters should be invited. I thank you very much, President, for the opportunity to speak on this motion.

Business interrupted pursuant to order of the Council.

QUESTIONS WITHOUT NOTICE

Ambulance services

Mr JENNINGS (South Eastern Metropolitan) — My question is for the Minister for Health. How does the minister respond to criticisms that have been voiced by the professional association of Victorian emergency physicians, which has said that his ambulance dump-and-run policy will not work within hospitals unless it is met with additional resources for beds, doctors and nurses to actually meet that need, and that the policy will have no effect on ramping or emergency response times by ambulances?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for his question. As he will understand a number of associations spoke yesterday. Two of them are closely affiliated with the Trades Hall Council. One is involved in an enterprise bargaining agreement that is live and current. The other group, the Victorian Emergency Physicians Association, is a smaller splinter group that does not necessarily speak for all emergency doctors.

In asking his question the member will understand that in fact the Stripp report, which we have discussed in this chamber before and which I released some weeks ago, was undertaken by Andrew Stripp, the deputy CEO at the Alfred, with a broad committee of experts, including representatives of Ambulance Victoria, nurse unit managers from the emergency department and a senior emergency physician, and there was wide consultation on that report. Indeed I attended one of those consultation sessions myself, so I can vouch directly for the depth and quality of the consultation that was undertaken by Andrew Stripp in preparing his expert report. The expert report stated a number of very clear principles about how emergency departments would act when accepting patients, and these are sensible and grounded, and they are not difficult to implement.

It is true to say that across the system we have put additional resources into emergency departments around the state and into our hospital system in general. There are additional resources; if you look across the health system, you will see $2 billion in additional resources have been put into the health system overall since we came to government. Indeed hospitals have had a very significant share of that increased funding into our health system. The state government is obviously dealing with the physical structure of some emergency departments and rebuilding emergency departments in key locations — for example, Frankston Hospital and Northern Hospital — where old or antiquated emergency departments need to be updated — and we are doing that. We are picking up after 11 years of failure and 11 years of neglect by the previous government.

In terms of transferring patients, we are declaring the results of that in terms of our transfer times. The transfer times were hidden by the previous government; it refused to release the information. Daniel Andrews, the Leader of the Opposition in the Assembly, as health minister kept them secret and fought bitterly to stop the release of any transfer time information. This government has been open and transparent, putting that information into the public domain every quarter with the normal quarterly report, and that is the way it should be, rather than the secret approach of the previous government.

In terms of Andrew Stripp's report, I pay tribute to the work he did. I pay tribute to the work of the members of his committee. I pay tribute to those he consulted with, who received the suggestions but made further modifications and suggestions as he proceeded with his steps of consultation — all these important further steps in getting a better functioning emergency system where ambulance and emergency departments work together as a team.

A key aspect of what Andrew Stripp advised and which was accepted broadly by the CEOs, emergency department directors and others across the sector is this is a whole-of-hospital challenge and that the CEOs and others in the major hospitals, including senior clinicians, need to work together to enable our emergency departments to accept patients as they come, manage those patients to get the best clinical outcomes, refer the patients if necessary, discharge the patients where appropriate and bring the patients into the hospital beds as required. All these steps require a

whole-of-hospital approach, which was the essence of what Andrew Stripp proposed.

Supplementary question

Mr JENNINGS (South Eastern Metropolitan) — President, you will appreciate that I listened intently to the minister's answer. I did not interrupt him at all. I also did not hear in 4 minutes one implementation recommendation that has been adopted since the report was published by Andrew Stripp and his committee. Not one recommendation did the minister draw attention to, and he referred to the professional association of emergency physicians as a splinter group. These are physicians who work every day in Victorian emergency departments, caring for patients. Does the minister have any intention at all to pay them due regard by either taking notice of them or meeting with them to discuss the implementation of the review's recommendations?

Hon. D. M. DAVIS (Minister for Health) — The member will appreciate that I have met with a number of members of that association over a number of years, both in recent times and less recently. The member will also appreciate that the government consulted widely across the emergency sector: Ambulance Victoria, key nurse unit managers, CEOs, other key clinicians in the hospitals, including directors of emergency, and other emergency physicians across the system. Dr Fergus Kerr from the Austin was a member of the panel and is a very senior emergency department physician. The Australasian College for Emergency Medicine's Victorian officer is the director at Northern Health, and I met with him quite recently on these and similar matters. The member will also appreciate that the Australian Medical Association has views as well, and I have met and discussed these matters with the Australian Medical Association.

All this consultation has led to one conclusion — that we need a better way forward — and Andrew Stripp provided — —

The PRESIDENT — Order! Thank you, Minister.

Monash Children's

Mrs PEULICH (South Eastern Metropolitan) — My question is directed to David Davis in his capacity as Minister for Health, and I ask: will the minister update the house on the progress of the Monash Children's hospital?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for her question and for her long advocacy for health services in the south-eastern suburbs, particularly the Monash Medical Centre, and her strong advocacy, along with that of Mr Rich-Phillips and others in the chamber, for the Monash Children's hospital. What I can indicate is that this government, true to its election promises, is delivering on the Monash Children's hospital. We promised to start this process in this term, and that is what we are doing. Last year we went out to tender, and there were three tenderers. We came back to a formal process where ultimately one tenderer was selected as the managing contractor, and that construction company is Baulderstone Pty Ltd. The company comes with a very effective bid. This will be built in an alliance model where the management of Baulderstone will work closely with the department and the steering committee to move forward with this hospital at a fast rate.

Baulderstone's appointment, I might add, comes off the back of a very successful project at Eastern Health, which is fast progressing. I was lucky enough to attend a de-craning ceremony on the weekend, where Baulderstone started to pull down the cranes at Eastern Health at the Box Hill Hospital, the $447 million build of a new hospital at Box Hill for Eastern Health. I think the President was at the de-craning ceremony, where he and others could see the massive scope of what has been built at Box Hill Hospital. We have squeezed an extra floor out of the tenderers in the tight deal the government has driven; we have increased it from 9 floors to 10 floors. Essentially the tower is now built, the fit-out is occurring and the cranes have been taken away as of the weekend, so I can indicate that the de-craning at Eastern Health at Box Hill is complete. Baulderstone, the same company that did the massive build at Box Hill, will be building the Monash Children's as the lead contractor.

This government is getting on with the job. It has capital projects — more than $4.5 billion worth of health capital projects — under way now. This stands in stark contrast to the last government. When Daniel Andrews, the Leader of the Opposition and member for Mulgrave in the Assembly, was the Minister for Health, he did not get on with the job. At Box Hill he was going to put in place a smaller hospital.

Mr Lenders — On a point of order, President, on two points: firstly, the minister is clearly debating as he is referring to the alleged actions of a previous government a long time ago; secondly, Mrs Peulich's question relates directly to motions 667 and 669, which are on the notice paper. Normally we would say that is anticipating a government business motion today, when the government has already been drawing general business motions out for debate. I put it to you, President, that the minister is both debating and

anticipating two motions by Mrs Peulich referring to this hospital and to the actions of Daniel Andrews.

Hon. D. M. DAVIS — On the point of order, President, the government has no proposal, as the member knows, to debate motion 667 or any of the other motions on the notice paper today. As the member knows, we intend to debate bills, other than the single committee reference, which the member knows we did intend to debate. I indicate very strongly that we are not debating that motion today and that the question is well in order.

The PRESIDENT — Order! On the point of order, the reference to a previous government was a passing reference; I do not think the Leader of the Government was going into that matter in any depth, but clearly he made some reference to it at the time the point of order was raised. With regard to the question itself and whether or not it offends the anticipation rule given the notices of motion on the notice paper, I have read both those notices and I am of the view that the minister's advice to the house about the tender process is a matter that is essentially outside the matters listed on the notice paper. The minister assures me that there is no intention of debating either of those matters on the notice paper this week — not just today, but this week — so that gives me some comfort in terms of the anticipation issue. With regard to the initial information that the minister sought to convey to the house, I do not think it jeopardised the anticipation rule as such. The minister to continue, but as a courtesy to Mrs Peulich, he may refer more to the Monash decision than to Box Hill.

Hon. D. M. DAVIS — I was simply referring to Box Hill in the context of other major capital projects, and the fact that the builder, Baulderstone, which has been announced as the managing contractor for Monash Children's, is well advanced on the project at Eastern Health, the new Box Hill Hospital. After winning the tender from three short-listed bidders, Baulderstone will form a good partnership to build a world-class hospital for the children of the south-east.

It is important to understand that service planning and background work on this project goes back to 2002 and 2003, pointing directly to the demand for a children's hospital in the south-east. This government, in opposition, made a commitment to deliver on a Monash Children's hospital. It is doing that. From the very first budget of this government, we purchased land — three properties — along the edge of the current Monash Children's site to give the space to enable the children's hospital to be built in the best configuration. We went further with scoping money the next year. Then in the budget update last year we announced the spending that was required for the Monash Children's. We will be driving a tough bargain, and we will be trying to get every bit of scope into that building that we possibly can. The Monash side of things indicates — —

The PRESIDENT — Order! Thank you, Minister.

Monash Children's

Mr JENNINGS (South Eastern Metropolitan) — My question is to the Minister for Health. I will provide the minister with an opportunity to complete his answer, because he is incapable of answering within 4 minutes and I am interested in the details of the Monash Children's hospital development. Over the weekend, when the minister announced the tender, he referred to the fact that the project would have a bigger footprint, with the implication that it is a bigger project. Whilst the minister was doing this, it was also clear that the current tender does not include any more beds than was originally envisaged three years ago, has no mention of a mental health facility, which was part of the original tender, or a children's learning centre, which was part of the original tender, and that there are no sleep laboratories or gait laboratories within the current design. Can the minister take this opportunity to say that those facilities will be available in this hospital and that it will be not only bigger but also better?

Hon. D. M. DAVIS (Minister for Health) — What I can assure the member is that the previous plans for the Monash Children's hospital by the last government were never implemented. It had 11 years to implement them. The then Parliamentary Secretary for Health in 2002 and later Minister for Health, now Leader of the Opposition and member for Mulgrave in the Assembly, did not implement anything, so there was nothing in the Monash Children's that he actually built. Not one cent, not one cracker was allocated by the failed leader.

Mr Jennings — My point of order is simply that clearly the minister is taking the opportunity to debate. Not only that, in my view he is abusing the physical infrastructure of the chamber to do so.

Hon. D. M. DAVIS — On the point of order, President, in his question the member asked me to compare and contrast, and compare and contrast is what I intend to do, because it stacks up pretty well compared to what the member did, which was nothing.

The PRESIDENT — Order! The last remark from the Leader of the Government was certainly nothing to do with the point of order. The point of order raised with me was whether or not the minister was debating the question. It is true that the minister was given an

opportunity to compare a previous design or scope of a project with the one he plans to deliver. To that extent I think the minister is entitled to make that comparison. However, up until this stage a comparison has not been ventured; rather, the minister has been debating the question. I ask the minister to reflect on the spirit of the question and make an actual comparison of the project, rather than reflecting on the fact that a previous government was not able to complete a project because its members were not re-elected.

Hon. D. M. DAVIS — They actually never started the project at all and they had 11 years. My point here is that the government is very much determined to drive the very best bargain. We have a good track record of getting more out of tenderers, squeezing more out of them and getting more capacity — —

Mr Jennings — You got one.

Hon. D. M. DAVIS — We got more at Bendigo Hospital than the previous government ever did; we got more at Box Hill Hospital and more at Geelong Hospital. All around the countryside we are getting more than the previous government ever got. On this one we are going very hard to get even more. We have already got a bigger footprint in there, and I can tell the member that we are going to squeeze even more out of it. It is the shell, the whole capacity and all the items in there. I can tell you, Mr Jennings, that there are items going in there that you never ever dreamed of.

The PRESIDENT — Order! I ask ministers to direct their remarks through the Chair, rather than to other members of the house.

Supplementary question

Mr JENNINGS (South Eastern Metropolitan) — I will resist the dream analogy going any further. One of the aspects of the project that I believe has been a very vexing one for the minister is the location of the helipad. If the minister were to click on to his department's website, he would see a schematic of the Monash Children's hospital that has been in existence for three years, where the helipad was on the roof of the Monash Children's hospital redevelopment. Today, if he had a look on his department's website, that is what he would see. Can the minister tell us why it is that, when he had the opportunity on Sunday to tell the media where the helipad was going to be located, he could not, three years later, tell the media precisely where that helipad will be?

Hon. D. M. DAVIS (Minister for Health) — As the member will appreciate, it is a schematic, as he said. The process of these alliance builds is that they are designed and built very close to time as we press forward. What I can tell the house is that the current helipad site will not be the new helipad site because it would be under the 230-bed children's hospital — it would literally be underneath it, so we need to move it. A process is under way now to put the new helipad in place so that it can deliver for both the children's hospital and the adult hospital. It may surprise the member to know that the helicopters will not be able to land on the current helipad whilst the build is going on. It is clearly impossible to land a major emergency helicopter through cranes — perhaps some of the ones that were over at Box Hill — on the site whilst that is going forward.

Teacher registration

Mr ELSBURY (Western Metropolitan) — My question is to the Honourable Peter Hall, the Minister responsible for the Teaching Profession. Could the minister advise the house on the effectiveness of the new processes the Victorian Institute of Teaching has deployed to facilitate annual registration requirements of Victorian teachers?

Hon. P. R. HALL (Minister responsible for the Teaching Profession) — I thank Mr Elsbury for his question. Members would be well aware that to teach in a Victorian government or non-government school, primary or secondary, requires registration with the Victorian Institute of Teaching (VIT). In the last 12 months somewhere of the order of 120 000 teachers were registered with VIT. That registration has now moved to an annual process, with a deadline for registration requirements to be completed by 30 September in any one year. We know the registration process is an important process because it ensures that the qualifications of the person seeking registration are such that they are eligible to teach in Victorians schools. It requires a regular check on criminal history records of those seeking registration. It also gives regard to requirements to ensure that teachers maintain professional development throughout their teaching careers.

If 120 000 people or thereabouts are seeking to finalise their annual registration process by 30 September of each year, then obviously it is a very busy time of year for the Victorian Institute of Teaching to process all those applications in a timely way. Despite the fact that VIT on a number of occasions prior to that date gives appropriate advice to teachers about the need to renew their registrations, there is always a last-minute stampede to complete those registration processes. In previous years that has led to a large number of

complaints: people not being able to get through on the telephone and queries not being responded to.

With respect to these issues, the Victorian Institute of Teaching has set itself a priority goal to make sure that its work liaising with Victorian teachers is better customer focused. Indeed this year it has done a number of things to try to improve that process. It has reviewed the clarity of all written and email communications with teachers. It has developed a one-stop shop so that teachers can complete their annual registration task and payment online. It has also increased the hours of operation during that peak time from 7 in the morning to 7 at night and increased the number of call centre staff to nine full-time operators, who are capable of taking up to 8000 calls a month.

The effect of these changes has been that 96 per cent of teachers have used the online process to make their registration payments. It is much easier for people to undertake that method of payment, and this has led to 90 per cent of teachers submitting their paperwork to maintain their registration for 2014. Ninety per cent is a good figure, given that in any one year you will have teachers retiring or people who for some other reason do not wish to seek registration in the following year. To have 90 per cent of registrations already completed is a very good outcome.

The effect of these processes has also been that over 90 per cent of teachers have had their calls or email inquiries answered within 24 hours. There have been some vast improvements in the process and some very good outcomes achieved by it. I want to congratulate Melanie Saba and all of her team at VIT, Mr Don Paproth, who is the chair of the VIT council, and VIT council members on the way in which they have conducted their business. It has been a very efficient process this year. I congratulate them on that. The beneficiaries have been the teachers throughout the state of Victoria.

Alfred Health residential aged-care facilities

Ms MIKAKOS (Northern Metropolitan) — My question is to the Minister for Ageing. According to a document entitled 'Restructure proposal — Alfred Health', dated 2 December 2013 and signed off by Andrew Perta, the director of nursing, Caulfield Hospital, Alfred Health has developed a restructure proposal to enter into a public-private partnership for its public residential aged-care services, including Caulfield Hospital Nursing Home, Montgomery Nursing Home and Namarra Nursing Home, which have a total of 120 high-care beds. The document confirms that Alfred Health is looking to bring in a private partner to run its aged-care services, a re-run of exactly what happened at Peninsula Health before it privatised its facilities. Can the minister guarantee that all three public sector residential aged-care facilities run by Alfred Health will remain in public ownership?

Hon. D. M. DAVIS (Minister for Ageing) — We have discussed this in the chamber many times before following questions by the member. I can indicate that the government is prepared to look at proposals from health services that come forward which seek better outcomes for their communities. It is important to understand that aged care is commonwealth funded and commonwealth regulated. The state obviously has a role, particularly with certain types of aged care, but we are certainly prepared to look at a proposal from a health service, particularly one which seeks to replace worn or old capital stock in some constructive way.

In the case of Peninsula Health, which we talked about at some length in earlier sessions in this chamber, the member will understand that Southern Cross Care came forward with a proposal to Peninsula Health, which Peninsula Health saw as being in the interests of its community and able to deliver a better outcome. In the case of Alfred Health, it is looking for ways of putting new capital infrastructure in place that will service its community more effectively.

I am not opposed to proposals that come forward which may well provide better capital infrastructure and better services for the local community. It is interesting to note that the previous government was prepared on some occasions to look at some of these things. It is interesting to note that at Austin Health on 8 May 2009 there was a strategic business case for the transfer of residential aged-care licences to a private not-for-profit aged-care provider. The Minister for Health at the time was Daniel Andrews, now the Leader of the Opposition in the other place. These are not new proposals; proposals have been around for many years for new ways to deliver services for the benefit of communities, in particular services that will see new capital stock put in place that will enable better services to be provided for local communities.

Like the former Minister for Health, I am prepared to look at these matters on a case-by-case basis to see what outcomes can be delivered for communities. Where a good strategic business case is presented to put in place better quality care and better quality infrastructure, I — like the former Minister for Health, Daniel Andrews, was — would be prepared to look at it. He was looking at a transfer of residential aged-care licences in May 2009 — —

Honourable members interjecting.

Hon. D. M. DAVIS — He was. I have it in front of me; I have a copy of it. He was prepared to look at those things, as I am prepared to look at those things — where they can be shown to be in the interests of local communities.

It is interesting that there has been no commonwealth capital money put into aged-care facilities that are owned by the Victorian government or Victorian government services since 2002. It has been a long time since a formal allocation of aged-care capital money was made by a commonwealth government of either political colour. In those circumstances it is important that we keep an open mind about what proposals can be brought forward by communities and by health services that would see better capital infrastructure and better services provided to the community.

Supplementary question

Ms MIKAKOS (Northern Metropolitan) — On my supplementary question, I note that the minister made no mention that it is his $75 million in cuts to aged care that are making all of this an inevitability. I note that the Alfred Health hospital document I referred to earlier makes no specific mention of residents, their families or indeed the local community being in any way informed or consulted ahead of these plans, which are to be made known by mid-2014. Does the minister, as the local member representing this area, intend to advise them and consult with them about this proposal?

Hon. D. M. DAVIS (Minister for Ageing) — Alfred Health will make its own decisions on these matters. I have no doubt that if Alfred Health were to progress down this path, it would look closely at consulting with the community. That is why it is looking at the these things. It is interested in its local community; it is determined to see good outcomes for its local community. It wants to see better capital stock, as do all of us. I put it to Ms Mikakos that she wants to see better capital stock as well. I have no doubt that consultation will occur with staff, with communities and with residents in a systematic way, as Alfred Health proceeds to look at capital outcomes. I have confidence that Alfred Health will undertake consultation to examine any proposals that may come forward — proposals that may bring better clinical outcomes, in particular through better capital stock, and provide better services to the community.

New Norlane housing initiative

Mr KOCH (Western Victoria) — My question without notice is to my colleague the Minister for Housing, the Honourable Wendy Lovell. Can the minister provide an update on the progress of the coalition government's New Norlane initiative, which is improving housing outcomes in Geelong?

Hon. W. A. LOVELL (Minister for Housing) — I thank the member for his question and his ongoing commitment to this project and to the Norlane community. He chairs the community liaison committee down there and is doing a fantastic job on a project that is really transforming the suburb of Norlane.

We have reached an exciting time in the $80 million New Norlane project. This project is building a new future for Norlane and for the broader northern Geelong community. We are on track to construct 160 new social houses and 160 new affordable private homes. Sixty-seven of the new social homes have been completed and will be tenanted by Christmas. A further 19 social homes are due to be completed by May. The display village is open for business, and 32 new private homes have been sold in Norlane. Construction is under way for another 14 private homes, and Hamlan Homes handed over the first of the private homes to a private owner last month.

We are building not just homes but also a new community in Norlane. These are new homes housing families in an area where Labor was bulldozing houses. Around 100 people from the local community and also from the local housing office recently took part in a fun run in Geelong as a team called I Love New Norlane. This raised $2444 for the redevelopment of the special care nursery in Geelong. I am proud of the work this government is doing in this important community, and I look forward to some more fantastic results in the future.

Personal alert services

Ms MIKAKOS (Northern Metropolitan) — My question is again to the Minister for Ageing. When the minister first came to government, there were approximately 638 people waiting for a personal alert — this was as of March 2011. This figure then blew out and has now almost tripled, sitting at 1780 at the beginning of this year. The waiting period for getting a personal alert has also grown from 6 weeks in March 2011 to 10 weeks in March 2012. What is the current average waiting period for a person who has applied for a personal alert at the moment?

Hon. D. M. DAVIS (Minister for Ageing) — As the member will appreciate, Victoria runs a personal alert program, and it is a program that has been successful. What I can say is that the state government has significantly increased funding for that program over the last two years. We have done that because we have recognised the additional demand and the additional needs in that area.

I will come back to the member to see if anything further needs to be added to the figures she provided to give her an accurate understanding of the waiting period for personal alerts, but I can assure her that the government is aware of the need for these devices. Victoria is unlike other states; other states generally do not have these programs, but these programs have been successful here. In recognition of the increased demand, the state government significantly increased funding in the last two years.

Supplementary question

Ms MIKAKOS (Northern Metropolitan) — I assure the minister that the figures I refer to are from his department's bulletin and from an answer he gave me to a question on notice. Peninsula Health's annual report refers to the expansion of the personal alarm call services to private clients. It states:

> Number of private clients from residential aged-care facilities has increased.

Is anyone on the public waiting list for a personal alert being diverted to the private service as a result of this revenue-raising strategy by Peninsula Health?

Hon. D. M. DAVIS (Minister for Ageing) — I have no difficulty with Peninsula Health raising additional revenue by providing the service to private clients. What I can say is that the state government has increased funding for personal alert services over the last two years to provide additional funding for public patients.

Ms Mikakos interjected.

Hon. D. M. DAVIS — I am saying I have no difficulty with Peninsula Health providing that particular service to private clients, but I can indicate that the additional funding the state government has provided is providing more services for public patients than was the case under the previous government.

ICT sector growth

Mr FINN (Western Metropolitan) — My question without notice is directed at the Minister for Technology, Mr Rich-Phillips, and I ask: can the minister update the house about recent growth in Victoria's ICT sector?

Hon. G. K. RICH-PHILLIPS (Minister for Technology) — I thank Mr Finn for his question and for his interest in the Victorian ICT sector. We have seen some great news in the Victorian ICT sector over the last couple of months, which continues a trend of new capital investment and new job creation in the sector in Victoria.

Last year I was delighted to open the Melbourne headquarters of DB Results in Collins Street. It is a Victorian-founded company which has grown substantially over the last decade. At the time of opening the office in Collins Street last year I was also pleased to announce that DB Results expected to grow its workforce by 100 people over the period to 2015. I was delighted last month to return to DB Results. This company has grown its revenue from $14 million to $40 million in the space of the last two years — substantial growth in the business over that period of time. I was delighted to join DB Results last month to announce that its workforce would not be growing by 100 people by 2015 but by 200 people by 2015. Two hundred new jobs in ICT will be created here in Victoria by 2015 in an innovative ICT services and consulting company in Melbourne.

Last month I was also delighted to join Mr Finn and Mr Elsbury in Deer Park for the opening of the latest Digital Realty data centre. I was pleased to turn the first sod for this data centre last year. It represents a $150 million investment by Digital Realty in data centres here in Melbourne. There are two co-located data centres in Deer Park, one serving one of the major banks and the other serving third-party clients.

Mr Lenders — Which bank?

Hon. G. K. RICH-PHILLIPS — Not them.

This underscores the confidence that Digital Realty has in the Victorian ICT sector. It is undertaking a $150 million capital investment in Deer Park, which will not only create jobs in the local area but will also provide high-demand services, particularly cloud computing services, in Victoria.

Earlier this month we also had an announcement by the mobile app developer Two Bulls, which confirmed that its Melbourne office will now be its global headquarters. As a consequence of that it is now expecting to grow its workforce from 30 to 50 people by 2015.

These three fantastic announcements underscore the strength of the Victorian ICT sector, which will see growth of more than 230 jobs by 2015 and reinforce why Victoria is the place for ICT investment in Australia.

Adult Parole Board of Victoria restructure

Mr TEE (Eastern Metropolitan) — My question is to the Minister for Corrections. I refer to the restructure of the Adult Parole Board of Victoria, and I ask: can the minister assure the house that every division of the adult parole board will have a community member on it?

Hon. E. J. O'DONOHUE (Minister for Corrections) — As the house is aware, in May I commissioned Ian Callinan, a former High Court justice, to undertake a thorough and extensive review of the adult parole board and the adult parole system. Mr Callinan made 23 recommendations to the government. On 20 August the government released Mr Callinan's review virtually in full, with some very minor redactions.

As part of those 23 recommendations or measures, as he referred to them, were a number of recommendations relating to the adult parole board. This house has already considered the need to appoint a deputy chair to the adult parole board and the need to facilitate a full-time chair of the adult parole board. These positions are critical to the adult parole board discharging its responsibilities and functions.

Let me take this opportunity to say that I do not for one minute deny that the adult parole board has a very difficult job. It has a very difficult job in weighing up the various interests when considering the advice it receives from Corrections Victoria to determine whether to grant parole to a prisoner or indeed whether to cancel the parole of a prisoner who is currently on parole. A vital part of that is having appropriate community input. That is why the previous Minister for Corrections, the member for Kew in the Assembly, Mr McIntosh, appointed Kieran Walshe, a former deputy commissioner of Victoria Police, to the adult parole board.

Another measure Mr Callinan suggested was to limit the term of adult parole board members to a maximum of nine years. Again this house has considered that recommendation or that measure and has agreed with it, and legislation has been passed to that effect. The consequence of that is that a number of members of the adult parole board will soon be reaching that nine-year maximum period. I look forward to making announcements in the very near future about a range of appointments to the adult parole board.

I wish to conclude by saying that it has been a very difficult time for members of the adult parole board, for Corrections Victoria and indeed for everyone associated with some of the terrible crimes that have been committed by parolees. This government is determined to reform the parole system. It is reforming the parole system, as we have seen with the number of cancellations of parole and refusals to grant parole significantly increasing since this government released Mr Callinan's report on 20 August.

This is about community safety; it is about protecting the community. I am very pleased that this house, this Parliament and this government have enshrined community safety as a no. 1 consideration in parole decisions. As I have said, I look forward to making further announcements about additional members being appointed to the adult parole board in the very near future.

Supplementary question

Mr TEE (Eastern Metropolitan) — I welcome the minister's comment about the critical part that community members play in the parole system, including people like Kieran Walshe. My supplementary question is: can the minister confirm that the representation of community members in every division of the Adult Parole Board of Victoria will be enshrined in legislation as part of the new structure?

Hon. E. J. O'DONOHUE (Minister for Corrections) — Mr Tee is asking me to pre-empt future legislation, and I am not going to do that. What I will say is that the government remains committed to the implementation of the thrust and tenor of the 23 measures recommended by Mr Callinan in his review. This is about reforming this critical component of the criminal justice system, and we look forward to ongoing reform of the parole system. But again, at the risk of repetition, we are very pleased as a government to have appointed former deputy police commissioner Kieran Walshe as a community member of the adult parole board, and I look forward to making further announcements in the near future.

Darebin Creek Trail

Mr ONDARCHIE (Northern Metropolitan) — My question is to my friend and colleague the Minister for Planning, the Honourable Matthew Guy. Can he inform the house of what action the coalition government has

taken to bring forward important cycling links in the northern suburbs?

Hon. M. J. GUY (Minister for Planning) — I thank Mr Ondarchie for his very important question about building cycling links in Melbourne's northern suburbs. Like me, he and other government members for the northern suburbs know how important it is to ensure that our cycling networks are connected once and for all to the entire city network so that we focus on cycling becoming a true mode of transport for those wanting to come in and out of the city into the future.

On Friday I had much pleasure in joining Mr Ondarchie, the mayor of the City of Banyule, Craig Langdon, and councillors Steven Briffa, Mark di Pasquale and Tom Melican in opening the latest in a series of important bike track announcements for the Darebin Creek section of the northern city link of the bike tracks. The $700 000 in funding from the Banyule City Council and the state government has gone a long way towards ensuring that the Darebin Creek Trail now extends properly underneath Heidelberg Road so that people do not have to get off their bikes, walk up an embankment, cross busy Heidelberg Road and then come down the other side of the bridge to get back onto the bike network to take them into the northern suburbs. We were very proud to make that announcement and to open that piece of cycling infrastructure for Melbourne's northern suburbs.

While I am on my feet talking about the Banyule City Council, I must say that it has been exceptionally committed to cycling infrastructure in Melbourne's northern suburbs. It has been a standout council in terms of its commitment to cycling infrastructure and working with the state government to advance cycling infrastructure as a key plank of transport priorities into the future. I do not just pay tribute to Banyule City Council, I also want to pay tribute to the former City of Heidelberg. I see a former mayor, Michelle Penson, in the gallery today. That council, as a forerunner to the City of Banyule, also had great initiatives in leading other councils and in ensuring that cycling infrastructure was at the forefront of transport planning for the future; it served the northern suburbs well.

I remind the house that some governments talk about bike and cycling infrastructure, and some governments promise it and never deliver it. In just three years this government has committed more than $40 million to cycling infrastructure, which is more than has been done by any other government in one term ever in Victorian history. This government is proud to be delivering the Darebin Creek Trail — $18 million worth of funding. No other government delivered this. Many promised it, but none delivered, except for this one.

Mr Leane interjected.

Hon. M. J. GUY — I hear Mr Leane asking, 'Which ones?'. Mr Leane should listen. For the Jim Stynes Bridge, a further $18 million is being delivered right now by the coalition government — not just promised or thought about. The Box Hill to Ringwood Trail in Mr Leane's own electorate was promised by the former government, and $1.5 million was delivered by the current government. There are the Chapel Street upgrades, $1 million; the Dandenong Creek Trail, $1 million; and the Ovens River trails up in Wangaratta, $800 000. As I said, more than $40 million worth of cycling infrastructure has been delivered in just three years by this government when many governments, particularly the previous government, promised, talked, studied, inquired and reviewed. Only the coalition government is serious about delivering for bike infrastructure, and on Friday we opened the latest bit of infrastructure to prove it.

ECONOMY AND INFRASTRUCTURE LEGISLATION COMMITTEE

Reference

Debate resumed.

The PRESIDENT — Order! Before the debate continues, I will make a couple of remarks on the motion. There is an old adage in politics that you should never have an inquiry if you do not know the outcome. With regard to my disquiet with this motion, I do not want to go into its merits, because that is clearly not my role as President, but I have a role in terms of the process. I am concerned about the structure of this motion, which in a strict interpretation would not allow the committee to actually consider whether or not there are any disbenefits of the carbon tax being removed. The wording of the motion and the debate led by the Leader of the Government tend to prejudge or pre-empt the outcome of the committee's deliberations, and that concerns me as a matter of process.

I would have been more comfortable if paragraph 3(b) of the motion had included the word 'disbenefit' so the committee could consider the benefits and any disbenefits of the carbon tax, or rather than the word 'the' at the start of that paragraph, the word 'any' was inserted, which would allow the committee to examine that matter. This is a process matter to ensure that the committee's work has integrity and that it is able to inquire effectively into matters referred to it.

This motion does represent a reference to the committee. I have no doubt that the committee will be able to establish the quantum cost to Victoria's health services of the carbon tax as it has been applied and were it to continue, and I am not sure that any of us would be in the dark as to what the benefits might be of removing the tax and putting more money back into the services themselves. As I said, there is almost a pre-empting of the conclusions of the committee because of the way the terms of reference are worded. There is also the issue of the Senate perhaps adopting a different position to that which the federal coalition government might have promised as part of its agenda going forward, and in that sense the committee might find some difficulty in progressing this matter.

As I said, I am not considering the merits of the matter; that is not my prerogative. I simply point out that with regard to process we have to be very careful about the wording of some of these motions, and we have to make sure that the parliamentary committees are able to judge the merits of motions and that the wording does not actually give them a direction. With respect to this motion, a strict interpretation would suggest that the committee will only be able to consider and report on benefits and will not be able to consider and report on any negative aspects.

Hon. D. M. DAVIS (Minister for Health) — This is a very clear motion. It is a motion to establish an inquiry. It is entirely in order. It refers to sections of the Department of Treasury and Finance's annual report and the Department of Health's annual report, particularly with respect to energy consumption and greenhouse gas emissions. It is clearly a matter for the house to judge the benefits of any proposal brought to the house in this way. In that sense I believe this is an entirely appropriate motion. It is a matter for the committee to interpret its terms of reference within the riding instructions that come from the chamber. As I said, these points are a matter for the committee to judge.

Motion agreed to.

EDUCATION AND TRAINING REFORM AMENDMENT (DUAL SECTOR UNIVERSITIES) BILL 2013

Second reading

Debate resumed from 28 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Ms MIKAKOS (Northern Metropolitan) — I rise to speak on the Education and Training Reform Amendment (Dual Sector Universities) Bill 2013. Whilst the legislation furthers our dual sector reforms of 2009 and 2010, something we on the Labor side have no problem with, we cannot accept the TAFE borrowing issue, which is also a part of this bill and which was a very big part of the government's cutting of the TAFE sector. Therefore the Labor opposition will be opposing this bill.

The bill in effect makes two changes. It amends the Education and Training Reform Act 2006 to recognise the operation of dual sector universities — that is, universities with a separate TAFE division. It proposes to allow dual sector universities to operate their TAFE divisions in a more autonomous way, in line with the way they operate their university divisions. It will further remove the financial operation of TAFEs from the state government's ledger and not require the dual sector universities to report separately on their university and TAFE operations. There are four institutions that are affected by this bill: RMIT University; Swinburne University of Technology; the University of Ballarat, known as Federation University Australia; and Victoria University. The university acts were rewritten in 2009–10 and TAFEs are no longer required to operate as separate streams within a university. These are sensible reforms and bring reporting powers into line, easing the administrative burden on the dual sector universities constituted by dual reporting of operations.

These changes are not opposed by the Labor opposition. They reflect current practice and bring the principal act and other minor acts into line with the acts for individual university institutions. There are also minor consequential amendments required for a number of acts: the Working with Children Act 2005, the Sex Offenders Registration Act 2004, the Corrections Act 1986, the Serious Sex Offenders (Detention and Supervision) Act 2009 and the Public Administration Act 2004. We have no difficulty with those amendments; the Labor opposition is not opposed to the part of the bill that contains them.

I come now to the issue we are very concerned about. It relates to the borrowing changes for stand-alone TAFEs. The changes in this bill that relate to the borrowing changes to TAFEs barely rate a mention in the bill's explanatory memorandum. Essentially the changes provide that an order in council, following the Treasurer's approval, can be made for individual TAFEs to borrow funds for specific purposes. There is absolutely no doubt in my mind that these proposed borrowing powers are linked to the government's slashing of TAFE funding, removal of community service obligations and its demand that TAFEs divest themselves of what are seen by the government to be

poorly performing and underutilised assets, such as small country campuses. That is why I move:

> That all the words after 'That' be omitted with the view of inserting in their place 'this house refuses to read this bill a second time until the impacts of the measures and time lines of the bill have been referred to, and considered by, the Education and Training Committee.'.

I move this reasoned amendment because the Labor opposition believes a parliamentary committee needs to look in detail at what is happening in Victoria's TAFE sector with regard to capital funding and funding overall. The changes in this bill that relate to the borrowing requirements of TAFEs will have a major impact on TAFEs in Victoria, and there is good reason for these changes to be examined in considerable detail. Given the past performance of this government in the TAFE sector, Victorians should rightly be concerned about the proposed outcomes of this part of the bill.

Over the past three years we have seen the government decimate Victoria's TAFE system with funding cuts that have absolutely gutted the sector. Mr Baillieu, the former Premier, began the full frontal assault on TAFEs, and the current Premier, Dr Napthine. is continuing it. A staggering $1.2 billion of funding cuts have been inflicted on TAFEs statewide, with no new capital investment for TAFEs in the 2012–13 state budget. It is no wonder then that the government is pushing TAFEs to take on more borrowings by seeking to amend the Borrowing and Investment Powers Act 1987. It clearly shows that there will be no more money from the Victorian government to support capital improvements at our public TAFE institutions. It is a pretty poor policy position to take when the government is telling public TAFEs it will cut their funding but allow them to borrow more money and essentially fend for themselves. This is exactly what the minister flagged in his second-reading speech when he said the borrowing powers would enable TAFEs to achieve:

> the goal of commercial self-sufficiency and maintain competitiveness in a contestable vocational training market.

That is the government's motivation. It raises the question, though, of why the government would not be funding the operations and required capital of a public TAFE in the same way it does for our public schools. Labor's reasoned amendment goes to the heart of addressing this matter. These issues need to be looked at more closely before we start telling TAFEs to take on more borrowings.

The further training subsidy cuts announced more recently have seen funding rates for all training providers slashed from between $6.50 and $8 per student contact hour to less than $2 per student contact hour in such courses as business, hospitality, retail customer service, event management and fitness. During the last sitting week in a question without notice to the Minister for Ageing I referred to the cuts being inflicted upon aged-care courses and my concern about the implications of those cuts on the current workforce shortage in the aged-care sector. These have been some of the most savage funding cuts to the TAFE sector Victoria has ever seen. There are many good reasons the Education and Training Committee should review the impact of this part of the bill, including its potential to result in further TAFE closures in regional Victoria, something which we on this side of the house do not want to see happen.

Already there have been campus closures at Lilydale, Kyneton, Sunbury, Glenormiston, Prahran, Yarram, Heyfield, Greensborough, Orbost, Swifts Creek and Mallacoota. The closure of William Angliss Institute's Cranbourne campus has resulted in the loss of hospitality training for at-risk kids in Melbourne's south-east. Advance TAFE in East Gippsland and GippsTAFE are in discussions regarding partnerships and collaborations. Reading between the lines one could assume this means a possible merger.

Bendigo TAFE has announced a further 47 job losses, bringing the total number to 147, and it has also announced the closure of mining, bricklaying and furniture-making courses and the closure of its on-site child-care centre. At a time when we have so much going on in our mining sector and so many jobs caught up in the construction industry, we really have to wonder why these types of courses would be allowed to disappear. As the shadow minister for children and young adults, I am also concerned about the closure of on-site child care at our various campuses.

We have seen the systematic destruction of the entire TAFE sector and a loss of opportunities for thousands of Victorian students. In addition, 9 out of 14 chairs of TAFE boards have been sacked in a shameful attempt to prevent them from speaking out against these cuts.

The Labor opposition is deeply concerned about the effect that all of these changes will have, and that is why a future Labor government will invest in the TAFE system. I take this opportunity to commend the shadow minister for higher education, Steve Herbert, the member for Eltham in the Assembly, for his part in developing Victorian Labor's plan for jobs and growth and his huge commitment to Victorian TAFEs.

I also know that Mr Herbert has given notice of a motion in the other place which has a lot more detail in

relation to calling for an inquiry under the Parliamentary Committees Act 2003 into the borrowing requirements of the TAFE system and asking for the matter to be referred to the Education and Training Committee for consideration and report by the middle of next year. Included in that motion is the need to investigate the viability of TAFEs if they were to rely on borrowings rather than on direct capital injections from government for their capital needs and also the need to investigate any asset transfers or proposed asset transfers from individual TAFEs since the TAFE reform package was announced as part of the 2012–13 state budget. That motion is very worthy, but I am dealing with the reasoned amendment that I have moved and I will speak further against this bill and outline Labor's grave concerns about a particular part of it.

In conclusion, as we know, this government is determined to trash the reputations of some of our greatest educational institutions. We have every confidence in our TAFE sector, and we very much value our TAFE sector. We on this side of the house see the contribution that the TAFE sector makes to our economy by training up our workforce and providing opportunities not only to young people but also to those who are in the process of reskilling or re-entering the workforce. Labor members are very much committed to TAFE; however, we are very concerned that through this bill the Napthine government is encouraging TAFEs to divest themselves of smaller, so-called underutilised assets. We are concerned about what these new borrowing powers will mean in terms of requiring TAFE institutions to borrow funds because they are being starved of cash by the government. I commend the reasoned amendment to the house and urge members to consider it carefully. With those words, I conclude my contribution.

Mrs PEULICH (South Eastern Metropolitan) — I am very pleased to speak on the bill and indicate that the government will not be supporting the reasoned amendment moved by Ms Mikakos, the reason being that the government and the minister have been diligent in rolling out a number of planned and detailed reforms in order to create a sustainable and focused future for the vocational and higher education system. We also oppose the reasoned amendment because it will create greater uncertainty by pausing some of this government's reforms at a time when our TAFE sector and our vocational training system need certainty and a sustainable future. It makes no sense to waste more time by diverting this bill to an inquiry by a parliamentary committee. Doing so will put on hold a number of detailed plans that have been put together by various institutes as they map their way forward. Obviously the government is very committed to building a modern vocational training system that will allow a large number of well-trained and job-ready people to enter the workforce and support Victorian industry and business. Ms Mikakos's speech was much broader than the parameters of the bill. She spoke of a number of related issues and used them as a vehicle to criticise what members of the opposition disingenuously refer to as 'TAFE cuts'. To digress for a moment, the reforms introduced to the skills area in 2009 under a Labor government opened up the TAFE sector to competition with private registered training organisations (RTOs), so it was inevitable that some funding would move from the TAFE sector into the RTOs. That is what the then government intended, and that is what has happened in establishing a competitive neutrality. For Labor to then say that in fact it is the doing of the coalition government is just absolute nonsense and a fallacy.

Nor do we resile — as I said, I am going to rebut the two main points — from moving government subsidies from oversubscribed courses that do not lead to the best employment outcomes to those in areas of national skills shortage. It would be negligence of public policy to continue to ignore the national skills shortage areas and continue to deny the best opportunity to get a job to those who are availing themselves of public funding in order to get an education and get skilled up. On educational grounds, on public policy grounds and on economic grounds it makes no sense to continue the failed policies of the Labor government. It left the system in a mess — unviable, unsustainable and underfunded — and as a result the minister and his government have had some very challenging tasks in fixing the mess that Labor left behind.

In order to achieve the aim of a sustainable, modern, vocational training system that allows a large number of well-trained and job-ready people to enter the workforce, this government has implemented a system of very wide reforms to refocus vocational training in Victoria. As part of that step of refocusing training in Victoria, the government is implementing a significant number of changes to ensure a strong and sustainable TAFE sector following Labor's reforms in 2009 which have resulted inevitably in funding moving across to private registered training organisations.

The changes of this government are outlined in the government's response to the TAFE reform panel's recommendations. These are contained in a document called *Next Steps for Refocusing Vocational Training in Victoria — Supporting a Modern Workforce*. I think anyone who is honest and really cares about outcomes for Victorians will understand the common sense of the

direction that has been taken. It has not been policy on the run; it has been carefully thought out, considered policy that has been implemented very carefully, and I commend the minister on managing that process.

As part of that policy we have the bill before us, which is intended to deal with the dual sector universities. It reforms some matters that pertain to them to make their existence more manageable by reforming the state's four dual sector universities, which operate in both the TAFE and higher education divisions. This makes complete sense. As was indicated, there are currently only four of these dual sector universities in Victoria. They were established in the 1990s, when university TAFE divisions were required to be established separately from their higher education functions. They were almost co-located.

In 2009 and 2010 Victoria's eight university acts were re-enacted, and as part of that re-enactment dual sector universities were no longer required to conduct their TAFE programs through a separate division. Since that time the universities have been given the power to manage their own internal structures, as they should as autonomous and self-governing bodies, within a broad range of accountability frameworks. This applies not only to those universities that are relevant to the state but also to those that are relevant to the commonwealth.

In practice the delivery of TAFE and higher education programs has become increasingly integrated with the universities. Teaching is integrated within industry areas rather than distinguishing teaching on the basis of a higher education or vocational training distinction. The integration of teaching has led to the integration of each sector's administrative overheads and revenue through mechanisms such as a common bank account. Unscrambling an egg to see what part of the scrambled egg is applied to the TAFE division and what part is applied to the other side is most difficult and possibly has given rise to a lot of creative accounting.

The current financial reporting requirements of TAFE operations within dual sector universities do not reflect the practical reality of that integration, and it has become increasingly difficult for dual sector universities to report on their TAFE operations separately. The integration of TAFE and higher education programs by internal dual sector university management has the effect that the state no longer exercises control over university programs. The legislative changes in this bill will directly benefit dual sector universities by reducing the administrative burdens as well as the costs they face as a result of being required to report in two separate ways with two separate sets of financial accounts for the TAFE and higher education operations. Why the Labor Party would oppose something that makes eminent sense and that is desired by the sector is inconceivable to me, but then I have always struggled to understand the Labor Party.

In competitive vocational training and higher education markets it is important that dual sector universities do not face constraints that reduce their ability to be effective and efficient. In fact in a parliamentary report by a recent inquiry undertaken by the former Economic Development and Infrastructure Committee, both sides underscored the importance of business, local government and the educational sector having an agility to respond promptly to changing market circumstances and global conditions and needs. Clearly in an era of innovation, whether it is materials or process for ideas, a single act of innovation can render a particular area or industry almost obsolete, so it is absolutely imperative that institutions have the future in their hands and have the autonomy and hopefully the good leadership to respond to the sorts of challenges that invariably a globalised economy in an innovative environment will present to them.

Until the amendments proposed by the bill are made, continuing legislated state control over dual sector universities will mean that their TAFE-related assets, liabilities, revenue and expenditure must continue to be reflected in a set of accounts that duplicates their work. Additionally, the establishment in 2011 of national regulators of higher education and vocational education and training has meant that educational institutions that are registered under commonwealth laws, including the dual sector universities, are exempted by those laws from the need to comply with many state laws that regulate education.

The commonwealth laws have superseded some of the provisions of the Education and Training Reform Act 2006 that might otherwise apply to the dual sector universities, and those provisions are therefore obsolete. The Labor Party would have us protect something that is obsolete and that constrains these institutions from operating effectively. This bill is practical and common sense. The Labor Party wants to have a bit of a foray, a committee inquiry, a few more delays and hold off the plans that various institutions have formulated just so it can play politics. This government will not entertain that.

The practical circumstances of dual sector universities have not yet been reflected in a number of acts, including, obviously, the Education and Training Reform Act that this bill amends but also the Working with Children Act 2005, the Sex Offenders Registration

Act 2004, the Corrections Act 1986, the Serious Sex Offenders (Detention and Supervision) Act 2009, the State Superannuation Act 1988, the Accident Compensation Act 1985 and the Public Administration Act 2004. Amendments to these acts will mean that their operation is not adversely affected. The amendments will ensure the continued application to the dual sector universities of certain laws that are currently expressed in such a way as to apply only in relation to former TAFE divisions, including certain child protection laws, staff superannuation provisions and WorkCover for student placement provisions.

For a number of years dual sector universities had expressed to the department the administrative burden and difficulties associated with preparing separate accounts for their TAFE operations. The changes proposed by this bill will mean that dual sector universities will continue to report to the commonwealth, as per current practice, and will continue to provide audited financial statements for whole-of-university operations as part of the tabling of their annual reports, but will no longer be required to prepare separate financial accounts for their TAFE operations and report these to the government on a quarterly basis or present them as part of their audited financial statements at the end of the year.

I come now to the point of the TAFE institutes' powers to borrow. Ms Mikakos was attempting to raise alarm about this issue. She knows full well the conditions that these amendments put in place. The bill will allow TAFE institutes to have borrowing powers conferred by the Borrowing and Investment Powers Act 1987. It will provide TAFE institutes with borrowing powers that will ensure that TAFE institutes are able to work towards self-sufficiency and compete effectively in a contestable vocational education market. However, the power to borrow will be conferred on an institute-by-institute basis, whereby the Treasurer may request the Governor to make an order in council that a particular institute be allowed to borrow funds in accordance with the Borrowing and Investment Powers Act 1987, rather than unilaterally across the sector. This will allow the government to ensure that a specific TAFE institute is adopting an appropriate level of risk with its borrowings without inappropriately constraining its access to funds. The bill will also give the government adequate control in its management of the state's overall net debt levels.

In summary, the bill preserves the existing statutory entitlements of TAFE staff, such as in relation to superannuation. Those staff who were transferred from state employment in 1993 will retain conditions no less favourable than what they held at the time. This applies to the 235 existing staff of these four universities who are in superannuation schemes under the State Superannuation Act 1988. Those staff will remain under those schemes for as long as they remain employed by their current university or are employed by another dual sector university or TAFE institute.

The Working with Children Act 2005 and the Sex Offenders Registration Act 2004 will also be amended to refer to dual sector universities; otherwise children would not have adequate protections. Under the Working with Children Act a person who engages in child-related work must undergo a working-with-children check. Child-related work includes work in an educational institution. That is appropriate and customary.

In terms of educational programs in corrections systems, the Corrections Act 1986 and the Serious Sex Offenders (Detention and Supervision) Act 2009 will also be amended to refer to dual sector universities. Those acts impose or confer duties on staff of certain educational institutions that provide educational programs in the corrections system. Those acts currently cover an employee of the Victorian public service or teaching service or a member of staff of a TAFE institute. The effect of the amendments will be that those acts will also apply to staff of dual sector universities, as dual sector universities provide the same TAFE and related services as TAFE institutes.

In closing, the bill will amend the Education and Training Reform Act 2006 and other acts so that they apply appropriately to dual sector universities, recognising that these institutions are autonomous in relation to TAFE programs as well as higher education programs. The bill will grant borrowing powers to TAFE institutes, subject to an order in council, so they are able to achieve the goal of self-sufficiency and maintain competitiveness in a contestable vocational training market. The bill is a common-sense one. The reasoned amendment should not be entertained because it is simply a delaying tactic that will do nothing to assist TAFE institutions. I commend the bill to the house.

Ms PENNICUIK (Southern Metropolitan) — I would like to start by quoting Nelson Mandela, who said:

> Education is the most powerful weapon which you can use to change the world.

This quote is on the wall of the foyer of the Australian Education Union's building in Clarendon Street, Southbank. It is apposite to mention it because earlier today we observed a minute's silence and took a 30-

minute break from proceedings in honour of Nelson Mandela. I know he made the achievement of universal access to education in South Africa a priority. He was a great figure of the 20th century. I was privileged to see him when he came to Melbourne and spoke at what is now called Etihad Stadium. It was a very moving and electrifying experience. It is hard to imagine another person alive today who could inspire condolence motions in parliaments around the world and in the United Nations. He was a person who inspired people from all walks of life and political points of view, and he will be sadly missed.

The bill before us is reasonably simple. It does two things, but those two things are part of a long train of things that have happened to the TAFE sector in the last five years. The bill changes the wording in the Education and Training Reform Act 2006 which refers to the four universities that provide TAFE as well as higher education: the Royal Melbourne Institute of Technology; the Swinburne University of Technology, the University of Ballarat, which will change its name to Federation University on 1 January; and Victoria University. The major provisions and clauses of the bill go to removing references to 'universities with TAFE divisions' and replacing them with 'dual sector universities'; however, these institutions have been referred to in this way for quite some time.

The bill also makes consequential amendments to other acts, which have been mentioned by previous speakers, that also refer to universities with TAFE divisions and changes these references to either 'universities' or 'dual sector universities'.

I have to agree with Ms Mikakos. She mentioned in her contribution the provision in clause 29 of the bill, which amends the Borrowing and Investment Powers Act 1987 and states that:

> The Governor in Council, by Order published in the Government Gazette, may declare that sections of this Act specified in the Order apply to a TAFE institute specified in the Order.

This means that TAFE institutes will be able to apply to borrow funds. Earlier today I spoke to the Minister for Higher Education and Skills and requested that this bill go to a committee stage so that I can ask him a few questions about how this would occur.

I agree with Ms Mikakos that there is scant mention of this in the explanatory memorandum for the bill. It is certainly not covered in the general overview of the explanatory memorandum. The explanatory memorandum states that clause 29:

> inserts new section 17AB into the Borrowing and Investment Powers Act 1987 to allow the Governor in Council, on a case-by-case basis, to declare that sections of that act apply to a TAFE institute so that an institute may be given borrowing and investment powers under that act.

That is the only mention of it in the explanatory memorandum.

I will now refer to the second-reading speech in an attempt to find a rationale for that change in the bill. About halfway through that speech, the minister states:

> In its January 2013 report to the government, the independent TAFE Reform Panel was of the view that TAFE institutes would need to be able to borrow to compete effectively in a contestable vocational training market if they had reduced access to capital grants. The panel recommended that the government should provide TAFE institutes with borrowing powers.

There is a lot in that statement. Victoria has a contestable vocational training market, which was introduced by the former government. I agree with Mrs Peulich that Ms Mikakos neglected to mention this in her contribution. The whole market contestability philosophy was introduced by the previous government, and it is that contestable vocational market and the reduced access to capital grants that is causing the problem which was identified by the Auditor-General earlier this year, which I will talk about more later in my contribution. This has led to an unnecessary provision being included in this bill to allow TAFE institutes to borrow money or make investments when they should be funded by government revenue. They should be publicly funded, as they have been until now.

The second-reading speech ends with the minister saying this is:

> … so that they are able to achieve the goal of commercial self-sufficiency and maintain competitiveness in a contestable vocational training market.

This is stated as if it is nothing, but it is everything. This sentence makes clear that the government wants to see TAFEs as commercially self-sufficient in a competitive vocational training market rather than part of a publicly funded vocational education and training (VET) system. This section of the second-reading speech seems innocuous, but it is not. It is another so-called reform that has been made to the vocational education and training sector to the detriment of the TAFE system.

At face value, replacing the phrase 'universities with TAFE divisions' with 'dual sector universities' does not seem to be much of a change. The ALP has said it does not oppose this change. However, the four institutions are already referred to as dual sector universities in

general parlance. In a technical sense this is not a big deal, but it is potentially another nail in the coffin of our public TAFE institutions because it removes four of the largest public TAFE providers from the TAFE system as such.

What concerns me is that there is now nothing to require these dual sector universities to provide vocational education and training. Having the separation — it being a university with a TAFE division — more than symbolically says that there is a TAFE sector and a TAFE institute there providing technical and further education, which is what it is meant to be doing.

I fear this change, even though the government has pointed out — and it is in the second-reading speech — that previous changes made in the 2009 and 2010 university acts mean that this has to happen. It concerns me that these universities will see their way clear to offering fewer vocational education courses and move towards providing only those types of vocational courses that segue into higher education specialities. That is what I am concerned about, even though it looks like it is just a name change.

Over the last five years our public TAFE system has been under assault, both by the previous government, which introduced the training guarantee and the philosophy of market contestability, and by this government, which has removed $1.2 billion over four years from the TAFE sector. The combined effect of the actions of the past government and this one has basically been death by a thousand cuts for the TAFE public sector. Traditionally our public TAFE institutes, as part of the TAFE system, have been the key providers of technical and vocational education and skills training. They have provided this where private providers would not do so due to cost. Our public TAFE system has ensured affordability and accessibility of education and training and has had broader social and community obligations. TAFEs have provided training to those who face barriers to education and training.

Up until this year, when funding was stripped from the foundation studies, TAFE institutes had been the key providers of foundation studies, which particularly assisted those who were re-entering the workforce, those who had difficulties in secondary school or those who for a range of other reasons needed foundation studies. The philosophy in Victoria introduced by the previous government where funding is only available where the trainee is studying for a higher level of qualification than they currently have is counterproductive both to employees and to prospective employers. That particular measure was introduced by the ALP.

This bill is a further legislative mechanism to transform the TAFE system from a publicly owned, not-for-profit system to a collection of corporatised, competing entities that arguably will head along the road to privatisation. Those of a certain way of thinking may welcome this, but I certainly do not. What has happened to the public TAFE system in the last five years has been devastating and scandalous and is not going to stand us in good stead with either individual students leaving secondary school who want to train for a vocation or for a particular job, or those people who are trying to re-enter the workforce after having found themselves unemployed or who have been out of the workforce for a certain time. They are not going to find what they need with just private providers. We need the public TAFE system underpinned by public funding, system wide, and that is not what this bill and the previous changes to the act will deliver us.

Looking back over the last five years, the devastation dealt to our TAFE system by the market contestability model introduced by the ALP and the massive funding cuts introduced by this government is momentous. Exact figures are difficult to come by, but at least 2400 TAFE staff have lost their jobs, and there are 50 000 fewer students enrolled. Each TAFE institute has had about a 10 to 25 per cent reduction in staff; and, as noted by the Auditor-General in May 2012, TAFE institutes have had to cut back in service areas such as library hours and student support staff. The Victorian TAFE Association, the Australian Education Union and the National Tertiary Education Union have also pointed out the impacts on women, many of whom have either not commenced or have not been able to complete their preferred course. That is also devastating.

I have spoken before in this place about the reaction to the blow-outs and rorts that occurred in relation to the private providers when the first effects of the market contestability system, introduced by the previous government, were seen. That did not spark a re-examination of that policy position but is basically pulling money out of the TAFE sector. We require further changes and funding if we as a Parliament — and the government as a government — are committed to a publicly funded, publicly operated TAFE system that caters for all people across the state, providing accessibility and affordability of training and retraining. That is what TAFE is meant to be about.

The TAFE Reform Panel recommended mergers of TAFEs. The government did not accept that

recommendation, but lately in the press there have been reports of talks between GippsTAFE, Advance TAFE, Chisholm Institute and Federation University, and there may be a merger in that area. I have heard rumours of other mergers in regional TAFEs as well. As I said earlier, the Auditor-General pointed out in his report entitled *Tertiary Education and Other Entities — Results of the 2012 Audits*, which was released in May this year, that the TAFE sector is struggling under funding cuts and that, based on the three-year trend, TAFEs are heading for an overall operating deficit. For individual TAFE institutes, operating results were lower for 10 institutes in 2012 compared to 2011, and there were 4 TAFEs recording deficits and two with marginal surpluses.

The Auditor-General found that the underlying results for the TAFE sector had been declining over the last five years, posing a long-term risk to the financial sustainability of the entire TAFE sector. One-third of TAFEs face a more serious medium-term risk to their sustainability. The five years the Auditor-General looked at correspond with the five years of changes in the VET system and particularly in the TAFE system. The Auditor-General said the capacity of TAFE institutes to self-finance had fallen over five years, which poses a number of problems for TAFE, including an inability to replace assets in a planned and timely manner. The risk is that the asset base will deteriorate over time if it falls below depreciation results.

The Auditor-General revealed that the average underlying result for TAFEs has decreased since 2010, highlighting a challenge for the sector to achieve positive financial operating results following changes to the funding model. The capital replacement indicator also declined over that period. The Auditor-General also found that the funding model had resulted in TAFEs cutting expenditure reviewed as non-essential, including, as I mentioned before, libraries, student support services and other essential things that TAFEs have traditionally provided to the community and which were funded as community service obligations until that was removed by this government.

Changes to the legislative framework and the funding model that have occurred over the last five years have meant that TAFEs are more reliant on tuition fees for generating a major proportion of their operating revenue, which brings me to my concern with the idea of the borrowing provisions in the bill. With what has happened to TAFEs, how are they going to be able to pay back any borrowings? That is a question I will ask the minister in the committee stage of the bill, notwithstanding that I do not agree with the road the former government and this government are taking us down with regard to TAFE. However, that is a practical question which needs to be answered given that the Auditor-General has said the funding base for TAFEs has disappeared.

Over the weekend the Adelaide *Advertiser* ran an article outlining the troubles occurring in the TAFE sector in South Australia as it heads down the same road Victoria has headed down for the last five years, which I think most observers in Victoria, including the education unions, many commentators and businesspeople and many people in the community, have all said have been devastating to the TAFE system.

Mrs Peulich talks about certainty and a sustainable future for TAFE. I am not convinced that is what we face with these changes. I do not see certainty and a sustainable future in the changes. She also said the government would not be supporting the Labor Party's reasoned amendment; however, I foreshadow that the Greens will support it. Mrs Peulich said the government would not support it because it has been rolling out reforms — —

Mrs Peulich — Well planned and effective.

Ms PENNICUIK — Mrs Peulich may call them well planned and effective, but I choose not to agree. She says we should not be pausing with the changes. I disagree; I think we should pause with the changes. The Australian Education Union has called on the government to conduct a public inquiry into the TAFE system to review the impact of the cuts and to inform the development of a comprehensive vision for education and skills training in Victoria, and I agree with that. It is time to pause; it was probably time to pause quite some time ago and to have an impartial look at the changes that have occurred in our TAFE system to the detriment of TAFE staff, students and the community in general.

In moving her reasoned amendment Ms Mikakos said that a future Labor government would invest in the TAFE system, and that is fantastic, but I ask: will it wind back the market contestability model that it put in place, which is at the heart of the problems we have seen? I have asked the question of the Leader of the Opposition in the other place, Mr Andrews, many times in public. He has neglected to answer the question so far, but that is certainly what needs to happen.

Mrs Peulich — It won't turn the clock back.

Ms PENNICUIK — Mrs Peulich says we cannot turn back the clock, which is a shame because this government and the previous government have done a

lot of damage to the TAFE system and therefore to students and the community. I was reading an article about TAFE in the education section of the *Age* of 25 October. It says there have been deep budget cuts, subsidised enrolments are down, fees are up and jobs have been lost as Victorian colleges struggle to cope. The article also includes some interesting remarks from Bruce Mackenzie, the long-time director of Holmesglen TAFE, who retired last month. The article quotes Mr Mackenzie:

> 'Now the private providers are again rorting the system and the TAFEs are paying the cost because of flawed funding models and flawed management of the system'.
>
> Mr Mackenzie says TAFE institutions were not set up to be skills training colleges but vocational education organisations that gave young Australians and new migrants a start in education.
>
> 'Youth unemployment is on the rise around the world, including in Victoria. In two or three years the government will want the TAFE institutes to step in because the universities won't accept kids that don't have year 12', he says. 'The youth population bulge coming through now means that in three years universities won't be able to cope with the number of school leavers applying for places, much less those who drop out.
>
> 'And the way things are going, the TAFEs won't be there to pick up the pieces'.

I look forward to asking the minister some questions in the committee stage.

Hon. P. R. HALL (Minister for Higher Education and Skills) — I want to quickly take the opportunity to reply to some of the comments that have been made in the course of debate so far and indicate why the government is not going to support this reasoned amendment. Let me make some comments, first of all, on some of the terminology that has been used by Ms Mikakos and Ms Pennicuik in the course of this debate. Ms Mikakos talked about the 'contestable vocational training market', the cuts to TAFE funding and the 'systematic destruction' of the TAFE system. Let me go to the first of those terms, the 'contestable vocational training market'. I remind Ms Mikakos, and others who are listening to the course of the debate, that on 1 July 2009 the government of the day introduced the very contestable training market that has been referred to in the course of this debate today and at other times.

So what is a contestable training market? Is it one where you allow for one major player to be treated deferentially in comparison to all the others? What should a market be? Should we have favoured participants in the market, or should we have a level playing field, making for a real contest where everyone competes on the same basis? I do not think that when the Labor Party introduced this system it had it in mind that there should be one preferred provider, because it would hardly be a contestable training market if there were one preferred provider. Indeed I will always argue that the intentions of the previous government, which have been carried through by the current government with refinements — necessary refinements, I might add — were that all players in the training market be treated equally. That is what the changes the current government has made to the system seek to achieve, and the amendments in the bill before us today take that one step further.

Let me also talk about the experience since the introduction of vocational training markets and make comment about the cuts to TAFE funding. For Ms Mikakos and other members listening to this debate, the fact is that in 2010, in the last full year in which the previous government funded training activity in this state, TAFEs received $542 037 000 in government funding. To compare that to the last full year experience we had, in 2012 TAFE institutes received government contributions towards their operating budgets — that is, payment for training delivered — of $642 947 000. That is, in fact, a 19 per cent increase in government contributions to funding the operation of our TAFE institutes — yet we keep on having these terms thrown back at us by all sides in opposition, who suggest that we are cutting funding to TAFE. The fact is that TAFEs have received 19 per cent more funding from this government than they did in 2010, the last full year under the Labor government. Do not come to me talking about cuts to TAFE funding, because TAFEs are now receiving far more than they ever have.

Let me also talk about the number of providers in a contestable training market. In 2008, 561 training providers were contracted by government to deliver subsidised training. That figure grew in 2011 to 758, and in 2012 it was 601. That was a flow-on effect of the contestable training market put in place under the previous system. You would expect that the number of players in that training market would grow, and they did — but they did so unchecked. There was no concern about the quality of training that they were delivering.

Let us have a look at what has happened in the last two years since my government imposed stricter quality standards on registered training organisations (RTOs). The number of training providers this year, in 2013, is around about 480. There has been a drop from a high in 2011, under the system that Labor introduced and signed contracts for, from 758 down to 480 this year.

We expect that there will be a similar number this year. There have been 596 applications made; 380 of those have been approved and 66 have not been approved at this point in time. We expect there will be a similar number this year. Why is that relevant to this debate? It is relevant because in the course of this debate the opposition and the Greens have advocated an uneven playing field in this contestable market, saying that we should have no checks and balances and that the private RTOs are the bad guys. The fact of the matter is that we are improving and addressing the issue of quality and we are addressing the issue of relevance.

I want to go quickly to the issue of relevance. If you look at the significant growth in the training market, you will see that in 2010 there were something like 426 000-plus enrolments and in 2012 there were 670 000-plus enrolments. That is a big growth, but again, is it in relevant training? You have to make sure that at the end of the day the training activity is matched by employment outcomes. That is why we had to refocus a lot of the training subsidies that were being applied for in this state so that those subsidies would be directed to employment outcomes. With the targets we set ourselves in government, we are now seeing 70 per cent of training activity in this state taking place in areas of skills needs, where there are shortages, compared with about 45 per cent previously. There has been a big jump and a refocus of training into areas where there are employment outcomes and industry needs in this state.

The changes we have implemented are providing better opportunities for learners and better value for the dollars we spend on training. The final point I want to make is about the dollars that are being spent on training in this state. In 2010, the last full year under a Labor government, $824.2 million was spent on government-subsidised training. In 2012, the last completed year under this government, $1.244 billion was spent. That is a big jump in terms of the commitment we are making to training, so do not tell me about the systematic destruction of the TAFE system. The dollars we are spending, outcomes we are getting, number of students in training and quality we are achieving, are all in a very positive direction, and on those particular issues I would debate anybody, anytime, in any forum — I am happy to do that.

I wanted to make those points in reply. This government's record in respect of bringing into shape the training system we have inherited from the Labor government needs to be put very clearly on the record. We have done that by increasing funding, better targeting that funding and concentrating on issues of quality.

Finally, I want to go to some of the comments made by Ms Pennicuik about capital funding for TAFEs. We will discuss that in detail in the committee stage; I am more than happy to do that, but the questions being asked about that are: why should TAFEs be able to borrow, and should government just continue to fund the capital needs of all TAFE institutes? This goes back to that contestable vocational training market that we were required to follow. The previous government instituted this, but in its defence I might add that it was required to introduce such systems under national partnership agreements put in place by its federal Labor colleagues at that time. We have gone down that track, and if you have got a contestable training market, then as I have said, you cannot favour one section above another. You cannot just say, 'We are going to have favoured participants in this market; therefore we will fund your capital works but will not fund anybody else's capital works'. That is not a level playing field by any means.

I might add for the interest of Ms Pennicuik and others that TAFE institutes themselves earn on average about 50 per cent of their income from revenue other than government subsidised training revenue and have always done so. A significant component of their funding has always come from self-generated fee-for-service activity. We could take Holmesglen as an example. It is perhaps one of the biggest — and I notice that Ms Pennicuik used former CEO Bruce Mackenzie as an example. I think Mr Mackenzie said Holmesglen had not received capital funding for the last 20-odd years, which is a long period of time. It has generated its own funds to build some magnificent facilities and has engaged in commercial activities.

The important thing in all of this is that we would expect our TAFE institutes to use what funds they have wisely and appropriately, and if we are honest, I think one of the things we would all acknowledge is that there are many training facilities around the state of Victoria that are not well utilised. There is certainly utilisation capacity in some of those training facilities, so we really do not want TAFE institutes to simply go out there and continue to acquire additional capital facilities. We want to make sure that those capital assets they have are used appropriately and wisely. That is why we ask TAFE boards to look at their asset management. In terms of what the future holds in respect of capital funding, I expect there will always be opportunities for government to contribute towards capital funding. We have made it very clear in the structural adjustment fund that there is $100 million being made available over the next four years for capital unit facilities for those TAFE institutes. I am sure that there will be opportunities into the future for

both federal and state governments to contribute to the capital needs of TAFE institutes.

However, the TAFEs are also out there earning significant commercial revenues, and we want them to do so. They need to operate as if they were commercial entities. The TAFE reform panel, which has been referred to during this debate, suggested they should do so. For example, we are giving them the ability to do that by transferring assets to TAFE institutes, and that process is well under way. The land assets of TAFE institutes are being transferred into their names to give them greater autonomy to operate as they should if they are going to meet the local needs of their communities.

As Mrs Peulich said, this is not an unthought-through further change; it is an evolutionary change, which has been partly founded on the basis of the contestable training market which was introduced by the previous government and which was required of it by a federal Labor government. It is making sure that our TAFE institutes are out there taking a commercial focus but most importantly providing for industry needs. This is all about positioning them so they can best provide for the needs of the industry out there, because there is no doubt that education and training are the drivers of our economy. We want to make sure that they are sound drivers, and that is why there has been a planned range of changes to get better value, to have them be more focused, of higher quality and meeting industry needs.

I hope all those reasons address some of the points being raised by speakers from the opposition and the Greens in the course of this debate. Further, I will be happy to answer particular questions when we get into the committee stage.

House divided on amendment:

Ayes, 18

Barber, Mr	Melhem, Mr
Broad, Ms	Mikakos, Ms
Darveniza, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr (*Teller*)	Scheffer, Mr
Hartland, Ms	Somyurek, Mr (*Teller*)
Jennings, Mr	Tarlamis, Mr
Leane, Mr	Tee, Mr
Lenders, Mr	Tierney, Ms

Noes, 20

Atkinson, Mr	Hall, Mr
Coote, Mrs	Koch, Mr
Crozier, Ms	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	Millar, Mrs (*Teller*)
Davis, Mr P.	O'Brien, Mr (*Teller*)
Drum, Mr	O'Donohue, Mr
Elsbury, Mr	Ondarchie, Mr
Finn, Mr	Peulich, Mrs
Guy, Mr	Rich-Phillips, Mr

Pairs

Viney, Mr	Ramsay, Mr

Amendment negatived.

House divided on motion:

Ayes, 20

Atkinson, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Crozier, Ms	Lovell, Ms
Dalla-Riva, Mr	Millar, Mrs
Davis, Mr D.	O'Brien, Mr
Davis, Mr P.	O'Donohue, Mr
Drum, Mr	Ondarchie, Mr
Elsbury, Mr (*Teller*)	Peulich, Mrs
Guy, Mr	Ramsay, Mr (*Teller*)
Hall, Mr	Rich-Phillips, Mr

Noes, 18

Barber, Mr	Melhem, Mr
Broad, Ms	Mikakos, Ms
Darveniza, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms	Somyurek, Mr (*Teller*)
Jennings, Mr	Tarlamis, Mr (*Teller*)
Leane, Mr	Tee, Mr
Lenders, Mr	Tierney, Ms

Pairs

Finn, Mr	Viney, Mr

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Ms MIKAKOS (Northern Metropolitan) — With the minister's agreement, I propose to ask all my questions relating to this bill on clause 1. Is the minister agreeable to that?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Yes.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister. Firstly, I will deal with the issue of the purpose of the bill, which relates to removing references to the TAFE divisions of dual sector universities, and then I will come separately to questions around the borrowing functions. Given that the bill will remove the financial operation of university TAFEs from the state government's ledger, how will

dual sector universities report to the state government on their TAFE divisions?

Hon. P. R. HALL (Minister for Higher Education and Skills) — In every way they will still operate as contracted providers of government-subsidised training. Dual sector universities will report in the same way as other registered training organisations, including the normal TAFE institutes, by way of annual report under the contractual obligations which they have to the state — for example, you will still be able to see what level of contracted government-subsidised vocational training a dual sector provider undertakes, but it will be part of its annual report. The annual reports of all universities are tabled in this house. You will be able to look at the report and see what revenue it earns from its TAFE or vocational training activity. As I said, in terms of reporting to government, a dual sector university has a contract to deliver government-subsidised training and it will be subject to the same returns or validation as all other contracted providers of training in this state.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister for that answer. My concern is that if universities do not need to report separately on their TAFE finances, how will we know that state government funding for a university's TAFE functions will not be subsumed into the broader administration of its higher education division? Can the minister provide an assurance that the level of detail in the annual reports that he mentioned will be such that we will be able to make a clear distinction between state government funding for TAFE functions and state government funding for other functions?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Yes. As required under accounting standards the annual reports and annual financial statements of a dual sector university will list the sources of its various revenues. One of those sources of revenue would be contracted government-subsidised training. There would still be a line item that accounted for the amount of money received from the government under the contract it has with the government — for example, it will not have to report separately in terms of separating some of its costs in delivering that training. That has clearly been explained and I think accepted by the speakers in the second-reading debate.

Dual sector universities typically use staff from the same faculty to deliver some higher education programs and some vocational education programs. The separation and assignment of costs for vocational delivery within that faculty, as opposed to costs for higher education delivery within that faculty, is almost undertaken in an arbitrary manner because of the difficulties in accurately separating those two cost functions.

The important thing that the member is asking of me is whether it will be clearly identified in our annual reports and how much government revenues have been received for the purposes of delivering vocational training. As I have explained, that will still continue according to accounting standards and will be identified as a line item in our annual reports.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister for his answer. I have one further question in relation to this issue of dual sector universities. In relation to the obligations that dual sector universities also have to the federal government, there may now be duplication in reporting requirements, given this change. Could the minister elaborate on whether there will be any additional reporting obligations that in effect duplicate requirements to report both to the Victorian government and to the federal government and, if that is the case, on whether he is going to be looking at a review to remove any duplication of reporting requirements?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The dual sector universities will continue to report to the federal government in the same way as they do now, unless the federal government of the day decides that they will report in some other way. With respect to the Victorian government's view on all this, it does not expect that there will be a change in the way in which they report to the federal government. What we are saying is that we are not expecting them to duplicate that reporting effort by trying to completely separate those cost areas that might rightfully be incurred in the delivery of vocational training as opposed to higher education training. This is a practical, common-sense measure, but one which still retains the same responsibility and accounting for the moneys that have been earnt under contract with the state government for the delivery of vocational training in this state.

Ms PENNICUIK (Southern Metropolitan) — I have a question that follows on from Ms Mikakos's question. In terms of commonwealth funding for the delivery of higher education, is the minister aware of whether the commonwealth will require separate reporting of the costs of providing higher education and vocational education — for example, as the minister mentioned, by the same staff?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The commonwealth is certainly aware of the legislation going through the Victorian Parliament,

and to the best of my understanding there have been no objections nor additional requirements placed on the dual sectors as a result of this particular measure.

Ms PENNICUIK (Southern Metropolitan) — On a different matter, with the four dual sector universities in question, is the minister aware of any stand-alone facilities used just for the delivery of TAFEs that will undergo any changes as a result of this bill?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The answer to that question is no. There is no direct outcome of this legislation which will impact on places where vocational training is delivered. That is not to say that from time to time TAFE institutes and dual sector universities, and indeed other universities, will not look at their place of delivery of a whole range of programs. Sometimes they will upgrade places; sometimes they will look towards best utilisation of their assets in one way or another. I can honestly say with respect to these changes in this bill that to my knowledge not one of them will precipitate very significant change by itself in terms of where and how programs are being delivered.

Ms MIKAKOS (Northern Metropolitan) — I am now going to move on to the amendments to the Borrowing and Investment Powers Act 1997, and I ask: can the minister advise how this part of the bill will interface with the TAFE Structural Adjustment Fund? How will it be determined which TAFE or which dual sector university gets funding from government and which will have to borrow funds?

Hon. P. R. HALL (Minister for Higher Education and Skills) — There is a process under way with the structural adjustment fund, and there is a sum of $200 million, half of it for operational funding and half of it for capital funding, for which TAFE institutes have made submissions. Those submissions are currently being assessed, and ultimately decisions will be made as to the allocation of that $200 million to various TAFE institutes around the state. That process is taking place now. How does that relate to this piece of legislation and therefore give TAFEs the ability, once they go through a process, to borrow money? That will be looked at by each TAFE institute, and their needs will be assessed either currently or in anticipation of what might be the outcome of that allocation process.

In responding to that question, perhaps it is worthwhile outlining the process by which those borrowings might come about, because it helps explain that answer as well.

Ms MIKAKOS (Northern Metropolitan) — It might anticipate a lot of further questions too.

Hon. P. R. HALL (Minister for Higher Education and Skills) — Yes. With respect to the borrowing powers, this is not an open chequebook by any means. For example, TAFE institutes will not be given borrowing limits or a borrowing sum without very careful consideration, and it will be only on a project-by-project basis.

If a TAFE institute seeks to acquire a new asset, refurbish an asset or do something in terms of its asset management and there is a way in which that can be achieved more quickly than perhaps saving to buy the house, then it would need to put together a sound and solid business case. That business case would be initially assessed by my department and then by the Department of Treasury and Finance, which would then make an assessment as to the value of that investment and whether the institution is capable of repaying a loan, if that is the case. It would all form part of the business case being assessed. If all those processes were viewed favourably by the government, then a recommendation would be made to the Governor in Council for a borrowing amount.

As I said, it would be specifically tied to a particular project and approval might only be given under certain terms and conditions. It is not saying, 'Here is your borrowing limit'; it has to be applied to a particular project and must be supported by a sound business case. Going back to the first question, if at the end of the day a TAFE institute was or was not allocated funds out of the TAFE Structural Adjustment Fund and it was the only way that the TAFE institute thought that it might get funds, it could embark upon that process. As I said, it is not an open-ended chequebook. It requires careful consideration, a strong business case and must be supported by an ability to repay that loan.

Ms MIKAKOS (Northern Metropolitan) — The minister has been very helpful in providing a level of detail in his responses in anticipation of further questions around this issue. As we know, the TAFE Structural Adjustment Fund currently produces outcomes whereby a whole series of TAFEs are looking at collaborations, partnerships and asset disposal. In the guidelines that the minister is putting forward, will there be any situation in which the minister will not approve borrowing? For example, if there are collaborations between TAFEs that propose a merger or takeover, will the minister effectively veto borrowing?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I said, any application to borrow funds will need to be supported by a sound business case and will be assessed on the commercial viability of that particular application. I am not making a bold prediction that any application for borrowing that involves a sale or pre-sale of an asset or a collaboration with another organisation should in and of itself rule in or out that particular application. Each wage application will be considered on its merits. In my mind the merits are primarily determined by the learning outcomes that will be achieved. That is the objective of the training system in this state, to bring about learning outcomes. I would have thought that any proposal that seeks to improve learning outcomes and provides more opportunities for people to train in this state should be considered on its merits. In answer to Ms Mikakos's question, it would be wrong of me to rule in or out different scenarios in which a loan might or might not be approved. Each case will be considered on its merits, with learning outcomes the prime determinant of that decision.

Ms MIKAKOS (Northern Metropolitan) — If learning outcomes are going to be the test, then presumably the disposal of assets that limit opportunities for young people to undertake courses is contrary to enhancing learning outcomes. Would the minister veto a TAFE institute from borrowing funds if it was proposing to dispose of assets?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I will give Ms Mikakos a good example. Kangan Institute sold assets at Brunswick and at Richmond to fund the Automotive Centre of Excellence at Docklands. Anyone who has ever visited that centre would appreciate its great value and the improvement in learning opportunities and outcomes it has created.

The acquisition and establishment of that centre required an asset management program, which saw the sale of campuses in Brunswick and Richmond. What Ms Mikakos is really asking me is: would I exclude a TAFE institute borrowing funds if it were to dispose of an asset? The answer is no, because good outcomes, like the example I have just given, can be achieved. At times those outcomes might involve the rationalisation or asset management of current assets. As I said, each case needs to be considered on its own merits.

I ask Ms Mikakos not to put words in my mouth such as that I have given carte blanche approval for TAFE institutes to go and sell their assets. I have not given that approval at all. However, we will look at proposals of asset management, because we believe an improvement in learning opportunities and training outcomes can sometimes be achieved by doing that. I do not want to prevent our TAFE institutes from achieving those really good outcomes. That is exactly why this legislation is before us today. It is to allow TAFE institutes greater autonomy to do that, as per the commercial guidelines that have been established. They have all been progressive steps in allowing our TAFE institutes to concentrate on achieving the best training and learning outcomes.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister and assure him that I am not seeking to put words in his mouth at all; I am simply giving him an opportunity to explain to the Victorian people and to TAFE institutes how this is going to work. Essentially what I am getting at is that the minister is not prepared to rule out any set of circumstances in relation to asset disposals, partnerships or mergers that may be proposed, given that he is saying that the test is going to be a very vague notion of better learning outcomes and a better business case. However, I am prepared to move on unless the minister wishes to add anything further on that point. Can the minister advise whether the borrowing powers will be for capital investment only or will they also include current expenditure?

Hon. P. R. HALL (Minister for Higher Education and Skills) — They will be primarily for capital assets. That is what I would expect of the vast majority of such applications. My advisers rightfully advise me that from time to time it is not uncommon for a business, or indeed ourselves in the management of our personal assets, to borrow for overdraft purposes for short periods of time. That is an example of where borrowing power could be for purposes other than the acquisition of a capital asset. I am not hiding anything here; all I am saying is that these applications will all be assessed on a case-by-case basis and that there will be a thorough analysis of applications to borrow. I can probably say no more than that. Borrowing will occur predominantly for assets, but there could be an occasion where a TAFE institute needs to borrow for the purposes of a temporary overdraft to manage cash flow.

Ms MIKAKOS (Northern Metropolitan) — Given that the Auditor-General's report into financial viability cited 10 out of 14 stand-alone TAFEs as being at medium financial risk, if TAFEs are now able to access borrowing for recurrent expenditure — operating costs, in essence — will that not be placing them at greater financial risk?

Hon. P. R. HALL (Minister for Higher Education and Skills) — It is not a matter of being able to access borrowings for that particular purpose; it is about borrowings being approved for particular purposes,

whatever they be. As I have said before, this is not just an open chequebook; nor is it a way out. This is a proper, verified process that will enable TAFE institutes to deliver what they want to deliver and what they need to deliver in terms of meeting the learning and training requirements of their local communities with some greater degree of flexibility than they currently have.

In respect of the issues the member raises about whether this will impair the financial standing of TAFEs, the answer is no. These applications will be properly assessed by people with sound experience in such matters, and it will be a matter of approval. TAFEs will have to earn that approval with good, sound business cases that ensure their sustainability into the future.

The final point I would make in respect of this question is that the issue of sustainability is exactly why the $200 million structural adjustment fund is in place. It is to give some of those TAFE institutes the opportunity to make an application for funding that will put them in a position where they will be strong, viable and sustainable into the future.

Ms MIKAKOS (Northern Metropolitan) — Is this not just a case of TAFEs going into debt to finance their capital needs, of the government abdicating its own responsibility to fund TAFEs' future capital needs and of the removal of the government's community service obligations?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Ms Mikakos would have heard me talk about some of the TAFE institutes. In my reply to the second-reading debate I mentioned Holmesglen, which for many years — including the 11 years of her government — never received any government funding for capital works.

TAFEs earn, on the whole, more than 50 per cent of their revenue from sources other than government-subsidised training. They are out there acting as commercial entities. A lot of their commercial operations are the basis on which they have supported capital investment in the past. This particular measure simply gives them more flexibility; it does not abrogate the government of its responsibility.

Remember I also said that this is a competitive market-driven system — one that the previous government introduced. With a competitive market-driven system there is the question of why the government, if it is funding TAFEs, is not funding every other contract it provided for capital infrastructure as well. There is no reason for that.

Ms MIKAKOS (Northern Metropolitan) — I want to come to the issue of the process. The minister has been talking about people approving applications. As I understand it, under the provisions of the Borrowing and Investment Powers Act 1987 it is going to be the Treasurer rather than the Minister for Higher Education and Skills who will be solely granting these approvals. Could the minister confirm that that is the case?

My follow-up question is: given that the minister talked about improved learning outcomes being the test, how will they be the test if the minister is not going to be involved?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I am going to be involved. Each year a letter of expectation is sent from the minister to each of the TAFE providers. A dialogue takes place between each provider and the Department of Education and Early Childhood Development — and sometimes with me — about the strategic plans for the TAFE institute over the next 12 months and into the longer term future. It is not as if we are suddenly saying, 'You're out there by yourself'. The higher education and skills group within the department will continue to work closely with our TAFE institutes. The minister of the day, whether it be me or somebody else, will continue to liaise with them in terms of establishing letters of expectation and approving their strategy plans.

Part of a strategy plan might be to develop a new automotive centre of excellence in the Docklands. The Department of Treasury and Finance would only consider a proposal if the proposal had the support of the higher education and skills group in the Department of Education and Early Childhood Development. In that regard this is very much a hands-on process for me as minister — as it should be. The role of the Department of Treasury and Finance would be to further analyse the economics of the submission, ensure that there is an ability to repay and ensure that it would not lead to any financial difficulties for the TAFE institute if it were to have that borrowing application approved.

Ms MIKAKOS (Northern Metropolitan) — Just so that I am clear, will the minister need to make a positive recommendation to the Treasurer before those provisions would be triggered under the Borrowing and Investment Powers Act?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I cannot give Ms Mikakos a flowchart of all the approval processes, but my strong expectation is — like anything that goes from my department to consideration by cabinet or any other government

department — that, unless the changes have the approval and endorsement of the originating department, they simply would not be considered by others. There is a direct reporting relationship from our public providers, TAFEs and adult education providers to the department and ultimately the minister. I take submissions to cabinet on behalf of them, and that sort of process would be followed in this instance as well, where I would need to be supportive of the application before the Department of Treasury and Finance would consider it.

Ms MIKAKOS (Northern Metropolitan) — I do not want to labour the point, but I guess I essentially want to have confirmed that the minister personally — rather than his department — will make a positive recommendation before it goes to the next stage where the Treasurer will consider approval of any borrowing. Will the minister personally provide that approval before it goes to that next stage?

Hon. P. R. HALL (Minister for Higher Education and Skills) — My department is a very good department; I am well served by the people in it. They put briefs to me, as the member probably understands, recommending a position, but ultimately it is my signature on any submission that goes forward.

Ms PENNICUIK (Southern Metropolitan) — Along with Ms Mikakos, the minister has covered some of the items I raised with him and suggested I wanted to pursue before we came into committee stage, so some have been dealt with. With regard to borrowing, is it under the Borrowing and Investment Powers Act 1987 that a TAFE would be borrowing from the government or borrowing from a bank or other financial institution through the government?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I knew it was the government, but the advice I have just received specified that it is through the Treasury Corporation of Victoria.

Ms PENNICUIK (Southern Metropolitan) — So TAFE institutes will not be going through financial institutions other than the Treasury Corporation of Victoria?

Hon. P. R. HALL (Minister for Higher Education and Skills) — That is correct. Just like there are investment guidelines that require them to invest funds with the Treasury Corporation of Victoria, again it will be the potential source of the lender of funds.

Ms PENNICUIK (Southern Metropolitan) — As I said, a lot of the issues about repayment and the mechanisms for borrowing have been covered already. The minister mentioned the example of Holmesglen both in this committee stage and during the summing up of the second-reading stage. Holmesglen is getting a bit of a run today; it is a very large institution. I am concerned about the point that Ms Mikakos raised and that I also raised with the minister, which is the ability of the government to give grants for capital investments, maintenance or upgrades of facilities, rather than requiring a TAFE institute to borrow the money. It seems that putting this legislation in place may lead to the fallback position being that TAFE institutes have to borrow money for these things. That may be easier for an institution like Holmesglen, but for some of the smaller TAFEs, in particular regional TAFEs, that may be less than easy.

I know this is longwinded, but I am leading to the question. The other element I want to introduce is in relation to the mergers between some of the regional TAFEs that I mentioned earlier. I am not sure whether that comes under the structural fund or what they are going to be allowed, but going to the minister's learning criteria as well, if we are having mergers among regional TAFEs and smaller TAFEs, that could mean acquisitions closing down particular campuses, and that would not necessarily assist with learning activities or learning improvements. How will that be balanced in terms of requiring an institution to borrow or the government subsidising these things — that is, will the government still be giving capital grants et cetera, particularly to smaller TAFE institutes?

Hon. P. R. HALL (Minister for Higher Education and Skills) — None of the measures contained in this bill exclude governments in the future making grants for capital purposes available to TAFE institutes. I need to make that very clear. That would be a decision of the government of the day at that time. This measure purely and simply provides greater flexibility for TAFE institutes to meet their capital needs. In terms of some of the scenarios Ms Pennicuik is suggesting might occur in the future, that is really part of a separate process, and as a result of that those sorts of things will be considered as part of a separate process. But it has nothing to do with this piece of legislation; this legislation, as I said, gives TAFE institutes greater flexibility to meet their particular financial needs into the future.

Ms PENNICUIK (Southern Metropolitan) — I have another question about the early part of the bill, not the borrowing part, with regard to staff and staff entitlements. I ask the minister to confirm that the changes will not impact on university staff in dual sector universities or on their entitlements.

Hon. P. R. HALL (Minister for Higher Education and Skills) — Both in the second-reading speech and in the explanatory memorandum I think it is stipulated — I was just trying to look for it, but in any case I have been assured by my advisers that it is the best advice from the department, though I am not a lawyer — that the current entitlements for all workers will be maintained. There will not be any adverse impact on existing entitlements to workers as a result of these changes.

Clause agreed to; clauses 2 to 31 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Motion agreed to.

Read third time.

OWNERS CORPORATIONS AMENDMENT BILL 2013

Second reading

Debate resumed from 28 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Mr LEANE (Eastern Metropolitan) — Every year in this state more and more people find themselves involved in owners corporations, living in multistorey apartments or in places in which there are two, three or more townhouses that have shared driveways, shared gardens and shared services, so it is important that the legislation in this area is right. The opposition has no issue with this particular bill. It has only six clauses, and it deals with only a small number of the issues people have in owners corporations. We believe these are common-sense amendments to the Owners Corporations Act 2006, and we will not oppose the bill.

Ms PENNICUIK (Southern Metropolitan) — The Owners Corporations Amendment Bill 2013 is a fairly simple bill. It seeks to confirm the intention of the principal act that the annual fees of an owners corporation should be set according to the liability of each member of an owners corporation. This is to overcome the effects of the Supreme Court case of *Mashane Pty Ltd v. Owners Corporation RN 328577* [2013] VSC 417. In her second-reading speech the Minister for Consumer Affairs said that, as that case made clear, those amounts are required to be collected on the basis of the principle of who benefits more pays more, which is described as the 'benefit principle'. In the Mashane case the court held that the benefit principle must be applied to levies of annual or special fees that are for repairs, maintenance or other works. The changes to the act ensure that there is no ambiguity about the way the benefit principle should be applied in owners corporations.

As Mr Leane outlined, more and more people are living in situations where they are part of an owners corporation. That includes me, so I am familiar with the annual and special levies that are applied according to the liabilities. This is a very simple bill, and it makes clear how the act is meant to operate. The Greens will support the bill.

Mr ELSBURY (Western Metropolitan) — Those were certainly some very comprehensive contributions to the bill! However, we get the gist of exactly where this is going. This is an important bill to assist some 1.5 million people in the state of Victoria who are currently involved in an owners corporation because they are owners, because they live in an owners corporation-run building or because they work from an owners corporation building.

The bill was developed in response to a decision of the Victorian Supreme Court in the case of *Mashane Pty Ltd v. Owners Corporation RN 328577* [2013] VSC 417. Unfortunately this decision has moved the original intention of the legislation slightly to one side.

The Owners Corporation Act 2006 contains several sections which will be impacted by this bill and have been impacted by the findings of the Mashane case. Clause 3 inserts a subsection (3A) in section 23 of the principal act that will clarify that annual owners corporation fees will be set to each member's lot liability, and this is set out by the plan of subdivision. Clause 4 substitutes new subsection (2) in section 24, and the new subsection provides that special fees will be levied on the base of the lot liability.

Clause 6 substitutes new subsection 49, which provides that an owners corporation may recover costs for repairs, maintenance and other works on the basis of the benefit principle, as it is called, where those who benefit more pay more for works that are carried out.

Clause 7 inserts new subsections (1A) and (1B) in section 53 to provide that by special resolution an owners corporation may carry out upgrade works to the common property. However, this section does not specify how the liability of each owners corporation member will be calculated. This is probably why we had the problems that came up in the Mashane case, which resulted in the benefit principle being applied to

annual fees as well as all of the other areas where costs can be incurred within an owners corporation.

The use of the benefit principle is fine for special cases, but to use it as a basis for annual fees would require the owners corporation to be able to identify any prospective works that might occur in a calendar year at the same time as assessing who would benefit the most from those works and what proportion should be allocated to each member. The concern has been therefore raised that this approach would result in increased administrative burden and create issues when members challenge the variance in the fees levied against them for their lot in a given year. Basically it could end up with courts being quite busy for a substantial time. We would much prefer to have a clear system that easily allocates people with liabilities.

As my colleagues have already pointed out, new owners corporations are coming into being all the time. There is somewhere in the region of 85 000 owners corporations currently across Victoria, and as new townhouse and other accommodation projects come online, we will see more owners corporations come into being, and we will see even more people — even more than the 1.5 million currently impacted upon by this legislation and by this decision of the Supreme Court — being rolled up into these legal matters. The bill clarifies that the benefit principle does not apply to annual fees and reinforces that the benefit principle still applies to sections 24 and 53 of the principal act.

This bill benefited from input provided by the Real Estate Institute of Victoria, the Victorian division of the Property Council of Australia and Strata Community Australia. They all supported the proposed amendments to the Owners Corporations Act 2006. Basically the bill will simplify the process that needs to be followed when an owners corporation undertakes works necessary for the benefit of all people in the owners corporation. It also allows for annual fees to be charged in a proper manner that will allow for greater flexibility for the owners corporation and for those who belong to it. It is about putting this piece of law back on track — back to where it was first intended to be — so that people know exactly where they stand in a case of law.

With those few comments, I commend the bill to the house.

Motion agreed to.

Read second time.

Third reading

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — By leave, I move:

That the bill be now read a third time.

In doing so, I thank Mr Leane, Ms Pennicuik and Mr Elsbury for their extensive contributions.

Motion agreed to.

Read third time.

JUSTICE LEGISLATION AMENDMENT (MISCELLANEOUS) BILL 2013

Second reading

Debate resumed from 28 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Ms PULFORD (Western Victoria) — I am pleased to speak on behalf of the Labor Party on this omnibus justice bill, which makes amendments to 12 acts, including the Confiscation Act 1997, the Crimes Act 1958, the Public Prosecutions Act 1994, the Criminal Procedure Act 2009, the Family Violence Protection Act 2008, the Personal Safety Intervention Orders Act 2010, the Sentencing Act 1991, the Sentencing Amendment (Abolition of Suspended Sentences and Other Matters) Act 2013, the Road Safety Camera Commissioner Act 2011, the Sex Work Act 1994 and the Summary Offences Act 1966.

Members who have perused this legislation will have noted that the amendments made to these pieces of legislation by this bill in the main improve the operation of existing laws or respond to court decisions, in some cases confirming or clarifying the intent of the legislation. There are some more detailed amendments in this bill that relate to the Racing Act 1958, and I will come back to those in a moment.

The Confiscation Act amendments relate to circumstances where the proceeds of crime or property used in the commission of crimes are forfeited and disposed of. The bill responds to two recent cases and confirms that exclusion orders must be made against restraining orders and not at the time of forfeiture. This is a clarification that would continue what has been until recently the operation of the scheme that deals with the forfeiture of the proceeds of crime.

The amendments in the Crimes Act relate to the production and possession of child pornography. All members would agree that this is something that requires very tight control. This bill extends the

exemption that currently exists for police officers in terms of the production and possession of child pornography material in circumstances where producing or possessing child pornography material is something they are doing in the conduct of a specific function of their job. The bill extends the exemption to Office of Public Prosecutions staff and contractors as well as to some Corrections Victoria employees — again in relation to circumstances where the handling of child pornography is required as part of their employment duties.

During the debate in the Legislative Assembly members of the Labor Party asked the government to provide assurances that these controls will be clear. I invite government speakers to confirm the government's intention to maintain these controls so that an absolute minimum number of people will be required to handle child pornography when performing their duties.

Part 5 of the bill contains amendments to the Public Prosecutions Act 1994 and the Criminal Procedure Act 2009 relating to the appointment of and delegation of powers to senior staff of the Office of Public Prosecutions. The amendments to the Family Violence Protection Act 2008 and the Personal Safety Intervention Orders Act 2010 contained in part 6 of the bill relate to the powers of police officers in the seizure of or search for firearms and weapons. This bill extends these powers to police officers who are enforcing orders outside Victoria. Obviously in relation to matters of personal safety and the protection of people in our community from family violence, we would all agree that, whilst arbitrary lines on maps, such as state borders, are very important in many ways, they should not slow the ability of police to provide the kind of protection that people in our community need.

Part 9 of the bill amends the Sentencing Act 1991 regarding transitional arrangements relating to community-based orders that preceded new offences and new sentencing powers. Again, this is a minor amendment and a bit of tidying up. Part 10 of the bill amends the Sex Work Act 1994, and part 11 amends the Summary Offences Act 1966. These amendments relate to the removal of a sunset clause put in place for a trial piloted in 2011. The amendment deals with the power of police to ban kerb crawlers from soliciting sex work services in certain areas of St Kilda. This amendment removes the sunset clause and makes the scheme permanent.

Part 8 of the bill amends the Road Safety Camera Commissioner Act 2011 and removes speed detectors from the definition of 'road safety camera system'. I am advised that the reason for this amendment is that handheld speed detectors, rather than the fixed ones we see everywhere we travel in Victoria, were never intended to be within the jurisdiction of the road safety camera commissioner. I believe this amendment will ensure that the legislation reflects actual practice in relation to these matters.

The government has had something of a road to Damascus conversion on road safety devices that serve to deter drivers from speeding, and opposition members welcome that. Before the election members of the Liberal-Nationals coalition in this place seemed to think that speed cameras and the detection of speeding were nothing but revenue-raising exercises. Members of the opposition have long maintained that speed cameras and speed detectors are important parts of the combination of measures that exist to ensure that our roads are as safe as they possibly can be. The pre-Christmas parliamentary sitting week is a time of year when we are all particularly conscious of the risks associated with being on our roads and of our obligation as legislators to ensure that Victoria maintains its best possible practice and standards — standards which have been emulated around the world. We have a fine record, and we need to continue to take every possible opportunity to improve road safety in Victoria.

The minor amendments I have spoken to briefly have minimal practical effect. However, the substance of this bill relates to the amendments to the Racing Act 1958 contained in part 7 of the bill. Last year the racing integrity commissioner, Sal Perna, instigated an own-motion inquiry into race fixing. In January the inquiry concluded and a report was handed down which makes a number of recommendations. Several of the recommendations relate specifically to the amendments to the Racing Act. For quite some time the Labor Party has been calling on the government to make these changes, but the government has been slow to respond to both the recommendations and this report. It is probably worth noting that the Minister for Racing has had his hands full steering the ship that is the Liberal-Nationals coalition government in Victoria, a ship which has been lurching from one form of distraction or dysfunction to another since these recommendations were made.

The recommendations taken up in this bill have come about as a consequence of changing circumstances in some respects and the need for the arrangements around racing integrity to continue to evolve to meet new and emerging needs. The bill provides Racing Victoria with the capacity to investigate and take action against breaches of the rules of racing and extends this power

to include non-licensed persons — that is, former bookies. This amendment has come about directly in response to recommendation 8 in the report of the inquiry by the racing integrity commissioner.

The bill provides the racing integrity commissioner with greater investigative powers as well. These include the power to compel persons to be examined on oath and to produce documents. These aspects of the bill will improve and continue to promote the integrity of racing in this state. As I indicated earlier, these are things the Labor Party in Victoria has been calling for for some time. The bill does some tinkering. It improves racing integrity, and the Labor Party will not be opposing this legislation.

Ms HARTLAND (Western Metropolitan) — I thank the previous speaker, who has gone over much of the technical detail of this bill. This is an omnibus bill that makes a number of minor and quite sensible changes to a range of acts. Most of those changes improve the clarity and effect of the law, although some of them are a bit odd, and I will go into those.

The bill amends the Confiscation Act 1997 to provide for exclusion orders that will allow the court to rule on whether some or all property should be retained by an offender or by some other person with a legitimate interest in that property who has not been involved in the offending. Amendments to the Confiscation Act relate to two recent cases — *Taha v. DPP* in 2011 and *Lemoussu v. DPP* in 2012. In line with the findings in 2011, this bill makes more explicit the intention of section 20 of the act, which is that the court does not have the jurisdiction to extend the time to make an application for exclusion from restraint in circumstances where the property has already been forfeited. An application for extension of time does not stop the clock on the 60-day time line, so if the court hearing does not take place before this time, the forfeiture goes ahead regardless. This tightens the law and eliminates flexibility.

In respect of the 2012 case the government disagrees with the decision of the court which found that section 35(2) of the Confiscation Act did confer an independent right to apply for exclusion from restraint under section 20 outside the time limits in section 20. These amendments make it clear that section 35 of the act is not meant to confer an independent right to apply for an exclusion order outside the time requirements of section 20. This amendment by the government again makes it harder for applicants to obtain exclusion orders, although I appreciate that if an application for exclusion from restraint is received within 30 days and the issue is not resolved within the 60-day period, section 35 will continue to apply and thus the forfeiture will occur until the matter is resolved.

I understand that for the sake of clarifying the law it is important to consider these court cases and adjust the legislation. That way everybody knows where they stand on confiscation. These changes reinforce the fact that lawyers should always file an exclusion application and an extension of time application as soon as possible.

My concern with this part of the bill relates to situations where exceptional circumstances exist and where it is definitely in the interests of justice to allow a person to seek a time extension or an exclusion from the forfeiture — for example, where an innocent partner has missed the deadline on the time limit with very good reasons, such as sickness or some other unpreventable circumstance. My concern is to avoid any harsh or unfair application of the law in such a situation. It is logical that you cannot seek an exclusion order when property is already disposed of; however, there are cases where the police will still be in possession of the forfeited item, and some flexibility may be appropriate if there are exceptional circumstances.

There is another issue that I would like to raise in respect of the Confiscation Act which is not addressed by this bill but is an outstanding issue. It is that an innocent person may have an interest in a property alongside a person who commits an offence under this legislation — for example, a partner who has made a non-financial contribution to the home. Under the act as it stands such a person does not appear to be able to be properly heard or recognised, and this is something the Greens want the government to act on.

The amendments to the Crimes Act 1958 relate to child pornography. They extend an exemption on possessing offending material to staff of the Office of Public Prosecutions and their contractors who are required to deal with this material as a necessary part of the office's function. This exemption also extends to certain Corrections Victoria employees who are required to possess, copy and transmit such material in order to monitor certain offences. This is a logical reform. I think it must be quite devastating for these officers to have to deal with this material on a day-to-day basis. Hopefully there are procedures in place to monitor exactly how this is being managed.

The bill makes minor and technical amendments to the Public Prosecutions Act 1994 and the Criminal Procedure Act 2009 in relation to delegation and appointment powers, clarifying the powers of senior

legal staff working within the Office of Public Prosecutions. This seems to me to be quite straightforward.

The amendments to the Family Violence Protection Act 2008 and the Personal Safety Intervention Orders Act 2010 extend current laws in Victoria to provide police officers with the power to direct the surrender of firearms, ammunition and weapons and to enter certain premises in circumstances where an interstate protection notice or an interstate order regarding these matters exists. It seems logical to me that when a person is being threatened with a weapon police officers would want to know if the offender is subject to an intervention order.

The amendments to the Racing Act 1958 remove any doubt that the rules of Racing Victoria are enforceable against non-licensed persons participating in racing. This is consistent with recommendations made by the racing integrity commissioner, and we think it is quite appropriate.

The bill also amends the Road Safety Camera Commissioner Act 2011 to delete the reference to 'speed detectors' from the definition of 'road safety camera system'. It is argued that the speed detectors are exclusively the domain of Victoria Police. The Greens did not support the creation of the office of a commissioner to review matters relating to speed cameras, as the Auditor-General had already told us there was nothing wrong with the road safety program that had been operating. This office appears to exist to placate the anger of people who have received speeding fines presumably because they have been speeding. The Greens would much prefer it if the money being spent on this office were spent on road safety measures. We accept the exclusion of the hand-held speed monitors from the road camera safety system. It is quite odd. If it is clearly within the domain of Victoria Police, I cannot understand why this was not recognised and dealt with when the commissioner's office was first set up. As I said, the Greens did not support the setting up of the commissioner's office then. People are fined for speeding because they are speeding.

In relation to the Sentencing Act 1991, the amendments ensure that the provisions introduced by the Sentencing Amendment (Abolition of Suspended Sentences and Other Matters) Act 2013 address any future contraventions or variations of the old fine default orders. We see this as a minor technical change.

The Sex Work Act 1994 and the Summary Offences Act 1966 relate to police powers to ban street sex tourists, also referred to as kerb crawlers, from inviting or soliciting sex work services within a declared area in St Kilda. This scheme was introduced on a trial basis in 2011, and the bill makes it permanent. The bill also amends the Summary Offences Act to make notice of the declared area in St Kilda valid until it is varied or revoked. Notices setting out the declared area will no longer have to be made annually. The scheme has had some success in encouraging some women out of street work, and the focus on the sex tourist is absolutely appropriate. However, it has not been without its problems, and my understanding is that in enforcing this ban police do raids on streets where they know men in cars go to solicit sex. This leads to some quite vulnerable women jumping into cars, rather than doing a proper safety assessment of their potential client before agreeing, in order to avoid the raids and lose the money the job would provide. This puts these incredibly vulnerable women at higher risk.

While the Greens support making the ban permanent, it is critical that it is accompanied by some modest funding to community agencies to support women to find pathways out of what is often an incredibly dangerous working environment on the streets. There are some fantastic community organisations running on the smell of an oily rag doing their best to support women in St Kilda, and St Kilda Gatehouse is a classic example of them. It is almost entirely self-funded and provides women who often come from backgrounds of abuse and poverty with support, care and hope to build a life off the streets. It is critically important that in making this change the government provides some modest funding to these agencies to boost their work so they do not have to keep coming back and begging for more, because they are looking after the interests of some of the most vulnerable members of our community. With those few words I will finish. I hope some of the questions I intend to raise in the committee stage will be addressed by the minister during his summing up.

Mr O'BRIEN (Western Victoria) — It is with great pleasure that I rise to make the only contribution today on behalf of government backbenchers in relation to the Justice Legislation Amendment (Miscellaneous) Bill 2013. This is another omnibus or miscellaneous piece of legislation containing a series of significant reforms furthering the coalition's commitments to what has been called law and order reform, but which also relate to the justice system. They endeavour to protect the institutions of justice and provide them with the confidence they need to discharge their important duties. Importantly, they include the protection of the community and those who are most vulnerable in our society.

Today is an auspicious day. I too will pick up Ms Pennicuik's suggestion during a previous debate to refer to the late Nelson Mandela. It may not be always noted that amongst his many achievements he was a lawyer. I think David Davis touched upon Nelson Mandela's critical role in the legal profession prior to his more famous incarceration period and then liberty and the manner in which he then approached the opportunity to unite the nation in a post-apartheid world. It is something all members touched on today. While it is not something I do often, on this particular occasion I heartily commend Mr Tee on his contribution to the condolence debate. I also lived in South Africa for a period of my youth. It was in many ways a brutal country but also a beautiful country. The lessons learnt in that country are more than apt for some of the issues that sometimes face this country, and the similarities between them are perhaps more often noted by those who have lived in both countries than those who have not.

I will quote something said by Nelson Mandela as a lawyer, which is 'A good head and a good heart are always a formidable combination'. The reason I use that quote in particular is that it reminds me of the valedictory speech made by the Honourable Justice Frank Vincent, who referred to the most important parts of the legal profession, or the values of a good judge or a good lawyer, as being to have a good head and a good heart. In a sense that is what this government has endeavoured to re-instil into the justice system — that is, sensible laws that work and are cohesive but also bear in mind the most vulnerable and the people in the community who most need our protection. It is important to consider these bills in the wider context of these reforms and with those themes in mind.

Ms Pulford made some suggestions about racing reforms and intimated that the Premier, in his capacity as Minister for Racing, had not necessarily kept his eye on the ball. Nothing could be further from the truth, and there is great irony in Ms Pulford's suggestion. Both before he became Premier and since, as Premier and Minister for Racing, Dr Napthine has been very active in restoring some certainty and confidence in the racing industry from an integrity point of view — as the bill sets out — but also in restoring racing events themselves. The irony is that the previous racing minister was none other than the former Attorney-General, Mr Hulls, a former member for Niddrie in the Assembly, who did things of particular note for my electorate — for example, winding back the trots, threatening to wind back picnic racing and basically over-centralising and causing much dislocation in the racing industry. The Premier has been lauded by the racing community for his support for and active involvement in the industry. In his more generous moments even Mr Pakula, the member for Lyndhurst in the Assembly, has acknowledged the Premier's knowledge of and therefore his contribution to the racing industry.

The government has made important reforms to a range of criminal justice matters. Given Ms Pulford's comments, it is important in the last sitting week of the year to remind the house of the broad range of matters that the government, as part of its election commitments, has introduced and implemented. They include Brodie's law, Elsa's law, double jeopardy reforms, gross violence offences, criminal organisations, sentencing reforms, community correction orders, abolishing the fiction of home detention and suspended sentences, restoring truth in justice, as well as reforms in relation to family violence and working with children. Then there are the additional protective services officers and police, equal opportunity, civil procedure reforms and the institution of the Independent Broad-based Anti-corruption Commission Committee. This bill with its series of careful amendments will further deliver on those government commitments.

Dealing with the bill's specific amendments in general order, it is appropriate to start at the same point at which Ms Hartland started, which is with the amendments to the Confiscation Act 1997. These essentially are in response to two cases: *Lemoussu v. DPP* [2012] VSCA 20 and *Taha v. DPP* [2011] VCC 1412. I note Ms Hartland referred to some specific matters. The Minister for Liquor and Gaming Regulation, Mr O'Donohue, or I will endeavour to respond at some stage. It is important to remind the house that the amendments relate to the exclusion of property from forfeiture — essentially, proceeds of crime — and they in effect seek to confirm the original intention of the decisions in the two cases I referred to.

In the Lemoussu decision the Court of Appeal interpreted the Confiscation Act in a way that found Mr Lemoussu was still able to make a late application for forfeiture. The intention of the act is that there be only one part to apply for the exclusion of property from a restraining order and that the time lines for that application apply to all parties. The aim of the amendments before the house is to clarify that section 35(2) of the act is interpreted as only providing one pathway for a person with an interest in restrained property to make an exclusion application.

The second decision referred to is the Taha decision. Mr Taha was charged with trafficking in a large commercial quantity of MDMA. Another significant

investigation occurring at the moment is the parliamentary inquiry which was promptly launched by the government in relation to the ice epidemic. I commend Mr Ramsay, who is chair of that committee, and the other committee members from all sides of Parliament for the diligence with which they are discharging their duties. They are travelling around regional Victoria — including to my electorate — to get the latest from the community, experts and those affected by the scourge of the ice epidemic.

In relation to the Taha case, in July 2008 a restraining order was made over two cars belonging to Taha and his wife, Omran. Both Taha and Omran received notice of the restraining. Taha subsequently argued that the application for an extension of time to make an exclusion order should be treated as an application on foot and yet to be determined, despite the fact that there had been no extension of time granted before the property was automatically forfeited.

The court found that applications for exclusion orders must be made within the 30-day time limit or within an extension permitted by the court. Once a property has been forfeited the court no longer has the power to extend the period for making an exclusion application. Until such an extension of time is granted, an application for an exclusion order cannot operate to prevent automatic forfeiture from occurring according to the time lines in section 35. The court also found that it had no power to grant an extension at a time when the property had already been forfeited.

These amendments clarify the operation of sections 20 and 35 and confirm the interpretation in the Taha case. The amendments minimise further uncertainty and litigation around the operation of these provisions. The amendments also make it clear across the act that once the property is forfeited, the court no longer has jurisdiction to grant leave to make out-of-time applications. These amendments are intended to reflect the current position rather than change the rights of any parties.

I have received advice in relation to Ms Hartland's questions, and I will give the following response. Ms Hartland's questions were clear from the copy of *Hansard* she provided, but for clarity in relation to my answers the first question was that in the case where an exceptional circumstance exists for a party not submitting or obtaining a verdict on an application for a time extension within a relatively short time frame period, what further avenue will they have to apply for an exclusion order in relation to property? After the 30-day time frame set out in section 20 has begun, a person other than the offender has a further opportunity to apply for an exclusion order before forfeiture occurs.

The answer to the second question Ms Hartland asked is that the court has a discretion to extend the time frame in circumstances where an application is pending but before the forfeiture occurs. I note that the Minister for Corrections, Mr O'Donohue, is in the house. He may provide further answers and clarify those remarks if necessary. I hope that answers Ms Hartland's questions. I commend Ms Hartland for providing us with notice of them. I hope that deals with the confiscation amendments.

The bill also provides some amendments to the Public Prosecutions Act 1994 and the Criminal Procedure Act 2009 to clarify a number of delegation and appointment powers. It also makes some amendments to the Crimes Act 1958 to provide staff of the Office of Public Prosecutions (OPP), Corrections Victoria and other specified persons with protection from prosecution for certain child pornography offences under that act. This was the subject of a question — or rather a concern — of Ms Pulford that these amendments, though sensible in their own right, might have unintended consequences or be capable of misuse. I place on the record that it is certainly not the government's intention that these amendments would permit anything other than lawful activity by authorised officers in relation to their lawful activities to detect, prevent and prosecute crime that necessarily involves the accessing and transmission of child pornography material.

For confirmation's sake, the Crimes Act currently provides that a person who produces child pornography under section 68 or possesses child pornography under section 70 is guilty of an indictable offence. However, law enforcement officers and certain persons authorised by the Chief Commissioner of Police are exempt from these offences when they act in the exercise or performance of a power, function or duty. The amendments to the Crimes Act will extend this exemption to apply to staff within the Office of Public Prosecutions and their contractors who are required to deal with this material as a necessary part of the office's prosecutorial function. This exemption will also extend to staff from the Department of Justice — namely, Corrections Victoria employees — who are required to possess and produce child pornography material in the exercise of a duty or performance of a function of their employment.

The government considers that this protection is necessary for staff within the OPP and other associated persons, such as audiovisual technicians, who are regularly required to possess, print, reproduce or

otherwise deal with child pornography which is or may be used as evidence in a trial. Similarly, it is also necessary to protect authorised staff of Corrections Victoria who are required to review and reproduce this material in order to monitor an offender's compliance with parole orders, supervision orders or community correction orders.

I note that the Minister for Corrections is in the chamber. I compliment the minister on his acceptance of my invitation to visit the new Hopkins Correctional Centre at Ararat, which this government has put back on track in terms of its construction. It is also part of a large network of prisons and corrections facilities that deal with offenders at their various stages of incarceration, if that is what they be, or service in the community under community correction orders. I also thank the staff of the Hopkins Correctional Centre, as well as the builders and contractors, for their diligent work on the important project and the important jobs in Stawell, Ararat and other towns throughout western Victoria.

It is important that the protections in this bill are sensibly provided, but I also confirm that the government is in agreement with Ms Pulford's sentiment that these protections are limited to the necessary extent provided for in the legislation and are not provided to persons to permit them to otherwise produce this material other than as a necessary function or duty of their employment. The protections apply only to those persons who are required to possess or produce this material as a necessary function or duty of their employment, and protected persons can be prosecuted like any other individual if they are found to be possessing or reproducing this material outside the course of their employment.

I remind the house that these are very serious offences. The penalty for child pornography possession offences under section 70 of the Crimes Act is imprisonment for up to 5 years, and the penalty for child pornography production offences under section 68 of the Crimes Act is imprisonment for up to 10 years. I trust that has dealt with Ms Pulford's concerns — as best as I can, anyway.

I turn now to part 6 of the bill, which amends the Family Violence Protection Act 2008 and the Personal Safety Intervention Orders Act 2010. Again this is sensible legislation. I agree with Ms Hartland's assessment that they are very logical and that they are an important part of a regime to protect the most vulnerable in the community consistent with the message of the Minister for Community Services, Minister Wooldridge the Parliamentary Secretary for Families and Community Services, Mrs Coote, all members of the government, and I believe all members of the Parliament that there is no excuse for family violence or what is sometimes called domestic violence or violence in a family setting. There is no excuse for violence against women or children, and the officers who are engaged in this area must be given the appropriate powers to deal with these issues considering the difficult balance of judgement they have to make often in short time frames.

The Family Violence Protection Act 2008 and the Personal Safety Intervention Orders Act 2010 presently empower police officers to direct the surrender of firearms, firearm authorities, ammunition and other weapons and to enter certain premises without a warrant, and others with a warrant, to search for and seize those items. The amendments in part 6 of the bill extend those powers so that they apply where a police officer intends to serve or has served on a person in Victoria an interstate protection notice, an interim or final interstate intervention order or an application for an interstate intervention order. The expanded powers are aligned with the existing firearms and weapons powers police have in relation to family violence safety notices and family violence intervention orders made under the Family Violence Protection Act 2008 and the personal safety intervention orders made under the Personal Safety Intervention Orders Act 2010. These are the main matters that queries have been raised on in the debate that I intended to deal with, and I hope I have done so.

The bill also amends the Racing Act 1958. These are sensible reforms. I have touched upon the ridiculous suggestion by Ms Pulford that somehow this government and this Premier are not across the racing industry. I challenge Ms Pulford to have as good a day at the races as I have seen the Premier have sometimes. He has certainly out-tipped me on occasion, as I am sure he has many others. These reforms are designed to give the relevant statutory bodies the powers to apply the rules of racing to registered, licensed and other relevant persons and to clarify that Racing Victoria has similar powers over non-licensed persons as those available to Greyhound Racing Victoria and Harness Racing Victoria. As outlined in the second-reading speech, the amendments give the racing integrity commissioner the power to summon any person to attend at any time or place to give evidence or to produce any documents, and the power to administer an oath and examine on oath any person required to attend.

As a Christmas message, it is appropriate to commend the Minister for Roads and other ministers relevant to the road safety portfolio. As a speaker for the government, I again urge all motorists to do the right

thing over the Christmas period and exercise that extra bit of caution and to talk the road toll down.

I hope that answers the questions raised by the opposition and the Greens. With those words, I commend the bill to the house.

Hon. E. J. O'DONOHUE (Minister for Liquor and Gaming Regulation) — I thank Ms Pulford, Ms Hartland and Mr O'Brien for their contributions to this debate. This important bill covers a range of issues, as those speakers have outlined. I thank Ms Hartland for giving me notice of some questions she will ask in committee. Mr O'Brien has responded to some of the questions that Ms Hartland raised in relation to the specifics of the bill, and Ms Hartland has asked that I respond to some more general policy or funding issues in relation to street sex workers in particular. I will endeavour to provide a satisfactory response to Ms Hartland. As I said, I thank Ms Hartland for giving me notice of this.

There is some acknowledgement that the trial of banning notices has been a success. I am informed that 775 banning notices have been issued since the trial began. The government understands and accepts that sex workers are often in vulnerable situations. Across government and a range of agencies we have seen a greater understanding of the challenges and the need to be more proactive in addressing violence against women and children.

In my corrections portfolio, the government has provided $104.4 million for sex offender treatment in the correctional environment and in the post-prison environment. We know that helps to address recidivism rates. In my crime prevention portfolio $7.2 million has been provided for grants in relation to violence against women and their children. That funding is provided at a local level through regional reference groups that the Department of Justice coordinates. It is specific and responsive to the challenges in particular locations. For example, in Southern Metropolitan Region and Bayside locations the government does not dictate to those reference groups about the way that funding is expended; rather it seeks to empower those reference groups to provide appropriate responses to address violence against women and children in those particular locations and where the regionalised context calls for a specific response.

I add that we have seen Victoria Police drive a cultural change in this respect. The government has provided additional resources to Victoria Police by recruiting 1700 new police during this term. To his great credit, the Chief Commissioner of Police has dedicated more resources to tackling these issues, which have been swept under the carpet for far too long. I pay credit to the chief commissioner.

Last Friday I was pleased to be at the MCG at a symposium the chief commissioner organised on this very issue about culture change, violence against women and the need for all men to speak up and not be silent when inappropriate behaviour takes place — to not condone the culture of sexism that exists in some areas.

I hope what I have said about the approach from government provides some comfort to Ms Hartland in a reactive sense with the resources provided to Victoria Police, but perhaps in a more proactive sense as well with the $7.2 million provided across Victoria through the crime prevention portfolio to tackle violence against women and children and the $104 million over four years, plus ongoing funding of $26 million, through the corrections portfolio. This is a significant challenge for the community and for government, and it is one which we all have a responsibility to be part of. I thank the speakers again for their contributions to the debate, and I hope I appropriately responded to Ms Hartland's queries.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

DISABILITY AMENDMENT BILL 2013

Second reading

Debate resumed from 28 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Ms MIKAKOS (Northern Metropolitan) — I rise to speak about the Disability Amendment Bill 2013. What we have before us today is a bill that simply increases the ability of the Napthine government to reach into the pockets of people with a disability and grab a greater revenue share from the most vulnerable members of our community — that is what this bill is about. It is a blatant cash grab and an attempt at cost-shifting resources from the federal government to the state government that is liable to leave many vulnerable residents significantly out of pocket.

There are some 5000 people in supported accommodation in Victoria, about half of whom are in Department of Human Services-run homes. Not only do people with disabilities face physical, social and attitudinal barriers that exclude them from participating fully as equal members of our society, but they also face financial pressure. People with a disability largely get by on their disability support pension. This is not a huge amount of money; it is a tight daily budget and for many causes, a daily struggle.

The government's proposed fee hikes in this bill will mean that people with a disability will have even less discretionary income to do some of the things that many of us take for granted: go out and have a cup of coffee with friends, go to the movies and participate in many activities that make life enjoyable. The bill will restrict them even further from participating in our community. Put simply, the bill goes against all that disability policies should be about.

Last week, on 3 December, we all celebrated International Day of People with Disability. This is a significant day where we need to focus on breaking down barriers. I am pleased that this year's theme was 'Break barriers, open doors: for an inclusive society and development for all', because that is a very important goal. A large part of this is giving people with a disability the same right as others to participate in society, having a real voice to be heard, to be treated equally, to have greater independence and choice and to be equal partners in decisions that affect their lives. These principles should be more than just rhetoric. There needs to be a real commitment to inclusion and support of people with disabilities, a real shift in attitude towards the way we see people with a disability.

For many years in Australia the lack of integration between the aged-care, disability and health-care sectors has resulted in a fragmented and duplicated approach to care and services, but with the introduction of the national disability insurance scheme (NDIS) I have faith and hope that this will change. The NDIS is a groundbreaking initiative of the Gillard Labor government. It will transform the way disability services are provided in Australia. As a member of the Labor Party I am extremely proud of this initiative, and I pay tribute to Julia Gillard and also Bill Shorten for his role in making this a reality. It is not just about providing individual supports but about opening up opportunities for social activities and networks and, most importantly, providing connections to local communities. This is what real action is about.

I ask government members: what part of this bill achieves those principles? What part of this bill is about giving people with disabilities a voice, when this same government is introducing this bill without consulting those people themselves? What part of equality does the government take to mean a bill that will limit the rights of people with a disability to appeal to the Victorian Civil and Administrative Tribunal (VCAT)? Most importantly, where is the fairness in this bill? Instead we have a bill from a government that is once again ignoring the voices of people with a disability and the voices of those advocating on their behalf.

It is important that we remember that on the same day that the Minister for Disability Services and Reform introduced this bill in the other house the government also announced a review by the State Services Authority into charges and fees across the disability accommodation sector. The media release accompanying this bill states that the government is to consult over a new board and lodging fee structure for disability accommodation. This is likely to lead to some winners but many losers as extra fees and charges vary from house to house. What the minister is trying to do is impose a one-size-fits-all approach in a sector which has become more individualised with the advent of the NDIS. Any right-thinking person would believe that you review first and legislate later, especially given the complexities of the disability sector and group homes.

The Labor opposition regards it as odd that the government has chosen to change the law before the outcome of this review has been completed. As I understand it, the government's review is to be completed by March next year, so it would not be entirely unreasonable for the Napthine government to wait just a few more months before proceeding with this bill. Given the extreme complexities of the sector it is vital that changes are made with full knowledge of the consequences. In essence the minister has put the cart before the horse with this bill, and these are sentiments that are echoed throughout the sector.

In their media release of 11 November 2013 the Victorian Advocacy League for Individuals with a Disability (VALID) and Villamanta Disability Rights Legal Service stated:

> Consideration of the bill, which aims to introduce a board and lodging fees structure for the 2100 residents of state-managed group homes for people with disability, should be postponed in order to allow a proposed review of disability service fees to be conducted by the State Services Authority.

The media release goes on to state that:

> … VALID and Villamanta have concluded that the bill is being proposed without proper consultation with the sector and without due consideration of its potential impacts …

and that —

> … there has been scant regard for the unknown number of residents who have been receiving the CRA, and the impact this measure is likely to have upon their potentially fragile budgets, particularly in the second and subsequent years.

These are damning indictments of a government that claims to be listening to Victorians and acting in their best interests.

It is for this reason that I propose to move a reasoned amendment to this bill. I move:

> That all the words after 'That' be omitted with the view of inserting in their place 'this house refuses to read this bill a second time until the government has completed a review into disability accommodation fees and charges, following appropriate consultation with residents, carers, families and other stakeholders.'.

I ask that copies of the reasoned amendment be circulated.

I indicate to the house that should this reasoned amendment fail, I will also be moving amendments to the bill that propose to delete a large number of the provisions in clause 4. Should these amendments also fail — as I am expecting they will, given the position the government took in the Assembly — —

Mr Lenders interjected.

Ms MIKAKOS — I am hopeful of my persuasive powers, Mr Lenders.

Hon. W. A. Lovell — I am worried about your self-esteem.

Ms MIKAKOS — No. I just know that you are very predictable, Minister Lovell.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! Through the Chair.

Ms MIKAKOS — Should these amendments also fail in the committee stage, I indicate to the house that the Labor opposition will be opposing this bill. By way of context for this issue, the disability sector is a very complex area and I want to give some background on just how this bill has come about.

In the last state budget the government sought to standardise board and lodging fees in Department of Human Services (DHS) accommodation. This was described in the budget papers under a list of revenue-raising initiatives which sought to raise some $44 million over four years from around 2500 of our most vulnerable Victorians. This equates to around $18 000 per resident. The impact of this fee hike would have seen accommodation charges increase from between 48 per cent to 57 per cent of the disability support pension to 75 per cent of the disability support pension and 100 per cent of commonwealth rental assistance.

At present the disability support pension is worth around $19 000, with commonwealth rental assistance bringing the total annual income of these residents to around $22 000. That is a very modest amount of money. Currently DHS fees are around $10 000 to $12 000. This represents on average between 48 per cent to 57 per cent of the disability support pension. Under the proposed fee hike these fees would have risen to around $17 500, leaving most residents in severe financial difficulty and those without family support facing destitution. This cannot be described as anything other than a cruel and callous cash grab.

It is just not good enough to say that this is commensurate with what happens in the private system. I had a conversation with someone in my office just yesterday about this issue. She has a son with quite profound disabilities who lives in private accommodation. This mother said to me that her son was left with just $40 per fortnight in discretionary income. I was just astounded. This is a single mother on an aged-care pension who is having to go to Centrelink to borrow money by taking part of her pension in cash advances in order to give her son the most basic luxuries. She described one of the things he craves as Coca-Cola. It is unbelievable that people are in this position in this day and age. This is a mother with a son who is in private accommodation. That the government would want to put more people in that position is just extraordinary.

In response to this full-frontal assault on the dignity and financial independence of Victorians with a disability, an active campaign was led by VALID that encompassed residents, parents, carers, the union movement and the Villamanta Disability Legal Service. I pay tribute to each of the organisations and individuals involved on bringing this issue to prominence, because they are speaking on behalf of some of the most vulnerable people in our community.

The campaign also saw a 7000-signature-strong petition tabled in the Parliament by the shadow minister for disability services, Danielle Green — —

Mr Drum — Credibility there!

Ms MIKAKOS — She is actually doing a fantastic job on behalf of the sector; I can assure Mr Drum of that. In addition to this, as I understand it, a total of 1800 DHS residents sought a Victorian Civil and Administrative Tribunal review of the fee hike. I note that this figure has been disputed by some members of the government in the other place. The issue is that a significant number of residents who were concerned about this took the government to VCAT. The government's lawyers argued that VCAT had no jurisdiction to hear these cases. Then, when the government knew it was going to lose money, it backed off on the fee hike; coincidently it backed off on the day before the federal election. The VCAT ruling also had implications for the wider sector as potentially it meant that any fee increase could be challenged.

It is entirely reasonable for disability providers to be afforded certainty, and members on this side of the house wholeheartedly support that principle, but we also support the principle that the needs of disability providers must be balanced against the needs of some of Victoria's most vulnerable people, many of whom are already reliant on family financial support just to make ends meet, as I indicated earlier.

I take this opportunity to congratulate the large number of opposition members who spoke on the debate in the Assembly. I read through all of the report of the debate. There were some very passionate contributions. People spoke from the heart about their personal experiences and those of their families. There were some very moving contributions. The debate was ably led by Danielle Green, the member for Yan Yean in the Assembly and the shadow minister for disability services. I congratulate all opposition members who spoke in the Assembly and who strongly advocated on behalf of those who are badly affected by this legislation.

In reading the debate I found it extraordinary that the Minister for Community Services was making constant points of order during the contributions of opposition members and was trying to shut down debate on things she did not want said. She did not cover herself in any glory by trying to whitewash history and claim on numerous occasions that the VCAT case was not related to this bill. I found it quite extraordinary that the minister made that assertion. In fact she continued to maintain afterwards that fees for state-run disability care should be brought in line with fees in the community and private sector and that she was considering legislation to enact this increase. I saw the minister interviewed on ABC's *7.30* on 6 September. She indicated that because things did not work out at VCAT, the government was going to legislate. That is what it has done. To then try to rewrite history is a bizarre undertaking.

This bill is absolutely related to the government's loss at VCAT. The bill is really about budget savings. Government members should be honest about the fact the bill is about privatising disability services. It is about increasing fees so that they are commensurate with what people pay in the private system. When that happens, the government will say that it might as well just get the non-government sector and private providers to run those facilities, given the fees are the same. I know that is what Shergold is about. I know what the government's secret Vertigan report is all about. It is about borrowing from David Cameron's 'big society' policy — that is, shrinking government services and shifting responsibilities onto not-for-profit organisations in the philanthropic sector and hoping they will pick up the slack. Just as the *Australian* predicted on 28 August 2012 in light of the leaked Vertigan report, this is exactly what is coming to pass. The article in the *Australian* said — —

Mr Drum — You haven't lifted your eyes up. You're reading someone else's speech.

Ms MIKAKOS — I advise Mr Drum that I am reading a quote. He might listen and learn something about what his own government is doing whilst he is sitting on his hands. In relation to the leaked Vertigan report the *Australian* said — —

Mrs Coote — What date?

Ms MIKAKOS — It was 28 August 2012. Mrs Coote can look it up and learn. The article says:

> Officials associated with the review say that, wherever possible, the government should get out of directly delivering services, such as welfare, early childhood education and housing. Rather than simply outsourcing government functions, it calls on the government to create competitive markets so that charities and other private bodies would bid for government contracts.

We know exactly what the plan is. We are seeing it in aged-care services. I referred to it today in question time in a question to the Minister for Ageing — —

Mrs Coote — On a point of order, Acting President, this is a bill about disabilities. We are not discussing aged care; we are discussing disabilities. I ask you to bring the member back to the bill at hand.

Ms MIKAKOS — On the point of order, Acting President, as the lead speaker I have some flexibility in terms of my approach. I am giving context as to the government's agenda here, which is to get out of

government services. That is what the government is doing in disability services.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! The lead speaker does get some leeway. I suggest to Ms Mikakos, however, that if she heads out in that direction, she invites comment from the other side. I ask her to come back to the bill.

Ms MIKAKOS — I know that members opposite are very sensitive about this issue. I am sure most of them are completely in the dark about it. Some parliamentary secretaries in the back may well be privy to parts of this agenda, but they would do very well to not put themselves in the same predicament — —

Mrs Coote — On a point of order, Acting President, the contributor is putting words into my mouth and casting aspersions on my point of view which are completely unjustified. I ask her to apologise.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I do not uphold the point of order, but I remind Ms Mikakos that if she strays into unknown territory, it will come back the other way. I ask her to come back to the bill.

Ms MIKAKOS — On a point of order, Acting President, I think the comment you just made is highly unusual for an Acting Chair. It could be misread as a threat.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! It is certainly not. Ms Mikakos should continue with the bill.

Ms MIKAKOS — I will continue, but the point I make is that if Mrs Coote and others are so sensitive to my accusing them of being in the dark, I draw the conclusion that they are culpable for the government's decision to privatise disability services.

The point that needs to be made is that in the course of debate on this bill in the Assembly, a whole lot of government members made categorical comments and claimed that people with disabilities would not be worse off under this legislation. Those members might rue the day they made such statements. When government members in this place get up shortly and make their contributions to the debate, they will need to be very careful to stick to the government talking points. Otherwise they will rue the day they made a whole lot of comments claiming that people will not be worse off when they know full well that people will be worse off.

It is interesting that members of the government are seeking to put in place legislation that is making the lives of people with disabilities even more difficult. The government claimed it was going to address cost of living pressures, and it has done nothing but add to those pressures. The bill we are discussing today speaks volumes about the direction in which this government is heading. The Minister for Housing and Minister for Children and Early Childhood Development, who is in the house at the moment, put out a release that summed it up wonderfully. She said:

> In tough economic times … the soul of a government can be seen in the areas it prioritises for funding …

I thank the minister for clearly encapsulating that the government's priorities are to spend $8 billion on a dud tunnel whilst ripping $44 million out of the hands of people with disabilities. This is a government with no soul. It has no soul — —

Mr Drum — On a point of order, Acting President, the lead speaker is now talking about a transport plan and transport projects. I ask you to bring the member back to the bill.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I do not uphold the point of order, but I do remind Ms Mikakos that she should stick to the bill.

Ms MIKAKOS — I note that members of the government are very sensitive about this, and so they should be. They should hang their heads in shame because this bill is an absolute abomination. It is an abomination that they have brought into this Parliament. They have chosen to add to the cost of living pressures faced by countless Victorians with a disability, and they have done so without even consulting the sector.

Coming now to the bill, I wish to read a statement put out by Lifestyle in Supported Accommodation, titled — —

Honourable members interjecting.

Ms Hartland — On a point of order, Acting President, I am trying to listen to this contribution because I will follow Ms Mikakos, and I would like to be able to hear what she is saying without interjection. I hope that when I get to speak I will be heard in silence.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! Thank you very much. Ms Mikakos should be allowed to continue without assistance from anyone in the chamber.

Ms MIKAKOS — Thank you, Acting President, I am very pleased that Ms Hartland is interested in my contribution, even if others are not. I know also that Mr Leane and Mr Scheffer are interested, as is Ms Darveniza. I was referring to a statement put out by Lifestyle in Supported Accommodation, titled 'Beware the Wolf in Sheep's Clothing!', which gives a sense of the outrage felt by the sector. In the statement of 15 November 2013, it says:

> The minister initially made a direct grab for unjustified DSP —

that is, disability support pension —

> cash, and lost. As a direct result, she has become even more determined to get her way. This time she is more sneaky and determined to, by stealth, achieve a similar cost hike eventually.

I think that says a great deal.

This is only a short bill; it does not have a lot of clauses in it. If the government's rhetoric were to be believed, you would think it was benign and not worth worrying about. But really it is a wolf in sheep's clothing. Lifestyle in Supported Accommodation has it absolutely right. Under this bill any increases that are linked to CPI and are below the threshold of 75 per cent of the disability support pension cannot be challenged at VCAT. That is what the government is asking hundreds of vulnerable Victorians to accept.

The bill itself has three barely comprehensible formulas, which if you look closely reveal a massive cash grab from a government more interested in ripping off vulnerable Victorians than allowing them to live with dignity and a degree of independence. Clause 4 introduces new section 72A, which gives the government the power to exercise this cash grab. It allows providers to implement charges linked not only to the disability support pension but also to the commonwealth rent assistance by up to nearly 40 per cent without any recourse to VCAT. I should point out this is happening today, of all days, on the international Human Rights Day.

Mr Scheffer interjected.

Ms MIKAKOS — I believe it is; it is Human Rights Day. It is a very significant day.

Mrs Coote — Every day is a day for human rights.

Ms MIKAKOS — Absolutely, Mrs Coote, I agree with you on that. As someone who has been a member of Amnesty International for 20-plus years, I absolutely agree with you. The thing that galls me is that on the day we celebrate human rights around the world we are debating a bill in the Legislative Council that is taking away the human rights of people with disabilities. It is taking away their right to go to VCAT. I find that just appalling.

I wonder why the government feels the need to shield itself from the appeals of vulnerable Victorians. Government members should ask themselves what the practical application of this bill will be. They should ask what the practical implications of this will be on vulnerable Victorians. If they cannot work it out from the convoluted formulas in this bill, I do not blame them, because for a bill the government claims is simple and straightforward it is anything but.

The Labor opposition is not against measures relating to the cost of living increases, because greater certainty is required for the sector, but it is only the last formula, in proposed new section 72A(2)(c), that somehow balances this right and the rights of Victorians to be able to challenge rate hikes at VCAT. The other two formulas have a sting in the tail. Ultimately the government is claiming that all the cost shifting should not harm residents, as it believes that residents will now be able to claim the commonwealth assistance to cover the gap. However, despite claiming that no-one with a disability should be receiving commonwealth rent assistance, we know this is false. There are countless families that have come forward and stated that they are already in receipt of such allowances.

We know the minister's chief of staff attended a meeting where a third of people in the room put up their hands when they were asked whether they were already in receipt of the commonwealth rent assistance. The minister might be assuming that these people are claiming this payment incorrectly, but the reality is that people are already receiving this payment, and because of that they are going to be significantly adversely affected by this legislation. Many residents will be financially impacted by a move to change the fee structure from one indexed to the disability support pension to one indexed to both the disability support pension and the commonwealth rent assistance.

We note that VALID wrote a letter to the Minister for Disability Services and Reform, dated 5 December, after the completion of the passage of the bill in the Legislative Assembly, again outlining its concerns about the bill. It stated:

> … VALID has been deeply concerned by claims made by yourself —

that being the minister —

and the department that:

> there has been proper consultation with the sector — when on this bill there was none
>
> residents of DHS-managed group homes are ineligible to receive the commonwealth rental assistance — when it appears many are currently receiving it
>
> some parents/administrators might have been wrongfully claiming the commonwealth rental assistance (CRA) — when Centrelink itself has considered all available information and made its determination accordingly
>
> no person with a disability will be financially worse off as a result of the Disability Amendment Bill — when it is clear those currently receiving the CRA stand to lose up to $2132 per annum.

This came from VALID after it had the opportunity to review what the minister said in the consideration-in-detail stage in the Legislative Assembly, and also in the minister's summing up in the course of that debate. In its letter, VALID went further to say it expresses its severe disappointment with the way this matter has been handled.

It is clear that as each day passes more Victorians are seeing this government for what it really is. It is a government willing to impose measures that will cause significant hardship for those who can least afford it and who least deserve it. The minister wants Victorians to believe that this bill is not about bringing back the attempted fee hike; however, given the allowable non-contestable increases of up to $3224 within this bill, how could a cynic believe otherwise?

Labor believes this bill should be delayed until after a full, open and transparent review of disability accommodation is completed. The government did not support the reasoned amendment the opposition moved in the Legislative Assembly. I hope the level of opposition and concern in the community about this bill that the government has seen will give it cause to reflect and to decide that it is in its best interests as well as the interests of the affected residents to actually wait for the State Services Authority to conclude its review, and to wait a few more months before this bill is passed by this house. If the Napthine government is unwilling to either delay the bill or amend it so that it is truly a minimalist bill dealing only with CPI, Labor will stand up for vulnerable Victorians, many of whom are without a voice, and oppose this bill.

Mrs COOTE (Southern Metropolitan) — I say at the outset that Ms Mikakos was absolutely correct in her commentary when she said she hoped but did not expect her powers of persuasion to be able to sway the chamber, because I can assure her that the government will not be supporting her amendment. I will come to the reasons for that in a moment. However, I would like to say at the outset that the opening statements of Ms Mikakos were absolutely scurrilous, to say the least. The ALP and the Greens do not have a monopoly on compassion. That is what they would like the community to believe. They would like the community to think that they are better than the rest. I remind the ALP of what the coalition government has done. Labor had 11 years to act, and it did absolutely nothing.

The coalition government has achieved a great deal for the benefit of people with a disability in our state, and that includes the closure of the Sandhurst Centre. Where was the ALP for 11 years when it came to that matter? Labor had 11 years and two ministers in Bendigo, but still it did not close Sandhurst. The Minister for Disability Services and Reform, Mary Wooldridge, and the coalition government have done that. Who signed up to the bilateral agreement on the national disability insurance scheme (NDIS)? It was the coalition government. The coalition government developed the Victorian State Disability Plan 2013–2016. The coalition government put $25 million on the table for the National Disability Insurance Agency to be located in Geelong. We have done myriad things in this area.

Ms Mikakos talked about the cost of living, and she said we have done nothing. What about the 12-month electricity concessions and the priorities? What about the $650 million in funding we provided for the education of disabled children? We put a school in Parkville. Where were those matters referred to in the information that Ms Green, the member for Yan Yean in the Assembly, gave Ms Mikakos? They were not referred to at all. Ours was the first major political party in Australia to commit to the national disability insurance scheme. I am very proud that over the subsequent years we developed this scheme in conjunction with the previous federal government, and that work is ongoing with the launch of the National Disability Insurance Agency in the Barwon region.

I turn to some of the figures. Currently we invest about $1.6 billion annually in the disability sector, and by 2019 that figure will be up to $2.5 billion every year for people with disabilities. That is going to be matched by the federal government's contribution of $2.6 billion a year. These measures are hardly about privatising care for people with disabilities, as Ms Mikakos indicated. Ms Mikakos's intimations are absolutely scandalous. Labor should be totally ashamed of its record, and Ms Mikakos was unable to put anything on the table to

prove that the former government did anything of value in this area.

There is quite a substantial amount to talk about in relation to this bill, so I would like to go through some of the issues and correct some of the misinformation Ms Mikakos introduced to the debate. The bill makes minor amendments to the Disability Act 2006 to clarify the role of the Victorian Civil and Administrative Tribunal (VCAT) in relation to the review of a notice of proposed increase of a residential charge. This is a small bill — it has only six clauses — but these minor amendments will maintain a person's right to apply for a review of a decision to increase a residential charge. The act is being amended to clarify the role of VCAT in specific circumstances when reviewing a notice of a proposed increase in a residential charge following VCAT's consideration of the matter in August. I want to reiterate that — the bill will clarify the role of VCAT in this area.

The bill will limit VCAT's powers in reviewing a resident's application regarding a notice of a proposed increase in a residential charge, and it relates only to the commonwealth rent assistance or standard cost of living increases to the disability support pension. This will allow the department and community sector organisations to continue to make standard cost of living increases in residential charges without the potential of a review by VCAT. If in fact Ms Mikakos had spoken at length with some of the people she so readily quoted, like representatives of Lifestyle in Supported Accommodation (LISA) and the Victorian Advocacy League for Individuals with Disability Inc. (VALID) and like Mr Brian Johnstone, who has been quoted in the other place, she would understand how stressful the VCAT process is. That was one of the very big things people said when I discussed these issues with them on many occasions. They found the process extremely stressful. What we are doing here is clarifying this position. VCAT will continue to be able to review any other increase in residential charges. Disability providers such as Scope, Yooralla and E. W. Tipping have asked for the certainty that will be provided by this legislation.

The bill allows for disability service providers to continue to implement regular fee increases related to the cost of living or commonwealth rent assistance (CRA) without the potential for review by the Victorian Civil and Administrative Tribunal. This is in line with the intention of the Disability Act 2006.

It is particularly interesting to look at the board and lodging issue. The Victorian government provides about half of the disability accommodation support in this state, and when this legislation is passed, a proportion of residents will be moved to a new board and lodging model. The Victorian government believes a board and lodging fee is a reasonable, transparent and fair approach to charging for rent and housekeeping in department-managed disability residential services. For residents living in department-managed disability residential services the new board and lodging fee will start in early 2014. The fee will be individually calculated and will allow residents to access commonwealth rent assistance. The fee bundles all existing charges — rent, electricity, food and other services — into a single and consistent residential charge.

About two weeks ago I had a meeting with the Tregales and LISA activists.

Mr Leane interjected.

Mrs COOTE — In fact I meet with them on a very regular basis. I meet with them every couple of months, and we have in-depth 2-hour meetings. Mr Leane can go and check with them if he wishes. If he is talking about consultation, I note that I meet with and consult with them on a regular basis. At the last meeting we described how this fee bundling will work. For example, at the moment if the fridge or the washing machine breaks down in a group home, it is unclear who should fix it. Should it be the residents themselves, or should it be the department? It is very unclear. This bill enables fees to be bundled, and it will be clear who is going to pay, who is responsible and how it is going to be managed.

Tregales and the LISA advocacy group were very pleased to hear about this when it was described in detail by an excellent person within our department, Michael Mefflin. It was important that they understood these issues, and following that consultation they said they did understand that issue. The only increases for residents will be adjustments for cost of living increases proportional to adjustments in the disability support pension and the inclusion of the commonwealth rent assistance payment that residents will be able to receive under this fee structure.

I want to talk about commonwealth rent assistance. An ALP member made a claim that the government will be taking commonwealth rent assistance money from people who are currently receiving this benefit. This is the typical Labor scaremongering and an inaccurate element of the current debate. It is a great pity that Ms Mikakos was briefed by Ms Green, the member for Yan Yean in the Assembly, because Ms Green got it all wrong herself. It is no wonder the information

Ms Mikakos has given us is wrong. She got the entire ethos of this bill wrong.

Let me offer some facts. There are a few more than 400 houses in scope for the proposed new board and lodging fee and more than 150 residents out of the scope. None of the people in the scope for the new board and lodging fee is currently eligible for commonwealth rent assistance. The opposition would have people believe there are hundreds of people currently accessing commonwealth rent assistance and who thus will be out of pocket. We do not have good information about how many people are currently accessing CRA, but I asked for an update and today I received it. Not one single person who is accessing CRA has rung or emailed the department despite many entreaties asking people to come forward to discuss their personal circumstances. Not one! We have good information, though, suggesting that people affected by the proposed changes are not currently eligible for commonwealth rent assistance.

During the consideration-in-detail stage in the lower house, the Minister for Disability Services and Reform, Ms Wooldridge, outlined the relevant advice in the Assembly — and I might add that though the Assembly does not have that stage of debate as often as the Council does, Minister Wooldridge did an extraordinarily good job and showed that she was extremely knowledgeable on the matter, which I think is what put Ms Green completely on the back foot. The advice the minister outlined is available in *Hansard*. I encourage members in this chamber to go to *Hansard* and to read what the minister had to say, because it sets out the facts very clearly and properly.

It is not just this government's view that people under current arrangements are not eligible for CRA, and this is a really important point. As acknowledged by the regulatory impact statement developed by the former government for the Disability Regulations 2007:

> Residential fees for long-term accommodation and support in departmental managed CRUs are charged on a rental model basis … This is now equivalent to 15.2 per cent of DSP.
>
> Under Centrelink criteria, these residents would not be eligible for CRA as the rent component falls below its qualifying minimum rent threshold.

Let me repeat that for the members opposite. In 2007 the Labor government said these residents would not be eligible for CRA.

Mr Leane interjected.

Mrs COOTE — That is what was said in your regulatory impact statement. You should have gone back to what the Labor government said and had a look at it. It was the Labor government that set the fees. Those opposite talk about the coalition government as being heartless, but it was the Labor government that introduced this.

Mr Leane interjected.

Mrs COOTE — Mr Leane can try to pretend this did not happen, but it was a Labor government that set the fees at a level that does not attract commonwealth rent assistance. Let me repeat for Mr Leane that it was the Labor government that set the fees at a level that does not attract commonwealth rent assistance. The Labor government said residents should not be accessing CRA. Where is Ms Mikakos? She is not even listening to this. She is totally ashamed of what those opposite did. Those opposite should be ashamed. They have been out their bleating in public about this all the time, and it was absolutely their fault. It was a Labor government that set the fees.

Mr Leane — You can make it up as much as you like.

Mrs COOTE — I take up the interjection. Mr Leane says we made it up. Would he like me to read it again? It is his government's very own regulatory impact statement. Would he like me to repeat it?

We know there are some people who are accessing CRA and who believe they are living in houses that are in scope for the new fee. The government encourages any people concerned to call the fee information line on 1800 249 729 and discuss their circumstances. It is also possible Centrelink has made a mistake in assessing people. If there are any anomalies in people's personal circumstances, this coalition government is happy to discuss those circumstances. I encourage all individuals, family members and carers listening or reading *Hansard* to check their personal circumstances by ringing 1800 249 729 or sending an email to the Department of Human Services website.

In the 1½ minutes I have left I do not have time to go into detail about the amendments contained in this bill, but I will say that the basis for the Labor Party's reasoned amendment seems to be that issues regarding this bill have not been consulted on or discussed. Part of my contribution in regard to this matter is that I meet with people from the Victorian Advocacy League for Individuals with Disability and LISA on a regular basis. I regularly meet with people in the disability sector — all the advocacy groups and many individuals — all the time, all day, every day. I have to say that I have been inspired by these groups of people and particularly by

individuals with a disability. They are quite extraordinary, and they need the praise of all of us for the work they do. I also know the minister's chief of staff has met with people from VALID, as have staff from the department, so there has been extensive consultation. The minister has written to, spoken to or emailed hundreds of families and individuals, and discussions have been led by me, the minister's chief of staff and staff right across the department.

Government members do not support the reasoned amendment. This bill will enable the details of both cost of living increases and commonwealth rent assistance to be established if the bill is passed by both houses. The government has also asked the State Services Authority to look at the broader issues, because we are heading into the implementation phase of the national disability insurance scheme. As I have said, as a community we have committed to the implementation of the NDIS, so we need to work out and clarify the situation in terms of the provision of these services into the future.

A board and lodging fee is already paid by hundreds of residents in Department of Human Services accommodation such as St Nicholas homes, Colanda, Sandhurst and other locations as well. This bill is not relevant to those residents, but it moves them to a board and lodging fee, which is already paid by many. This is a reasonable bill and a reasonable step at this stage of the process while the State Services Authority looks at some of the broader issues around the future transition to the NDIS. I commend the bill to the house.

Sitting suspended 6.34 p.m. until 7.07 p.m.

Ms HARTLAND (Western Metropolitan) — I have decided that the best way for me to start my contribution tonight is to read in full a press statement from the Victorian Advocacy League for Individuals with Disability Inc. (VALID), dated 25 November. I attended this meeting of family members, carers and people from the sector, which was called by VALID on 11 November.

The press release is headed 'Cash grab an insult'. It begins:

> A meeting of family members representing people residing in DHS-funded group homes has condemned the Minister for Disability Services and Reform, Mary Wooldridge, MP, for:
>
> > suggesting they have been wrongly claiming the commonwealth rental assistance (CRA);
> >
> > wrongfully claiming that no person with a disability will be financially worse off as a result of the Disability Amendment Bill currently before the Parliament;
> >
> > suggesting there had been proper consultation with the sector when there was none.

The press release continues:

> The minister has argued the bill will simply enable service providers, including DHS, to capture cost of living increases to the disability support pension (DSP), as well as 100 per cent of the commonwealth rental assistance (CRA).
>
> Minister Wooldridge has claimed that:
>
> > group home residents are currently ineligible to receive the CRA;
> >
> > parents/administrators would only be receiving the CRA if they have been providing information improperly — indeed, perhaps fraudulently;
> >
> > the change from a rental payment to a board and lodging fees structure — —

Hon. W. A. Lovell — On a point of order, Acting President, the member is reading from a document which claims that Minister Wooldridge has done something fraudulently. This a reflection on someone in the other house, and I ask the member to withdraw.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! On the point of order, I ask Ms Hartland if she did in fact say what the minister says she said.

Ms HARTLAND — No, it is not. I am trying to find the particular place.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! Could I have the document? I am reading from the same media release — the third paragraph down with three dot points.

Ms HARTLAND — That is right.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! Particularly relating to the second dot point that commences 'Parents/administrators', I am going to ask the member to withdraw that.

Ms HARTLAND — On the point of order, Acting President, the press release is saying:

> Minister Wooldridge has claimed that:
>
> > parents/administrators would only be receiving — —

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I repeat that I have asked Ms Hartland to withdraw.

Ms HARTLAND — This is a public document.

An honourable member interjected.

Ms HARTLAND — If I may finish, members now no longer — —

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I have asked Ms Hartland to withdraw. She cannot use the press release of a third party to attack a minister. I ask her to withdraw.

Ms HARTLAND — I withdraw.

The press release goes on to state that Ms Wooldridge has also claimed:

> the change from a rental payment to a board and lodging fees structure is required in order to make people eligible for the CRA (a subsidy she intends to fully claim!).
>
> Yet — as the meeting at the VALID office heard today — many group home residents have been receiving the CRA legitimately (i.e. compliant with the Social Security Act).

The press release continues:

> They are consistently granted the CRA, with Centrelink's full knowledge of the resident's situation. The impact of this bill will therefore be to reduce many residents' already meagre incomes by a further 10 per cent.
>
> The meeting referred to the recommendations of a 2007 hearing of the Intellectual Disability Review Panel, which stated: 'We have been informed that the department (DHS) disputes the clients entitlement to this rent assistance (CRA). We believe the department should not be attempting to determine this issue according to their point of view and should be assisting the client by … leaving the proper determination of entitlement to the body charged with that responsibility, namely Centrelink'.
>
> VALID strongly concurs with the IDRP advice. We therefore call on the government to:
>
> > defer the bill (with the exception of the cost of living increase measures);
> >
> > undertake a full and independent review of the impact of fees and charges in disability-funded services;
> >
> > ensure full and proper consultation before any change is made to the legislation.

When I attended the meeting on 11 November just about everybody expressed the view that they had not been consulted. They had already been through a process once, and they were quite shocked that the government would attempt to do this again without bothering to speak to them.

This bill will enable both government and non-government disability supported accommodation providers to apply fee increases to capture residents' income from commonwealth rent assistance as well as their cost of living increases. It will remove the ability of the Victorian Civil and Administrative Tribunal (VCAT) to review proposed fee increases relating to the cost of living increases and commonwealth rent assistance. Residents or their administrators will retain the right to apply for a VCAT review of other fee charges.

The government is introducing a new board and lodging fee in early 2014 for the 2100 residents in government-run accommodation. The new single fee will bundle all existing charges, including rent, utilities, communications, communal furnishing, food, general household consumables and equipment. The fee does not include clothing, toiletries, personal mobile phones or internet connections, personal furniture, restaurant meals or holidays. Importantly, it does not include transport, day service activity fees and medications, which can be incredibly expensive items.

My concern is that the move to bundle the fees, combined with this bill, is the Victorian government looking after its own interests and putting them before residents. Firstly, concerns have been raised that having a single fee may impede the potential individualised costing of services, which will be important as we transition to the national disability insurance scheme (NDIS). Secondly, the whole point of this bundling is that it will enable residents to become eligible for commonwealth rent assistance. This bill then acts to enable government and non-government providers to increase residential charges to include 100 per cent of rent assistance. The rent assistance can be used by the Victorian government or housing provider to help them meet the cost of disability housing.

The government says that people in government-supported disability group housing have not previously been able to access commonwealth rent assistance as the rent payment would not exceed the minimum threshold requirement. When rent is bundled with lodging fees they would become eligible for rent assistance, thus enabling the government to use that money for housing at no net loss to the resident. However, I and a number of community organisations believe that the minister has been incorrectly advised on this matter. Many people in government and non-government supported accommodation already claim commonwealth rent assistance. I met a number of these people on 11 November at the VALID meeting, so I am not quite sure what the government is talking about when it says that these people cannot claim commonwealth rental assistance. A number of people in that room were saying they had been claiming it and had been giving information to Centrelink. They had not been doing it fraudulently; they had been quite open about their circumstances.

In response to this revelation the minister suggested they were wrongly claiming rent assistance; however, the claim is compliant with section 13(1) of the commonwealth Social Security Act 1991. Centrelink has consistently granted commonwealth rent assistance with full knowledge of the situation of residents in supported housing. It is up to Centrelink to interpret and implement the legislation, and Centrelink has consistently found that while the rental component might be at or below the rent assistance threshold the fact that people are contributing to the provision of meals on a regular basis satisfies the definition of lodging, thus the cost of board and lodging is above the threshold and they are eligible.

For me to say that this bill is a cash grab gone bad I do not think is over the top. It will leave many people financially worse off by about 10 per cent, as they will suddenly have income ripped from their personal budget through a residential fee increase. We do not know how many people are in this situation, but from what I am told it could be hundreds. Many people in supported accommodation have high expenses just to meet their basic needs. They include day service costs, medical costs and transport costs, which are all extremely high. Often their budget is already on a knife edge anyway and they cannot afford such a sudden cut. What makes things worse is that they will have no ability to challenge this increase under VCAT unless it means that their rent will exceed 75 per cent of the disability support pension and 100 per cent of rent assistance, which is a very high threshold.

At the same time the government has announced a review of residential fees by the State Services Authority, and there has been a suggestion that it will examine issues such as charging models; the impact on residents of other disability-related costs, such as fees for day services and transport; hardship policies; and opportunities to improve processes and reduce administrative burdens. I will try to verify that this is what will be reviewed.

I seriously question why the government has introduced this bill and announced changes to fees before the State Services Authority has done its review. I do not understand why the government appears to be putting the cart before the horse and why it has completely ignored parents, carers and other sectors by not bothering to consult with them.

I would have thought that that review would be critical to informing the government whether bundling fees to make a single lodging and boarding fee is an appropriate way to go with the rollout of the national disability insurance scheme. In my mind the bill is clearly a cash grab from the commonwealth. Unfortunately there are residents who are being caught in the crossfire. This measure will earn just under $4.5 million for the Victorian government annually as it will increase residential fees for 2100 residents in government-run supported housing by about $82 per fortnight, which is the full value of the single sharing commonwealth rent assistance payment. I believe the bill is being rushed through without proper consultation with the sector and without due consideration for its potential impact. That is why I will support the ALP's reasoned amendment, and if that fails, and I presume it will, I will attempt to have the legislation sent to the Standing Committee on Legal and Social Issues for review and consultation with the sector.

The government's recent attempt to lift fees to 75 per cent of the disability support pension plus 100 per cent of the rent assistance has deeply concerned many residents. I am glad the bill does not attempt to reintroduce that at least. While I do not believe it is the intention of the minister, I believe it is her failure to consult with residents that has meant the bill is also problematic for many residents. I do not believe the bill should go ahead at this time and in this form. Recent revelations as to its impact mean it should be reconsidered.

I do not understand why at the start of my contribution it was felt that points of order should be taken about what I was saying. This is a really important matter. This sector — the parents, carers and residents — have not been consulted on the matter. If — —

Mrs Coote — That is not true.

Ms HARTLAND — I am more than happy to re-read VALID's — —

Mrs Coote interjected.

Ms HARTLAND — At that meeting on 11 November, Mrs Coote, with about 40 — —

Mrs Coote — That was one meeting. I was — —

Ms HARTLAND — Yes, a meeting of family members representing people residing in DHS-funded group homes condemned the Minister for Disability Services and Reform — —

Mrs Coote interjected.

Ms HARTLAND — Maybe, Mrs Coote, someone in their contribution could outline the consultation that has occurred, because as far as I can see and from what the minister's advisers said on the day of the meeting,

no consultation has occurred. I understand consultation on this matter has not occurred. That is why the Greens will oppose the bill until the government gets its act into gear and consults with the sector — the parents, the carers and the residents — to see what effect this is going to have.

Mr DRUM (Northern Victoria) — If anybody has a true understanding of the disability sector, they will understand that if they have a son or daughter or an individual they are caring for who is in supported accommodation or a supported residential service, then it is up to them to make sure they advocate on their behalf to get the very best for them. However, I say to Ms Hartland and Ms Mikakos that the most vulnerable group in the state are the people who are being cared for at home and who are unable to get a place in a supported residential service. They are the people we need to have some compassion for. They are the people who have every right to the service so that we no longer have 75-year-old and 85-year-old parents looking after people who are 45 years old and 50 years old and who have no realistic chance of getting into supported accommodation. They are the people who will benefit from the legislation. We will bring Victoria into line with the other states.

Ms Hartland, you have been to one meeting and all of a sudden you are an expert in the field of disability. It is a joke. This is a very serious issue; you have got that right.

Mr Jennings — On a point of order, Acting President, Ms Hartland deserves support from the Chair in relation not only to the interjections when she was on her feet but specifically in relation to the current assault that she is receiving through a contribution that is not being directed through you. I call on you, Acting President, to exercise your influence over this matter and to make sure the contribution is directed through you.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I thank Mr Jennings. I take his point. I do not uphold the point of order. Mr Drum to continue, and I remind him that his comments should be directed through the Chair.

Mr DRUM — Every time you attack the Greens in the house, the Labor Party follows on to protect them and vice versa.

The new regulations for food, board and lodgings will bring this state into line with other states in Australia. It will also mean that the vast majority of the people who are currently not claiming commonwealth rent assistance will be able to get it. We have a situation in Victoria where many millions of dollars are going to waste because Victorians are not claiming commonwealth rent assistance, and this legislation will ensure that everybody is tipped over the threshold and therefore qualifies for that assistance. It will open up many hundreds of additional places for people who currently have no prospect of getting into a supported residential service that is best for them and their families. We want the best possible outcomes for them.

Ms Hartland might be right; there might be a few people out there. Ms Mikakos might also be right; there could be a few people who are currently receiving commonwealth rent assistance. However, the vast majority of Victorians who qualify at the moment are not receiving those funds. Those funds are not coming into this state and therefore we are not getting the money that we could get and reinvest. Ms Mikakos and Ms Hartland see this as some sort of a cash grab. It is beyond belief that anybody could stand in this place and say the government is going to take funds from families and from individuals in residential services and somehow grow general revenue from their pensions. It is absurd. The fact that we are going to be able to offer additional services and additional residential places should make everybody with a genuine interest in this sector take a positive view of what the bill will do.

There is no comfort in the sector after the Victorian Civil and Administrative Tribunal decided it has the right to rule on all of the price increases irrespective of how small they are. If a complaint is lodged against a price increase, VCAT has ruled that it will adjudicate on it. It means that Yooralla, Scope and the E. W. Tipping Foundation and some of the other main providers have had to come to the government for assistance, for security. If they are to continue to operate their services, and if the department is to continue to operate its services on behalf of all Victorians, then we have to get this part of the legislation right. Nobody likes charging anybody more than they have to — —

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I ask members of the gallery not to take photographs.

Mr DRUM — I am very fond of you, Acting President, but I was not going to take your photo.

It is a small bill, but it is critical that we get this right so we can set the framework for the future to ensure that we spread the net as wide as we possibly can.

I will finish up with the biggest issue in relation to the disability sector — that is, unmet demand for care. Demand is burgeoning, and in my 11 years in this house unmet demand has been the single biggest issue. The need is there, and no government can give these people the services they need, but we are all hoping the national disability insurance scheme (NDIS) will go a large way towards doing that. Most of us with an interest in this issue would have a very real fear that the NDIS, which will be an additional 0.5 per cent on the Medicare levy, will give us about half the money we are going to need. There is still a real challenge for both the commonwealth and state governments to truly give the people the care they need when they have been dealt these horrific cards where they become lifelong carers for people with disabilities.

This bill in the first instance goes very much into residential care, and it is very difficult to sit in this chamber and be criticised for bringing into place legislation that will set the framework for a better outcome for hundreds of families within Victoria each and every year and also give providers that currently are doing a mighty job the security and comfort they need so that they can keep doing that work into the future.

Mr LEANE (Eastern Metropolitan) — Let us try to agree on a couple of things in this house. Mrs Coote says no side of the chamber has an exclusive right to compassion.

Mrs Coote — I said you don't.

Mr LEANE — Mrs Coote is a bad winner, because I am conceding to her. I say there is something to which we should all try and agree — that is, no side of the chamber has exclusive rights on compassion. We will start there. Let us also agree that there is an issue with adults with disabilities who are at home with elderly parents who may not have been successful at getting a placement for their child. Let us concede how stressful that must be. Let us also concede that there are some people — call them fortunate or not — who live in group government housing. There are some adults with disabilities who live in group government housing, and the same stress falls upon their parents and carers, many of whom are quite elderly, to keep them accommodated and happy. There is the ultimate stress about what will happen to their son or daughter when they pass away. We can all try to put ourselves in their shoes, but we cannot actually do so. I know some of us have children who may be in that category, but we should try to put ourselves in their shoes and give them the utmost compassion.

Let us go back to the history of this bill. The Minister for Community Services suggested a rent hike for people with disabilities living in group housing. That rent hike was seen as too high by the people who were living in group housing and their carers, and that group of people protested. They protested that they believed that hike was too high. These are people who do not have a lot of time to organise themselves, because of the situations they are in. In the course of events they formed groups wherever they found themselves to lobby against that price hike. I am sure that at different times all of us in this chamber were approached and lobbied by those different individuals or groups arguing that the price hike should not go ahead. What ensued was some media reports, including a mention in *7.30* report, and one of the parents who appeared on that report is a gentleman I know very well and to whom I have spoken about this situation.

The response from the government and particularly the minister is: we are making the system fairer and more equitable, because this is the price range in which other jurisdictions and private operators are charging. However, the people who are affected by this argue that it is not the case. The people affected by this want one of the government members who is going to speak on this bill to explain to which jurisdiction the rent proposed by the minister applies and on which private organisation that level of rent is based that means it is fair. They want members to tell them if that level is across the board, as was indicated when it was proposed as a fair and equitable way to go forward for people living in this situation.

I believe the reason the price hike did not go ahead is the multiple applications to the Victorian Civil and Administrative Tribunal (VCAT) to try and stop the rent hike for individuals. Whether those VCAT applications were put in place by the carers, parents or residents themselves, the reason the rent hike did not go ahead is because of those multiple VCAT applications. Whether or not government members want to accept it, people who were put in this situation are cynical of the process of the rent hike. They are cynical of the process and the excuse they were given for the rent hike.

We should not be surprised if they are cynical about this legislation. We should not be surprised if they are cynical about the fact that this piece of legislation will not afford them the same opportunity to put multiple applications into VCAT to fight the rent hike, and therefore they will not get the same outcome they got this time. We have to forgive them for being cynical.

As I said at the start, we all accept that anyone in that situation will fight in whatever way they can and in

whatever way is available to them for an assurance that their son or daughter will be able to afford to stay in the accommodation they are in and will also to be able to afford to do adult things such as go to the movies, have a smoke, have a beer or whatever else some of us might enjoy. I am not accusing anyone of not being compassionate; I am just calling on government members to understand why these people are cynical and why we support an inquiry into the price hike and what it will mean. That inquiry might come up with answers that will not make everyone happy, but at least we should give people the opportunity for that inquiry to go ahead. In that case we would support Ms Mikakos's amendment. If that does not go ahead we will be opposing the bill.

Ms CROZIER (Southern Metropolitan) — I am pleased to rise to speak this evening on this important bill, the Disability Amendment Bill 2013. I am pleased that Mr Leane has just spoken. He has put much more of a moderate tone on the debate than have other opposition members, especially Ms Mikakos, who was far from moderate, and I will come back to her contribution in a moment.

The Minister for Disability Services and Reform, Minister Wooldridge, has done an enormous amount in this area since she became the responsible minister. I think many people across the sector recognise what she has done and what she has been able to achieve in her time, understanding that she has a very compassionate approach to many issues. Similarly, Mrs Coote deals on a very regular basis with a whole range of people in circumstances that are exceptionally difficult. I think it was Mr Leane who said that everybody in this chamber has that degree of compassion and understanding of the issues to hand and that they are difficult issues. Just like the Premier, who is well known for his compassion in relation to people with a disability, many of us are well aware of the issues surrounding people who have children with a disability, especially those people who are elderly parents caring for those children at home. They are of great concern.

I reiterate the comments made by Mrs Coote and Mr Drum in relation to what the government has done, noting that in this year's budget alone there has been a further $224 million put into this sector, taking total funding to $1.6 billion. It is a significant amount and it demonstrates that the government takes these issues very seriously.

What we are talking about in relation to this bill is the board and lodging fee. As members and others who have been following this debate are aware, residents pay a residential charge that not only includes a rent component but also charges for a range of items such as food, electricity and other services. These charges vary from house to house and month to month, just as in any normal household. I think we have to take into consideration that there are cost increases in relation to household goods, and the government believes there needs to be a fairer and simpler and far more transparent way of calculating all these charges for residents to give them some certainty.

I would just like to go back to a couple of points. Ms Mikakos's contribution was — I do not know how you would describe it — a quite emotive rant, I suppose, in relation to this issue. The matters she referred to on many occasions were not correct, and I will draw the members' attention to some of those issues. Ms Hartland in her contribution also made a couple of claims in relation to various areas, and one of those areas was a lack of consultation. I think Ms Mikakos said too that the government had been doing very little consultation.

During Ms Hartland's contribution there were a number of interjections from Mrs Coote, who knows only too well the amount of consultation that she has undertaken in her capacity as Parliamentary Secretary for Families and Community Services. She meets with these people on a regular basis. She meets with groups and individuals on a regular basis and has done so for the last three years. There has been extensive consultation, so to say there has been no consultation is factually incorrect.

The minister has written to, spoken to and emailed hundreds of families and individuals. There has been consultation and discussion between the minister and the disability services commissioner, who is also very much aware of the issues that we are debating here this evening. As I have said, there have been discussions led by the Parliamentary Secretary for Families and Community Services, Mrs Coote, who has been right across the department and met with individuals and organisations on a regular basis. To say there have not been extensive discussions with families, carers, disability advocates or service providers is completely incorrect, and I need to point that out to members so that anyone who is following this debate can understand the extent of the consultation that has been taking place.

In her contribution Ms Hartland read from a media release from VALID that said, in part:

> Yet — as the meeting at the VALID office heard today — many group home residents have been receiving the CRA legitimately (i.e. compliant with the Social Security Act). They are consistently granted the CRA, with Centrelink's full

> knowledge of the resident's situation. The impact of this bill will therefore be to reduce many residents' already meagre incomes by a further 10 per cent.

As Mrs Coote highlighted in her contribution, that occurred under the former government. She made the point that this was acknowledged in the regulatory impact statement which was developed by the former government for the disability regulations in 2007, so well before we came to government, which says:

> Residential fees for long-term accommodation and support in departmental managed CRUs are charged on a rental model basis … This is now equivalent to 15.2 per cent of DSP.
>
> Under Centrelink criteria, these residents would not be eligible for CRA as the rent component falls below its qualifying minimum rent threshold.

There are a number of elements here, and I will go on to Mr Leane's contribution now. He said that there are many people who are cynical. Maybe they are; but maybe it is because they have not had the information properly communicated to them or they are not aware of the information and maybe that is the reason for their cynicism, because as I have just stated, that is what happened under the former government.

Ms Hartland also made some claims about the government taking the commonwealth rent assistance (CRA). It was a 'cash grab gone bad' she said. This is typical scaremongering that Ms Hartland and Ms Mikakos have introduced into this debate, and there are a number of elements that I again want to put on the record. There are a few more than 400 houses in scope for the proposed new board and lodging fee and more than 150 residences out of scope. None of the people who are in scope for the new board and lodging fee are currently eligible for CRA. That is pretty clear and definitive, and I think it was in Mrs Coote's contribution that she said that if anybody has any concerns in relation to their entitlements or their issues, they have an information line that they can access. The government is fully open and transparent in trying to work through these issues with residents and others who have concerns.

A number of organisations want that certainty. Many stakeholders and providers of disability supported accommodation have contacted the government to express their concerns about their ability to provide services if they cannot keep up with issues like cost of living pressures. Ongoing Victorian Civil and Administrative Tribunal reviews of every incremental fee increase would be truly unsustainable. It would be a costly exercise, it would be cumbersome to the sector and that is not what the government wants. We want providers to have certainty and be able to provide services. It is worth noting that the CEO of Scope, Dr Jennifer Fitzgerald, wrote:

> Over the past five years, board and lodging fees have been indexed at CPI rates …
>
> I am concerned that the process of fixing fees will become untenable in a situation where VCAT has the capacity to assess, on an individual basis, any future increases to residential charges … Scope seeks certainty regarding the organisation's ability to establish a fee structure that is both fair and sustainable.

This is what the sector is asking for. It is the government's intention to provide that certainty, provide transparency and provide a simpler process. That is one of the leading organisations in the sector saying that it wants certainty as well.

I would like to correct Mr Leane in relation to how the proposed fees compare with those in other jurisdictions. He said there was no comparison to other jurisdictions. In South Australia the residential service rate is around 78.6 per cent to 81.2 per cent, or 75 per cent of the disability support pension (DSP), 100 per cent of commonwealth rent assistance and 100 per cent of mobility allowance if received. In the Northern Territory the rate is 80 per cent of the combined DSP and CRA; however, this jurisdiction has low residential service numbers. In New South Wales the rate is 75 per cent to 78.1 per cent, or 75 per cent of DSP, 75 per cent of CRA and 100 per cent of mobility allowance. In Western Australia the rate is 75 per cent, or 75 per cent of the combined DSP and CRA. It is evident that there are similar models across a number of jurisdictions, as I have just highlighted. If the calculations are performed for Victoria, the result will be below the fees in other jurisdictions.

In conclusion, I commend the minister for the work she has done in this area. She has done a tremendous job. She worked hard with the federal government in relation to the national disability insurance scheme. The minister and her parliamentary secretary have done an extraordinary job in looking at the sector in great detail, taking great care and showing great compassion for those who are involved in it. I commend the bill to the house.

Mr EIDEH (Western Metropolitan) — I rise to speak briefly on the Disability Amendment Bill 2013. I say at the outset that we on this side of the house will oppose the bill unless our proposed amendments are adopted. We on this side of the house share a firm belief that those living with a disability should live with dignity in safe and hospitable accommodation, with care available to them to ensure that they have access to all the services they require. There has never been a

government that believed in this more than the previous federal government, which made Australian history when it proudly introduced what is now called the national disability insurance scheme. That policy sought to change forever the lives of those living with a disability and their families.

However, I am afraid that the same cannot be said about this bill, as this is merely just another cash grab by this government. The bill seeks to increase the accommodation charges from between 48 per cent and 57 per cent of the disability support pension to 75 per cent of the disability support pension and 100 per cent of commonwealth rent assistance. This will result in a staggering revenue-raising scheme of $44 million over four years for the Department of Treasury and Finance. These funds will be collected from 2500 of the most vulnerable people in our state. This bill will not only affect those living with a disability but also have significant flow-on effects for the loved ones of people living with a disability, who struggle on a daily basis to support and care for their young or adult children, parents, siblings or other family members.

I do not think government members have given this bill any thought whatsoever, because if they had they would recognise that it is simply inhumane. Has the minister spared a thought for these people, who need to pay for their medical treatments and everyday living expenses? With the rapidly rising cost of living, how can these disadvantaged people expect to live comfortably and have access to everything they need if this bill is passed as it currently stands? It is obvious that they cannot and that this bill has heartlessly been designed as an initiative to balance the books for the 2013–14 period.

That is why we on this side of the house believe that this bill needs much more consideration and perhaps consultation with those living with a disability so that members of the government can fully understand the impact that this bill will have on the livelihoods of those living with a disability. We oppose the bill.

Mr FINN (Western Metropolitan) — I rise to speak in support of this bill with a great deal of enthusiasm — —

Mrs Coote — And knowledge.

Mr FINN — I hasten to add, although modesty might forbid me, perhaps with a degree of knowledge as well, because this has been an area of interest for me for some years, going back to the days of the closure of Caloola Training Centre.

Mrs Coote — 21 years.

Mr FINN — Yes, it was 21 years ago. Caloola was closed shortly before I was elected as member for Tullamarine in the Legislative Assembly. I can recall only too well the great concern that many people had about the accommodation needs of the people who had previously been in Caloola. The government of that time — the Kirner Labor government — was just not up to the job of providing the sort of accommodation these people needed. It was something that distressed me a great deal at the time. I look back on it with a great deal of regret and sadness, because it caused much distress, particularly to older parents who were very concerned about their children and what would happen to those children when their parents went to their eternal reward.

I now find myself in a situation where I feel the same way. I look at my son now, and he is pretty happy and healthy — a growing 12-year-old — but at some stage I am not going to be around, and I wonder what will become of him when I am no longer around to keep an eye on him. I wonder what will happen to those around him when I am no longer around. These are issues that play on the minds of carers every day of their lives. It is legislation such as this that gives certainty and a sense of knowing what is ahead for people who are caught in this particular situation.

I found some of the comments made tonight by members of the Labor Party in this chamber to be exceedingly offensive. I found them personally offensive, but they were also offensive full stop. If we really want to see how governments treat people with a disability, we just have to look at how over a long period the Labor Party treated children with autism who lived in the western suburbs. They would not allow children in the western suburbs to have a proper education. They would only allow them four years of education. It was only this government that put in place a P–12 school for children with autism, which will open early next year. It is something I am particularly excited about. At long last these children will get a proper and thorough education, but Labor was not the party that gave it to them. In fact for many years Labor blocked that education for these children.

When I see and hear Labor members getting up and beating their chests about the wonderful things they do for people with a disability and people who are hard up, I have to wonder that if they are so genuinely concerned about these people, why do they scare them witless with these ongoing scare campaigns? I do not just blame members today; this is something in the Labor Party's DNA, something the Labor Party excels at. It attempts to put the fear of God into people who should not be subject to that sort of fear. People with a

disability and their families have enough to deal with without the Labor Party scaring them silly about something that 9 times out of 10 does not exist.

The worst thing that could happen for people with disabilities and for their families is to allow the system to collapse. This bill is about providing sustainability for the system, providing the necessary dollars to allow that system to continue. There is no such thing as free accommodation, no such thing as free food and no such thing as free care. This bill is about ensuring that the system we have in this state is sustained in a way that means those people are properly cared for.

Unfortunately I cannot go on any longer, because I understand we have to get through a very tough program this evening and beyond. I compliment one person in particular for her work in this area, and that is Mrs Coote. I share an office with her — Mrs Coote has the office, I have the cupboard — and I know she cares very genuinely about people with a disability. The amount of time she spends searching for answers, implementing those answers and working for the good of people with disabilities and their families is quite extraordinary. I compliment her on her work and efforts and for the enthusiasm that she displays so often for the task.

I support this bill. I urge members opposite to put aside their scare campaign and chest beating, their know-it-all speeches and the carry-on they are renowned for. I urge them to join us on this side of this house in supporting this bill.

Ms DARVENIZA (Northern Victoria) — I am pleased to rise and make a contribution to the debate on the Disability Amendment Bill 2013. Along with other opposition members, I am opposing the bill, and I will be speaking in support of the reasoned amendment put forward by Ms Mikakos. I am pleased to have the opportunity to speak after Mr Finn, because Mr Finn is one of the people in this chamber who truly understands disability services and the need for a high-quality standard of care for people with disabilities in Victoria. I know he is very passionate about it, and it is something for which he has personally been a crusader and fighter in this state.

By the same token I also think that Mr Finn talks down Labor's contribution to disability services. He knows very well that it is in Labor's DNA to do the right thing by disabled Victorians. You need only look at the changes that previous Labor governments have made to disability services in this state to understand that. Mr Finn mentioned Caloola Training Centre, a large training centre that was around for decades. This institution was established at a time when there was no distinction made between a mental illness and an intellectual disability. In fact if you were admitted to an institution like Caloola, there was very little chance, regardless of why you were admitted or what the nature of your illness or disability was, that you would ever be discharged from that institution. I think it was sometime in the 1960s when it was determined that there was a distinction between a mental illness and a disability.

Mrs Coote interjected.

Ms DARVENIZA — I thank Mrs Coote. They unilaterally went through Caloola and made a determination about who was mentally ill and who was intellectually disabled based on I am not sure what, because they were dealing with individuals who were very institutionalised, and it would have been almost impossible to determine what their illness or disability was, particularly in the case of an intellectual disability; it would have been very hard.

Nevertheless the powers that be at the department at the time went through and made that distinction and determined that one part of the institution would be for the mentally ill and the other part would be for the intellectually disabled. That was true of many institutions right throughout this state and in other states as well.

It was a Labor government that brought in the 10-year plan for intellectual disability services; it was a Labor government that made the determination and had the strength of will to put the money in to close down institutions like Caloola and move clients back into the community and into community residential units. It was a Labor government that had that vision; it was a Labor government that had that vision for Willsmere, which was an institution for aged care as well as for people with intellectual disabilities. It was a Labor government that did that.

So I say to Mr Finn and to others on the government side that it is in Labor's DNA to care for the intellectually disabled in this state, it is in Labor's DNA to actually take up the challenge and it is in Labor's DNA not to just spout rhetoric but to put money where it counts and make the changes that need to be made.

Not only was this about a huge shift from institutional care to care in the community but it was also about training. It was a Labor government that recognised that there needed to be training for people in intellectual disability services. It was a Labor government that determined that there needed to be a standardisation of the quality of care across intellectual disability services,

whether it be in government-run CRUs or in those run by non-government agencies and churches, of which there were many. It was a Labor government that did that, and it was subsequent Labor governments that built on that work.

I have to say that, like Mr Finn, I too feel the pressure of time on me. My colleagues have gone into considerable detail on the bill. We support the dignity not only of intellectually disabled people but of disabled people, particular those who are living in the community.

The problem with this bill is that the government has put the cart before the horse. We do not need this legislation now; we do not need this bill now. We need to undertake proper consultation with stakeholders, including people who have disabilities, their carers and the organisations that provide their care. There needs to be extensive consultation, because this just looks like a money grab from some of the most vulnerable people in our community. I believe there needs to be consultation with the community and with stakeholders. Only then should we come back and look at this legislation.

House divided on amendment:

Ayes, 16

Barber, Mr	Melhem, Mr
Darveniza, Ms (*Teller*)	Mikakos, Ms
Eideh, Mr	Pennicuik, Ms
Elasmar, Mr	Pulford, Ms
Hartland, Ms	Scheffer, Mr
Jennings, Mr	Somyurek, Mr
Leane, Mr (*Teller*)	Tarlamis, Mr
Lenders, Mr	Tee, Mr

Noes, 20

Atkinson, Mr	Hall, Mr
Coote, Mrs (*Teller*)	Koch, Mr
Crozier, Ms	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	Millar, Mrs
Davis, Mr P.	O'Brien, Mr
Drum, Mr (*Teller*)	O'Donohue, Mr
Elsbury, Mr	Ondarchie, Mr
Finn, Mr	Peulich, Mrs
Guy, Mr	Rich-Phillips, Mr

Pairs

Viney, Mr	Ramsay, Mr

Amendment negatived.

House divided on motion:

Ayes, 20

Atkinson, Mr	Hall, Mr
Coote, Mrs	Koch, Mr
Crozier, Ms	Kronberg, Mrs (*Teller*)
Dalla-Riva, Mr (*Teller*)	Lovell, Ms
Davis, Mr D.	Millar, Mrs
Davis, Mr P.	O'Brien, Mr
Drum, Mr	O'Donohue, Mr
Elsbury, Mr	Peulich, Mrs
Finn, Mr	Ramsay, Mr
Guy, Mr	Rich-Phillips, Mr

Noes, 16

Barber, Mr	Melhem, Mr (*Teller*)
Darveniza, Ms	Mikakos, Ms
Eideh, Mr	Pennicuik, Ms
Elasmar, Mr	Pulford, Ms
Hartland, Ms	Scheffer, Mr (*Teller*)
Jennings, Mr	Somyurek, Mr
Leane, Mr	Tarlamis, Mr
Lenders, Mr	Tee, Mr

Pairs

Ondarchie, Mr	Viney, Mr

Motion agreed to.

Read second time.

Referral to committee

Ms HARTLAND (Western Metropolitan) — By leave, I move:

> That the Disability Amendment Bill 2013 be referred to the Legal and Social Issues Legislation Committee for inquiry, consideration and report by 25 March 2014, and in particular that the committee is required to consult with the disability sector and all affected residents in government and non-government supported housing and give consideration to the financial and social impacts of the proposed residential fee changes, including the proposed board and lodging fee and the allowance of increased residential fees to capture commonwealth rent assistance payments.

I wish to refer this bill to committee for a number of reasons, many of which I have already outlined in my contribution. It is clear to me that the government has not organised a formal consultation on this issue. Talking to organisations about the right at issue is not a formal process. A formal process is absolutely required here. There is clearly a segment of the residential population that is likely to be financially worse off as a result of this move. We need to establish how many people will be affected, what the impact will be and what can be done to protect the budgets of those residents.

This bill and the associated changes to the fee structure need to be considered after the results of the State Services Authority review is complete, not before. My

reasons for moving this motion are very straightforward. I am hoping the chamber will support it, because I think we need to be using the committees for exactly this kind of process. It is what they were set up for. I hope the government will support this motion as a sign that it wants to be transparent on this issue.

Ms MIKAKOS (Northern Metropolitan) — I rise to support Ms Hartland's motion. As I indicated to the house in my contribution to the second-reading debate, the Labor opposition takes the view that the debate on the bill should have been delayed until the State Services Authority has concluded its review, which I understand will be at the end of March. We do not see that there should be any great haste in passing this bill now; the bill and this whole process would certainly derive benefit from the bill going to the upper house Legal and Social Issues Legislation Committee. We are happy to support the motion moved by Ms Hartland.

Hon. W. A. LOVELL (Minister for Housing) — The government will not be supporting Ms Hartland's motion to refer this bill to the Legal and Social Issues Legislation Committee because extensive consultation has already been undertaken. The minister has written to, spoken to or emailed hundreds of families and individuals. There has been consultation and discussion between the minister and the disability services commissioner. There have been discussions led by the Parliamentary Secretary for Families and Community Services, Mrs Andrea Coote; the minister's chief of staff and her staff; and right across the department there has been extensive consultation. There has also been extensive discussion with families, carers, disability service providers, public advocates and organisations both in the development of this process and as things have adjusted over time. The government will not be supporting the reference to the Legal and Social Issues Legislation Committee, because this bill has already been consulted on extensively.

House divided on motion:

Ayes, 17

Barber, Mr	Melhem, Mr
Broad, Ms	Mikakos, Ms
Darveniza, Ms	Pennicuik, Ms
Eideh, Mr (*Teller*)	Pulford, Ms (*Teller*)
Elasmar, Mr	Scheffer, Mr
Hartland, Ms	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr
Leane, Mr	Tee, Mr
Lenders, Mr	

Noes, 20

Atkinson, Mr	Hall, Mr
Coote, Mrs	Koch, Mr
Crozier, Ms (*Teller*)	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	Millar, Mrs
Davis, Mr P.	O'Brien, Mr (*Teller*)
Drum, Mr	O'Donohue, Mr
Elsbury, Mr	Peulich, Mrs
Finn, Mr	Ramsay, Mr
Guy, Mr	Rich-Phillips, Mr

Pairs

Viney, Mr	Ondarchie, Mr

Motion negatived.

Committed.

Committee

Hon. W. A. LOVELL (Minister for Housing) — I seek leave to have Mrs Coote join me at the table.

Leave granted.

Clause 1

Ms MIKAKOS (Northern Metropolitan) — With the agreement of the minister, I would like to put all my questions on clause 1, just to make things easier. I understand that Ms Hartland is also agreeable to putting her questions on clause 1. We could do it two ways: one would be for us to put our questions on clause 1, and the other would be for us to put them after each clause is called on. Is the minister agreeable to taking all our questions on clause 1?

Hon. W. A. LOVELL (Minister for Housing) — Yes.

Ms MIKAKOS (Northern Metropolitan) — Terrific. It worked well on another bill we took into committee. Clause 1, which is the purposes clause, specifically refers to the Victorian Civil and Administrative Tribunal (VCAT) reviews. I ask: in regard to compliance with the Charter of Human Rights and Responsibilities, what legal advice has the government received about limiting the access of people with a disability to VCAT?

Hon. W. A. LOVELL (Minister for Housing) — The government has tabled a statement of compatibility with the Charter of Human Rights and Responsibilities.

Ms MIKAKOS (Northern Metropolitan) — I understand there is a statement of compatibility with the charter, but essentially my question is about the advice the government received in relation to compliance. Presumably the department obtained legal advice in

preparing that statement of compatibility. What was the legal advice the department received about limiting the access to VCAT of people with a disability?

Hon. W. A. LOVELL (Minister for Housing) — The legal advice was prepared by the Victorian Government Solicitor's Office.

Ms MIKAKOS (Northern Metropolitan) — Can the minister advise whether the provisions in the bill, other than restricting the right to seek a review by VCAT, also prohibit an administrative review or in fact a legal appeal to the Supreme Court of Victoria or any other court?

Hon. W. A. LOVELL (Minister for Housing) — VCAT will maintain the powers it currently has in relation to the proposed increases in a residential charge that do not relate to the commonwealth rent assistance (CRA) allowance or regular cost of living fee increases to the disability support pension. The bill will amend the provisions in relation to VCAT's power to review a notice of a proposed increase in a residential charge to make explicit that VCAT will not be able to make an order where a proposed increase in a residential charge only reflects an amount that is equivalent to the commonwealth rent assistance allowance and/or the cost of living increase of the disability support pension and does not exceed the prescribed amount in the regulations. VCAT must dismiss an application related to a proposed increase in a residential charge that falls into one of the above categories.

Ms MIKAKOS (Northern Metropolitan) — Will the review the State Services Authority is going to undertake look at issues such as the unit price used to subsidise Department of Human Services (DHS) accommodation in addition to issues around the disparities in charges that are currently applicable?

Hon. W. A. LOVELL (Minister for Housing) — In the short term there is a need for more transparency in the fee structure and in the CRA entitlement in relation to department-managed services, which will allow for more substantial residential services. The current fee structures vary considerably across and within department-managed residential services. There is a need to create greater consistency and transparency regarding residential fees for department-managed services. In the longer term the independent review of residential charges in residential services provided by disability services providers will provide comprehensive advice to the department to inform the development of the future fee structures.

Ms MIKAKOS (Northern Metropolitan) — Could the minister confirm, just to have it on the record, when the State Services Authority will conclude its review and provide its report to the government?

Hon. W. A. LOVELL (Minister for Housing) — The review will be completed by August 2014.

Ms MIKAKOS (Northern Metropolitan) — I should have said at the outset that I do not propose to cover issues that were addressed in the consideration-in-detail stage in the Legislative Assembly. It was a positive thing that the bill was allowed to go through that process in the other place, because it enabled us to elicit some clarity around the operation of the bill, and that is going to make the minister's job a little bit easier. I have a number of further questions, and I know Ms Hartland has questions as well. In relation to the proceedings that went to VCAT, which were the impetus for this bill, can the minister indicate how much money the government spent on defending that particular VCAT proceeding in which it was unsuccessful in its very early stages?

Hon. W. A. LOVELL (Minister for Housing) — That question was asked in the lower house, and it was deemed out of order, but we are happy to take that on notice.

Ms MIKAKOS (Northern Metropolitan) — The rules of this house are different to those of the Legislative Assembly, but I appreciate the fact that the minister is going to take the question on notice. In a similar vein, I ask: did the government consider appealing the VCAT ruling to the Supreme Court at the time that it was unsuccessful?

Hon. W. A. LOVELL (Minister for Housing) — The government considered all its options.

Ms MIKAKOS (Northern Metropolitan) — Coming to the provisions in the bill that actually impose the rent increases, can DHS, as an accommodation provider, increase rents without recourse to this bill? Independent of the provisions of this bill, can DHS increase these fees?

Hon. W. A. LOVELL (Minister for Housing) — The maximum fees are set by the regulations. DHS could move to have a fee increase, but it would have to be in accordance with the regulations.

Ms MIKAKOS (Northern Metropolitan) — In a similar vein, can not-for-profit accommodation providers increase rents without recourse to the provisions of this bill?

Hon. W. A. LOVELL (Minister for Housing) — Yes.

Ms MIKAKOS (Northern Metropolitan) — Can you advise how many VCAT claims it is envisaged would occur in DHS-run accommodation in the absence of the provisions of this bill?

Hon. W. A. LOVELL (Minister for Housing) — That is asking me to speculate on something, and I cannot speculate on what may occur.

Ms MIKAKOS (Northern Metropolitan) — Presumably when the government took advice as it considered all options and decided to proceed with this bill, it would have received some advice as to what the potential exposure was on the part of the department were the bill not to proceed. There would have been some advice to the department about the potential number of VCAT claims that could occur were the bill not to go ahead. What was the advice in relation to what the potential exposure would be and how many potential claims at VCAT there could be?

Hon. W. A. LOVELL (Minister for Housing) — I am advised the department does not discuss its legal advice.

Ms MIKAKOS (Northern Metropolitan) — That is just a refusal to respond, but that is fine; I will move on.

In relation to private providers, I understand that Ms Wooldridge, the Minister for Disability Services and Reform, had said zero claims had been made at VCAT in relation to DHS-run accommodation over the past three years. Can the minister advise whether that is the case also for private providers over the past three years?

Hon. W. A. LOVELL (Minister for Housing) — Yes.

Ms MIKAKOS (Northern Metropolitan) — Given that in the second-reading speech the claim was made that this bill was about giving certainty to the private providers in terms of their potential exposure, again the department would have had some relevant advice. What was the advice given in relation to the potential number of VCAT claims that could be made against private providers if this bill were not passed?

Hon. W. A. LOVELL (Minister for Housing) — As I said before, I cannot speculate and the department does not discuss its legal advice.

Ms MIKAKOS (Northern Metropolitan) — Just coming back to the issue of the State Services Authority review, I note that the minister said it was going to be concluded by August next year at the latest. Did the government ever consider delaying passage of this legislation until the conclusion of that review, and if not, why not?

Hon. W. A. LOVELL (Minister for Housing) — The review will be undertaken by the State Services Authority as the most appropriate, independent and cost-effective organisation to undertake this work. The potential transition of the State Services Authority to new — —

I am sorry, what was the question again?

Ms MIKAKOS (Northern Metropolitan) — Just to help the minister, the question related to the State Services Authority review, which she said would conclude in August next year. Did the government consider delaying the introduction of this bill until the conclusion of the review, and if not, why not?

Hon. W. A. LOVELL (Minister for Housing) — The reason the government did not wait until the State Services Authority review had been completed is that in the short term there is a need for a more transparent fee structure and commonwealth rent assistance (CRA) entitlement in department-managed services, which will allow for more sustainable residential services. Current fee structures vary considerably across and within department-managed residential services. There is a need to create greater consistency and transparency regarding residential fees for department-managed services. In the longer term the independent review of residential charges in the residential services provided by disability service providers will provide comprehensive advice to the department to inform the development of future fee structures.

Ms MIKAKOS (Northern Metropolitan) — I want to come now to this issue of the commonwealth rent assistance. Essentially Minister Wooldridge has accused residents in DHS accommodation of getting the commonwealth rent assistance by committing fraud, so I ask the minister whether she stands by that assertion — that those people with a disability receiving the — —

Hon. W. A. Lovell — I am offended.

Ms MIKAKOS — The minister needs to go and look at what the minister has said in relation to these issues. I ask the minister whether it is the view of the government that those people in receipt of commonwealth rent assistance at the moment who are in DHS accommodation are incorrectly receiving that allowance?

Hon. W. A. LOVELL (Minister for Housing) — I am absolutely offended by this question. The minister has never made that assertion — that anybody is wrongly claiming any allowance at all. She has been very understanding of the sector, she has been very understanding of the people who are residents in these residential services, she has consulted widely and she has never asserted that anyone is doing anything wrong.

This is typical scaremongering by the opposition. Let me give the member some facts. There are a few more than 400 houses in scope for the proposed new board and lodging fee and more than 150 residences that are out of scope. None of the people who are in scope for the new board and lodging fee are currently eligible for CRA.

We know there are some people who are accessing CRA and believe they are living in houses that are in scope for the new fee. The government encourages any people concerned to call the free information line on 1800 249 729 and discuss their circumstances. It is likely that such people are living in houses that will not be affected by the new fee structure. It is also possible that Centrelink has made a mistake in assessing people. If there are any anomalies in people's personal circumstances, the government is happy to discuss those circumstances. I encourage all individuals, families and carers listening or reading *Hansard* to check their personal circumstances by ringing 1800 249 729. They can also send email through the DHS website. I encourage Ms Mikakos to help people, particularly vulnerable Victorians, get the facts rather than acting as a scaremonger.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister very much for that, but I refer her to Minister Wooldridge's summing up of the second-reading debate in the Legislative Assembly. I directly quote from her.

Hon. W. A. Lovell — You can't quote from *Hansard*.

Ms MIKAKOS — I am wishing to respond to the minister's claimed outrage about my comment. I will not quote it directly if I am not permitted to, but in her summing up of the debate Minister Wooldridge said that she understood that some individuals were claiming the commonwealth rent assistance, and she went on to say that she did not know the basis on which they were claiming it, saying the advice the government had received was that residents were not eligible. Essentially the minister was saying — —

The ACTING PRESIDENT (**Mr Elasmar**) — Order! According to standing order 12.18, members cannot quote from *Hansard* but can refer to it. Ms Mikakos is starting to quote *Hansard*; I would like her to return to referring to it.

Ms MIKAKOS — I was not directly reading it. I was referring to what Minister Wooldridge said in the debate in the Assembly, but it was not a verbatim quote. But it is clearly on the record in terms of Minister Wooldridge asserting that people were incorrectly claiming the commonwealth rent assistance. Minister Lovell has just reiterated in her response that people are incorrectly claiming the commonwealth rent assistance.

Hon. W. A. Lovell — No, I did not say that. Don't verbal me.

The ACTING PRESIDENT (**Mr Elasmar**) — Order!

Ms MIKAKOS — I am going to give the minister and the government an opportunity to clear this up. I referred earlier to the letter that the Victorian Advocacy League for Individuals with Disability (VALID) sent to the minister last week, in which it was very concerned about this particular issue. It has been very apparent that a number of individuals are in receipt of the commonwealth rent assistance, and they are the ones who are going to be significantly impacted by this bill. Perhaps before I move on the minister can clarify the government's position. Do government members believe that people are incorrectly claiming the commonwealth rent assistance — yes or no?

Hon. W. A. Lovell — Sorry. What did you say?

Ms MIKAKOS — I am asking the minister to clarify the government's position as to whether or not people are incorrectly claiming the commonwealth rent assistance.

Hon. W. A. LOVELL (Minister for Housing) — I do not appreciate the opposition member verballing me or verballing the minister. No-one has said that anyone is knowingly incorrectly claiming commonwealth rent assistance. We have said that we believe some people may be getting it and may or may not be in the scope of this bill. It is possible that Centrelink has made some errors. But I remind the member of the Labor Party of her own government's regulatory impact statement that was developed for the disability regulations in 2007. It says:

> Residential fees for long-term accommodation and support in departmental managed CRUs are charged on a rental model basis … This is now equivalent to 15.2 per cent of DSP.
>
> Under Centrelink criteria, these residents would not be eligible for CRA as the rent component falls below its qualifying minimum rent threshold.

That is Ms Mikakos's own government's regulatory impact statement, which says that people in these accommodation facilities are not entitled to commonwealth rent assistance because the residential fees fall below the threshold to access rent assistance.

Ms MIKAKOS (Northern Metropolitan) — In relation to that — because I know Mrs Coote made a similar claim earlier in her contribution to the debate — I refer to the fact that opposition members have also had discussions with Centrelink. It may well be that DHS has got it wrong rather than Centrelink, because, as I understand it, there is a rule that is referred to as the two-thirds rule in terms of how DHS assesses this. A recipient who pays an amount for board and lodging is asked if they have an identifiable amount that is paid for lodging, and the recipient estimates or makes a statement of the amount paid for lodging, and that statement is generally accepted. If the recipient is unable to identify the amount paid for lodging, then the two-thirds rule applies. The two-thirds rule means that, if an income support recipient pays for board and lodging and the amount paid or payable for lodging cannot be identified, two-thirds of the total amount is considered to be for rent, and therefore not the 15 per cent the minister claimed. Two-thirds of the total amount paid to DHS would be deemed to be the relevant amount in terms of working out eligibility for the commonwealth rental assistance.

For example, if a DHS resident pays around $12 000 of their DSP, and the lodgings component is not easily identifiable, their lodgings component would then be assessed at $8000 rather than the $2800 the minister is claiming in her calculations, so they would be eligible for the commonwealth rent assistance, and it may well be that because of this two-thirds rule a number of people are correctly in receipt of the commonwealth rent assistance.

Hon. W. A. LOVELL (Minister for Housing) — I note that in asking her question the member quoted an example of someone who is already on board and lodging fees. The change provided for in this bill is for people to move from residential fees to board and lodging fees. There are some people who are already on board and lodging fees who would not fall within the scope of this bill. There are people in scope and people who are out of scope.

The information I have been given by the department is that commonwealth rent assistance will not be payable to these customers. Some $231.17 multiplied by 12 and divided by 26 equates to a rent liability of $106.69 per fortnight. For commonwealth rent assistance to be payable, a single customer without children must have a rent liability of more than $110 per fortnight. This threshold applies from 20 September 2013 to 19 March 2014. The threshold is a higher amount for couples and for those customers with children.

These are people who currently receive a residential fee and would not be eligible for commonwealth rent assistance. These people will now move to a board and lodging fee and thus will be eligible for commonwealth rent assistance. There are 150 residences which are out of scope; these include Plenty Residential Services. The reason the people at these residences are out of scope is that they are on a board and lodging fee and thus already qualify for commonwealth rent assistance.

Ms MIKAKOS (Northern Metropolitan) — The minister has confirmed that if residents are receiving a board and lodging fee, they are properly eligible for commonwealth rent assistance.

Moving on to the issue of the provisions in the bill, which again relates to the purposes clause, clause 1, is it the intention of the government to use this bill to take 100 per cent of commonwealth rental assistance?

Hon. W. A. LOVELL (Minister for Housing) — Commonwealth rent assistance is paid by the commonwealth to assist in the payment of rent, and yes, it would be 100 per cent of commonwealth rent assistance.

Ms HARTLAND (Western Metropolitan) — Ms Mikakos has asked a number of questions that I intended to ask. I will not repeat those, but I would like to inquire about a few other issues. I have concerns regarding the introduction of the national disability insurance scheme (NDIS). The government's proposed changes to reduce the ability for residential fees to be individualised to residents seem to me to be contrary to NDIS design. How will the government reconcile this, particularly in light of the fact that all of this is happening before the State Services Authority (SSA) has finished its review?

Hon. W. A. LOVELL (Minister for Housing) — I am advised that the NDIS will provide individual packages. It needs a standard base to work from, so the SSA review will cover off on the future fee structures.

Ms HARTLAND (Western Metropolitan) — Considering the SSA review will not be finished until

August 2014, if the review finds that board and lodging fees are too inflexible or are not tailored to individuals in transition to NDIS, how will the government manage this? Will it be able to reverse those changes?

Hon. W. A. LOVELL (Minister for Housing) — I am advised that the NDIS will not pay different subsidies for the same services. Currently this is inconsistent — people do pay different amounts for the same services. The NDIS will be implemented between 2016 and 2020, so the review by the State Services Authority, which will be handed down in 2014, will inform the fee structure under the NDIS.

Ms HARTLAND (Western Metropolitan) — My next group of questions concerns consultation. I have no doubt that Mrs Coote and Ms Wooldridge often meet with different organisations and talk to them about a range of issues. I specifically want to ask about the consultation that occurred for this process. What I would like to understand is: were there formal meetings with different organisations, with carers or with parents? How were people informed of those meetings? How many people attended those meetings? What was the process of that consultation?

Hon. W. A. LOVELL (Minister for Housing) — This will be quite an extensive answer. The government has listened to the significant concerns that people raised about the previous proposed residential charge. These concerns were listened to and addressed through a new board and lodging fee. Since the announcement of the new fee structure the department has received approximately 50 calls and emails on the free information phone and email lines. To date only two people have called the information line to discuss with the department the fact that they are only receiving a small amount of the commonwealth rent assistance.

In relation to the consultation that has occurred since May 2013, stakeholders such as residents, financial administrators, families and carers received written notification in accessible formats. An issues log was maintained and used to inform production of question and answer bulletins and fact sheets. There were 17 broad areas of inquiry identified including, for example, financial hardship and service inclusion and administration process inquiries. Issues were raised by a total of 117 people, 37 of whom were administrators or family members and 80 of whom were staff. A budget planning tool was also provided to assist residents and administrators.

Other responses included responding to phone and email inquiries. As I have said already, there were 50 telephone calls. There were 18 items of correspondence via letter or email. Several meetings were held between family members, the minister's office and departmental staff. Notification of the board and lodging fee prior to the announcement was provided to VALID. There were phone and email communications as well, and approximately five meetings were held between VALID and the minister's office or departmental representatives, including attendance at two public forums.

The disability services commissioner was also consulted. He was sent notification of the board and lodging fee prior to the announcement. There were approximately five meetings held between the commissioner's office and the minister's office or departmental representatives, and there were phone and email communications as required with the Office of the Public Advocate and its community visitors program. There was notification of the board and lodging fees sent prior to the announcement; there was phone and email communication as required, and a meeting was held to discuss the impact of the first model with community service organisations and disability support providers. The consultation was through National Disability Services, Victoria.

If Ms Hartland would like the dates of the meetings with VALID, I can tell her that a departmental representative met with VALID on 16 May and 5 June. Departmental representatives held a public forum that VALID representatives attended on 6 June. Departmental representatives also met with them on 24 September. Departmental representatives and representatives from the minister's office attended a public forum which VALID attended on 11 November. Departmental representatives met with the disability services commissioner on 30 May, 13 June, 1 July and 26 August, and Minister Wooldridge met with them personally on 27 August. The Office of the Public Advocate had a meeting with departmental representatives on 19 June and National Disability Services, Victoria met with a departmental representative on 7 November.

Ms HARTLAND (Western Metropolitan) — In relation to consultation on this bill I ask the minister: on what date did the bill become a public document?

Hon. W. A. LOVELL (Minister for Housing) — On the day that it was second read in the lower house.

Ms HARTLAND (Western Metropolitan) — That was about three or four weeks ago, so most of those meetings happened before the bill was second read in the lower house. Unless a draft had gone out to those communities, I am not sure whether all of those

meetings were about this bill. I am asking about consultation on this bill. What was the process of consultation for this bill, considering it was second read roughly four weeks ago? I attended a meeting with VALID and a number of other organisations on 11 November. The people there told me there had been no consultation on this bill, so I am trying to sort out in my mind whether a letter was sent and whether there was an invitation to a meeting. What was the process for consultation on this bill that was second read four weeks ago?

Hon. W. A. LOVELL (Minister for Housing) — During the period between the first proposed increase in fees and the development of this bill there was extensive consultation. When a bill is being developed the consultation is different to the type of briefing that you would receive once a bill becomes public. The consultation is with people in the sector around what they would like to see in the bill and what they would find acceptable. This bill is the result of the consultation that was held between the first proposed increase in fees and this bill coming into the Parliament. There were some dates in November that I read out earlier, so those meetings may have taken place after the bill was second read in the lower house.

Ms HARTLAND (Western Metropolitan) — Going back to the meeting I attended on 11 November, there were about 40 people in the room. People were indicating in that meeting that they had not been consulted, they did not understand where it was coming from and they wanted to talk to the government about it, so why is it that I am getting a picture from carers and people in the sector that there has been no consultation when the government is insisting that there has been consultation?

Hon. W. A. LOVELL (Minister for Housing) — The minister's office believes it has consulted with the group that Ms Hartland may be referring to. When people do not like the outcome, even when they have been consulted, sometimes it is easier just to say they were not consulted or they were not taken notice of. I do not know which group Ms Hartland is referring to so I do not know if it is the same one we are thinking of, and I am not casting aspersions on any particular group.

There are a number of groups that strongly support what is happening with the bill. James O'Brien from National Disability Services wrote:

> The prospect of having VCAT individually determine charges … would pose significant difficulty …

The CEO of Scope, Dr Jennifer Fitzgerald, wrote:

> Over the past five years, board and lodging fees have been indexed at CPI rates …
>
> I am concerned that the process of fixing fees will become untenable in a situation where VCAT has the capacity to assess, on an individual basis, any future increases to residential charges … Scope seeks certainty regarding the organisation's ability to establish a fee structure that is both fair and sustainable.

The CEO of the E. W. Tipping Foundation, Graeme Kelly, wrote:

> We will continue to work cooperatively with your department … as the welcome and necessary reforms flow through. This recent position from VCAT appears to be inconsistent with the future we are all working hard to achieve for better services for clients and families.

The CEO of Yooralla, Sanjib Roy, wrote:

> Yooralla is concerned that this process could become unnecessarily complex if VCAT has the capacity to assess how any future increases to residential charges are applied …there does need to be some clarification of the intent of the act in relation to how residential charges are applied.

These people from the sector all support what is happening in the bill.

Ms HARTLAND (Western Metropolitan) — I have one or two final questions on the issue of consultation. The meeting I attended on 11 November was organised by VALID; it was not organised by the government. Has a public meeting been organised by the government for all of these organisations, carers, parents or residents to be able to question the minister or the minister's advisers about the bill?

Hon. W. A. LOVELL (Minister for Housing) — I reiterate that the government has met with a wide variety of people on the bill, including VALID. Department representatives and representatives from the minister's office were also at the public forum on 11 November.

Ms HARTLAND (Western Metropolitan) — I asked a very specific question: has the government organised a public meeting inviting — —

Hon. W. A. Lovell — No.

Ms HARTLAND — No? There has not been a public meeting that would be part of a consultation. Clearly there has been no public meeting; that is the minister's answer.

Hon. W. A. LOVELL (Minister for Housing) — The minister's office has not organised a public meeting. It would be very rare for a public meeting to

be held about a bill. The minister's office has consulted extensively, including with VALID and a range of other stakeholders, including peak organisations. I have just read out several endorsements of the process that is happening with this bill. That appears to be a lot of support for the bill and very little opposition.

Ms HARTLAND (Western Metropolitan) — My questions are particularly about consultation, not about endorsements. I will leave it there, but the impression I now have quite clearly is that there has not been a very good consultation process. I will accept what I heard at the meeting on 11 November — that is, that the government has not organised a proper consultation process on this issue.

Ms MIKAKOS (Northern Metropolitan) — I thank Ms Hartland for all the very good questions around consultation. I want to ask about the formulas. We will be coming to clause 4 in a minute, but I want to ask about the issue of the prescribed amounts set out in the formulas. Can the minister advise the house what the prescribed amounts are and whether there are any plans to review the upper limits of those prescribed amounts?

Hon. W. A. LOVELL (Minister for Housing) — The prescribed amounts as set out in the regulations in 2007 by the Labor government are 75 per cent of the disability support pension and 100 per cent of the commonwealth rent assistance. There are no plans to review them.

Clause agreed to; clauses 2 and 3 agreed to.

Clause 4

Ms MIKAKOS (Northern Metropolitan) — I move:

1. Clause 4, page 3, lines 3 to 32 and page 4, lines 1 to 6, omit all words and expressions on these lines.

2. Clause 4, page 4, lines 19 to 29 and page 5, lines 1 to 31, omit all words and expressions on these lines.

Clause 4 is the critical clause that sets out the three formulas that apply in terms of whether the Victorian Civil and Administrative Tribunal is able to entertain an application under section 71 of the Disability Act 2006. There are three formulas. The first applies where the residential charge was based on the disability support pension only, and the proposed charge is a charge based on the commonwealth rent assistance and the disability support pension. The second formula applies where the residential charge was based on both the commonwealth rent assistance and the disability support pension, and the proposed charge will also be based on both. The third formula applies in all other cases.

Having examined how these formulas work and looked at typical scenarios, we are very concerned about the potential application of the first and second formulas. The first allows for increases in excess of $3200 plus CPI. For example, if the Department of Human Services charges $10 000 set against the disability support pension in the absence of any uplifting of the pension, this could increase rents by $3224, a potential increase of 32.24 per cent in this particular instance, with the resident not being able to access VCAT. The second formula allows increases of CPI plus any balance of the commonwealth rent assistance not currently charged. In a hypothetical example of a provider charging $11 612, $10 000 against a disability support pension and 50 per cent of the commonwealth rent assistance of $1612, in the absence again of any CPI uplift of the pension this could result in an extra $1612, or 13.8 per cent, without any recourse to VCAT.

We are very concerned about these formulas. The first amendment would delete the first two formulas, (a) and (b), as set out in clause 4. The second amendment would delete a substantial part of clause 4(4), particularly as it relates to consequential amendments to delete a whole lot of definitions in that clause. That would leave the third formula, which would enable cost of living increases to occur. As we said during the second-reading debate, we do not have a difficulty with cost of living increases so long as that is what they are — that is, CPI increases — and they are limited in nature as set out in the third formula. I urge members to support the amendments.

Hon. W. A. LOVELL (Minister for Housing) — The government will not be supporting the amendments. The effect would be to remove the capacity of residents in disability supported accommodation to access commonwealth rent assistance and provide that to the service provider without the protection that is being provided within this bill that such matters are not able to be considered by the Victorian Civil and Administrative Tribunal. In fact the only action the Victorian Civil and Administrative Tribunal can take is to dismiss that application within the confines of the formula in this bill.

The government does not wish to exclude commonwealth rent assistance from this bill. The government believes that including CRA is the appropriate thing to do, as did the former Labor government when it set out the regulations in 2007. As explained previously here and in the Legislative Assembly consideration-in-detail stage, CRA is an allowance provided by the commonwealth to assist with rent.

The formulas in this bill are quite simple. A lot of work went into developing the formulas and trying to ensure that they are as simple as possible. The purpose of the formulas is to allow VCAT to determine whether an increase in a residential charge is under the threshold that means an application for review must be dismissed. This threshold amount needs to reference the relevant provisions of the Social Security Act 1991, and given the formulas will be used to potentially dismiss an application, it is important that they accurately cover all situations.

Within that context the formulas are as straightforward as they can be. The Department of Human Services will work with the community sector organisations during implementation so that they understand the application of the formulas. The department will also be revising the relevant guidelines to provide additional information to these organisations. The department will provide information to residents and their administrators and families about how the formulas will work. Residents of department-managed group homes will have their revised residential charge based on a board and lodging fee individually calculated. Residents and their administrators will be advised as to whether their revised residential charge is within the threshold where VCAT must dismiss an application for review. The department has established a board and lodging inquiry line to provide additional advice to residents and community sector organisations if required.

The formulas are required so that VCAT can accurately determine the threshold under which it must dismiss an application, and disability support providers use three different methods of setting a residential charge. It is not an increase based on the consumer price index. That is why it is referred to as a cost of living increase. The three different methods are, firstly, a flat fee; secondly, as a percentage of the commonwealth disability support pension' or thirdly, as a percentage of the commonwealth disability support pension and commonwealth rent assistance. The bill contains three formulas to reflect the three different methods of setting a residential charge.

The formulas allow for a proportional increase in a residential charge related to the cost of living increase to the disability support pension. That is, for example, if the charge is set at 70 per cent of the disability support pension, the increase in line with the cost of living must be proportional to the increase to the pension charge for the increase to be within the threshold. The three formulas will enable VCAT to determine whether an increase in a residential charge is within the threshold under which it must dismiss an application regardless of how the charge was set.

Therefore the formulas are here for a reason. The provisions that set out when VCAT can or cannot review an increase is quite clear — that is, when the increase is not beyond the cost of living increase to the person's pension.

Ms HARTLAND (Western Metropolitan) — The Greens will be supporting Ms Mikakos's amendments.

Committee divided on amendments:

Ayes, 17

Barber, Mr	Melhem, Mr
Broad, Ms (*Teller*)	Mikakos, Ms
Darveniza, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms (*Teller*)	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr
Leane, Mr	Tee, Mr
Lenders, Mr	

Noes, 20

Coote, Mrs	Koch, Mr
Crozier, Ms	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	Millar, Mrs (*Teller*)
Davis, Mr P.	O'Brien, Mr
Drum, Mr	O'Donohue, Mr
Elsbury, Mr (*Teller*)	Ondarchie, Mr
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr
Hall, Mr	Rich-Phillips, Mr

Pairs

Viney, Mr	Atkinson, Mr

Amendments negatived.

Clause agreed to; clauses 5 and 6 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

The PRESIDENT — Order! The question is:

That the bill be now read a third time and do pass.

House divided on question:

Ayes, 20

Atkinson, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Crozier, Ms	Lovell, Ms
Davis, Mr D.	Millar, Mrs
Davis, Mr P. (*Teller*)	O'Brien, Mr
Drum, Mr	O'Donohue, Mr
Elsbury, Mr	Ondarchie, Mr
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr (*Teller*)
Hall, Mr	Rich-Phillips, Mr

Noes, 17

Barber, Mr	Melhem, Mr
Broad, Ms	Mikakos, Ms
Darveniza, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms (*Teller*)	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr (*Teller*)
Leane, Mr	Tee, Mr
Lenders, Mr	

Pairs

Dalla-Riva, Mr	Viney, Mr

Question agreed to.

Read third time.

TRANSPORT (COMPLIANCE AND MISCELLANEOUS) AMENDMENT (ON-THE-SPOT PENALTY FARES) BILL 2013

Second reading

Debate resumed from 28 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Mr MELHEM (Western Metropolitan) — I rise to speak in the debate on the Transport (Compliance and Miscellaneous) Amendment (On-the-Spot Penalty Fares) Bill 2013. I start by outlining the purpose of this bill, which is to tackle the disappointing level of fare evasion in this state. On average, fare evasion costs this state around $60 million each year in lost revenue. Last year 160 000 infringement notices were issued. According to the Public Transport Victoria annual report 2012–13, 11.9 per cent of passengers on trains, trams and buses were fare evading in May 2013 compared to 9.4 per cent in October 2012.

The Auditor-General's report entitled *Fare Evasion on Public Transport* illustrates the problem. Between 2005 and 2008 fare evasion was on a downward trend, declining to a low point before losing these gains by mid-2011. Since then overall fare evasion fell to 11.9 per cent in the second half of 2011 and to 11.6 per cent in the first half of 2012.

Labor is supporting this policy because it is a step in the right direction in tackling fare evasion. The Napthine government has finally offered up a substantial policy contribution on the issue. An on-the-spot penalty scheme brings Victoria into line with other states and indeed countries. Queensland has a similar scheme. The United Kingdom also features a system whereby you pay a penalty fare on the spot; however, its penalty fares appear to be lower.

I will briefly run through the provisions of the bill. Clause 1 establishes the purpose of the bill, as I outlined earlier. New section 212AA(1), inserted by clause 7, invests authorised officers with the discretion to offer a person who has committed an on-the-spot penalty offence with the opportunity to pay an on-the-spot penalty fare. New section 212AA(2) subjects that discretion to directions determined by the Public Transport Development Authority, under new section 220DC. New section 212AA(4) allows an authorised officer to withdraw an offer made at their discretion if that fare is not paid within a reasonable period of time. New section 220DD(1) provides that the amounts received from payment of the penalty are to be paid to the Public Transport Development Authority. The authority may in turn retain any reasonable costs incurred in administering the scheme, as determined by the relevant minister with approval of the Treasurer. What remains of the received funds is to be paid into consolidated revenue.

Clause 9 provides the power to regulate with respect to the new scheme, notably in regard to the amount of the penalty fare and those existing ticket offences which are to be deemed on-the-spot penalty ticket offences.

I would like to flag three areas of concern the opposition has regarding this bill, which may be relevant in tackling fare evasion in this state. The first is the ability of ticket inspectors to receive penalty fares in cash payments, with consequent concerns regarding their personal safety. This was the concern of the member for Richmond, my colleague in the other place, who circulated relevant amendments to clauses 7 and 8 to preclude payments in cash for on-the-spot penalty fares. The Rail, Tram and Bus Union has indicated that it shares the opposition's concerns and agrees with the

proposed amendments, which were rejected by the government.

In the explanatory memorandum for this bill it is noted that the new system will 'increase the productivity and efficiency of authorised officers'. Needless to say, the added task of having to tally up cash received at the end of each shift will not increase their productivity or efficiency. But more concerning is that the consequence of this bill as it stands will be the further jeopardising of the safety of ticket inspectors, who may become targets for robbery.

The bill allows for the electronic payment of penalty fares; the opposition has submitted that this would suffice. Most people have a debit card or credit card these days. A further option could be that the person is invoiced via the address on their myki account. It is disappointing that the Napthine government has not accepted these well-reasoned amendments to what is otherwise an agreeable bill. I would submit that it is not too late for the government to reconsider such amendments. I foreshadow that I will move amendments to the bill, and I ask that they be circulated so that we can deal with them later on.

Opposition amendments circulated by Mr MELHEM (Western Metropolitan) pursuant to standing orders.

Mr MELHEM — The second point I want to talk about briefly is the unique set of problems confronting the prevention of fare evasion on buses. According to the tabled Public Transport Victoria report for 2012–13, 11.9 per cent of passengers were fare evading in May 2013, compared to 9.4 per cent in October 2012. On 19 September the *Herald Sun* revealed that private operator Ventura was of the opinion that the introduction of the myki system had brought about increased fare evasion on buses.

The practicalities behind this trend are easy enough to understand. Instead of having to buy a ticket when boarding a bus, you merely have to touch on with your myki. Often the fare evader may walk onto the bus to another myki machine. The touch on may be rejected, and the evader will just sit down. Some creativity is needed in solving this issue. Perhaps those who have failed to touch on could be invoiced for that amount. Perhaps the practicalities of the myki system need further consideration. For example, when placing a new myki pass on your myki card, it can sometimes take 12 hours or more to become active. There are obviously systemic problems on the transport system which need to be looked at further.

There is also the wider issue of those public transport users who go out of their way to fare evade. The current fare evasion rates for trains, trams and buses are high when compared to the levels achieved in 2007 and 2008, as well as in other states currently. In 2012–13 the government spent in excess of $1 million on fare evasion advertising. That is obviously money down the drain for the advertising in its current form. I would submit that the relevant minister needs to engage in an in-depth process in tackling the problem of systemic evaders. There are some academic studies existing and under way on the issue. It may be that the government should engage in a survey or study exploring the underlying behavioural factors which lead to this particular group feeling justified in free-riding the system.

Additionally it may be that the level of fares for public transport in this state are unreasonably high. From 1 January 2013 fares were hiked to $7 for a full daily myki fare for zone 1, an increase of 44 cents, while a zone 1 and 2 daily ticket increased by 76 cents to $11.84. While the coalition has completely dumped and shredded Labor's transport plan, which offered Victorians an ambitious vision for our transport system's future, it kept the fare hikes associated with it. It might not seem like much, but everyday users and cash-strapped students find it burdensome, so perhaps lower fares may be the answer. Ultimately, however, it is a matter of creating a culture of compliance whereby free riding is seen as unacceptable.

If the Napthine government is really serious, the problem of fare evasion in this state must be tackled. That is why we are supporting the thrust of the bill. When we deal with the opposition's proposed amendments to the legislation, which we think are very reasonable, we will urge the government to support them so that this bill can pass through the house and become law. Hopefully the legislation can go a long way towards helping to fix the fare evasion problems that exist.

The opposition does not believe any person should avoid paying proper fares when using a public transport system, which is for us all to use. Fare evaders should be dealt with and should not break the law. At this time I will leave my remarks at that, and I will come back to the proposed opposition amendments later on.

Mr BARBER (Northern Metropolitan) — The Liberal Party had a lot to say about fare evasion when it was in opposition, but in government it has achieved very little. That is because its members persist in using the same old failed model inherited from the Labor Party, involving for the most part bands of randomly

roving ticket inspectors. From the government's own fare evasion plan, the so-called Network Revenue Protection Plan, you can easily derive the following numbers: authorised officers or ticket inspectors, who are employees of Metro Trains Melbourne, check about 2 per cent of all tickets — that is, about 2 per cent of all rides. Of those they check, they issue fines to about 2 per cent of fare evaders, despite the government telling us from other survey methods that fare evasion is much higher, so your chances of being checked by a ticket inspector are extraordinarily low on any given day.

When you realise that about 50 per cent of all train trips are to gated or city loop stations — the other half being to areas where there may or may not be staff present or tickets checked — you can see how porous the system is. It is no wonder that over time a high proportion of the population has developed the attitude that under certain circumstances, and maybe just because of some of the extraordinary barriers to getting a properly functioning ticket that have been created under myki, it is okay to fare evade. Probably 10 per cent of the population never fare evade, probably 10 per cent do it persistently and there is a group in the middle who do it under a whole range of circumstances. Fare evasion, fare confusion or pushing your luck has, to a certain extent, been normalised, and ticket inspectors with that random method of checking provide almost no support for a different direction.

What is the government doing with this bill? It is having another go at the same failed method, except now things are going to get much worse. As the government would be well aware, there have been some issues with the overall approach that ticket inspectors have taken. First of all, under the last government there was the report of the Ombudsman that uncovered a number of extreme instances of misconduct by authorised officers that have not been properly addressed either by the train operator or the Department of Transport, Planning and Infrastructure. This included attacking people without warning.

In one instance, and the CCTV footage was made available by the Ombudsman, a young kid was doing the wrong thing, propping open the doors of a train as the train was leaving the station. In the footage you can see that the authorised officer runs the length of the carriage and then simply shoves the young person out the door of the moving train. Separate footage taken from the station shows him actually tumbling down the platform as the train speeds off. Last Christmas Eve we had an instance with protective services officers (PSOs) who were checking tickets at Broadmeadows station. They threatened and then ultimately deployed capsicum spray against someone who it turned out did have a ticket. Whether or not you think that force was justified, the fact is that the PSOs themselves, station staff and nearby patrons were all affected and injured by the capsicum spray.

Then there was an instance on 31 July, where it was alleged that some teenage girls in a group did not have tickets, or perhaps they all did not have tickets. One or more of them was not able to verify their proof of identity or provide details of someone who could do that for them. While being interviewed by the inspectors, one of the young women started to walk off towards an open barrier. One of the authorised officers came after her and grabbed her on the shoulder. You can see from the CCTV footage that the Greens obtained under FOI and made available on the internet that she turned around and lashed out at the ticket inspector. He and his companion rushed in, grabbed this tiny woman — who, according to the reports, was about 5 foot 4 and obviously quite slight — turned her upside down, dropped her and then pounced on top of her. A melee was observed and many citizens, quite horrified by what they saw, went over and started to film it on their iPhones, and all the rest of it.

It was really quite a horrifying incident which has aroused strong opinions. There is a petition up and running which asks Metro to take action and provide better training to its staff. It was running at about 19 500 signatures the last time I looked, and it had only been up for 24 hours. Talkback radio and most newspapers have also covered the story.

It is possible that a wrong was perpetrated on both sides of this particular transaction. There does not have to be a right and a wrong side. There are three sides to every story, as they say — yours, mine and the truth. However, this incident could have been prevented and should never have happened.

One solution would be to rehumanise the system by staffing it. In many cases some people working as authorised officers could be turned over as regular station staff in areas that are currently unstaffed. Some of the material I have seen from within the department indicates that when it introduced gating at new stations and supervision of those gates, there was a massive increase in the amount of revenue collected from people going through those platforms. That indicates that this would be an appropriate way to reduce fare evasion. I believe the loss in revenue could be even higher than the $60 million figure quoted by the government, based as it is on certain assumptions.

In that context, one which I think would be very familiar to many transport users in Victoria, it is the government's proposition that ticket inspectors, who I think most people find intimidating whether the inspectors think they are likely to be fair evading or not, will in the same circumstances — which are generally that they have surrounded and detained someone — be able to hold out their hand and demand money. They will not just be issuing an on-the-spot fine; they will be offering a $75 cash transaction to this person who has a problem with their ticket or who does not have one at all, in return for which they can go free.

If you think the situation is already out of control and has damaged the reputation of our transport system, then I can only imagine that things will get worse under the provisions of this bill. I believe there will be a whole range of problems stemming from the execution of this legislation. I believe it will only serve to take us further in the wrong direction. The Greens will be opposing this bill. We will also be considering some matters in detail when we go through the bill, clause by clause, in the committee stage.

Mrs MILLAR (Northern Victoria) — I am pleased to rise today to make a contribution in relation to the Transport (Compliance and Miscellaneous) Amendment (On-the-Spot Penalty Fares) Bill 2013. Sadly, fare evasion on public transport is widespread and remains a major problem in this state, leading to an estimated $60 million in lost revenue each year. This is unacceptable and needs to be addressed in order to ensure that all passengers pay for a valid ticket. This ticket revenue can then be put back into funding and improving our public transport services.

Fare evaders let down all Victorians. If the 160 000 fare evaders identified last year, plus all those other passengers who evade fares but who go undetected, paid their fares, how much more revenue would there be to go back into investing in public transport? This government is already investing heavily in public transport, with an extra $176 million being used to purchase eight new X'trapolis trains. With an additional $60 million in revenue we could purchase another three trains.

Last year almost 160 000 infringement notices were issued by the Department of Transport, Planning and Local Infrastructure. This is a staggering figure — firstly, as a partial indicator of fare evasion levels, and secondly, in terms of the amount of associated administration which arises as a result of the processing of 160 000 infringements. Reducing the administration component of this process will allow for even more fare evaders to be identified. Catching more fare evaders more often will act as a strong disincentive.

The bill before us sets out to reduce a significant proportion of this administration and to improve and streamline fare evasion penalties. Public Transport Victoria has been considering new and better ways of reducing and managing fare evasion and has recommended the introduction of on-the-spot penalty fares similar to what occurs in a number of interstate and overseas schemes under which fare evaders have the option to pay a penalty immediately and on the spot rather than giving their name and details for the issuing of a subsequent infringement notice, which is recorded by the department.

This is an important aspect of the proposed on-the-spot penalty fares. There will be no requirement for passengers found without a valid ticket to provide their name or give further details, such as an address. Removing this requirement will be welcomed by many people who have significant concerns about their names being recorded and stored and this information being used or accessed in the future. An on-the-spot penalty fare is not a criminal matter and therefore should not be assessed as such.

Under the proposed legislation an on-the-spot penalty fare will initially be $75, which is substantially lower than the current $212 adult infringement penalty while still remaining a significant deterrent to those travelling on public transport without a valid ticket. Fares will be able to be paid in cash, by EFTPOS or by credit card. Processes will be put in place to minimise the amount of cash being carried by authorised officers to ensure their safety. However, it is expected that most passengers will pay the $75 penalty fare — a not inconsiderable sum — via either EFTPOS or a credit card. Authorised officers will be able to deposit their collected cash at myki card vending machines, ticket windows and myki retail outlets.

It is important to note that those who do not wish to pay the on-the-spot penalty fare will continue to have the option to provide their name and address, receive an infringement notice and retain the ability to appeal that notice should they so wish. In this event, a $212 infringement fine will continue to apply. No appeal processes will apply to on-the-spot penalty fares. On-the-spot penalty fares will also not apply to minors. It should be noted that on-the-spot penalty fares will not initially be offered on V/Line services.

The scheme will be implemented for an initial 12-month period, after which a review will be conducted. This will allow for a full and detailed assessment of the

effectiveness of the new scheme. The bill implements an effective way to reduce the administrative costs and increase the identification of fare evaders. It will lead to more fare evaders being caught and quickly and easily paying an appropriate fare evasion penalty but without their name and details needing to be permanently recorded and without the stress of an infringement notice being issued. I commend the bill to the house.

House divided on motion:

Ayes, 35

Atkinson, Mr	Leane, Mr
Broad, Ms	Lenders, Mr
Coote, Mrs	Lovell, Ms
Crozier, Ms	Melhem, Mr
Dalla-Riva, Mr	Mikakos, Ms
Darveniza, Ms	Millar, Mrs
Davis, Mr D.	O'Brien, Mr
Davis, Mr P.	O'Donohue, Mr
Drum, Mr	Ondarchie, Mr
Eideh, Mr	Peulich, Mrs
Elasmar, Mr	Pulford, Ms
Elsbury, Mr (*Teller*)	Ramsay, Mr (*Teller*)
Finn, Mr	Rich-Phillips, Mr
Guy, Mr	Scheffer, Mr
Hall, Mr	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr
Koch, Mr	Tee, Mr
Kronberg, Mrs	

Noes, 3

Barber, Mr (*Teller*)	Pennicuik, Ms (*Teller*)
Hartland, Ms	

Motion agreed to.

Read second time.

Ordered to be committed next day.

ADJOURNMENT

Hon. M. J. GUY (Minister for Planning) — I move:

That the house do now adjourn.

Fisheries cost recovery

Mr LENDERS (Southern Metropolitan) — The matter I raise tonight is for the attention of the Treasurer, Michael O'Brien, in his capacity as the minister responsible for regulatory impact statement (RIS) policy. A regulatory impact statement for fisheries cost recovery was released in July 2013. I have been contacted by individual fishers and several fishing organisations that have concerns about how the cost recovery, which in itself they are not opposed to, is being calculated. I would hope that the Treasurer would review this practice with a view to making it a bit less opaque. While the RIS outlines a number of costs, they are somewhat opaque. I understand that during the consultation period the Department of Environment and Primary Industries (DEPI) refused to provide details of any contracts worth less than $100 000, which it says is government policy. In the case of the aforementioned RIS, this constitutes most of the contract costs in the area.

Further, DEPI has attributed $1.25 million as cost recoverable services to commercial fisheries in terms of providing 7.22 full-time equivalent staff to undertake compliance inspections. That works out to more than $170 000 per full-time inspector. I will not reflect on the accuracy or appropriateness of this cost; however, I will say that it should be properly explained. This is not the case at the moment with this regulatory impact statement.

Many in the fisheries industry believe that with this lack of accountability it is impossible to achieve the efficiency, accountability or contestability required under the cost recovery guidelines. The action I seek of the Treasurer is that he review this particular RIS in terms of assessing the adequacy of information being provided, particularly during the consultation period, with a view to improving RISs in the future. If it would assist the Treasurer, I am absolutely sure that members of these fishing organisations would be happy to sit down with him and explain why what is a sensible RIS policy is not working particularly well in their industry.

Kerferd Road, Albert Park, school crossing

Mrs COOTE (Southern Metropolitan) — My adjournment matter this evening is for Terry Mulder, the Minister for Roads and Minister for Public Transport, and it is in relation to Kerferd Road in Albert Park. On 27 November I was extremely pleased to read in the *Weekly Review Bayside & Port Phillip* about a group of grade 6 students from Middle Park Primary School who formed the Middle Park Primary School Youth Action Committee and who identified a need for a school crossing. The group identified the road as an accident hot spot and submitted a petition bearing 578 signatures to the City of Port Phillip. They want a school crossing on the road.

The committee, which is made up of 15 grade 6 students, found that more than 220 Middle Park primary students cross Kerferd Road weekly. Students from Albert Park Primary School and Albert Park College also cross the road. Kerferd Road is classified as a major road in the city of Port Phillip and carries about 12 000 vehicles per day. It has a posted speed limit of 60 kilometres per hour. These children were very concerned that a school crossing be established on

the road. With the encouragement of their teachers they sent their petition to the council. One of the committee members, a girl called Charlotte who is 12, said the group found there was a need for the crossing when they discovered how many students were crossing the dangerous road.

The children have sent their petition to the City of Port Phillip, but I understand Kerferd Road to be a VicRoads road. The action I seek of the minister is that, should this petition come to his attention, he give it his best attention and make quite certain it is treated with the respect and dignity that befits a group of very progressive schoolchildren who are recognising that there is danger on their road.

Fire services property levy

Ms HARTLAND (Western Metropolitan) — My adjournment matter tonight is for the Minister for Police and Emergency Services and relates to the fire services property levy. Before reform in 2012 the Metropolitan Fire Brigade (MFB) received 75 per cent and the Country Fire Authority (CFA) received 77.5 per cent of annual estimated expenditure directly from insurance companies. State and local governments contributed the remaining amount. Insurance companies then recuperated these funds via the fire services levy on insured properties. Under new arrangements within the Fire Services Property Levy Act 2012, local councils collect the fire services property levy. It is then given to the commissioner, who deposits it into the government's Consolidated Fund. The government then proceeds to provide funds to the CFA and MFB.

What is important here is that all the money raised by the fire services property levy is invested into fire protection. When the hard-earned money of community members is collected for fire services, the expectation is that all money will go towards that purpose. However, in the Fire Services Property Levy Act 2012 there is no guarantee that this will be the case. Because the levy funds go into consolidated revenue, and no longer directly to the CFA and MFB themselves, there could be a mismatch between money raised by the levy and money invested in fire protection.

The fire services desperately need more funding for the upgrading of equipment and to maintain safety standards and staff. The 2009 Victorian Bushfires Royal Commission recommended that an extra 342 firefighters be employed by the CFA. This has not been achieved due to funding restrictions. Further, more investment is required for fire protection due to the increasing population in Victoria and the growing number of fires due to our changing climate.

Despite this need, in the last budget the government cut funding to the CFA by $41 million and the MFB by $25 million. In responses to this cut, the United Firefighters Union conducted an independent financial analysis of the fire services levy, which it says indicated growth from $322 million raised four years ago to $654 million raised last year. It found that the levy is collecting more money than the CFA and MFB are spending, and it claimed that in 2011–12 the government banked $157 million. While I have not seen the calculations behind these figures, I am concerned about this issue.

At the start of this high-risk fire season I ask the minister to guarantee that all the money raised by the fire services property levy be allocated to the CFA and MFB to meet their annual expenditure needs and that the minister prove that this has occurred by including transparent total fire services property levy income and total CFA and MFB expenditure figures in every Victorian budget.

Little Saigon, Footscray

Mr FINN (Western Metropolitan) — I raise a matter for the attention of the Minister for Multicultural Affairs and Citizenship. I am sure the minister would be aware that over recent years I have built a strong connection and relationship with the Vietnamese community, particularly in Footscray. I have long admired Australian-Vietnamese people for their ability to work hard, to show initiative and to show the sort of entrepreneurship that is building Australia and will continue to build Australia. Before the Vietnamese came to Footscray — which is many years ago now — that suburb was in a pretty bad way; it was pretty shabby. But the Vietnamese have inspired a new life in Footscray.

The proposal I wish to put to the minister tonight is somewhat of a recognition of the contribution that the Australian-Vietnamese community has made in Footscray. It concerns the Saigon welcoming arch, which is a proposed arch over the Little Saigon precinct in Leeds and Byron streets. For those members who are familiar with Footscray, it is a very popular part of that suburb. There are some great restaurants, some great food stores — and some great stores full stop, to tell the truth.

There are plans afoot, and these plans have been approved and are supported by the Maribyrnong City Council, which I understand has recently announced it

is prepared to put in $350 000 for the building of this arch. I wish I could go into depth to describe what it will look like when it is completed, but it will be a major highlight of Footscray, indeed a major highlight of the western suburbs. It is something that people in Footscray, and particularly the Vietnamese community in Footscray, will be particularly proud of.

I ask the minister to support and take into consideration the application, which is either before him or will be before him very shortly. As I said, the Maribyrnong City Council has offered its full support, and the local Australian-Vietnamese community is very enthusiastic about it. It is in the process at the moment of raising some $300 000 through a series of four fundraising dinners with dancing, which I am sure the Acting President will be very keen to attend, as well as doorknocking many business owners around Victoria, especially in the Footscray area. I ask the minister to take this matter into consideration and give this project his full support.

Fire services funding

Ms BROAD (Northern Victoria) — My adjournment matter is for the attention of the Deputy Premier, and it relates to a great many concerns that constituents are sending to my office about fire services and support for firefighters across Victoria. These concerns are coming from volunteer firefighters, career firefighters and the community.

Northern Victoria includes some of the highest fire-risk areas in the state. Communities in this region have already seen the failure of the government to fulfil its promise in relation to implementing all the recommendations of the 2009 Victorian Bushfires Royal Commission 'lock, stock and barrel', and in particular its failure to make progress in relation to fire refuges. We are now very close to the highest fire risk part of the year.

These concerns are coming into my electorate office thick and fast, and I am sure other members across the northern part of the state are hearing the same concerns about this area, which is very rapidly drying out. Members of these communities, my constituents, are especially critical of the government's budget cuts to the Country Fire Authority of some $41 million, of its budget cuts to the Metropolitan Fire Brigade of some $24 million for communities on the border and of its broken election commitment in relation to the $136 million it was going to provide for support and training of the state's fire services. Communities are very concerned about the negative impacts of those budget cuts in addition to the concerns I have already outlined.

On behalf of constituents who are contacting me and my office, I call on the Deputy Premier as the minister responsible for fire services to address these concerns, to address these budget cuts and to address the matter of the implementation of the royal commission recommendations, particularly in relation to fire refuges for communities. There are communities that still do not have fire refuges in place, despite the promises that were made to them.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! Thank you, Ms Broad. I need some clarification from you. You have referred this matter to the Deputy Premier. In what capacity were you seeking for him to address this matter?

Ms BROAD — In relation to his responsibility for emergency services.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! Mr Wells is the minister responsible for police and emergency services, and he is also responsible for the bushfire response, but you have referred this matter to the Deputy Premier. Do you want this matter to go to Minister Wells instead?

Ms BROAD — Yes. I stand corrected.

Western Victoria Region population growth

Mr O'BRIEN (Western Victoria) — My adjournment matter is for the Minister for Planning, who I am pleased to see is in the house. I request that the minister visit the western-most part of my electorate to discuss planning policies that could encourage a greater repopulation of our fantastic rural communities. Nearly three years ago I stood in this place making my inaugural speech, advocating the strength of these areas and calling for greater policy support for them. I am pleased to see that a number of initiatives that the minister has outlined have supported that, but the issue of population centralisation has been a longstanding issue. I recall the West Victoria Separation Movement, which I referred to in my maiden speech, and a very interesting read that is; it was mentioned in the paper.

Hon. M. J. Guy interjected.

Mr O'BRIEN — Again, I do not call for that just yet! The issue of population centralisation has certainly been in focus recently. On 26 November the Australian Bureau of Statistics released figures showing that Melbourne's population would grow to 8.5 million within 50 years under a medium growth scenario.

These same projections show Melbourne overtaking Sydney in around 2050, gaining the title of Australia's most populous city.

We would all agree that the growth of Melbourne will require its fair share of infrastructure, but of course there are great opportunities to accommodate Victoria's population outside of Melbourne, particularly in the far western areas, such as Dartmoor, Hamilton, Casterton, Coleraine, Balmoral, Kaniva, Edenhope, Horsham, Nhill, Dimboola, Jeparit and Natimuk, which are all superbly represented by the outstanding member for Lowan in the Assembly, the Honourable Hugh Delahunty. There are many other smaller towns and settlements that can accommodate greater population settlement, but perhaps there needs to be some focus on the rules that relate to town planning, particularly in relation to subdivision and building.

In particular, there are opportunities to provide greater flexibility for some of these landowners who wish, for example, to have subdivisions or building developments to accommodate family members, to accommodate small villages and to accommodate cluster farming without compromising agricultural productivity. One of the problems with the current rules is that, if anything, they tend to encourage subdivisions towards 40 acres or 5 acres of what are sometimes derisively called hobby farms or small farms. However, there are opportunities to have greater infrastructure location by having subdivisions in close proximity to villages or cluster developments. That would be a sensible design that could create sustainable communities and repopulate these areas so they can look forward to having a brighter future under this government. I have always said that the best days of the west lie ahead.

Mr Ramsay interjected.

Mr O'BRIEN — Certainly like Penshurst, Mr Ramsay, and indeed Birregurra. I call on the minister to visit these areas, and I look forward to him having a good reception.

Ringwood railway station

Mr LEANE (Eastern Metropolitan) — My adjournment matter is addressed to Mr Mulder, the Minister for Public Transport, and it is in regard to the upgrade of the Ringwood railway station. Before coming to government the coalition committed to a $60 million upgrade of Ringwood station, which was to be started in its first term. A media release from the coalition at the time states:

> This upgrade will include either Disability Discrimination Act-compliant ramps or subways — along with lifts — to ensure that access to all platforms is always available —

particularly for people using wheelchairs. In April Mr Mulder's department foreshadowed some plans around what the new station would look like, which did include ramps and lifts for access; however, unfortunately in an upgraded plan released in July the plan no longer includes the lifts. The history of this particular station and calls for an upgrade to it made to the previous and current governments centre on access to the platforms. Anyone who has been out to the station will understand that the high ramps and steep steps that lead to the platforms are a huge issue in terms of access.

I call on the minister to allay the local people's fear, specifically the fear of people with disability in the area, by ensuring that lifts will be part of this project and that lifts will be part of the new station when it is built, which would mean reinserting into the plans the lifts that featured in the previous plan — the one before the update.

Responses

Hon. M. J. GUY (Minister for Planning) — Mr Lenders raised a matter for the Treasurer, Mr O'Brien, in relation to the regulatory impact statement process pertaining to a particular issue he has referred to. I will have Mr O'Brien respond to him in writing.

Mrs Coote raised an important matter for the Minister for Roads, Mr Mulder, in relation to a petition concerning Kerferd Road, Albert Park. I will have the minister provide a straightforward response to her in relation to the acceptance of that petition.

Ms Hartland raised a matter for the Minister for Police and Emergency Services, Mr Wells, in relation to the fire services property levy. As much as that applies to Mr Wells, I will have him reply, although I think there would need to be some coordination with the Treasurer on that. I will have that referred, however, to the police minister for his comment.

Mr Finn raised for the Minister for Multicultural Affairs and Citizenship, Mr Kotsiras, a very important matter in relation to supporting the Saigon Welcoming Arch for the Footscray Vietnamese community. The project he mentioned sounds like an excellent one and obviously needs to be considered, and there will be a process for that. Mr Kotsiras can give Mr Finn a detailed reply, but this is another example of how

Mr Finn advocates very strongly for the Footscray Vietnamese community.

Ms Broad raised a matter for the Minister for Bushfire Response, Mr Wells, in relation to support for firefighters. I will have the minister reply to her adjournment matter.

Mr O'Brien raised a matter concerning a visit to western Victoria by me. I might say to Mr O'Brien that it is a very good adjournment matter. Without replying to him in writing, I indicate to Mr O'Brien that I will take up his offer. I appreciate the invitation. I have been a number of times to western Victoria. A few years back I think I must have been the first planning minister in 50 years to visit Serviceton. I was at Serviceton railway station while on a tour out that way with Mr Ramsay. We visited a number of towns which some people had never seen before.

That night I went out to see Serviceton, and the townsfolk were rather bemused; I think they thought I was joking when I said I was a politician from Melbourne. They looked at me, and there I was at the Serviceton railway station. We had an interesting time there. The station is about the only major building of any note in the town, but it is a wonderful little place. I would be pleased to join Mr O'Brien in his electorate to look at some of those great areas of western Victoria and at how the Napthine government's plans to focus again on regionalisation are so important for regional Victoria. I would be very pleased, as I say, to take the member up on that invitation, so I thank him for it.

Mr Leane raised a matter for Mr Mulder, the Minister for Public Transport, in relation to the Ringwood railway station upgrade, and I will have him respond in writing to Mr Leane.

There are written answers to 14 adjournment matters as follows: Mr Finn on 5 March, Mr Lenders on 29 May, Mr Eideh on 21 August, Mrs Coote on 22 August, Ms Darveniza on 4 September, Mr Finn and Mr Tee on 19 September, Ms Tierney on 15 October, Mr Finn and Mr Elsbury on 16 October, Mr Leane on 30 October and 14 November, and Mrs Peulich and Ms Mikakos on 14 November.

The ACTING PRESIDENT (**Mr Ondarchie**) — Order! I thank all members for their cooperation today on what has been a very busy day. The house now stands adjourned.

House adjourned 10.29 p.m.