

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-EIGHTH PARLIAMENT

FIRST SESSION

Tuesday, 7 February 2017

(Extract from book 1)

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The Lieutenant-Governor

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(from 10 November 2016)

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Dispute Resolution Committee — (*Council*): Mr Bourman, Mr Dalidakis, Ms Dunn, Mr Jennings and Ms Wooldridge. (*Assembly*): Ms Allan, Mr Clark, Mr Merlino, Mr M. O’Brien, Mr Pakula, Ms Richardson and Mr Walsh.

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Environment, Natural Resources and Regional Development Committee — (*Council*): Mr Ramsay and Mr Young. (*Assembly*): Ms Halfpenny, Mr McCurdy, Mr Richardson, Mr Tilley and Ms Ward.

Family and Community Development Committee — (*Council*): Mr Finn. (*Assembly*): Ms Couzens, Mr Edbrooke, Ms Edwards and Ms McLeish.

House Committee — (*Council*): The President (*ex officio*), Mr Eideh, Ms Hartland, Ms Lovell, Mr Mulino and Mr Young. (*Assembly*): The Speaker (*ex officio*), Mr J. Bull, Mr Crisp, Mrs Fyffe, Mr Staikos, Ms Suleyman and Mr Thompson.

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Public Accounts and Estimates Committee — (*Council*): Ms Pennicuik and Ms Shing. (*Assembly*): Mr Dimopoulos, Mr Morris, Mr D. O’Brien, Mr Pearson, Mr T. Smith and Ms Ward.

Scrutiny of Acts and Regulations Committee — (*Council*): Ms Bath and Mr Dalla-Riva. (*Assembly*): Ms Blandthorn, Mr J. Bull, Mr Dimopoulos, Ms Kilkenny and Mr Pesutto.

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Parliamentary Services — Secretary: Mr P. Lochert

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FIFTY-EIGHTH PARLIAMENT — FIRST SESSION

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Lovell, Ms Wendy Ann	Northern Victoria	LP	Wooldridge, Ms Mary Louise Newling	Eastern Metropolitan	LP
Melhem, Mr Cesar	Western Metropolitan	ALP	Young, Mr Daniel	Northern Victoria	SFFP

² Appointed 15 April 2015

³ Resigned 27 May 2016

¹ Resigned 25 February 2015

⁴ Appointed 12 October 2016

PARTY ABBREVIATIONS

ALP — Labor Party; ASP — Australian Sex Party;
DLP — Democratic Labour Party; Greens — Australian Greens;
LP — Liberal Party; Nats — The Nationals;
SFFP — Shooters, Fishers and Farmers Party; V1LJ — Vote 1 Local Jobs

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Tuesday, 7 February 2017

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

ACKNOWLEDGEMENT OF COUNTRY

The PRESIDENT — Order! On behalf of the Victorian state Parliament I acknowledge the Aboriginal peoples, the traditional custodians of this land which has served as a significant meeting place of the first people of Victoria. I acknowledge and pay respect to the elders of the Aboriginal nations in Victoria, past and present, and welcome any elders and members of the Aboriginal communities who may visit or participate in the events or proceedings of the Parliament this week.

CONDOLENCES

Bourke Street tragedy

Mr JENNINGS (Special Minister of State) — By leave, I move:

That this house extends our thoughts, prayers and support to the victims of the Bourke Street tragedy and their loved ones; expresses our gratitude to emergency services personnel for their unwavering professionalism; and pays tribute to the everyday Victorians who, in the face of unimaginable tragedy, showed the most remarkable courage and compassion.

In moving this motion I am mindful of the gravity of each and every one of the elements of this resolution that we are honouring today in terms of the lives that have been lost, the families that are grieving, those who in extraordinary circumstances stood up and provided support and comfort to those holding tenuously on to life and those who are injured and continue to this very day to deal with their injuries: the physical, psychological and emotional scars that they will carry for many years to come.

Under normal circumstances you would expect that a condolence motion may in some part address the names and circumstances of family members who were lost in this way. It is not my intention to do so today because I am mindful of the very public nature of the tragic loss and the horrendous circumstances that families have been confronting. In their normal lives they never would have expected to deal with these circumstances, and in many instances they prefer to grieve privately. I think we should respect their right to privately grieve in the way that they see fit, so on that basis I will not be referring to the names of individuals who have lost their lives or their family members out of respect for the

variety of wishes and needs of those families that have been made evident to the government.

It is in fact the public nature of these horrendous acts, these cruel and callous acts, that were meted out in the streets of our city on 20 January that I want to reflect on. It was a huge injustice that was perpetrated on our citizens and visitors to the city that day, and it was most palpable in the loss of innocent life. It was an extraordinary injustice and punishment that was meted out to those individuals that day, a huge injustice that many in our community abhor. They have great determination to try to come to terms with the injustice. They identify with the pain and suffering and the impact it actually had on our sense of normal community life, because these are streets that are very familiar to us.

For those of us who come to town to work, to shop or to spend recreational time with friends and family, these are our community streets and our community spaces. Our community has every right to feel safe in those spaces. If we envisage the crisscrossing of people traversing Bourke Street, Bourke Street Mall and the footpaths, it is a very dynamic, engaging set of public spaces that our citizens and those who come to this city know very well; they have become very familiar to us. There will be members of our community who will remember in a very tragic and a very personal way the way in which they became aware of the circumstances that occurred in our city, and this will be all too familiar to them for many years to come. It will be a painful recollection, an emotional connection to the pain and suffering that we saw happen in a very public way.

We should never forget or turn a blind eye to cruel and callous acts that occur in this community and in communities around the world each and every day. In a sense the familiarity with our public space in Melbourne means that we do not see these public acts of cruelty very often. It has been many years since we have seen a public demonstration of such a cruel and callous act. Unfortunately in our community and in all communities around the world cruelty occurs most often in private spaces with a very targeted audience and very targeted victims. We should never lose sight of the fact that we have an obligation to everyone in our community and to all our citizens who have been subjected to cruelty and to callous behaviours to rise up and meet their needs each and every day.

What we experienced in this instance was a rare public act that our community has been particularly mobilised about. Our community is outraged by the nature of it. They are motivated and inspired to call for a greater sense of justice: for us to learn lessons about the way in

which our laws are structured and the way in which our emergency services respond in terms of the procedures that underpin police activity. There is a great determination in our community to address as much as we possibly can the injustices that occurred in circumstances where for the grieving families no justice will be brought to bear. Those families may take little comfort at this time, and maybe for many, many years to come — perhaps never — from our determined actions to show compassion at that time, which were a measure of our commitment to them and a way in which we sought to honour their loved ones who lost their lives or were victims of these circumstances.

Under normal circumstances perhaps as a community we are not as thankful as we might be for the work of emergency services workers — paramedics, firefighters, police — who respond to trauma each and every day. The people who undertake this important work on our behalf demonstrate courage, compassion and resilience each and every day in terms of dealing with the horrendous circumstances of accidents and of violence. They rise to meet those challenges and provide support to our community. So today we should yet again honour them for their ‘unwavering professionalism’, as described in the motion, in the work that they undertake on our community’s behalf.

Such is the gravity of the circumstances that we are describing in Bourke Street on 20 January that paramedics themselves have noted the heroic, courageous and compassionate acts that were undertaken on that day by ordinary members of the community who stepped up to provide support and comfort, and in many instances life-saving interventions for those who were injured and tenuously holding onto life. They were extraordinary acts.

Our paramedics have taken the unusual step of taking to social media with a video that is currently online which reflects on those acts of courage and heroism. Quoting from a paramedic in that video:

The cooperation and kindness that was extended by members of the public to total strangers was really quite exceptional ...

Another paramedic said:

And it’s probably very much life-changing for them —

referring to those who stepped up at this time of crisis —

and it should never be underestimated that at the time of need they stood and did so well.

In fact all of us get our information about public events and commentary about public events increasingly

through social media, and the information flow that came to me during the course of that day was far quicker through social media outlets than it was through the mainstream media itself. That is actually a very interesting phenomenon in terms of not just public administration but public communication as well for us to reflect on — the intimacy and the value of social media in these contexts.

I want to draw attention to a remarkable contribution on social media made by Henry Dow, a student, who was one of the people who responded at that time. He made an extraordinary post on Facebook. Not only did he outline the contribution that he made but he gave due credit to an extraordinary individual by the name of Lou Bougias, who is a taxidriver and who at that moment of crisis appeared to be a paramedical expert who provided not only support, comfort and guidance in terms of the immediate impact on multiple victims but also encouragement to those who were providing spontaneous support by running over and providing comfort at that time. Lou indeed was a hero. There were many people who were heroic at that time.

In identifying the extraordinary acts of ordinary people — which is a phrase we use often but in fact do not perhaps reflect on its gravity each time we use it — we should have no doubt about it. In our community ordinary people did extraordinary things that day. There were acts of compassion, courage and composure in tragic circumstances.

Henry in his Facebook contribution concludes by saying that he is proud of his city, that he loves it and that he loves the community that resides here. I think that is the tone we should try to hold on to as dearly as we possibly can. It has been demonstrated right across our community in the number of people who have participated in vigils — both publicly in broad gatherings and in private gatherings — in the displaying of the flowers and in other tokens of compassion and concern for those who have been affected, the most notable being outside the former GPO in Bourke Street. But that is not the only location where tributes have been made and where people have given quiet reflection on the gravity of this issue.

We should not lose sight of the gravity of this issue. We should not lose sight of the way in which we should over time provide ongoing support, whether it be through the fund that has been established to support the families, whether it be through acts of kindness or diplomacy in relation to, for instance, reaching out to the family in Japan and the government of Japan in relation to one of their citizens who was lost in these circumstances or whether it be the way in which we

will try to be reflective on best practice into the future in relation to our approach to laws and our approach to emergency response in terms of the way in which we provide support to one another in times of crisis.

At this point in time I take no great comfort — because in fact I do not think any of us take comfort — from what were the extraordinary acts undertaken by emergency services workers and our citizens that day, yet we can certainly take encouragement from their actions. We certainly can use that as an inspiration to us in terms of actually calling on our resilience, on our sense of connectedness to one another and on our sense of commitment to a safe and better life for all of our citizens and the people who come here. That is the spirit by which I hope we can have a sense of determination to honour the lives that have been lost, to honour those who have provided support and comfort, to provide support and comfort in an ongoing way to families, to injured victims and to people who over time will deal with their own internal anxiety in processing the issues that they have been confronted with. We need to be vigilant in undertaking that work, and I believe that the Parliament today will indeed honour that work and recommit to doing what we can do to make sure that these circumstances do not occur again.

Ms WOOLDRIDGE (Eastern Metropolitan) — It is an honour to rise to support the condolence motion for those who lost their lives in the Bourke Street incident on Friday, 20 January. But I do so with sadness because it was a day when chaos and fear flooded the streets of Melbourne, a day that resulted in six deaths and 36 people being injured, many of whom still remain in hospital and some of whom are quite unwell, and a day that saw our state and our nation come together in grief and disbelief but also with a resolve for and a commitment to a positive future.

On behalf of the Victorian Liberal Party — and Luke O'Sullivan will speak on behalf of The Nationals — I want to express my heartfelt sympathies to those who have lost family members, neighbours, friends and colleagues. The loss of life is obviously devastating, and those affected are in all our hearts and in our thoughts.

I know the Leader of the Government chose not to name the victims. From my perspective, I think that it is important to do it. It is actually their personal stories which mobilise action. It is the personal stories which people relate to and which make it even more real, and they become the very human face of the tragedy. So today we pay tribute to Zachary Bryant, a beautiful three-month-old baby boy, who died after he was thrown from his pram — both Zachary's mother and

sister remain in hospital, and our thoughts are with them as they struggle to cope with not only their own injuries but also the loss of their much-loved son and brother; Thalia Hakin, aged 10, from Beth Rivkah Ladies College, an engaged and bright 10-year-old student, who will be remembered by her family, friends and religious community; Matthew Si, a 33-year-old Melburnian, who had just had lunch with his wife, Melinda, and who will be remembered as a loving husband, father and son; Jess Mudie, a 22-year-old consultant for an insurance broker, who was visiting from Sydney and will be remembered as a 'bright bubble of joy' with an extravagant humour; Bhavita Patel, a respected Melbourne finance consultant, aged 33, who was a bright young woman whose death is obviously mourned by her family and colleagues; and a 25-year-old Japanese foreign national whose family is, I am sure, devastated that he has died — and died so far from home.

We also take the opportunity to recognise that many victims are either still in hospital or at home and struggling to cope with the anguish and the horror that they experienced as they went about their daily lives at lunchtime in the Melbourne CBD. Our thoughts are with those people who were in the city that day and who owe their lives to the many individuals who noticed something was wrong and alerted them by screaming out to them to keep themselves safe.

There were many graphic images from the news broadcasts that portrayed many people who were in the city that day and were warned by others to get out of the way. While many innocent people were fortunate enough to survive the incident, many families and individuals face an uphill battle in coming to terms with the horror that they experienced. But they are not alone. The generous tributes and assistance offered demonstrate how the people of our state genuinely band together in times of need.

It is important to pay tribute to our first responders who aided those who were injured and who died. We must acknowledge their efforts to give comfort and solace to the many people who were injured and their incredible capacity to deliver lifesaving medical treatment. It must have been so distressing for them as well to see so many lying hurt and dying. Particularly we hear the stories about how the children made such an incredible impact. I want to particularly pay tribute to the members of Victoria Police, the Metropolitan Fire Brigade, Ambulance Victoria and other Victorian emergency organisations. These dedicated members experienced this horror firsthand, and their commitment to do the important work that they did for the Victorian

community on that day and do every day is important to acknowledge.

As the Leader of the Government said, there is a very compelling video of Ambulance Victoria officers. The strong message I took out of that was just how everyone pulled together. Everyone did whatever they could do on that day. People who were just going about their ordinary lives were called on to make a difference for so many others. I think it is at times like these, which you could say are the worst of times, that we genuinely see the best coming out in individuals. I would also like to express our thanks to the Red Cross workers and the Victorian Council of Churches and to the counsellors and support staff who provided support and assistance to those who experienced the horror and those who wished to pay tribute to it when they visited the tribute site outside the Melbourne GPO and other sites throughout the city.

Tribute must also be paid to our doctors, nurses and the allied staff at the Royal Melbourne Hospital, the Royal Children's Hospital, St Vincent's Hospital and the Alfred hospital, and I am sure there are others as well. The frontline staff in our emergency departments responded to and cared for dozens of patients, including children and witnesses. Their jobs in such an emergency are crucial. The patients who were ferried to our hospitals were cared for, as they always are, with skill, respect and dignity.

Melburnians, Australians and people from right around the world have gathered to pay their respects at sites across the city. In the days afterwards so too did our political leaders, our community leaders and ordinary citizens come together, particularly at the site of the Melbourne GPO, to lay floral tributes, toys and photographs and to talk with others who were similarly trying to deal with what had occurred. I was very moved by visiting the Melbourne GPO site. I looked at the floral tributes, talked to the Red Cross workers and talked to others about their own experiences and their emotions and feelings afterwards. I think it was also quite incredible in walking up Bourke Street to see the multiple tribute sites all the way up, which really hit home because each of them marked a place where people had died.

In times such as these, Victorians do look to their leaders for support and answers. That includes all of us. The Victorian government has promised to overhaul the bail system and establish the Bourke Street Fund to allow for public donations to assist the families most affected by the tragedy. Ken Lay, very ably, will lead the process and the panel to oversee the administration of these funds. We too, the Liberal-Nationals, have

already put forward some constructive ideas on what else needs to be considered and what should be done, including things such as the presumption of remand for those who have been charged with violent offences and also that if you breach bail, you forfeit that privilege and face remand. The system clearly needs to change, and it needs more than just minor tweaking at the edges. I think the real challenge for the government and for all of us is to make sure that we do not delay, that we make the changes that need to be made, that we do the thinking, that we legislate if needed and that we ensure that we have a system that can enhance and improve the safety of all Victorians.

The horror of Friday, 20 January 2017, has touched everyone. I think our city wore its heart on its sleeve as we laid tributes to those who died and those who were injured. I want to finish by thanking particularly the workers and volunteers for the work that they did. I want the affected families and communities to know that they have our ongoing support and that this does not stop here today, next week or next month but that it needs to be pursued and continued. For those who have died, there will be reform, there will be change and they will not be forgotten. On behalf of the Liberal Party, I am very pleased to support this motion and commend it to the house.

Mr BARBER (Northern Metropolitan) — On behalf of the Australian Greens I would like to wholeheartedly support this motion and the sentiments that have been expressed by speakers so far. I would like to add a few more observations as we all try to find the meaning in this event and turn our minds to what our responsibilities will be in the future. I believe this is not an event that will be soon forgotten.

Every one of us participated in what happened in the sense that our community — every member of this place, I am sure — was caught up in feelings of horror and shock, and perhaps even fear, and then the grief and sadness that was occurring as the events unfolded. For many of us there were many, many days when we could think about little else. Our lives went on hold as we stopped to understand the unfolding tragedy and the scale of it.

After many, many days of feeling like that, those of us who were able were, I think, very fortunate to be able to gather together with others at Federation Square to be appropriately and ably led through our feelings of fear and grief by the Governor of Victoria, whose words on that day meant a great deal to me. I think many people I met in and around the city during that period wanted to avoid coming together in places such as the corner of Bourke Street, which I pass quite regularly, but in fact

gathering together at Federation Square was exactly what we needed to do to stop being isolated in our feelings and to be together with the whole of the community.

We know this was an extraordinary act of inhumanity. What we know is that in the seconds, minutes, hours and days immediately afterwards it received its reply in incredible acts of humanity. That tells you something about who we are as a community. My feeling is that this is not an event that will be able to be forgotten any time soon because it was in fact, under the accepted definition, a mass killing — that is, four or more people being killed in one event or in a series of events without any break in those killings.

Of course we turn on the television and we see events like this happening in certain countries almost every week, but in peaceful Australia it is an absolute rarity. It has been many, many years since Melbourne has had to deal with the aftermath of a mass killing. We would have to go back to the Monash University shootings or even to Hoddle Street, Clifton Hill, in the 1980s. But those events have never left us, and people who lived in those areas or were nearby or continue to live in those areas or pass through the sites where those killings occurred have never forgotten. We still continue to deal with the effects of them. So in looking at how to do that I think we need to look around the world at other communities and see the dignity with which they have responded to the tragedy and the way they have gone about reaffirming the very basics of our humanity and our community in response. We are all aware that there will need to be various responses to this tragedy, and some of them will land here in this chamber for our response.

The other aspect of this is simply the brutality of the act. The terrible physics of a fast-moving tonne of metal against a human body, for those who experienced it or for those who observed it, will be one of the worst aspects. I do not know how many members of this chamber have ever been hit by a car, but I have — not brushed or knocked off my bike but slammed and thrown through the air. The feelings I experienced in that millisecond have in fact never left me. I remember waking up on the pavement and looking around at the faces of all the drivers in all the cars around me, and I do not think it has ever left them either — they observed what happened — and the person who hit me unintentionally has probably never forgotten that either. This tragedy was a different type of horror by the nature of the event.

We of course will wait for another arm of our system of government — the judiciary — to do its job

appropriately and in the right amount of time to achieve something that we want to achieve here, which is justice. In the meantime we have a great opportunity and responsibility as legislators and civic leaders to assist our community through this and on to their future healing. So in addition to wholeheartedly supporting this motion, the Greens will seek further opportunities as time goes on to assist our community, hopefully in the exact same spirit as was shown in the minutes afterwards, through the work of members in this chamber together.

Mr O'SULLIVAN (Northern Victoria) — I rise in support of this motion of condolence on behalf of The Nationals. On Friday, 20 January, a tragedy occurred in Melbourne which saw six innocent people killed in Bourke Street. On behalf of The Nationals I wish to pass on my condolences to the families and friends of the people who passed away, and I will, like my colleague Ms Wooldridge, read their names in Parliament to recognise the sacrifice that they have made: Thalia Hakin, 10 years of age, from Beth Rivkah Ladies College; Zachary Bryant, a three-month-old infant with so much life in front of him; Jess Mudie, a 22-year-old lady from Sydney; Matthew Si, a 33-year-old Melbourne father; Bhavita Patel, a 33-year-old lady from Blackburn South; and a yet-to-be-identified 25-year-old Japanese national. In addition to these tragic deaths, there were many more injured. Some of them were very seriously injured and are still in hospital today.

We wish to thank all the emergency services workers and the courageous people who helped the dying and the injured in the aftermath of this tragedy. Their selfless efforts probably saved lives and prevented this tragedy from being even worse than it was. We pay tribute to them and thank them for what they did.

The families of the deceased and injured have many questions as to why this tragedy happened. I believe those families are entitled to have those questions heard. They are entitled to have answers as to why this tragedy, which killed and injured their loved ones, happened.

The Bourke Street tragedy represents a systemic failure of the system on so many levels. This tragedy did not need to happen. It could have been stopped several times prior to the tragedy occurring. This was clearly a failure of the bail justice system, which released the alleged perpetrator when police requested remand. This was a failure of our justice system, which allowed this man to remain on the streets after a number of serious offences. He was well known to police. This was a failure of police command, who should have authorised

Victoria Police officers to stop this tragedy before it happened. This was a failure of police command, who failed to allow the car to be rammed after many requests from police on the ground. This was a complete failure of the zero-harm policy adopted by the government and police command, which has in part contributed to the death of six people and 30 more being injured. This was a failure of the Labor government, which has a soft approach to crime.

When will we wake up and realise that it is not okay to place the rights of a criminal above those of ordinary people going about their daily business? We as a society give police the privilege to carry a gun in order to protect us. That privilege comes with the responsibility of being prepared to use it to protect the community. But most importantly the police should feel that they have every support from politicians, police command and the public to use that gun if they ever need to in order to protect us as a community. We have police who are highly trained — some of the most highly trained in the world — who had to stand by and watch this Bourke Street tragedy unfold in front of them, unable to use the necessary force to stop this tragedy from happening.

I express my deepest sympathies on behalf of The Nationals to all the families and loved ones of those whose lives were cut short by this horrendous act. Our thoughts and prayers are with those people and their families.

Ms PULFORD (Minister for Agriculture) — The events in the Bourke Street Mall on Friday, 20 January, were a tragedy. At least 37 people were injured and six people lost their lives. These people were all so young: a 33-year-old Melbourne woman, a 33-year-old Melbourne man, a 25-year-old Japanese man, a 22-year-old woman from Sydney, a 10-year-old girl, and a three-month-old boy.

The Bourke Street Mall is a place that many of us associate with very happy times. It is a place we go to to look at those amazing Christmas windows, and in school holidays in particular it is a place that is full of life and enjoyment. For others it is a place of work, including for one victim, who had had a lunch date with his wife and was walking back to the office. It is also a part of a city that we all know so incredibly well. It is not very far from where we sit at this moment, and it is also a central meeting place, at all times, for those people who come to Melbourne and those who live in Melbourne.

There are families who have been broken by this incident. The lives lost are a tragedy — all of that

potential and all of that possibility has been lost. Today in the state's Parliament we sympathise with the injured, remember the dead and share on behalf of the whole community a small part of the searing grief being felt by their loved ones.

This tragedy will forever change those who have lost family members and dear friends, and there have been many wonderful and beautiful tributes to the victims from their families, the people who know them best. A tragedy like this, because of its very random nature and because of the public place in which it occurred — such a familiar place to all of us — not only scars these families and their communities but it also leaves a scar on all of Melbourne and the entire Victorian community.

Trying to make sense of this senseless attack is impossible, but it does not define us. The response of people at the time of the incident, the beautiful tributes at the scene and the public vigil a few days later at Federation Square do show that love is far stronger than hate in this city and that people are connected in old ways but also in new ways, immediately sharing the horror and the shock but also sharing the good, the brave and the great compassion.

Mr Jennings and Ms Wooldridge spoke about the immediacy of social media and the sharing that occurred. One image that resonated with me was a beautiful quote from *The Mister Rogers Parenting Resource Book*:

When I was a boy and I would see scary things in the news, my mother would say to me, 'Look for the helpers, you will always find people who are helping'.

We have heard about Lou Bougias, the Melbourne taxidriver who was waiting for his next job when the incident happened. As shock and disbelief overwhelmed bystanders and witnesses, Lou responded. He is reported to have said, 'It was basically, right, this is what needs to be done ... you there, you there'. This is not a response that was extreme or reckless, but it was a brave response and one that was informed by such clarity and the ability to act and to stay calm and then to help others around him to stay calm. By talking to numerous victims and coaching others on what first aid was required he made a difference. He was heard to say to one victim, 'I am Lou, you are going to be okay, we are looking after you'.

Hate and horror cannot prosper when met with people like this.

He said:

I'm not a hero, I'm just a bloke who did what they had to do ... If I had stopped the car, fine. But at no point was my life in danger, so I'm not a hero.

Well, I am not so sure that that is the broader view of these actions or the actions of many other people, including those who ran into a dangerous situation or at least an unknown and uncertain situation. To the many off-duty medical professionals who helped victims at the scene, to the staff at a nearby pharmacy who raced out the door with medical equipment to help and of course to the first responders — the police officers and ambulance crews and the health professionals in hospitals that received the injured — we thank them for their extraordinary efforts on this day but also for the extraordinary work that they do every day.

This trauma inflicted on our city will leave physical and emotional scars, and while for many people broken bones and the confidence to go about their ordinary day will mend with time, we also send our love to those people in homes in Melbourne, in Sydney and in Japan with broken hearts that will never heal, and we promise to support them for as long as we must.

Dr CARLING-JENKINS (Western Metropolitan) — I rise today in support of the resolution put forward by the Leader of the Government, Mr Jennings, and in doing so I rise to pay my respects to all the victims of the Bourke Street tragedy. On behalf of the DLP I wish to extend my sympathy, my prayers and our commitment to never forget this awful event, which is now forever etched in our history, to the families and the loved ones of the six people who tragically lost their lives — Zachary Bryant, just three months old; Thalia Hakin, just 10; Jess Mudie, 22 years old; Matthew Si, 33; Bhavita Patel, also 33; and an unnamed man from Japan, just 25 years old — to each of the victims who were injured, some of whom remain in hospital, at least one of whom, I understand, remains in a critical condition and others with many serious conditions; and to all of the people who witnessed this tragedy unfold. We will never know the true impact of this tragedy. Physical injuries that are ongoing can be somewhat measured, but the psychological and the spiritual impacts will never be quantified.

My deepest condolences, thoughts and prayers are with each member of the community affected today. What took place on Friday, 20 January, this year was an act of evil, which I pray will never be repeated.

I also wish to thank all the emergency services workers, whose professionalism was reflected once again as set

out in this motion, and to thank the many members of the public who helped in any way that they could.

While our community has certainly been shaken by grief and sadness, there have been many truly moving stories of tremendous acts which saved lives and provided immediate emotional and practical support. These were given, offered freely, by ordinary community members, and I applaud and recognise their contributions.

This was a senseless act of violence, and it is now our responsibility as leaders of the Victorian community to grapple with and learn from it, to carefully consider our response, to come together in an apolitical way to support our community and most importantly to never, ever, forget this tragedy, which truly affects us all. So on behalf of the DLP, I support this resolution and I commend it to the house.

Mr YOUNG (Northern Victoria) — On behalf of my colleague Mr Bourman and the Shooters, Fishers and Farmers Party I would like to express our sadness and offer our condolences to those affected by the chilling tragedy that unfolded on Bourke Street on 20 January. As a father of two young daughters I think of the families whose lives were forever changed as I join others in trying to comprehend how such a massacre could happen in our capital city.

As we grieve and continue to hold in our thoughts the victims still in hospital and facing a long recovery process, we are inspired by the heroic actions of everyday residents and workers in the CBD who did not hesitate to come to the aid of those injured. It says a lot about the spirit of Australians that they will so quickly come to the aid of someone, even if the level of danger around them is uncertain.

I would also like to praise the efforts of the emergency services workers, who displayed an incredible amount of professionalism and compassion during what was obviously an extremely chaotic and horrific scene. Their quick action and dedication are to be commended.

Loss is something that we all face during our lives at some time, but it is unexpected loss that rocks us the most. Our true strength as individuals and as a community is tested during those times. I truly believe the people of the state of Victoria have been tested again, and we have responded with great courage and will continue to do so as we all lean on each other.

Ms PATTEN (Northern Metropolitan) — I would like to support the condolence motion moved by the Leader of the Government. As we have heard from

others today, the events of 20 January have just been etched not only on our minds but on the whole public consciousness of not only Victoria but Australia. Tragically, the six people who have been confirmed dead are a three-month-old baby, a 10-year-old child, a 22-year-old interstate tourist, a 33-year-old man, a 33-year-old woman and a 25-year-old Japanese tourist, and many people are still in hospital with injuries, some very severe — all their lives so heinously affected or cut short in an incident that I do not think anyone here or around the state could have predicted.

I, like many of you, sat glued to the radio and to social media, listening with disbelief as the events were unfolding and hearing the witnesses. It was shocking and it was frightening, and I do not think I have ever experienced something like it before, not to mention the people who were there in Bourke Street on that day. I can only imagine how that day will affect them forever forward.

But as we remember this day, as many of us have said, and as we mourn those lost we remember too the courage shown by ordinary Melburnians, those bystanders who, with more than 37 people injured, having narrowly avoided being injured themselves, rushed to help — what bravery! We have spoken about Lou the taxidriver. I think I was struck by him saying, ‘I am Lou, you are going to be okay, we are looking after you’. Those comforting words I think encapsulated the kindness that we saw on such a terrible day.

I would also like to thank the first responders — the paramedics, the ambulance operators, the police and the fire brigade — who were there and all of those medical people who were not on duty but who responded.

Our hearts go out to the victims, their families and all those injured. Like so many, I laid flowers at the makeshift memorial and paid my respects. As I saw flowers dotted up the street I was struck by the fact that that was where someone had died. But while being overwhelmed with sadness I was also overwhelmed by the love and compassion that we saw in the messages from young children and from people who were all strangers to those victims. So, Melbourne, we will mourn, but I think we will much longer remember the courage and compassion that have shone through. I support this motion and commend it to the house.

The PRESIDENT — Order! Thank you, members, for the remarks that have been made in support of this motion. I do not intend to dwell on some of the matters that have been covered by members, but I join with them and other members of the house who might have

liked to have participated in this debate to make just a few closing remarks.

As Mr Barber referred to, on our nightly news the media brings us tragic events from around the world, and to some extent I think we are almost numbed by the scale and the frequency of those events. Yet here in Melbourne we had a day that was marked by our vulnerability but also a day that was marked by our strength. This is not a day to lay blame; this is not a day to even analyse this matter. This is a day, encapsulated in this motion, where we express sorrow, where we pay tribute, where we express our respect and indeed where we offer our gratitude. As I said, other members have covered those who ought to be included in those attributes or those representations of our feelings.

We shed tears with and for the victims, and we share as far as we can their pain and their grief. Ms Patten concluded with the words ‘courage and compassion’, but can I suggest we ought to also be proud of the compassion and courage shown by so many, just as we grieve for the loss of people who potentially could have contributed so much in the future and in many cases who were already significant contributors to our community. The response has been remarkable, and I guess as Victorians we should be unsurprised that the humanity of so many of our citizens rose above this villainy.

The motion that has been moved by Mr Jennings, the Leader of the Government, is:

That this house extends our thoughts, prayers and support to the victims of the Bourke Street tragedy and their loved ones; expresses our gratitude to emergency services personnel for their unwavering professionalism; and pays tribute to the everyday Victorians who, in the face of unimaginable tragedy, showed the most remarkable courage and compassion.

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

ADJOURNMENT

Mr JENNINGS (Special Minister of State) — President, I thank you for your words in your contribution in support of the motion. By leave, I move:

That as a further mark of respect for those affected by the Bourke Street tragedy, in particular the families of those who were killed, the sitting be suspended until 2.00 p.m.

Motion agreed to.

Sitting suspended 1.02 p.m. until 2.05 p.m.

ROYAL ASSENT**Message read advising royal assent on 13 December 2016 to:**

**Compensation Legislation Amendment Act 2016
Family Violence Reform Implementation
Monitor Act 2016
Housing Amendment (Victorian Housing
Register and Other Matters) Act 2016
Justice Legislation Amendment (Parole Reform
and Other Matters) Act 2016.**

QUEEN ELIZABETH II

The PRESIDENT — Order! It is my pleasure on this occasion to record in our house our esteem for Her Majesty Queen Elizabeth II, who has achieved the extraordinary feat of being the monarch of Great Britain and presiding over the commonwealth countries for 65 years. No other monarch in the history of the British nation has reigned for as long. Obviously Queen Victoria was the next finest contribution in terms of the length of reign.

Her Majesty obviously took over on her father's death. Indeed she visited this place in 1956 and sat in this very chair behind us, which is a reminder of her role in our system of government. We certainly acknowledge the Queen as having been a fine example to all in terms of the standard she has set and the way in which she has considered and responded to the needs and aspirations of her people. Certainly her contribution to Australia has been a significant one over the period of her reign, and indeed on a number of occasions she has visited Victoria, although as I said, but once in this place.

OMBUDSMAN JURISDICTION

The PRESIDENT — Order! I also take this opportunity to advise the house in respect of an ongoing matter, which is the legal proceedings involving the Ombudsman's jurisdiction and the matter referred to the Ombudsman by this house. I advise in relation to previous court proceedings involving the Ombudsman's jurisdiction that on 5 January 2017 the Attorney-General sought leave to appeal the decision of the Supreme Court of Appeal to the High Court of Australia.

Due to the Attorney-General's application for leave, I as President am once again a defendant in the matter. In keeping with the previous resolution of the house, I have instructed counsel to make a written submission to the court in response to the Attorney-General's

submission seeking leave. I will provide the house with further information as matters proceed.

I have actually considered attending the High Court. I thought I might get up and talk about the vibe. I do not know how many of you have seen *The Castle*.

BLACK SATURDAY

The PRESIDENT — Order! On another serious matter, I remind the house that today marks the eighth anniversary of the devastating 2009 bushfires which affected communities across this state and which claimed many lives. We will take a moment to pause and think of those communities and the lives lost during those devastating fires on this occasion. Therefore I invite all members to stand in their places and to join me in a minute's silence.

Honourable members stood in their places.

ABSENCE OF MINISTER

Mr JENNINGS (Special Minister of State) — Members may have noticed that my ministerial colleague Minister Tierney is not in attendance today, and in her absence I suggest that members should direct her questions to me.

The PRESIDENT — Order! I also indicate that Mr Bourman will not be with us this week. I have actually circulated a note from Mr Bourman to members, and I simply say that our thoughts and prayers are with him and his wife, Nicole, at this time.

Mr O'Donohue — On a point of order, President, can I just ask the Leader of the Government to clarify the reason for the minister's absence?

The PRESIDENT — She is ill.

Mr O'Donohue — She is ill. Sorry, I did not hear the minister say that.

QUESTIONS WITHOUT NOTICE**Youth justice system**

Ms CROZIER (Southern Metropolitan) — My question is to the Minister for Families and Children. In yesterday's Ombudsman's report into youth justice, financial support, including taxi fares for young offenders' families, has been offered as compensation for children being moved to the Grevillea unit in Barwon. Minister, since the Grevillea unit has opened as a youth justice facility, how much taxpayer financial

support has been requested by offenders' families and how much has been paid?

Ms MIKAKOS (Minister for Families and Children) — I thank the member for her question. We have really started with the really big-picture questions here today. We have made no apology as a government for the fact that we have gazetted the Grevillea unit of Barwon Prison to be used as a temporary youth justice facility — something that the opposition is yet to indicate its support for. I know Mr O'Donohue certainly did express concerns about this particular unit being used for this purpose at the time.

What I would advise the member is that the Children, Youth and Families Act 2005 does actually provide a statutory requirement for the department to provide access for family visits. In fact the Supreme Court even made comment about this matter recently. Clearly the member has not looked at that judgement.

But the point that I make is that access to transport for families has been a longstanding practice and was in fact a practice during the previous government as well. Access to transport for families has been a longstanding practice of the department. In fact a shuttle bus service has operated at the Malmsbury youth justice facility for 20 years — during the time of the Baillieu and Napthine governments and in fact going back to even the Kennett years. So families who do not have access to private transport are eligible for transport assistance to take them from their nearest public transport stop to the Grevillea unit. This may involve access to a taxi from the Lara station to Barwon Prison.

Families do not receive any direct financial support, but rather the department is billed directly for the taxi fare. There is a shuttle bus, as I have explained, that runs to and from the Malmsbury train station, to the centre, to assist people visiting young people at the Malmsbury facility, as I have explained. So these are longstanding arrangements to ensure that young people continue to have access to and contact with their family.

We know that connection to community as well as to family members is a key aspect of ensuring that offenders can be rehabilitated and to help to prevent reoffending upon their release. It is important that we can actually keep those relationships where they do exist — and in many cases they do not exist — with family members and with others to ensure that they do have support upon their release.

There are no such arrangements in place obviously for Parkville, given its proximity to public transport, but the point that I make to the member is these are

longstanding arrangements that existed under the previous government. It really is rather disappointing that the member is outraged now, when she was certainly not outraged when it happened during the time of the previous government.

Ms Crozier — On a point of order, President, the minister has had considerable time to answer this question. It is pretty straightforward. I asked how much has been spent, and she still refuses to answer that. I am just asking that she be drawn back to the context of the question and to answering the question.

Ms Shing — On the point of order, President, in asking the substantive question the member has not actually indicated any time period and has not actually specified the nature of the request in any detail, so on that basis the minister is entitled to go to the context, which she has quite rightly been doing for the time that she has taken to date.

Mr Leane interjected.

The PRESIDENT — Order! How shall we describe that, Mr Leane? Should it be a members statement or should it be an adjournment item, or are you simply a media commentator or what?

Mr Leane — It was just an outburst of frustration.

The PRESIDENT — Order! Try to contain yourself.

Mr Leane interjected.

The PRESIDENT — Order! Thank you. I am not having a conversation.

Ms Wooldridge — On the point of order, President, I know that the backbench see an opportunity to move forward, but Ms Shing should note that if she aspires to the front bench, she needs to actually listen to the questions being asked. The question very clearly stated it was 1 January 2015; that was very explicit. Ms Shing might do well to listen rather than have her itchy feet trying to get to the front bench.

The PRESIDENT — Order! In respect of the original point of order, which was from Ms Crozier, in fact the minister still does have 50 seconds in which to respond. I am actually mindful in terms of the question as to the limits that she might have in responding at any rate to such a question, because I would have thought that not all of the costs were compiled. But nonetheless, the minister might well have an opportunity to inform us in part, and I might well be able, if she does not, to

seek some further written response if that is not forthcoming.

In respect of the other two points, there is a time frame. In respect of Ms Wooldridge's comment, I think the commentary at the end — perhaps encouraged by Mr Leane's extensive commentary — was not helpful.

Ms MIKAKOS — Thank you very much, President. I have already outlined to the house the fact that there is not direct financial support for families; rather, the department is billed for taxi fares. The member has indicated a time frame in which the Grevillea unit was not in fact used as a youth justice facility — that is, for a large part of last year. It is a facility that opened very late last year.

President, obviously the figure is not one that I have with me at the moment, but I am certainly prepared to look and see what figures might be available to provide to the member.

Supplementary question

Ms CROZIER (Southern Metropolitan) — I note the minister's answer. Minister, did you sign off on the approval to allow taxi fares to be offered rather than a shuttle bus, that you have just described is being used at Malmsbury?

Ms MIKAKOS (Minister for Families and Children) — As I have just explained to the member in responding to the substantive question, this is a longstanding practice. In fact there is a requirement under the act that relates to family visits in relation to young offenders. As it is a longstanding practice and an operational matter, that operational matter was one that was put in place by my department.

Honourable members interjecting.

The PRESIDENT — Order! I note an interjection by Ms Shing where she said that it was not apposite to the substantive question. In fact it was certainly apposite to the answer that the minister had given.

Youth justice centres

Mr FINN (Western Metropolitan) — My question is to the Minister for Families and Children. Minister, the new site — —

Mr Dalidakis — Come on, King Cory!

The PRESIDENT — Order! Mr Dalidakis, there is no such person in this place, and I will not entertain it. Mr Finn, from the top.

Mr FINN — And Tim Pallas will not be in the other one after the next election.

The PRESIDENT — Order!

Mr FINN — This is for the Minister for Families and Children. Minister, the new site for the Werribee South youth justice centre, known in Werribee as the youth jail, is just 469 metres away from residential homes. Will you outline to the house and to my livid constituents what you meant by the quote 'a significant buffer between the preferred site and residential areas', as outlined in your media release yesterday?

Ms MIKAKOS (Minister for Families and Children) — I thank Mr Finn for his question. Mr Finn, this is a very important investment that we are making in Victoria to build a brand-new \$288 million fit-for-purpose, high-security youth justice facility for Victoria. This new facility, I can assure the community of Werribee South and Victorians more broadly, is going to be built as a high-security facility. We have had Neil Comrie — —

Honourable members interjecting.

The PRESIDENT — Order! The minister without assistance.

Ms MIKAKOS — Thank you, President. I asked my department in November last year to have an independent review of the Parkville riot. Former Chief Commissioner of Police Neil Comrie provided the department and government with advice around the Parkville facility. What that report did say is that the Parkville facility is not fit for purpose to be used as a youth justice facility into the long term. That is why we are going to be building a new facility that will have 6-metre reinforced concrete walls; it will have anti-vehicle-ramming systems put in place in relation to all entry points; and in fact the design is going to take on board all the design imperatives that have been given to government and to the department by Neil Comrie. So I want to reassure the community there in relation to the high-security features of this particular facility.

I make the point to Mr Finn that in fact the Parkville facility, which has been operating for 30-odd years, is in a highly residential area. In fact there is no buffer at the Parkville facility. There are homes right around the Parkville youth justice facility. That has not had any impact on residential values in the Parkville community — if we just look at how expensive the properties are in that community.

What I did say, Mr Finn, in the media release is that there is a significant buffer from where the facility will be located to the nearest residences. In fact I have been out on location there, and the nearest residences are in fact across a freeway more than 700 metres away. I have looked at the location. We have examined this location very thoroughly. The preferred site at Hoppers Lane in Werribee South has been chosen based on a very extensive process of examining numerous locations right around Victoria. It has been chosen because the land is government land; it is close to health, education and other community services; it is close to transport; and the 31-hectare land parcel can accommodate future growth as well. So we will be working with the local community and the local council to reassure them and to provide them with information about this vital investment in terms of infrastructure for Victoria.

Supplementary question

Mr FINN (Western Metropolitan) — Minister, in December last year you told the house in answer to a question from me:

I can advise the member that of course there will be consultation as part of this process with affected local councils and others who might have an interest in this particular issue, but I will have more to say about the issue very soon.

Minister, in your media release yesterday you said ‘Following close consultation with the local community’ the site was chosen. Minister, with all due respect, no-one in the western suburbs has heard from you, full stop. And up until yesterday we were pretty happy about that. Could you outline to the house what consultation was undertaken by you, including who it was with and on what dates?

Ms MIKAKOS (Minister for Families and Children) — I stand by the comments I made to the house previously. We are embarking upon a consultation and information process with the local community there. I have spoken with the CEO of Wyndham council. My chief of staff has spoken with the mayor. In fact I am planning to meet with both of them, hopefully later this week. In fact we have been letterboxing local residents both yesterday and today with information about the project.

Honourable members interjecting.

The PRESIDENT — Order! The house is pursuing, in a line of questions, some serious matters that have great import to the community. I do understand that the opposition has great interest in this, indeed as no doubt do all the crossbenchers and government members. The

minister is providing an answer. If you do not like the answer, there are other mechanisms to take up that answer and to pursue this matter further, but I ask for the courtesy of the house to allow the minister to respond without assistance and certainly without a barrage of interjections.

Ms MIKAKOS — It would be helpful if the Cory Bernadi of Spring Street opposite would actually let me answer the question that was posed.

The PRESIDENT — Order! Minister, I have already made a comment about that. That has nothing to do with the business of this house. All that does is provoke people. I note that after my remarks Mr Dalidakis has done it further. He ought not do it again, and nor should any other member. It has nothing to do with this house. We have a convention in this house, that all members well know, that we do not accept comments on internal party matters for any of the parties. I police that vigorously. It goes both ways. These little quips as part of the answer or the question are not helpful, particularly on matters of such gravity.

Ms MIKAKOS — This site has been selected on very strict criteria, and we are speaking to council and the community about these matters. As I have sought to explain, we are getting materials letterboxed to local residents. We are planning community information sessions as well. There is a hotline that has been established.

The PRESIDENT — Order! The minister’s time has expired.

Youth justice centres

Ms CROZIER (Southern Metropolitan) — My question is to the Minister for Families and Children. Minister, the Comrie report into Parkville was conducted following the riots of 12 to 14 November, where the damage was so extensive that 60 beds were taken out of the system, inexperienced staff were filling staff shortages and violent youths were making demands and threatening staff. The Comrie review has recommended that Parkville be shut down. However, a WorkSafe report last year at Malmsbury following riots at that youth justice facility recommended that Malmsbury be shut down because it was unsafe. Minister, given Malmsbury has also been deemed unsafe by a government agency, will you be following that recommendation and also shutting down that youth justice facility?

Ms MIKAKOS (Minister for Families and Children) — This is a rather odd question to receive from Ms Crozier, because in fact the three secure units at the Malmsbury facility, where we did have a recent escape, were commissioned by the previous government. I have to say in relation to that particular escape, as I indicated publicly at the time, I am very angry and outraged that that escape was even possible from what is meant to be a secure facility. I can reassure the community of Malmsbury and the wider community that we are going to take the steps necessary to make the Malmsbury facility secure.

We are addressing issues that have come through independent reviews that I have commissioned. We are working with WorkSafe in relation to concerns they have expressed, and we have made the biggest investment in our youth justice system that any state government has ever made in terms of investing in a new facility in Werribee South — \$288 million for a 224-bed facility. In fact we have embraced all the recommendations of former chief commissioner Neil Comrie. He said that Parkville should be shut down — and it will be when the new facility opens — and that it is not viable to continue to use it in the long term.

What we have seen from the opposition is that they are all over the shop on this issue. We had Ms Crozier say we need a new youth facility. Then we had the Leader of the Opposition in the Assembly, Matthew Guy, on 3AW only last week saying he supports the Werribee South location. Then within 24 hours — —

Mr Finn interjected.

Ms MIKAKOS — Yes, he did, Mr Finn. Within 24 hours he said we should retrofit Parkville and Malmsbury. Just last night he backflipped again and he said, and I quote:

We've been saying that a supermax facility, if needed, should be built as soon as possible.

Ms Crozier — On a point of order, President, the minister is carrying on again. I ask you to bring her back to the point of the question. What she has just referred to is completely irrelevant, and I ask you to bring her back to the question that was asked: will Malmsbury be shut down as per WorkSafe?

Mr Jennings — On the point of order, President, in contrast to Ms Crozier's suggestion, I have listened to my colleague outline relevant matters pertaining to this question. That would be the history of reports in relation to both the security and the viability of the fabric of the Parkville facility and of Malmsbury. There is no doubt that the information that has been provided

by my colleague outlines the status of the fabric of those facilities that was inherited by this government, which is clearly identified in those reports. Those are the matters that my colleague is referring to. The entrapment that is involved in this line of questioning is: if Parkville is destroyed, Malmsbury is destroyed and you oppose the relocation of offenders to a facility at Grevillea, what options, as are implied, are left within the line of argument being mounted by the opposition? That is the issue that my colleague is responding to.

Ms Wooldridge interjected.

The PRESIDENT — Order! Ms Wooldridge, I am prepared to hear your point of order if you wish to prosecute it, but I think I am in a position to deal with the matter.

Mr Jennings, welcome back. Perhaps a refresher on standing orders might be helpful in so much as that was clearly not a point of order; it was debate. I thank you for your wisdom on this matter. In regard to Ms Crozier's point of order, I believe that some of the material that Ms Mikakos has put before the house has been useful in understanding this issue and some of the government's actions in respect of addressing these issues that have been so much a part of the community focus of late. I accept that if there have been contradictions in the opposition's position — —

Ms Crozier — There haven't.

The PRESIDENT — Order! If there have not, we can take note of the minister's answer, and that would be the appropriate way to do it. If there have been contradictions, then I think that is a relevant position to put. There was some sense to what the Leader of the Government said, notwithstanding that he did not have a point of order at all.

But, Minister, I do concur with Ms Crozier in that I think you were debating as you moved along. I think we probably had the understanding of what the position was. I would bring you back to the question, notwithstanding that, given that you said in an early part of your answer that you were going to be doing more works at Malmsbury to upgrade it, I would have thought it was self-evident that in fact it is not to be closed. But at any rate that is your answer to give, not mine.

Ms MIKAKOS — Thank you, President. I do think it is important to outline to the house the flip-flopping nature of the Leader of the Opposition in respect of these matters, because the opposition are yet to indicate their support for a new facility or to say where the new

facility should be built. I think it is important to make that point.

Towards the beginning of my answer I did in fact make it very clear that we are responding to the concerns of WorkSafe in relation to Malmsbury — and Parkville, for that matter — and that we are in fact looking at what further measures can be put in place in terms of security at Malmsbury to ensure that it is a secure facility. In fact the premise of Ms Crozier's question was incorrect. WorkSafe has expressed concerns about Malmsbury; it has not said to shut it down. We are working to address their specific concerns, but I have asked Neil Comrie to look at the recent escape that we have had at Malmsbury to ensure that we can make sure that this is an appropriately secure facility. I think those opposite should really hang their heads in shame given that that was in fact a facility that they commissioned and that it is not secure, so we need to make sure it is adequately secure going into the future.

Supplementary question

Ms CROZIER (Southern Metropolitan) — Minister, under your watch beds at both Malmsbury and Parkville are currently uninhabitable and the Grevillea unit at Barwon Prison is soon to be full, so you have a significant and immediate capacity issue. I ask: will you rule out gazetting further maximum-security prison beds to the youth justice system?

Ms Mikakos — Sorry, can I get that repeated?

Ms CROZIER — The question is: will you rule out gazetting further maximum-security prison beds to the youth justice system?

Ms Mikakos — On a point of order, President, I fail to follow how the supplementary question is apposite to the substantive question that was posed. That was in relation to Malmsbury specifically, and now the member is asking a question that relates to the broader correctional system.

The PRESIDENT — Order! I am satisfied that in fact the supplementary question does go to matters in terms of the capacity of Malmsbury, in particular given that now Parkville to a large extent cannot be used. There are obviously limitations there following the incidents at that facility. The point about the Grevillea unit went to what has been the remedy for some of the problems within the system. That therefore now begs the question: given the experience of Malmsbury in recent weeks, is there in fact sufficient capacity within that or are you going to need to go to some further maximum-security prison space for the youth justice

system? Minister, I think your point of order was pretty close, but I think that this squeaks in.

Ms MIKAKOS (Minister for Families and Children) — President, I can advise the member that there are no plans to do so. We intend to continue to use the Grevillea unit at Barwon Prison until such time as the fortification works at Parkville are completed and that facility, those 60 beds, is able to come back online. That is an extensive piece of work that we are doing — work that should have been done a long time ago. We need to ensure that the Parkville facility is able to continue to be used until such time as we have a new high-security facility to be used.

I find the position of the opposition rather curious. Matthew Guy said Malmsbury should be retrofitted and Ms Crozier says that it should be shut down.

The PRESIDENT — Order! Minister, thank you. I do not need commentary on the opposition.

Timber industry

Ms BATH (Eastern Victoria) — My question is to the Minister for Agriculture. Minister, your Forest Industry Taskforce failed to meet a June reporting deadline last year. In September it released a statement, three months late, saying consensus could not be reached on key issues, including on the urgent matter of timber supply. It is now February and Victoria's timber industry is in crisis, with some 7000 jobs under immediate threat. Minister, are you standing by your failed task force because it is part of the Andrews government policy to create the great forest national park by stealth?

Ms PULFORD (Minister for Agriculture) — There is a bit to work with there, but I do feel a sense of relief that the question from The Nationals is from this member of The Nationals today — I think we might have heard enough from the other member of The Nationals for one day earlier.

If I could perhaps start by debunking this myth that the government has any plans to create a national park by stealth: that is just simply not true. In relation to the Forest Industry Taskforce, there has been a great deal of work undertaken over around 18 months by representatives of the forest products industry — the timber industry — the union that represents people who work in this industry and the environment movement as well, and it has been work that has been undertaken in the spirit of goodwill and cooperation, seeking to find consensus on an area that has been, and will be continue to be, very, very difficult for a very long time.

What has transpired in recent times is that the task force has reported to the government. The government will now actively consider the matters the task force has been working on, very much informed by its work over this period of time, and the members of the task force will continue to play an important advisory role for government in relation to these issues.

It is worth noting a number of things when reflecting on the challenges that are currently facing Australian Sustainable Hardwoods (ASH). Firstly, there are contract negotiations underway, so a lengthy discussion of these matters in this place is unhelpful. But to provide context, the government's record on supporting the retention and creation of jobs in regional Victoria is one we are very proud of. Regional unemployment currently stands at 5 per cent — it was 6.6 per cent when we came to government — and 43 300 jobs have been created under this government. By contrast, 5600 jobs were created during the term of the former government. So we are restoring confidence and we are restoring jobs in regional Victoria.

The challenges that face ASH and the timber industry, though, are a complicated matter that requires careful consideration and working through. It was the member for Warrandyte in the other place who established arrangements where for each confirmed sighting of the Leadbeater's possum there is a special protection zone of 200 metres or around 12 hectares. There have been over 400 confirmed sightings.

It is also worth noting that the member for Malvern did not sign off the contract extension that Ms Bath is perhaps suggesting is the subject at hand, so the government will continue to work carefully and closely with ASH. Ms Shing has certainly been very engaged in these matters. I met with the company last week. Regional Development Victoria and VicForests continue to support them to work through these challenges.

Supplementary question

Ms BATH (Eastern Victoria) — I thank the minister for her response. When announcing the Forest Industry Taskforce, Daniel Andrews said:

If no consensus can be reached, nothing will change.

Minister, consensus has not been reached, so why have you endorsed a massive reduction in timber allocation — even though the timber is there — and put at risk thousands of jobs and the very existence of the town of Heyfield?

Ms PULFORD (Minister for Agriculture) — The government understands absolutely the importance of the timber industry to Heyfield and to —

Ms Shing interjected.

The PRESIDENT — Order! Ms Pulford is actually quite capable of answering these questions without assistance.

Ms PULFORD — The government is acutely aware of the importance of the timber industry to the residents of Heyfield and to the employees of Australian Sustainable Hardwoods, as we are for all of those who work throughout the timber industry. It is an industry where there is certainly no shortage of demand for very fine high-quality products of which the people involved in their production should rightfully be proud.

Ms Bath invited me to comment on things that have changed and things that have not changed, and one of the things that has not changed is the special protection zone — that 200-metre exclusion that your little friends from the Liberal Party put in place when they were in government — which is one of the things that is placing pressure on the availability of the resource.

These are delicate and sensitive issues. There are contractual negotiations underway, and we will continue to be very involved in these and to work closely through them so that we can get a much better outcome for everyone involved.

Timber industry

Mr O'SULLIVAN (Northern Victoria) — My question is the Minister for Agriculture. On 20 November 2015 the Premier said that one of the aims of the Forestry Industry Taskforce was to create and sustain jobs. Minister, why is your task force failing to sustain the 250 jobs currently under threat at the Heyfield sawmill?

Ms PULFORD (Minister for Agriculture) — I had hoped we had heard from Mr O'Sullivan for one day. I answered this question extensively in my previous remarks in response to Ms Bath's question. The work of the task force is something every member of the upper house knows well. In fact there would not be 40 people in Victoria better acquainted with the goings-on of the task force — the establishment of it and its purpose — than the 40 people who sit in this chamber, because Ms Dunn certainly likes to ask about this on a pretty regular basis, as you would all know.

I know there are some people in the Victorian community who would celebrate job insecurity, but I

am certainly not one. Our government does not share these sentiments. We will work to protect every job we can in regional Victoria. But, as Mr O’Sullivan would be well aware, the former government put in place arrangements that have created — and for good reason — some real pressures on the resource. These are issues that we are working through at the moment.

I would certainly say, as Ms Shing has done and continues to do, to everyone in Heyfield and to everyone who is employed at Australian Sustainable Hardwoods that we will work closely with your union, we will work closely with your employer and we will seek the best possible resolution to this situation that we can. We want nothing more than for this business to be on a viable and sustainable footing and for it to have a good future.

Supplementary question

Mr O’SULLIVAN (Northern Victoria) — Minister, a town hall meeting of a thousand people at Heyfield last week heard there is nothing stopping you as minister from guaranteeing timber supply to Australian Sustainable Hardwoods for at least the next five to seven years. While your task force continues deliberations, will your government take the necessary action to sustain the mill’s 250 jobs with a guarantee of 155 000 cubic metres this year and into the future?

Ms PULFORD (Minister for Agriculture) — I am being asked to respond to an unattributed quote, so I am curious to know who it is Mr O’Sullivan is quoting. I would indicate also that Mr O’Sullivan is not much into facts in sweating the detail on this very complex matter, but Australian Sustainable Hardwoods is not currently using 155 000 cubic metres. Their current use is closer to 140 000.

Ms Bath — Give them that, then.

Ms PULFORD — ‘Give them that, then’, says Ms Bath. Again The Nationals in the house today I think are demonstrating their complete lack of understanding of this issue, the complexities involved, the arrangements that their little friends from the Liberal Party put in place that are constraining the resource and the challenges that we are facing.

Country Fire Authority enterprise bargaining agreement

Ms WOOLDRIDGE (Eastern Metropolitan) — My question is to the Minister for Small Business, Innovation and Trade representing the Minister for Emergency Services. On Australia Day a Country Fire Authority (CFA) crew attended a call-out at Stockland

plaza, Traralgon, at 10.19 p.m. Despite the best efforts of the CFA base monitoring, the CFA truck, manned by United Firefighters Union (UFU) firefighters, failed to provide the base with a status update on the unfolding situation. Repeated calls to seek information on the status of the fire and whether additional CFA volunteer trucks were required were not answered. Eventually the UFU-manned truck did respond; however, it refused to provide a status on the fire or whether CFA volunteer trucks were required to assist due to ‘industrial action’ by the brigade. Minister, this behaviour can put lives and infrastructure at risk, so I ask: how many incidents of ‘not giving a word back due to industrial action’, such as the case in Traralgon, have been identified by the CFA and Metropolitan Fire Brigade since January 2015?

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) — I thank the member for her question, but this is the second question in a row where the substance of the question is given to a non-attributable source. Again, just because Ms Wooldridge asserts something does not make it true, correct or accurate, so as I have done representing ministers in the other place, I will absolutely take the question on notice. But let me just finish on this: smearing people that put their lives on the line every time they go to a fire and thinking that that is okay — that is not okay. It is not okay today; it will not be okay tomorrow; it will not be okay next week. These men and women put their lives on the line, and for you to try and make some cheap political attack on them because they happen to be members of a union is absolutely pathetic.

Supplementary question

Ms WOOLDRIDGE (Eastern Metropolitan) — Minister, you may be interested to know that the incident was recorded via the CFA base monitoring, made publicly available and subsequently deleted from the internet. The firefighters heard on the audio broke CFA operation procedures in not giving a word back, which is defined in the CFA safety first manual as ‘a precise definition of the status of the fire’. Minister, has the CFA investigated the actions of the UFU-manned truck in this specific case, and what were the outcomes of that investigation?

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) — As far as I can see, the only people that have perpetrated a war on the CFA are those opposite, from the previous government. Those people opposite undertook the enterprise bargaining agreement negotiations between the CFA management and the paid firefighters, who may or may not be

members of a union, but that is not a reason to hand-pick and try to detail that their work ethic or otherwise is unprofessional. Again, these are men and woman that put their lives on the line every time they go to a job. Whether they are paid members of the CFA or volunteer members of the CFA, we on this side of the house will thank them each and every time and appreciate the fact that they put their lives on the line to keep all Victorians safe.

Youth justice system

Ms SPRINGLE (South Eastern Metropolitan) — My question is to the Minister for Families and Children. In October the minister announced an extensive review of youth support, youth diversion and youth justice services to be led by Professor James Ogloff and Ms Penny Armytage and to be overseen by the minister and the Secretary of the Department of Health and Human Services (DHHS). I note that experts are calling on the minister to wait for that review to report before making any major decisions, but yesterday we learned of the minister's plans to move youth justice out of DHHS into corrections, which is an administrative connection that has been implicated in major incidents in youth justice facilities in Western Australia, the Northern Territory, Queensland and New South Wales in recent years. My question for the minister is this: was the decision to administratively separate youth justice permanently from child protection recommended by Professor Ogloff and Ms Armytage's review?

Ms MIKAKOS (Minister for Families and Children) — I thank Ms Springle for her question. As the member has indicated in the preamble to her question, issues around our youth justice facilities are common challenges that are being experienced right around Australia and in fact also in New Zealand. That has been across different jurisdictions, some of which have their correctional equivalent departments running those facilities and others of which have had a similar approach to ours in having human services-type departments running those facilities. This has really been in large part due to the changing cohort of offenders that we are seeing coming into youth justice facilities right around Australia, not just in Victoria. But we have had in a recent period of time a very different cohort coming into the Victorian youth justice system than we have seen before.

I make the point to the member that unlike other jurisdictions Victoria has a very diversionary approach in that the young offenders who end up being incarcerated are very much at the pointy end of the system. It will typically be the worst of the worst, the

most serious and violent offenders, who will be incarcerated in the Victorian youth justice system.

We have had a very violent, recidivist group of offenders who have no regard for authority in the community, and as they commit their very violent offences and come into detention they similarly have no regard for authority and the staff who work in these facilities. I have made it very clear in this house on numerous occasions that I will not stand for a situation where our staff are being threatened or being attacked by violent young offenders. Sadly, our staff have not been adequately equipped to deal with this very much changing cohort of offenders. I have explained that our critical response team, employed by DHHS, has only had a plastic shield by way of protection in response to these very serious incidents.

This is why we made the decision. I know it is not one that is universally supported, but we made the difficult decision that we needed to make to bring corrections staff into our facilities who have the expertise, the training and the equipment to be able to respond to these decisions. And I have been very pleased to be part of a process in working within government that saw the Premier announce yesterday that the youth justice system — both the custodial and the community-based youth justice system — will move across to the Department of Justice and Regulation.

Ms Springle — On a point of order, President, the minister has not answered my question. There are 47 seconds to go.

The PRESIDENT — Order! Minister, the nub of that question was actually whether it was a recommendation of the people who undertook the review. While you have provided us with information on the decision itself, the specific point about whether or not it was a recommendation from that review has not been addressed at this point.

Ms MIKAKOS — Thank you, President. The point I make is that we have made a very important decision to move youth justice to the department of justice, where they do have the expertise to be able to deal with a very challenging group of offenders.

In relation to the work that is being done — the review that I started late last year by Penny Armytage and Professor Jim Ogloff — that is important work that continues. They have not finalised their report that will be handed to government. I have indicated to the house previously the ongoing nature of that particular work and the fact that it is going to shape the operating model and identify the other service gaps that exist within the

system, but I am not going to be disclosing private conversations that I might have had with those individuals.

Supplementary question

Ms SPRINGLE (South Eastern Metropolitan) — I thank the minister for her answer. We also learned yesterday that the minister proposes to build a new high-security youth prison at Werribee South, complete with a prison-style intensive supervision unit like those implicated in major abuses of young people in the Northern Territory and New South Wales recently. Was the decision to build a high-security youth prison that will treat young people like adult criminals instead of children with severe behavioural issues recommended by Professor Ogloff and Ms Armytage's review?

Ms MIKAKOS (Minister for Families and Children) — Whilst the supplementary question is not really apposite to the substantive question, the point that I would make to the member is that if she has a look at the terms of reference for that review, that are in fact on the department's website, they do not go to the issue of infrastructure. We had a separate process that I outlined to the house just earlier, where we commissioned Neil Comrie, a former Chief Commissioner of Police, to make specific recommendations to government in relation to infrastructure issues. So the work that Penny Armytage and Professor Jim Ogloff are doing has very specific terms of reference, and I would refer the member to them to have a look at those terms of reference.

Certainly there have been numerous informal conversations between me and my department and those two very esteemed individuals about our future direction in the youth justice system, and as I said, I am not going to disclose those private conversations.

Timber industry

Mr YOUNG (Northern Victoria) — My question today is for the Minister for Agriculture, but I fear that I may have been pipped by the order and that The Nationals have got in slightly before me. However, hopefully my questions are of more value.

Recently the Victorian forestry industry has been rocked by news of potential mill closures due to reduced volume in timber supply, as released by VicForests. The issues surrounding the Heyfield mill are being felt by many in the industry, and questions are being raised as to why supply is not being made available. As to some factors that have been influencing the supply of timber, many coupes are being locked out

due to sightings of Leadbeater's possums as a part of protocol for timber selection. Minister, how many coupes are currently unavailable for harvest because of these sightings? The minister has indicated there have been 400 sightings, but how many coupes are actually locked out?

Ms PULFORD (Minister for Agriculture) — I thank Mr Young for his higher value question and his interest in this very important matter. I take the opportunity perhaps, in addition to the things that I have already said in relation to this matter in response to Ms Bath and Mr O'Sullivan, to indicate that the modelling that has been done for VicForests takes into account the current arrangements and some reasonable expectation of future sightings. So these are models that the government has indicated during the last week to Australian Sustainable Hardwoods and indeed to the local community that we will interrogate, but I think that they are founded in very detailed consideration. So we will continue to look at these matters closely to properly explore what the available resource is.

In relation to Mr Young's very specific question about the number of coupes that the industry no longer has access to, I will have to take that on notice just to be sure that I provide him with an absolutely accurate number — it changes frequently.

Supplementary question

Mr YOUNG (Northern Victoria) — I thank the minister for her answer. It is very easy to understand the protocol to ensure that we are cautious when harvesting timber in these areas, and I would assume that part of the protocol should be to review these sightings and subsequent lockouts. So my supplementary question is: Minister, what is the protocol to review the lockouts, and at what point is this initiated?

Ms PULFORD (Minister for Agriculture) — This question goes somewhat closer to Minister D'Ambrosio's responsibility, but I certainly can confirm that the protocols are currently being reviewed. There was, when the former government established them, an understanding about a point at which that review would occur, and that is now underway. I understand that that work is expected to be completed in the next couple of months.

Ambulance services

Ms PATTEN (Northern Metropolitan) — My question is to Minister Mikakos, representing the Minister for Ambulance Services. Reducing pressure on ambulance services and improving ambulance

response times are stated priorities of the Andrews government. In October 2016 Turning Point released its report *Ambo Project: Alcohol and Drug-Related Ambulance Attendances*. The report shows that for the financial year 2013–14 there were 2155 heroin-related ambulance attendances in metropolitan Melbourne. That was a 13.8 per cent increase from the previous year, and it equates to nearly six heroin-related attendances every single day. The Ambulance Victoria website says:

... the average cost of an emergency transport is more than \$1100 ...

suggesting that the ambulance response costs for heroin overdoses in metropolitan Melbourne alone exceed \$2.3 million per year. Minister, what is the actual cost of heroin-related ambulance attendances in Melbourne in the calendar years of 2015 and 2016?

Ms MIKAKOS (Minister for Families and Children) — I thank Ms Patten for her question as it relates to Minister Hennessy’s portfolio. I obviously do not have that figure at hand, and I will seek a written response for the member within the required time period, but I do make the point to the member that drug addiction is a very complex issue. There is no single solution to protecting our community from the debilitating impacts of drugs. That is why our government has made considerable investment in relation to the issue of alcohol and drugs. We have put in a significant investment. I know that Mr Foley as the Minister for Mental Health has invested \$192.5 million to support a wide range of drug treatment services and harm reduction initiatives, and that is just in the 2016–17 financial year alone. That represents a 12 per cent funding increase over the past two years.

As a government we are taking a number of steps to respond to the significant issue that is the drug problem, particularly as it relates to the ice epidemic as well. That is obviously an issue that I take a great deal of interest in, given that it does have flow-on effects to my portfolio as well. But I will seek a written response to the member in relation to the specific figures from Minister Hennessy.

Supplementary question

Ms PATTEN (Northern Metropolitan) — More than three Victorians died per week from heroin overdoses last year, and critical ambulance resources were responding to nearly six heroin overdoses a day in Melbourne. In today’s front-page article in the *Herald Sun* ambulance call-outs to Kings Cross are quoted to have fallen by 80 per cent in the time the Sydney safe injecting centre has been in operation. The ambulance

employees union has today said injecting rooms would reduce assaults on ambos and free up crews. Does the government agree that in addition to saving lives a supervised injecting centre in North Richmond would reduce pressure on ambulance services?

The PRESIDENT — Order! I am a little bit concerned about anticipation in this one because we are, as I understand, to have a bill read into Parliament and there has been media commentary and so forth on this matter. Because it has not come in yet, I will accept the question, but Minister, you might be guided by the fact that this matter is likely to have at least some exposure this week.

Ms MIKAKOS (Minister for Families and Children) — Thank you very much, President. I can advise the member that, as I said, there is no single solution to drug addiction, which is a complex issue, but the government currently has no plans to introduce a safe injecting facility in Victoria. We have a number of other responses and interventions that we fund as a government to respond to this issue. I outlined some of these in my previous response to the member.

I also make the point that in our first 100 days in office we put \$45.5 million into stage 1 of the *Ice Action Plan*, which included \$26 million for treatment and support services and provided additional workforce capacity, rehabilitation support, an ice advice line, community grants and support for families. This was followed by a second investment of \$57.6 million in our 2016–17 budget.

There are a number of other harm reduction activities and investments that our government is making. We welcome that there is going to be a parliamentary inquiry into the issue of illicit and synthetic drugs and prescription medication that will commence later in the year, and we await the findings of this inquiry together with a coronial inquest that is also underway in respect of these matters.

QUESTIONS ON NOTICE

Answers

Mr JENNINGS (Special Minister of State) — The government has provided written answers to the following questions on notice: 7010, 7046, 7247–58, 7453, 7629, 7631, 7633, 7636–9, 7651, 7657–8, 7670–2, 7675–9, 7680–4, 7689–700, 7706, 7709–11, 7714–17, 7724–7, 8521–4, 8922–3, 8927–31, 8935–44, 8949–52, 8954–7, 8959, 8961, 8965–9, 8973–82, 8987–90, 8992–5, 8997, 8999, 9000, 9409, 9412–14, 9726–8, 10 181, 10 183–91, 10 480.

QUESTIONS WITHOUT NOTICE

Mr Finn — On a point of order, President, I draw your attention to Ms Mikakos's answer to my earlier question, where she said she had been in consultation with the CEO of the City of Wyndham. I have had confirmed during the course of this question time that in fact no consultation with that CEO has taken place. Being the generous man that I am, I suggest to the minister that she might like to reconsider her words, lest she be thought to be misleading the house by her answer.

Ms Mikakos — On the point of order, President, I did speak with the CEO of Wyndham council — —

An honourable member — When?

Ms Mikakos — Today, in fact, by telephone. We are in the process of organising a meeting with the CEO and hopefully with the mayor as well. We have been very up-front in outlining, as I did in my answer earlier, the process that we have embarked upon with residents being informed through a letterbox drop, an information line and information sessions that will be put in place. Mr Finn should go and check the transcript from Neil Mitchell from last week, because Mr Guy in the Legislative Assembly did in fact say he supported Werribee South.

Written responses

The PRESIDENT — Order! In respect of today's questions, regarding Ms Crozier's first question to Ms Mikakos, I would seek a written response to the substantive question, and that is one day. Regarding Mr Finn's question to Ms Mikakos, I would seek a written response to the supplementary question, and that is one day. Regarding Ms Wooldridge's question to Mr Dalidakis, both the substantive and the supplementary questions, I would seek a response, and that is two days. Also Ms Springle's question to Ms Mikakos, both the substantive and supplementary questions, that is one day; Mr Young's substantive question to Ms Pulford, that is one day; and Ms Patten's substantive question to Ms Mikakos, that is two days.

Mr Ondarchie — I raise a point of order, President, in regard to the written response provided to a question I posed to the Minister for Small Business, Innovation and Trade on 8 December 2016 specifically regarding the costs associated with a non-member of the ministerial team, a non-member of the department — in fact a backbencher — and ministerial office budget expenditure for the member for Footscray's parking, office, travel and other costs. The response I got was

quite a beige response in fact: that while the department's budget covers all costs, it was not specific to the costs associated with this, and if I wanted any further information, I was to refer to the annual report. This is hardly a response to the detailed question, and I ask for it to be reinstated.

Mr Dalidakis — On the point of order, President, if you look at the question that Mr Ondarchie put, I responded by clearly stating that the budget already allows for those costs, and those costs are recorded in the department's annual report.

The PRESIDENT — Order! I have looked at the question and I have looked at the answer, and I am satisfied that a further written response ought to be provided to the question. Whilst the department's budget might well cover quite a range of things, it is an unusual arrangement to have a backbencher providing this sort of advice and being accommodated without having an office-holder position in the department, and I think from that point of view it does warrant an explanation. So a further written response on that one.

CONSTITUENCY QUESTIONS

Northern Victoria Region

Ms LOVELL (Northern Victoria) — My question is for the Minister for Health. I am consistently being contacted by constituents seeking urgent provision of radiotherapy services at Goulburn Valley Health (GV Health). Reasons include the disadvantages of travelling — and Shepparton's abysmal public transport links to both Bendigo and Melbourne certainly add to this difficulty — and that patients respond better to and recover better from treatment when they are with their own families in their own community. Other major regional centres, some with smaller populations, have radiotherapy services, and a Garvan Research Foundation report found that unfortunately Shepparton has the highest rates of prostate cancer, female breast cancer, colorectal cancer, non-Hodgkin's lymphoma and kidney cancer.

The minister cannot keep fobbing this issue off on the federal government. It is the Victorian health minister's responsibility to plan and provide for services in Victoria, and Shepparton desperately needs locally based radiotherapy services. My question of the minister is: when will she acknowledge that radiotherapy services are in demand and essential for the Goulburn Valley residents and commit to additional funding so these services can be included as part of the GV Health hospital redevelopment?

Northern Metropolitan Region

Mr ELASMAR (Northern Metropolitan) — My question is to the Minister for Multicultural Affairs, Robin Scott, who recently announced new funding for multicultural sports grants. There are a multitude of sporting clubs in my electorate that are more than interested in applying for this funding. Sporting activities break down barriers and connect diverse communities. This initiative is welcome, and the Andrews Labor government ought to be congratulated for this ongoing, wonderful initiative. My question is: could the minister provide advice about when the guidelines will be finalised and when the grant round will open so clubs in my electorate can apply for the grants? There are many disadvantaged communities in my area who will benefit greatly from this program.

South Eastern Metropolitan Region

Ms SPRINGLE (South Eastern Metropolitan) — My question today is for the Minister for Mental Health. My question is in regard to mental health services for young people in the City of Monash. The council there has identified the existence of multiple barriers faced by young people in attempting to access mental health services. It should be noted that in recent years services provided by the primary mental health teams at both Eastern Health and Monash Health have been cut. Other than those who present in person to the Monash hospital emergency department, all Monash young people who experience acute psychological distress triage through either the Box Hill or the Dandenong hospital. The report concluded that the installation of a Headspace centre in Monash would represent 'a significant improvement in young people's capacity to seek support'. Will the minister advocate for one of the federal government's promised 10 new Headspace centres to be built in the City of Monash?

Western Metropolitan Region

Mr FINN (Western Metropolitan) — My constituency question is to the Minister for Public Transport. I refer the minister to the plans to remove the level crossing in Buckley Street in Essendon. I met with the mayor of Moonee Valley last week, Cr Andrea Surace, and she expressed to me the very real concerns of the council about the impact of the current plan on traffic in surrounding residential areas, in particular the educational precinct containing Lowther Hall, St Columba's College and Penleigh and Essendon Grammar School. It would appear there is a traffic disaster on the way. I ask: will the minister put the removal of this crossing on hold until such time as local concerns can be addressed?

Western Metropolitan Region

Mr EIDEH (Western Metropolitan) — My question today is for the Minister for Local Government, the Honourable Natalie Hutchins. My electorate office has been approached by numerous constituents inquiring about the forthcoming local government community satisfaction survey. I am aware that more than 27 000 Victorians will participate in this survey and that a total of 67 councils out of 79 in Victoria will take part in this process. My question to the minister is: which councils within my electorate of Western Metropolitan Region will participate in the survey, when will the results of the survey be available to the public and where will my constituents be able to access the results of this survey?

Western Victoria Region

Mr MORRIS (Western Victoria) — My constituency question is directed to the Minister for Education. I have been contacted by many concerned parents in my electorate who choose to homeschool their children. These parents have chosen to homeschool their children for myriad reasons, and it is a choice that parents have a right to make. Over the Christmas period the government, hoping nobody would notice, proposed regulatory changes to homeschooling in Victoria. There was no prior indication that regulatory changes to homeschooling would be made, and the government has not been forthcoming with a reason for instituting these changes. This is rightly of great concern to the thousands of Victorian families it will affect. So I ask the minister: will he commit to going back to the drawing board and conducting a full consultation with affected parents before imposing any draconian regulation on homeschooling families?

Western Metropolitan Region

Mr MELHEM (Western Metropolitan) — My constituency question is to the Minister for Families and Children, and Minister for Youth Affairs, Ms Mikakos.

Mr Finn interjected.

Mr MELHEM — What a good minister! I was pleased to see the minister's announcement that this year 2000 new places will be created for kindergarten children across Victoria. With growth areas such as Wyndham in my electorate averaging 81 births per week, kindergarten spaces will be needed in just a few years. We all know the vital importance of early years education in making Victoria the education state. Can

the minister provide me with further information on how many of these 2000 spaces are set for Western Metropolitan Region?

Western Victoria Region

Mr RAMSAY (Western Victoria) — My question is for the Minister for Police and member for Bellarine in the Legislative Assembly, the Honourable Lisa Neville. I have raised in this house before the concerns of communities in Queenscliff, Portarlington and Drysdale about their unmanned police stations, and also the lack of a 24-hour manned Waurin Ponds police station. But a constituent has raised a concern with me in relation to the Lara police station. Police have indicated that it in fact is also unmanned during the day and that they have been redirected to work in Corio. So the question I ask the minister is: can she confirm if in fact the Lara police station is manned at all during the day; if not, why not; and can she give the Lara community some indication of why that particular community does not have the police support that is needed?

Southern Metropolitan Region

Ms FITZHERBERT (Southern Metropolitan) — My question is to the Minister for Public Transport. Tomorrow I will table more signatures on a petition from residents asking for the Domain railway station to be built by tunnelling, not cut and cover. This will avoid St Kilda Road being reduced to one lane for years and will also save many of its trees. Some 9000 people have signed this petition. Many local residents believe that the Melbourne Metro Rail Authority will allow one more Anzac Day parade to march down St Kilda Road and then the road will be dismantled and the trees will come down. As every indication is, despite a number of community concerns being consistently raised, that work will proceed even though there is no finalised station plan, my question is: what date will the tree removal start?

Eastern Victoria Region

Ms BATH (Eastern Victoria) — My constituency question is for the Minister for Energy, Environment and Climate Change, Minister D'Ambrosio. There is a growing recognition of how traditional Indigenous fire management practices can be applied to reduce fuel loads, increase biodiversity, heal our landscape and improve outcomes for community safety.

Last year leaders from the Wurundjeri and Gunaikurnai people and representatives from the Department of Environment, Land, Water and Planning, the Country

Fire Authority, Parks Victoria, councils and the Mountain Cattlemen's Association of Victoria and locals attended Indigenous firestick forums in my electorate run by traditional fire specialist Victor Steffensen. Hailing from northern Queensland and with over 20 years experience, Victor has a wealth of knowledge.

During March this year, on the invitation of local Indigenous groups, Victor will again conduct workshops in Eastern Victoria Region. A number of my constituents have asked me to ask you, Minister, to attend one of his on-country forums to understand how Aboriginal cool-burn methods can be trialled throughout Victoria.

CLIMATE CHANGE BILL 2016

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr DALIDAKIS (Minister for Small Business, Innovation and Trade); by leave, ordered to be read second time forthwith.

Statement of compatibility

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006, (the charter), I make this statement of compatibility with respect to the Climate Change Bill 2016 (the bill).

In my opinion, the bill, as introduced to the Legislative Council, is compatible with human rights as set out in the charter. I base my opinion on the reasons outlined in this statement.

Overview

The bill will repeal and re-enact with amendments the Climate Change Act 2010 to give effect to the commitments announced in the government's response to the 2015 independent review of the Climate Change Act 2010. Notably, the bill will provide for a long-term greenhouse gas emissions reduction target; a framework for improved decision-making; requirements for better planning and delivery of statewide emissions reduction and climate change preparedness; clarity and accountability through information and reporting; and make minor consequential amendments to the Environment Protection Act 1970.

Human rights issues*Section 13 — privacy*

Section 13 of the charter provides for a person the right not to have his or her family and close or enduring and personal relationships unlawfully or arbitrarily interfered with.

Clause 89 of the bill engages the right to privacy as it allows the Secretary to the Department of Environment, Land, Water and Planning to issue an extract from the register of carbon sequestration agreements (CSAs) for agreements entered into in relation to Crown land. The purpose of the register is to provide for a method to record and account for CSAs entered into on Crown land, since there is no Crown land register to account for these transactions. The information shown on the register relates to the basics of the CSA (as set out in clause 88 of the bill) and would be voluntarily provided to the secretary upon formation of the agreement. In addition, the register must be available for inspection on the Department of Environment, Land, Water and Planning's website.

The extract or certificate from the register would only include the name of the person that is party to a CSA and that the agreement is evidence that that person is the owner of carbon sequestration right or soil carbon right. This information is voluntarily provided to the secretary as part of the CSA transaction, and the extract would not contain any information that under the current provisions would not already be publicly available. Therefore, for the reasons above, this clause does not limit the right to privacy.

Section 19(2) — cultural rights

Section 19(2) of the charter confirms the distinct cultural rights of Aboriginal people, including the right to not be denied the enjoyment of their identity and culture.

Clause 4 of the bill provides that forest carbon rights, defined as carbon sequestration rights (CSRs), soil carbon rights (SCRs), and forestry rights, are interests in land. The effect of this clause provides that CSRs and SCRs can be interests in Crown land under part 8 of the bill.

While this clause may be perceived to restrict the human rights of Aboriginal persons under section 19(2) of the charter in relation to land, making CSRs and SCRs interests in land does not create any new restrictions nor does it restrict the exercise of any current rights of Aboriginal persons in relation to Crown land. Further, clause 72 of the bill expressly provides that the grant of a CSR or SCR does not extinguish native title, and clause 76 provides that the rights cannot be granted unless doing so is consistent with requirements relating to native title and Aboriginal cultural heritage. Therefore for the reasons above, the bill does not deprive Aboriginal persons of a relationship with the land, and therefore does not limit the rights under section 19(2).

Section 20 — property rights

Section 20 of the charter provides that a person must not be deprived of his or her property other than in accordance with law. 'Property' includes statutory rights such as licences.

Clause 101 of the bill amends the Environment Protection Act 1970 to expressly empower the EPA to regulate the emission or discharge of greenhouse gas substances. This has the potential to engage section 20 of the charter if the EPA

relies on this power to amend existing licences, so as to limit the discharge or emission of greenhouse gas substances.

However, the right would only be engaged if such licences were held by individuals, as section 6(1) of the charter specifies that corporations do not have human rights. It is unlikely that licences would be held by individuals.

Even if the section 20 right is engaged, I consider that the bill does not limit property rights. Any exercise of the power by EPA would be in accordance with regulation or statutory policy which will be accessible, precise and not arbitrary. Any impact on property rights will therefore be in accordance with the law, as permitted by section 20.

Hon. Gavin Jennings, MLC
Special Minister of State

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Mr DALIDAKIS (Minister for Small Business, Innovation and Trade).

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The Andrews Labor government recognises that climate change is one of the most critical issues facing us today, and we are committed to taking serious and far-reaching action that makes Victoria a model for others to follow.

This bill repeals and re-enacts with amendments the Climate Change Act 2010.

It is a key component of the election commitment to reinstate Victoria as a leader in climate change action, giving effect to the vast majority of the recommendations of the independent review of the act, which the government initiated in 2015.

It provides Victoria with a world-leading legislative framework to manage the risks climate change presents, and to maximise the opportunities that arise from decisive action, with the objective of transitioning to a net zero emissions, climate-resilient community and economy.

It builds on the original Climate Change Act, which at the time was landmark legislation for the state of Victoria and Australia.

This bill, however, is just one component of the Andrews Labor government's comprehensive response to climate change. This includes a series of reforms to drive emissions reduction, build the state's resilience and help Victoria attract the new, low carbon industries and jobs which will underpin our future prosperity and liveability. This work has been supported by the bringing together of the climate change and energy portfolios earlier this year, which has allowed the government to address key elements of our transition in an integrated manner.

Taking action on climate change

The global community has accepted that without significant global action to curb greenhouse gas emissions, temperature increases and climatic changes have increasingly severe impacts on our food and water security, our economy, our health and wellbeing, our infrastructure, and on the natural environment we pass on to future generations. Some impacts are already visible, and more are locked in. This is as true for Victoria as it is for Bangladesh, Norway or Brazil.

In December 2015 at the 21st Conference of parties in Paris, 195 countries, including Australia, reached a historic agreement to combat climate change and to accelerate the transition to a net zero emissions future. The Paris agreement's central aim is to hold the average global temperature increase to well below 2 degrees Celsius above pre-industrial levels and pursue efforts to keep warming below 1.5 degrees Celsius. This agreement entered into force on 4 November 2016.

Climate science tells us that in order to meet this global objective and avoid irreversible and severe climate change impacts, emissions will need to decline to net zero levels by the second half of the century and remain there in the long term.

Decarbonisation of the world's economy is already underway, and all national, state and local governments have a role to play in supporting and accelerating this global shift. Delaying action risks locking in more adverse climate impacts.

Paris recognised this, highlighting the importance of subnational governments in driving climate change action, as confirmed in the memorandum of understanding on subnational global climate leadership.

States like Victoria have a key role to play and can make a difference.

Australia's national emissions targets and policy frameworks are not sufficient to meet the objectives of the Paris agreement. Victoria is not waiting for this to change and is acting now.

The Victorian government is committed to playing its part in global efforts to limit warming to 1.5–2 degrees Celsius. Being a responsible global citizen is what the Victorian community wants and expects of us.

This bill provides Victoria with a platform for effective, state-based climate action. It is designed to work effectively alongside, or to supplement, national action. It allows us to adjust our response depending on the international context, as well as action taken by other states and territories.

Benefits and opportunities of transitioning to a net zero emissions, climate-resilient future

Our long-term prosperity is dependent on us significantly reducing our greenhouse gas emissions and preparing for climate change impacts. By acting now, Victoria will realise the economic benefits of new industry opportunities and avoid the more disruptive and costly transition that is the inevitable consequence of delay.

It will allow Victoria to remain competitive in the international marketplace and an attractive place to invest and to live. For example, Victoria has some of the best renewable

energy resources in the world, predominantly in wind, solar and marine and considerable expertise and capability in innovation, research and manufacturing.

This means that, with the right policy signals, the Victorian economy can lead the way in contributing to new and innovative low carbon technologies.

The government is already undertaking major initiatives to decouple greenhouse gas emissions from economic growth and transition Victoria to a net zero economy. Key contributions to this are the TAKE2 pledge program, Victoria's renewable energy action plan, the energy efficiency and productivity strategy and the New Energy Jobs Fund and new energy technologies strategy.

Early action will also ensure that Victoria remains resilient to changing and more extreme climatic conditions. We are already experiencing climate change impacts and further changes are inevitable. Victoria has already experienced a rise in temperature and reduction in rainfall across the state since 1950.

Over the past 100 years, global surface temperatures have risen by almost 1 degree Celsius and both the atmosphere and oceans have warmed. The World Meteorological Organisation declared 2015 to be the hottest year on record and in 2016, each of the first six months has set a record as the warmest respective month in the modern temperature record.

Across Australia, eight of the country's 10 warmest years have occurred since 2002.

It is critical that Victorians continue to reduce the state's vulnerability to these impacts, and build its capacity to deal with them in the future. Preparing for climate change today will reduce the costs and damages of a changing climate in the future.

The Andrews Labor government is already building climate change into our plans, strategies and legislation, such as the water plan, *Plan Melbourne*, biodiversity plan and the new marine and coastal act, to ensure we are prepared for the unavoidable impacts Victoria will experience.

At the same time the government must ensure a just and orderly transition that supports all Victorians, particularly vulnerable communities, sectors and regions.

By building on policies, by establishing strong legislative frameworks, as provided for in this bill, and providing information to drive and support action by all Victorians, government can continue to lead Victoria's transition to a net zero emissions, climate-resilient future.

Rationale for strong climate laws and shortcomings of current legislation

In 2010, the previous Labor government saw the need for a world-leading legislative framework to both drive and guide action, and delivered the original Climate Change Act 2010.

The critical importance of climate change legislation has not diminished, but the 2012 amendments gutted the legislation. They make this new legislation before us even more critical.

Climate change is a pervasive, long-term challenge — we need clear frameworks and enduring rules to guide our response.

In 2015 the government initiated an independent review of the act to ensure it provides a strong foundation for action by government, business and community. The review made 33 recommendations on how to create an act that supports current and future needs, the vast majority of which government accepted and which are now given effect through this bill.

I would like to thank the independent review committee for their ambitious and considered recommendations. I would also like to thank the thousands of individuals and organisations who made submissions to the review.

This bill provides Victoria with a world-leading legislative framework by:

- setting emissions reduction targets and objectives to guide policy development;
- requiring strategic, whole-of-government planning across adaptation and mitigation; and
- driving transparency and accountability through regular information and reports.

Key elements of bill

I now turn to the provisions of the bill itself.

Preliminary (part 1)

The preamble reflects the considerable shifts in the national and international context for climate change since 2010. In particular, it references the international agreement reached in Paris. This agreement creates a new context for action, and provides a clear statement of global ambition, which is reflected in the bill.

Long-term target (part 2, division 1)

Victoria does not currently have a legislated emissions reduction target; the previous target was repealed by the former coalition government in 2012.

In June 2016, this government announced a long-term target for Victoria of net zero greenhouse gas emissions by 2050. The bill legislates this target and places a duty on the Premier and minister to ensure it is met.

Embedding a target in legislation provides a clear and compelling signal to community, investors and all sectors of the economy regarding the need for sustained and significant action.

The target requires us to have net zero emissions by the year 2050. It requires Victoria to reduce our emissions to as close to zero as possible, maximise the removal of greenhouse gases from the atmosphere through sequestration activities in Victoria, and if the amount of sequestration does not balance any remaining emissions, secure eligible offsets from outside of Victoria to make up the difference.

What constitutes an ‘eligible offset’ will be prescribed in regulations to ensure that emissions have been genuinely and permanently sequestered or avoided.

Interim targets (part 2, division 2)

Making the transition to a net zero economy is a big change that requires careful planning and sustained action.

Therefore, the bill requires the Premier and minister to set five-yearly interim targets from 2020 onwards. These will contribute to an orderly, low-cost transition to 2050 whilst limiting our cumulative emissions, which is key to ensuring Victoria plays its part in limiting global warming to well below 2 degrees Celsius.

The bill outlines a number of important features of interim targets.

First, targets must be set in advance to provide guidance on Victoria’s short and medium-term ambitions to business and policymakers.

Second, to limit cumulative emissions each target must be set at a level that is consistent with meeting the long-term target and must be more ambitious than any preceding interim target.

Finally, when setting targets, the minister and Premier must have regard to published independent expert advice. This advice will provide not only options for the target but how we can reduce our emissions over time and across the economy, which will then be used to inform pledges developed under the bill.

The advice must take into account a range of factors, including climate science, advances in technology as well as economic, environmental and social impacts. This will ensure that interim targets are robust and credible and keep us on the path to the long-term target.

Decision-making framework and schedule 1 (part 3)

The obligations in this part of the bill remain unchanged from the existing act. The bill requires that, when making specified decisions or actions listed in schedule 1, decision-makers must take climate change into account. This includes consideration of both the impacts of climate change on a particular decision, and how the decision will contribute to Victoria’s greenhouse gas emissions.

In its response to the independent review, government committed to reviewing and updating this framework and the listed acts in schedule 1 over the next year.

Policy objectives and guiding principles (part 4)

It is crucial that action taken on climate change across different areas of government is consistent and coherent. However, this must be balanced with the ability of government to respond flexibly in different contexts or to changing circumstances.

The bill facilitates this by introducing a principles-based approach, with a set of commonly agreed policy objectives and guiding principles to guide policymaking across the full range of government decisions and operations. More specifically, under the bill the objectives and principles will:

- inform the strategic planning components of the bill and the setting of interim targets; and

influence how government decisions, policies, programs and processes consider climate change.

These requirements will send a strong signal of the importance of integrating climate change across all areas of government operations and decision-making, and provide a common platform from which to build an integrated and coherent response.

The policy objectives build upon those recommended by the independent review and broadly relate to reducing emissions in line with the long-term target and interim targets, building our resilience and preparing for climate impacts, and supporting vulnerable people and communities in the transition.

The bill retains a set of guiding principles from the existing act, which are largely unchanged, except that the principle of complementarity has been replaced with the principle of compatibility. This substitution is to emphasise the importance of state-level action regardless of federal government ambition, while at the same time acknowledging the importance of policy coherence across and between different governments and levels of government.

Climate change strategy (part 5, division 1)

The bill recognises the importance of integrated strategic planning to drive climate change action across the state and introduces a requirement for the minister to prepare a climate change strategy in 2020, and every five years thereafter.

The strategy will contain the government's priorities for action on climate change across mitigation, adaptation and transition for each five-year period. This will ensure that government considers the linkages across these three areas, including any potential conflicts, as well as synergies.

The strategy will also contain specific adaptation requirements designed to prepare Victoria for the impacts of climate change; and mitigation requirements to drive emissions reductions within government and across Victoria more broadly, in order to help achieve the interim targets.

To ensure there is appropriate community participation in the development of the strategy, a draft strategy must be released for public comment.

Adaptation action plans (part 5, division 2)

Climate change adaptation needs to be an increasing focus of government planning. Although not as widespread as is required, many areas within government and across the community have recognised the importance of integrating climate change into their activities. Accordingly, the bill sets up a whole-of-government structure to build on this existing work, and support areas that are not as far progressed in planning for climate change impacts.

It introduces system-based planning for adaptation, focusing on key systems that are either vulnerable to climate change impacts, or are essential to ensure Victoria is prepared.

Systems-based planning is already used in a number of jurisdictions, and has the following benefits:

- it enables a targeted response to climate change, focused on the unique characteristics and needs of a given system; and

it acknowledges up-front the important role of many stakeholders beyond government in adaptation planning and develops a shared sense of responsibility and ownership.

Under the bill, adaptation action plans must be developed every five years by nominated ministers, following the release of the climate change strategy, covering the following systems:

- built environment;

- health and human services;

- natural environment;

- primary production;

- education and training;

- transport; and

- the water cycle.

The bill enables flexibility by allowing the minister to assign a system, or components of a particular system or a combination of components, to one or more ministers. For example, it may be necessary to have an adaptation action plan focused on coastal adaptation, in which case the 'coastal' elements of primary production and the natural and built environments can be regrouped into an overarching 'coastal adaptation action plan'. Similarly, a specific 'energy adaptation action plan' could also be created by extracting energy infrastructure from the built environment system.

So that adaptation action plans build on, and do not duplicate existing work, each will begin with a gap analysis designed to assess how current policy relating to that system responds to (or is responding to) the priorities contained in the most recent climate change strategy. The results of this analysis will inform whether, and what type of, actions are required. However, the bill does not prevent an adaptation action plan from addressing additional risks, vulnerabilities, opportunities or system-specific priorities.

Pledges (part 5, division 3)

The bill introduces a process to develop pledges to help drive emissions reduction to meet the interim targets and, ultimately, the long-term target for 2050.

Victoria will be the first jurisdiction in Australia to implement and legislate a whole-of-economy pledge model based on the United Nations Framework Convention on Climate Change process and the Paris agreement.

A pledge is a statement containing actions to reduce emissions that will be undertaken over the five-year pledge period, and an estimate of the potential greenhouse gas emissions reduction these actions will deliver.

There are two types of government pledges — a whole-of-government pledge and sector pledges. These pledges mandate government leadership by requiring the government to reduce its own emissions and appropriate ministers to reduce emissions from their areas of responsibility.

Whole-of-government pledge

The minister will be responsible for developing the whole-of-government pledge to reduce emissions associated with government operations, including building energy use, waste management and transport use.

All government departments must contribute actions to this pledge. In order to ensure pledging obligations extend to public entities with significant emissions profiles, these public entities will be prescribed in regulations and must also contribute actions.

Sector pledges

The minister, in consultation with the Premier, will nominate ministers to prepare sector pledges. These must contain actions the government will take, such as policy or regulatory changes, to reduce greenhouse gas emissions in relation to prescribed categories of emissions and removals, namely:

energy, including stationary energy, transport and fugitive emissions;

industrial processes and product use;

agriculture;

waste; and

land use, land use change and forestry.

These categories are aligned with the national greenhouse gas inventory and international reporting system.

The bill enables flexibility in how sector pledges are prepared. This flexibility is critical for ensuring the pledges can evolve and respond to changing circumstances — be that technology or the broader regulatory environment — providing an overarching framework that allows future Victorian governments the capacity to respond to these changes in a timely way. Further, pledges can be made in relation to a category, part of a category or a combination of categories, so long as all sources of emissions are covered. This will allow sector pledges to be more ‘policy relevant’. For example, for the energy sector, it may be appropriate to divide the ‘energy’ pledge into supply-side and demand-side pledges, given the difference in policy mechanisms and approaches required to drive emissions reductions in these subsectors: supply side being focused on the structure of the electricity market and infrastructure, and demand side more on energy efficiency.

These arrangements will ensure that long-term planning and policy decisions for our biggest emitting sectors, such as energy, agriculture and transport, will drive and support the adoption of net zero practices and technologies.

Council pledges

To acknowledge the work already done by many local councils to reduce emissions, while minimising administrative burden, the bill will enable councils to opt in to producing pledges. Under this arrangement, a council can elect to produce a pledge; if it chooses to do so it must follow the requirements in the bill.

All forms of pledges will be developed alongside the climate change strategy, and published as part of it.

Reporting and transparency (part 6)

The bill introduces a series of reporting requirements to ensure that regular up-to-date information is provided to Parliament, and through it, the public on climate change generally and on progress towards meeting the interim and long-term targets.

A regular and comprehensive reporting regime will help to strengthen accountability for achieving emissions reduction and to drive action in the community.

To understand whether we are on track to meet our interim targets and long-term target, the bill requires that the minister prepares a report at the end of each interim target period, stating whether a target was met, and if not, reasons why. To provide transparency and accountability on the policies and proposals designed to deliver emissions reductions, it must contain an assessment of the implementation and effectiveness of the pledges for a given period.

Other reporting mechanisms in the act focus on providing regulation updated information to the community about climate science, and the impacts of climate change to Victoria, as well as our emissions.

Carbon sequestration on private and Crown land (parts 7 and 8)

These parts are largely untouched from the existing act.

Part 7 of the bill provides statutory recognition of proprietary rights for forestry, carbon sequestration and soil carbon as an interest in land and enables the making of forestry and carbon management agreements with respect to ongoing management obligations capable of binding successors in title following recording on title.

Part 8 of the bill empowers the secretary to manage Crown land for the purposes of carbon sequestration on behalf of the Crown, facilitates the strategic assessment of Crown land available for carbon sequestration and enables carbon sequestration rights and soil carbon rights to be granted in relation to Crown land to third parties through carbon sequestration agreements.

Amendments to Environment Protection Act 1970 (part 11)

Finally, the bill amends the Environment Protection Act 1970 to clarify that the Environment Protection Authority’s powers, duties and functions include recommending to the Governor in Council the making of statutory policies and regulations to regulate the emission of greenhouse gas substances to contribute to the interim and long-term targets.

This bill positions Victoria to capitalise on the opportunities and meet the challenges presented by climate change by setting up a clear policy framework and a pathway to 2050 that is consistent with the global 2-degree goal. It provides a platform for subsequent action by government, community and business and the long-term perspective and policy stability needed to drive innovation and investment. It establishes Victoria as a leader in climate change action and a model for others to follow.

The Andrews Labor government is proud to restore Victoria to leadership and action on climate change.

It is time we rejoin the rest of the world, time for Victoria to act now to preserve what we have for future generations.

This bill provides the certainty and framework needed by all Victorians, by communities and by businesses, to start taking action now to reduce emissions.

This bill is just and fair, and ensures that we will work with impacted communities as our state, and the world, transition to a low carbon future.

This bill is flexible, so that in the future we can adapt to changes in policy at the national and international level, and in technology and science.

This bill is long overdue, after those opposite ignored the science and the community's expectations and sadly diminished the previous legislation. I hope they have learnt their lesson, and have finally acknowledged the science and necessity to act in the long-term interest of Victoria. Business as usual is not an option.

This bill aligns with the international consensus, and positions our state to once again lead the nation and grow our economy.

But, most importantly, this bill is the right thing to do.

I wish it a speedy passage.

I commend the bill to the house.

Debate adjourned for Mr DAVIS (Southern Metropolitan) on motion of Mr Ondarchie.

Debate adjourned until Tuesday, 14 February.

CREATIVE VICTORIA BILL 2016

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr DALIDAKIS (Minister for Small Business, Innovation and Trade); by leave, ordered to be read second time forthwith.

Statement of compatibility

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006, (the charter), I make this statement of compatibility with respect to the Creative Victoria Bill 2016.

In my opinion, the Creative Victoria Bill 2016, as introduced to the Legislative Council, is compatible with human rights as set out in the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The main purpose of the Creative Victoria Bill 2016 (the bill) is to recognise the role and value of culture, art and the creative industries to the state of Victoria. The bill sets out the

functions of the Secretary to the Department of Economic Development, Jobs, Transport and Resources, and those of the chief executive of Creative Victoria. The bill establishes clear principles relating to the arts and the creative industries and provides for the preparation of an arts and creative industries strategy every four years.

Human rights issues

Human rights protected by the charter that are relevant to the bill

The Creative Victoria Bill 2016 does not limit any human rights. However, a number of rights are relevant to the bill and are promoted.

In particular, the bill promotes cultural rights under section 19 of the charter, including supporting and promoting the practice of Aboriginal and Torres Strait Islander arts in Victoria. The bill also promotes the section 15 freedom of expression.

Consideration of reasonable limitations — section 7(2)

As the bill does not raise any human rights issues, it does not limit any human rights, and therefore it is not necessary to consider section 7(2) of the charter.

Conclusion

I consider that the bill is compatible with the charter because it does not raise any human rights issues.

Hon. Jaala Pulford, MP
Minister for Agriculture

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Mr DALIDAKIS (Minister for Small Business, Innovation and Trade).

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

Introduction

This bill is explicit recognition and support of the Parliament of Victoria for the arts, culture and creative industries in Victoria.

It recognises the enduring role and value of culture, art and the creative industries and ensures that government support of the creative industries remains current and effective.

Role of legislation

The existing Arts Victoria Act has been a symbol of the Victorian Parliament's appreciation of arts and culture since 1972. While aspects of that legislation are now well out of date, its symbolic function remains of continuing importance.

We know that human expression, through arts and culture, is fundamental to the unique development of societies and economies. It provides us with a source of inspiration and pride and contributes to a unifying culture for communities, states and countries. Engagement in the arts and cultural activities enriches individual lives and brings greater cohesion to communities. It is important for the full participation of every citizen in public life.

The combined effect of expression through art and culture has helped to define human identity for thousands of years, from the earliest Aboriginal communities of Australia to the present day.

In addition to these critical cultural and social qualities, arts and culture and the creative industries have a wider impact on our economy, health and wellbeing, and education. From research undertaken in 2015, we know that the creative economy is worth \$23 billion to Victoria and that it employs around 220 000 people. We know that it provides the state with more than \$1 billion in cultural tourism every year.

The proposed legislation will provide new recognition for the private and public benefits of the arts and creative industries. It will be an important, formal acknowledgement of their value and the central, ongoing role they play in the life of Victorians and the Victorian community.

The bill also provides the opportunity to recognise in legislation the centrality of Aboriginal culture and art to our cultural life. The bill recognises the fundamental importance of practising and revitalising artistic and cultural customs to the ongoing vitality of Aboriginal cultural life, community resilience and community voice.

The Arts Victoria Act 1972 has fulfilled some of these roles over the last 34 years but it is no longer a close enough reflection of government policy and activity in relation to the arts, culture and the creative industries. It does not take account of contemporary views about the role and value of the creative industries, for example, as an instrument for improved social outcomes. Nor does it acknowledge their economic contribution.

In addition, the Arts Victoria Act 1972 does not comprehend current administrative arrangements, principally the creation of Creative Victoria by this government to promote and support the creative industries in this state. The act also contains redundant provisions providing for an arts fund trust and the establishment of the Victorian Council of the Arts, neither of which are actively used or needed.

Purpose of the bill

The purposes of the bill, which are both symbolic and functional, are set out in clause 1. It will establish principles in relation to the arts and creative industries in Victoria, as well as describing the role and functions of public service office-holders.

Principles relating to arts and the creative industries

The principles recognise the importance of arts and culture to Victoria and to Victorians. As the Parliament has previously done in the Multicultural Victoria Act 2011, the principles are an expression of the enduring relevance, importance and impact of arts and culture.

They refer to the role, contribution and value of the creative industries in the Victorian community, culture and economy.

And they reflect the views and values expressed during extensive public and industry consultation on the government's first creative industries strategy, *Creative State*.

The principles express the Parliament of Victoria's recognition of:

the intrinsic value of the arts and creative industries and their contribution to Victorian life;

the significant contribution of the arts and creative industries to Victoria's wealth and prosperity; and

the arts and creative industries as a means to improve the quality of life of individual Victorians and Victorian communities.

They also recognise that 'all Victorians are equally entitled to participate in and contribute to the arts and creative industries in Victoria and that they are free to express themselves through art'.

These principles are a critical high-level statement about arts and culture, without creating any formal rights or obligations or giving rise to any civil cause of action.

Functional provisions

The main functional provisions in the bill describe functions of the secretary of the department relating to the arts and creative industries and formally recognise Creative Victoria by establishing the role of chief executive, and setting out applicable functions and objectives.

The bill also requires that the Minister for Creative Industries prepare a strategy for the arts and creative industries every four years. This will ensure that the government's key priorities for the arts and creative industries in Victoria are reviewed and that it is most effectively achieving the objectives set out in this bill.

The bill will repeal the Arts Victoria Act 1972.

I commend the bill to the house.

Debate adjourned for Ms CROZIER (Southern Metropolitan) on motion of Mr Ondarchie.

Debate adjourned until Tuesday, 14 February.

OWNER DRIVERS AND FORESTRY CONTRACTORS AMENDMENT BILL 2016

Introduction and first reading

Received from Assembly.

Read first time on motion of Ms MIKAKOS (Minister for Families and Children); by leave, ordered to be read second time forthwith.

*Statement of compatibility***Ms MIKAKOS (Minister for Families and Children) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:****Opening paragraphs**

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006, (the charter), I make this statement of compatibility with respect to the Owner Drivers and Forestry Contractors Amendment Bill 2016.

In my opinion, the Owner Drivers and Forestry Contractors Amendment Bill 2016, as introduced to the Legislative Council, is compatible with human rights as set out in the charter. I base my opinion on the reasons outlined in this statement.

Human rights issues***Human rights protected by the charter that are relevant to the bill***

The bill makes amendments to the Owner Drivers and Forestry Contractors Act 2005 in respect of the Transport Industry Council and the Forestry Industry Council, and their membership, and to update the name of the responsible department.

Are the relevant charter rights actually limited by the bill?

There are no charter rights limited by the bill.

The Hon. Gavin Jennings, MP
Special Minister of State

*Second reading***Ordered that second-reading speech be incorporated into *Hansard* on motion of Ms MIKAKOS (Minister for Families and Children).**

Ms MIKAKOS (Minister for Families and Children) — I move:

That the bill be now read a second time.

Incorporated speech as follows:**Background**

This bill seeks to amend the Owner Drivers and Forestry Contractors Act 2005 by updating the membership of a ministerial advisory council created under the act, and further amending the act to provide a procedural mechanism to allow for future membership changes in circumstances where a nominating organisation ceases to exist or changes its legal form.

The Owner Drivers and Forestry Contractors Act, established by the Bracks government in 2005, provides basic protections for potentially vulnerable small businesses, namely, owner-drivers in the transport industry and harvesting and

haulage contractors in the forestry industry. The act also establishes a mechanism for the effective resolution of disputes.

Owner-drivers are involved in a range of transport activities, including as couriers and in the transport of raw materials, manufactured goods, and agricultural products. The road transport industry is characterised by small family-run businesses, with the vast majority of transport businesses employing less than five employees. When the act was introduced, there was evidence to show very low levels of earnings for owner-driver and forestry contractors. This led to high rates of business failure and working conditions and hours of work that did not meet a fair community standard.

Harvesting contractors are engaged to fell and process saw logs and other forest products. Haulage contractors transport these products to sawmills or other processors.

Forestry contractors and owner-drivers can be exposed to low earnings and working longer hours for less money. There is evidence linking low rates with very long hours of work and increased levels of fatigue, which in turn may affect road safety. Long hours also lead to poor health outcomes, such as higher rates of chronic injuries.

The forestry and transport industry councils

The Owner Drivers and Forestry Contractors Act establishes two ministerial councils, the Transport Industry Council and the Forestry Industry Council. The council members represent a balance of hirers and contractors. The council members bring with them a high level of industry expertise.

The industry councils' key focus is to address any information imbalance between the contracting parties.

In particular, and drawing on the expertise of the council members, rates and costs schedules outlining the realistic costs of running a business are provided to owners. These provide indicative rates to factor into negotiations between contractors and hirers.

Proposed amendments

Since the act was passed in 2005 there have been changes to representative bodies identified in the legislation. The Australian Plantation Products and paper Industry Council Limited merged with the National Association of Forest Industries, and now operates under the name Australian Forest Products Association Limited. The Victorian Harvesting and Cartage Council, became the Victorian Forest Contractors Association, and was subsequently wound up in 2015. Both these organisations were represented on the Forestry Industry Council. The Australian Forest Contractors Association has been identified as an alternative body suitably representing the interests of the contractors. It is proposed, therefore, to amend the act to reflect these organisational changes.

In addition to updating the names of these two industry nominating bodies, it is proposed to amend the act to reflect the most recent machinery of government changes. The amendments do not alter the balance between industry and union bodies represented on the Forestry Industry Council.

Sections 56(2) and 59(2) currently allow the minister to select an alternative, suitably representative organisation to make a nomination for membership of the councils in some

circumstances, for example, if a member resigns from a council. Under the act as presently framed, the minister cannot nominate an alternative organisation, when one of the nominating organisations no longer exists or changes its legal form or entity.

It is proposed that the act be amended to insert a facilitative process to allow, in such a circumstance, the minister to select an alternative representative body who can nominate a member to either of the councils.

The change will obviate the need to amend the act in such an eventuality.

The proposed amendments to the act have the support of the industry and union organisations participating on the councils.

I commend the bill to the house.

Debate adjourned on motion of Mr ONDARCHIE (Northern Metropolitan).

Debate adjourned until Tuesday, 14 February.

URBAN RENEWAL AUTHORITY VICTORIA AMENDMENT (DEVELOPMENT VICTORIA) BILL 2016

Introduction and first reading

Received from Assembly.

Read first time on motion of Ms MIKAKOS (Minister for Families and Children); by leave, ordered to be read second time forthwith.

Statement of compatibility

Ms MIKAKOS (Minister for Families and Children) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006 (the charter), I make this statement of compatibility with respect to the Urban Renewal Authority Victoria Amendment (Development Victoria) Bill 2016.

In my opinion, the Urban Renewal Authority Victoria Amendment (Development Victoria) Bill 2016 (the bill), as introduced to the Legislative Council, is compatible with human rights as set out in the charter. I base my opinion on the reasons outlined in this statement.

Overview

The bill amends the Urban Renewal Authority Victoria Act 2003 to abolish the Urban Renewal Authority Victoria, establish Development Victoria in its place, transfer relevant projects and make other consequential amendments to that and other acts.

Human rights issues

The right to privacy in section 13 of the charter includes the protection of a person's right not to have their privacy unlawfully or arbitrarily interfered with.

Clause 20 of the bill, inserts a new part 3A into the Urban Renewal Authority Victoria Act 2003 (the principal act), regarding the transfer of designated projects from nominated agencies to Development Victoria. The allocation of property, rights and liabilities at law will be effected by new sections 56C to 56H.

Clause 20 may give rise to some minor interferences with the right to privacy protected by charter. Specifically, new section 56E of the principal act provides that Development Victoria and a nominated agency (being a public statutory body responsible for managing or delivering a relevant project) must give to the relevant ministers and the Treasurer a statement relating to the property, rights and liabilities of the nominated agency in relation to the designated project, allocating such property, rights and liabilities to Development Victoria. New section 56F(1) provides for the certification of such allocation statements on behalf of the nominated agency and new section 56F(3) provides that the nominated agency must keep a register of such certificates and make that register reasonably available for inspection by Development Victoria or any other interested person.

To the extent that the certificates to be made available for inspection under new section 56F could contain personal information (that is, personal information about individuals in the context of the allocated property, rights and liabilities), clause 20 may interfere with those persons' rights to privacy. However, the provisions are clear and serve the important purpose of ensuring transparency and certainty with respect to property, rights and liabilities allocated to Development Victoria by nominated agencies. Therefore, in my view, any interferences will be neither unlawful nor arbitrary and the right to privacy is therefore not limited by the bill.

Hon. Gavin Jennings, MP
Special Minister of State

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Ms MIKAKOS (Minister for Families and Children).

Ms MIKAKOS (Minister for Families and Children) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

Overview

The purpose of this bill is to establish Development Victoria as a new authority to deliver government's property development and social and economic capital works projects.

Earlier this year we made a commitment to streamline government's public land use and development system. The

creation of Development Victoria is central to this commitment.

Development Victoria will incorporate Major Projects Victoria and Places Victoria to create a centre of expertise that will improve role clarity, reduce duplication, and provide stronger governance and financial control over government's land and project development activities.

This move will be welcomed by the investment industry as it will provide a central contact point and consistency in government project delivery.

Development Victoria will be equipped to deliver a diverse range of projects that meet government's policy objectives, such as building more social and affordable housing, and developing priority precincts such as at Arden and Fishermans Bend.

Important urban renewal and property development projects currently being undertaken by Places Victoria will be completed by Development Victoria. The success of the revitalising central Dandenong project will be continued by Development Victoria, as will the ongoing development of Docklands and Junction Place, Wodonga.

Development Victoria will apply its experience and expertise to the delivery of not only property development and urban renewal projects, but also to social and economic capital works projects that enhance our cities. Development Victoria will continue the projects of Major Projects Victoria, including the Ballarat West employment zone, the Melbourne Park redevelopment project and the state library redevelopment project.

Amendment bill

I will now outline the major provisions of the bill.

This bill amends the Urban Renewal Authority Victoria Act 2003 to abolish the Urban Renewal Authority Victoria, which trades as Places Victoria, and establish a new statutory authority called Development Victoria as its successor in law.

New purposes have been introduced to provide Development Victoria with a focus on delivery of government's property development and social and economic capital works projects and activities that have the objective of optimising the social and economic value of surplus or underutilised government-owned land.

Development Victoria will also provide a key advisory role to government, departments and agencies, to take advantage of the consolidation of property development and project management expertise afforded by the centralised model. This includes provision of valuable advice to support strategic land use assessment by the new Land Use Victoria, also part of the government's land reforms initiative announced earlier this year.

The bill amends the functions in the act to address the requirement that Development Victoria deliver property development and social and economic capital works projects and activities in accordance with government policies and strategies. This differs from the narrower urban renewal focus that currently applies.

The bill requires that Development Victoria performs its functions of carrying out property development and social and economic capital works projects, acquiring and disposing

of land, carrying out projects with private sector partners, and providing advisory services to government, departments and agencies, only at the request of the minister. This is to ensure that Development Victoria focuses its efforts on projects that align with government's policy objectives and priorities.

To reinforce this, the bill introduces a specific requirement that Development Victoria must undertake property development and social and economic capital works projects in accordance with government policies and strategies.

In doing this, however, it is imperative that Development Victoria maintains its commercial skills and approach to project delivery to provide best outcomes for government, even when a commercial return is not the main objective. The bill will therefore remove the requirement that the authority carry out its functions 'on a commercial basis', and instead require that Development Victoria do so 'using commercial disciplines'.

Transition to Development Victoria

The bill will transfer all responsibilities, assets and liabilities of Places Victoria to Development Victoria.

It will also transfer all staff and projects, so that Development Victoria can transition without disruption to the progress of any project currently being undertaken by Places Victoria.

The bill will similarly transfer projects that are being delivered by Major Projects Victoria under the Project Development and Construction Management Act 1994. This methodology will give Development Victoria the necessary powers and responsibilities to successfully complete these property development and social and economic capital works projects of high priority to the government.

The bill also provides for the transfer of projects from other government departments and agencies to Development Victoria in the future. This may be applied, by agreement, to property development projects such as those being undertaken by VicTrack that are capable of delivery by Development Victoria.

Development Victoria will also be capable of delivering integrated development opportunities arising from the level crossings removal program and the metro tunnel project and major housing development projects for the director of housing.

The board of Places Victoria will transition to Development Victoria under the provisions of the bill. The board skills will be enhanced by the addition of a director with skills, experience and expertise in public policy. This will provide the board with strengthened capacity to consider broader public policy impacts during its decision-making.

Conclusion

The establishment of Development Victoria as government's primary development authority puts the government in a strong position to deliver its policy objectives while ensuring value to the state.

This new centre of expertise will ensure that government's property development and social and economic capital works projects and activities can be delivered with greater efficiency using best practice.

I commend the bill to the house.

Debate adjourned for Mr DAVIS (Southern Metropolitan) on motion of Mr Ondarchie.

Debate adjourned until Tuesday, 14 February.

**WRONGS AMENDMENT
(ORGANISATIONAL CHILD ABUSE) BILL
2016**

Introduction and first reading

Received from Assembly.

Read first time on motion of Ms MIKAKOS (Minister for Families and Children); by leave, ordered to be read second time forthwith.

Statement of compatibility

Ms MIKAKOS (Minister for Families and Children) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the Charter of Human Rights and Responsibilities Act 2006 (the 'charter'), I make this statement of compatibility with respect to the Wrongs Amendment (Organisational Child Abuse) Bill 2016.

In my opinion, the Wrongs Amendment (Organisational Child Abuse) Bill 2016, as introduced to the Legislative Council, is compatible with human rights as set out in the charter. I base my opinion on the reasons outlined in this statement.

Overview

The bill amends the Wrongs Act 1958 to create a duty that will allow an organisation to be held liable in negligence for specified contexts of child abuse committed by individuals associated with the organisation, unless the organisation proves that it took reasonable precautions to prevent the abuse.

Human rights issues

Human rights protected by the charter that are relevant to the bill

The relevant charter right to the bill is the protection of children under section 17(2).

Section 17(1) of the charter stipulates that families are the fundamental group unit of society and are entitled to be protected by society and the state. In respect of children, section 17(2) provides that every child has the right, without discrimination, to such protection as is in his or her best interests and is needed by him or her by reason of the vulnerability of their age.

The bill recognises that children are vulnerable to physical and sexual abuse and thus need to be afforded the strongest protection, especially by those who are entrusted with their care.

The bill also recognises the difficulties child abuse plaintiffs often face when recovering compensation against organisations for child abuse perpetrated by organisational personnel. In addition, the bill recognises the need to rectify uncertainties in existing law of when an organisation might be subject to liability for child abuse perpetrated by its members.

Therefore, the bill creates a clear legal obligation for organisations with care, supervision or authority of children to reasonably ensure the safety of children who come into contact with their associated persons. Specifically, an organisation must take reasonable precautions to prevent the sexual abuse and/or physical abuse of a child in its care, supervision or authority, by an individual associated with that organisation.

The bill supports the right of protection of children under section 17(2) of the charter.

Are the relevant charter rights actually limited by the bill?

The right identified above is not limited.

Is any limit on relevant rights by the bill reasonable and justified under section 7(2)?

N/A.

Guidance re use of jurisprudence and previous SOC practice

N/A.

The Hon. Gayle Tierney, MP
Minister for Corrections

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Ms MIKAKOS (Minister for Families and Children).

Ms MIKAKOS (Minister for Families and Children) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

The Family and Community Development Committee tabled its landmark report, *Betrayal of Trust*, on 13 November 2013. The report highlighted, among other things, the difficulties that survivors of organisational child abuse face in recovering compensation for the devastating effects of their abuse, and the lack of clarity in the common law about when an organisation might be liable for child abuse perpetrated by its personnel.

In particular, the Family and Community Development Committee found that the common law has not developed sufficiently in Australia to recognise the liability of organisations for child abuse perpetrated by organisational representatives.

Indeed, despite recent developments in the High Court, the law of vicarious liability and non-delegable duties in relation

to organisational child abuse is still an area of great uncertainty and confusion in Australia.

Historically, Australian courts have been reluctant to find that an organisation can ever be vicariously liable for the deliberate criminal acts of its employees. The courts have not indicated a clear willingness to establish vicarious liability in circumstances outside of a strict employee-employer relationship, and have also been reluctant to include intentional criminal conduct within the scope of non-delegable duties. In addition, within the existing law of negligence, it can be very difficult to make out a duty of care that encompasses the prevention of harm caused by criminal conduct.

This uncertainty is of no benefit to plaintiffs and defendants alike. Plaintiffs often find it difficult to recover compensation against organisations for organisational child abuse they have suffered. There is also little clarity for defendants about when an organisation might be subject to liability for child abuse perpetrated by its personnel.

In the *Betrayal of Trust* report, the Family and Community Development Committee concluded that statutory intervention was necessary, stating that organisations should have ‘a clear legal duty to take appropriate measures to minimise the risk of abuse that arises because of the creation of relationships of trust for which they are responsible’, and that ‘there is a need to recognise the legal obligation of organisations to reasonably ensure the safety of children who come into contact with their members’.

Accordingly, recommendation 26.4 of *Betrayal of Trust* suggested:

that the Victorian government undertake a review of the Wrongs Act 1958 and identify whether legislative amendment could be made to ensure organisations are held accountable and have a legal duty to take reasonable care to prevent criminal child abuse.

In addition to *Betrayal of Trust*, the Royal Commission into Institutional Responses to Child Sexual Abuse has also examined the current state of the law in relation to organisational child abuse. In its final report into redress and civil litigation, released in September 2015, the royal commission also found that the common law had not developed sufficiently in this area. Recommendation 91 of the royal commission proposed legislative reform that would make organisations liable for abuse perpetrated by persons associated with the organisation, unless the organisation proved it took reasonable steps to prevent the abuse. Recommendations 92 and 93 of the royal commission provided scoping guidance for the implementation of recommendation 91.

The government has committed to implementing all outstanding recommendations from *Betrayal of Trust*, and has noted that its implementation of *Betrayal of Trust* will be informed by the work of the royal commission. In line with this commitment, the government agrees with the Family and Community Development Committee that only a legislative response can resolve the current issues and uncertainties in the current law, and in doing so, provide clarity for plaintiffs and defendants by clearly specifying the circumstances in which an organisation will be liable for abuse perpetrated by people associated with that organisation.

The bill provides the legislative response that is required. As recommended by *Betrayal of Trust*, the bill amends the Wrongs Act 1958 to create a duty of care that will allow an organisation to be held liable in negligence for specified contexts of organisational child abuse committed by individuals associated with the organisation, unless the organisation proves that it took reasonable precautions to prevent the abuse.

In doing so, the bill implements recommendation 26.4 of *Betrayal of Trust*, and addresses recommendation 91 of the royal commission (and that recommendation’s scoping guidance in recommendations 92 and 93).

In recognition of the uncertainties that exist in the current common law, the bill creates a new duty via statute. Importantly, the liability that may flow from this duty is fault-based. This stands in contrast to the law of vicarious liability, where liability can be imposed upon an organisation even if that organisation is free from fault. The bill therefore balances the interests of plaintiffs and defendants. For plaintiffs, the bill clearly specifies the circumstances in which an organisation may be liable for abuse perpetrated by individuals associated with that organisation, remedying the deficiencies and uncertainty in the current law. For defendants, the bill allows organisations to absolve themselves of liability through a fault-based defence — if an organisation proves it took ‘reasonable precautions’ to prevent the abuse, that organisation will not incur liability.

The duty created by the bill requires organisations to take the care that in all the circumstances of the case is reasonable to prevent the abuse of a child by an individual associated with the organisation while the child is under the care, supervision or authority of the organisation. If child abuse within the scope of the above duty occurs, this duty will be presumed to have been breached unless the organisation proves it took ‘reasonable precautions’ to prevent the abuse in question.

This reversal of the onus of proof is a key feature of the bill. The ‘reverse onus’ was a crucial part of what was recommended by both *Betrayal of Trust* and the royal commission. Simply put, once a plaintiff proves that child abuse within the scope of the bill has occurred, the bill shifts the onus of proof onto the organisation, which is deemed to have breached the relevant duty unless it can satisfy the defence of ‘reasonable precautions’.

‘Reasonable precautions’ has intentionally been left undefined to allow courts to flexibly respond to the circumstances of each case. As the liability that can be imposed by the bill is one in negligence, it is expected that courts will draw on the vast wealth of case law concerning negligence to determine what is and is not ‘reasonable’.

The bill gives courts non-exhaustive guidance on the factors that may affect ‘reasonable precautions’. A court’s interpretation of what constitutes ‘reasonable precautions’ will vary depending upon the case in question. For instance, the standard of what is ‘reasonable’ may be lower in circumstances where an organisation may not have had direct control over either the child in question, or the perpetrator of the abuse. The interpretive guidance given by the bill is non-exhaustive, ensuring that the courts are able to consider any other appropriate factors on a case-by-case basis, such as compliance with relevant standards including the government’s recently released Child Safe Standards, which are compulsory minimum standards that apply to

organisations that provide services for children, and were also released in response to *Betrayal of Trust*.

It is important to note that the bill requires organisations to prove that 'reasonable precautions' were taken to prevent the child abuse in question, and not child abuse generally. While examining the abuse in question may also involve an examination of general risk prevention practices, the government believes that it is important to require examination of the specific circumstances of the case, in order to ensure that organisations proactively turn their minds to the ways in which perpetrators of abuse can misuse their positions within organisations to commit child abuse.

The bill will apply to all organisations that exercise care, supervision or authority over children, and are capable of being sued. This broad application covers both government and non-government organisations, drawing no distinction between the kinds of organisations in which organisational child abuse may occur. As the bill aims, among other things, to clarify the circumstances in which organisational child abuse plaintiffs can recover damages for their abuse, it would be arbitrary and unjust to allow some (but not other) plaintiffs the opportunity to pursue relief, simply based upon the organisation in which the abuse took place. Likewise, it would be unjust to single out particular organisations to be subject to a new duty, while not imposing the same duty on other organisations.

As I have noted earlier, the duty created by the bill applies to government organisations. This includes Victoria Police. There is an existing means for plaintiffs to recover damages from the state for the torts of police officers under the Victoria Police Act 2013. The bill does not affect the ongoing operation of that scheme in the Victoria Police Act, however, there are defences available to the state in that act that might otherwise prevent a plaintiff recovering damages from the state for child abuse perpetrated by members of Victoria Police. It is therefore important that the bill include all state organisations, including Victoria Police.

As is readily apparent, the duty created by the bill is only intended to apply to 'organisations'. The bill does not intend to capture things that are not commonly understood to be 'organisations', such as families or parents acting in their private capacity.

The government is aware that, separate from the issue of establishing vicarious liability or the existence of a duty of care, some organisational child abuse plaintiffs have difficulty attempting to sue non-government organisations with complex or uncertain legal structures. For example, some non-government organisations that work with children are, legally speaking, unincorporated associations. Unincorporated associations, both large and small, may be commonly understood to exist in the real world, but have no distinct legal personality, and so are largely unable to be sued as organisations.

The legal status of unincorporated non-government organisations was the subject of separate recommendations from *Betrayal of Trust*, and is not directly addressed by the bill. The government is instead examining this issue in a separate package of work. However, since the release of *Betrayal of Trust*, some non-government organisations have pledged to resolve these uncertainties. For instance, some unincorporated organisations have already proactively set up legal entities for child abuse plaintiffs to sue, while others

have pledged to nominate legal entities to act as a proper defendant in child abuse litigation.

The government considers it important that the bill should provide a means for non-government organisations to act upon these commitments. The bill therefore includes an ability for organisations that are not capable of being sued to nominate an appropriate defendant. If such a nomination is made, it is expected that organisations will assist plaintiffs to identify the correct entity to sue.

The bill defines child abuse as including sexual abuse and physical abuse. To align with other provisions in the Wrongs Act, 'sexual abuse' has been further defined as 'sexual assault or other sexual misconduct', a definition that is intended to encompass all scenarios that might reasonably be considered 'sexual abuse'.

The term 'physical abuse' largely remains undefined for courts to determine by reference to its ordinary meaning, with some additional guidance to avoid doubt about what is not physical abuse, such as a lawful exercise of force. The bill allows courts to determine whether or not 'physical abuse' of a child has occurred in accordance with the ordinary meaning and common understanding of the term, informed by sources such as the work of the Family and Community Development Committee, which found in *Betrayal of Trust* that children in institutional care were subjected to reprehensible physical abuse that included beatings, canings, being locked inside a room without a blanket, or having their heads forced into their dirty linen if they wet the bed.

Beyond the above, the bill does not seek to define the exact boundaries of what constitutes sexual or physical abuse, in order to avoid the inadvertent exclusion of valid claims. The bill allows courts to consider appropriate definitions for those terms as the common law develops over time in response to particular cases.

The bill contains three safeguards to ensure an undue burden is not placed upon organisations, making sure that the bill only covers child abuse that is in some way 'organisational' in nature. *Betrayal of Trust* captured the essence of this by finding that one of the main bases for reform in this area was that many perpetrators of organisational child abuse 'derive their credibility from their association with the organisation'. Accordingly, the bill is only concerned with abuse that is organisational.

First, the abuse in question must be committed by a person associated with the organisation in question. Informed by the royal commission's recommendations, the bill provides a non-exhaustive list of classes of individual who may trigger organisational liability by the commission of child abuse, including employees, volunteers, office-holders, ministers of religion, and religious leaders. Again, the bill's non-exhaustive approach aims to ensure that borderline cases are not inadvertently excluded from scope.

To ensure that organisations cannot avoid liability under the bill by delegating their care, supervision or authority of children to other organisations, this non-exhaustive list also covers circumstances where an organisation has delegated its care, supervision or authority over a child to another organisation, as well as current foster and kinship care placements. In such an instance, it is possible for one organisation to be held responsible for child abuse that occurs in a second organisation, if that first organisation had

delegated the care, supervision or authority of a child to the second organisation and was unable to prove that it took reasonable precautions to prevent that abuse from occurring. The flexible nature of the 'reasonable precautions' defence will respond to such circumstances appropriately — for instance, it is likely that the first organisation would have to prove 'reasonable precautions' in a supervisory sense, rather than looking to the (potentially non-existent) control that the first organisation had over the alleged perpetrator of abuse.

Second, the duty created by the bill only applies while the child is under the care, supervision or authority of an organisation. This ensures that organisations cannot be made liable for abuse committed by their personnel in circumstances unrelated to the organisation's care, supervision or authority over children. As noted earlier, because the bill has the capacity to capture arrangements where the care, supervision or authority over a child has been delegated from one organisation to another, an organisation's care, supervision or authority may persist even after such a delegation has occurred.

The nature of the care, supervision or authority exercised by an organisation will also inform a court's determination of the 'reasonable precautions' an organisation is required to take. The more distant an alleged perpetrator's association with an organisation and with that organisation's care, supervision or authority over children, the lower the burden may be for the organisation to prove reasonable precautions were taken if child abuse occurs.

Third and finally, the bill does not apply to abuse that is committed 'in circumstances wholly unrelated' to the perpetrator's association with the organisation in question. This is intended to exclude cases where the perpetrator's association with the relevant organisation had nothing at all to do with the abuse that was committed, and where it would therefore be unjust in all of the circumstances to hold an organisation responsible.

Procedurally, the bill allows a plaintiff to bring a claim against multiple defendants, recognising that in many cases, more than one defendant can be 'responsible' for organisational child abuse. In such an instance, the bill provides that each defendant is separately required to prove that it took 'reasonable precautions' in order to absolve itself of liability. Liability arising by way of the bill where more than one organisation is found to be liable will remain 'solidary' or 'joint and several', retaining the current position in a personal injury claim where independent acts of negligence committed by multiple defendants has caused one and the same damage to a plaintiff. To further benefit plaintiffs, where an organisation is a state organisation, the bill ensures that plaintiffs have a clear path to recovering damages by imposing any liability directly upon the state of Victoria.

Finally, the bill is prospective in operation. To enable organisations to be educated about the meaning and impact of the bill prior to it coming into effect, the bill will only apply to child abuse that occurs on or after the proposed default commencement date, being 1 July 2017. Prospective application of the reform is in line with the recommendations of both *Betrayal of Trust* and the royal commission. In saying this, it is important to note that the common law, in particular the law of vicarious liability, will still be available to as an avenue for organisational child abuse plaintiffs alongside the bill. When the common law changes, it does so with

retrospective effect. If the Australian common law develops as it has overseas, survivors of organisational child abuse will be able to utilise that avenue accordingly.

In introducing this reform, I acknowledge the important work of the Family and Community Development Committee in preparing their *Betrayal of Trust* report, and the immense courage of survivors who have spoken, and continue to speak, about past organisational child abuse. Much work remains to be done and the government remains committed to that work.

The Victorian government was the first to act in Australia in removing civil limitation periods for victims of child abuse, and it is now the first to act in ensuring that organisations are appropriately subject to a clear, fault-based legal duty to prevent the commission of organisational child abuse by their personnel, providing clarity for both organisations and survivors of abuse.

I commend the bill to the house.

Debate adjourned for Mr RICH-PHILLIPS (South Eastern Metropolitan) on motion of Mr Ondarchie.

Debate adjourned until Tuesday, 14 February.

PETITIONS

Following petitions presented to house:

Onshore unconventional gas

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria requests that the Legislative Council support the brave Andrews government decision to permanently ban the exploration and extraction of onshore unconventional gas (fracking) by unanimously voting for the corresponding legislation when it is introduced into the house.

By Mr LEANE (Eastern Metropolitan) (18 signatures).

Laid on table.

Ormond railway station

To the Legislative Council of Victoria:

We, the undersigned citizens of Victoria, call on the Legislative Council of Victoria to note:

the foundation deck for the development of an up-to-13-storey residential tower on the Frankston railway line on North Road above Ormond station has been constructed without informing or consulting the local community;

established low-rise suburbs should not be destroyed and permanently scarred by the construction of inappropriate high-rise overdevelopment on railway land, particularly in the absence of community consultation; and

the local community does not support or consent to the construction of a residential tower of up to 13 storeys above Ormond station.

We therefore call on the Andrews Labor government to abandon its plans for the inappropriate overdevelopment of the Ormond station site and instead proceed with a development that is smaller in scale and more in keeping with the low-rise village atmosphere of Ormond.

By Ms CROZIER (Southern Metropolitan)
(41 signatures).

Laid on table.

SPENT CONVICTIONS BILL 2017

Introduction and first reading

Ms PENNICUIK (Southern Metropolitan) introduced a bill for an act to provide that a person's conviction for certain offences is spent if the person completes a period of crime-free behaviour, to prohibit the unlawful disclosure of a person's spent record, to prohibit the taking into account of a person's spent conviction, to make consequential amendments to certain other acts, and for other purposes.

Read first time.

DRUGS, POISONS AND CONTROLLED SUBSTANCES AMENDMENT (PILOT MEDICALLY SUPERVISED INJECTING CENTRE) BILL 2017

Introduction and first reading

Ms PATTEN (Northern Metropolitan) introduced a bill for an act to amend the Drugs, Poisons and Controlled Substances Act 1981 to provide for the licensing and operation of a medically supervised injecting centre for a trial period of 18 months.

Read first time.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 1

Mr DALLA-RIVA (Eastern Metropolitan) presented *Alert Digest No. 1 of 2017*, including appendices.

Laid on table.

Ordered to be published.

BUDGET UPDATE

Report 2016–17

The Clerk, pursuant to section 27D(6)(c) of the Financial Management Act 1994, presented report.

Laid on table.

INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

Illicit drug use by Victoria Police officers

The Clerk, pursuant to section 162(11)(a) of the Independent, Broad-based Anti-corruption Commission Act 2011, presented special report concerning illicit drug use by Victoria Police officers: Operations Apsley, Hotham and Yarrowitch, December 2016.

Laid on table.

Ordered to be published.

OMBUDSMAN

Local government decision-making

The Clerk, pursuant to section 25AA(4)(c) of the Ombudsman Act 1973, presented report concerning an investigation into the transparency of local government decision-making, December 2016.

Laid on table.

Ordered to be published.

INDEPENDENT BROAD-BASED ANTI-CORRUPTION COMMISSION

Operation Dunham

The Clerk, pursuant to section 162(11)(a) of the Independent Broad-based Anti-corruption Commission Act 2011, presented special report concerning Operation Dunham: an investigation into the conduct of officers of the Department of Education and Training, including Darrell Fraser, in connection with the Ultranet project and related matters, January 2017.

Laid on table.

Ordered to be published.

OMBUDSMAN

**Registry of births, deaths and marriages
handling of complaint**

The Clerk, pursuant to section 25AA(3) of the Ombudsman Act 1973, presented report concerning the investigation into the registry of births, deaths and marriages handling of a complaint, January 2017.

Laid on table.

Ordered to be published.

OMBUDSMAN

Youth justice facilities

The Clerk, pursuant to section 25AA(3)(B) of the Ombudsman Act 1973, presented report concerning youth justice facilities at the Grevillea unit of Barwon Prison, Malmsbury and Parkville, February 2017.

Laid on table.

Ordered to be published.

PAPERS

Laid on table by Clerk:

Crown Land (Reserves) Act 1978 — Ministerial Order, dated 2 December 2016, for the approval of a licence at Trentham Public Park and Recreation Reserve.

Education and Care Services National Law Act 2010 — Education and Care Services National Amendment Regulations 2016 pursuant to section 303 of the Act.

Interpretation of Legislation Act 1984 — Notice pursuant to section 32 in relation to Statutory Rule No. 147/2016.

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

- Alpine Planning Scheme — Amendment C51.
- Ballarat Planning Scheme — Amendments C193, C194 and C205.
- Baw Baw Planning Scheme — Amendment C89 (Part 1).
- Brimbank Planning Scheme — Amendments C126 (Part 1) C173 (Part 2) and C191.
- Brimbank, Hobsons Bay, Mornington Peninsula and Northern Grampians Planning Schemes — Amendment GC51.
- Boroondara Planning Scheme — Amendment C257.
- Cardinia Planning Scheme — Amendment C217.

- Casey Planning Scheme — Amendment C190.
- Greater Geelong Planning Scheme — Amendments C328 (Part 1), C335, C345, C346, C347 and C348.
- Hepburn Planning Scheme — Amendment C54.
- Horsham Planning Scheme — Amendment C74.
- Hume Planning Scheme — Amendment C216.
- Knox Planning Scheme — Amendment C152.
- Latrobe Planning Scheme — Amendment C87 (Part 2).
- Macedon Ranges Planning Scheme — Amendment C109.
- Macedon Ranges and Port Phillip Planning Schemes — Amendment GC58.
- Mansfield Planning Scheme — Amendment C37.
- Maribyrnong, Melbourne, Port Phillip and Stonnington Planning Schemes — Amendment GC45.
- Melbourne Planning Scheme — Amendment C277.
- Mitchell Planning Scheme — Amendment C111.
- Moonee Valley Planning Scheme — Amendments C162 and C168.
- Mornington Peninsula Planning Scheme — Amendment C203.
- Moynock Planning Scheme — Amendment C61.
- Murrindindi Planning Scheme — Amendment C058.
- Pyrenees Planning Scheme — Amendments C41 and C42.
- Stonnington Planning Scheme — Amendment C246.
- Swan Hill Planning Scheme — Amendment C58.
- Whitehorse Planning Scheme — Amendments C185 and C188.
- Whittlesea Planning Scheme — Amendments C90, C199 and C202.
- Wodonga Planning Scheme — Amendment C123.
- Wyndham Planning Scheme — Amendment C211.
- Project Development and Construction Management Act 1994 — Nomination order and application order, 14 December 2016, and statement of reasons for making a nomination order, 14 December 2016, in relation to the Geelong Performing Arts Centre Redevelopment — Stage 2 Project.
- Statutory Rules under the following Acts of Parliament —
 - Assisted Reproductive Treatment Act 2008 — No. 153/2016.
 - County Court Act 1958 — No. 144/2016.

EastLink Project Act 2004 — No. 150/2016.

Environment Protection Act 1970 — No. 152/2016.

Marine Safety Act 2010 — No. 143/2016.

Livestock Disease Control Act 1994 — No. 145/2016.

Liquor Control Reform Act 1998 — No. 146/2016.

Planning and Environment Act 1987 — No. 148/2016.

Professional Boxing and Combat Sports Act 1985 — No. 151/2016.

Sex Offenders Registration Act 2004 — No. 154/2016.

Subordinate Legislation Act 1994 — No. 142/2016.

Transport (Compliance and Miscellaneous) Act 1983 — Nos. 149/2016 and 155/2016.

Victorian Energy Efficiency Target Act 2007 — No. 147/2016.

Subordinate Legislation Act 1994 —

Documents under section 15 in respect of Statutory Rules Nos. 136/2016 and 142 to 155/2016.

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

City of Greater Geelong Act 1993 — Greater Geelong City Council — Mayoral and Deputy Mayoral Allowances — Alteration, dated 15 November 2016.

City of Melbourne Act 2001 — Melbourne City Council — Lord Mayoral, Deputy Lord Mayoral and Councillor Allowances — Alteration, dated 15 November 2016.

Education and Training Reform Act 2006 —

Ministerial Order No. 956 — Exemptions from Attendance and Enrolment at School (Amendment) Order 2016, dated 12 December 2016.

Ministerial Order No 957 — Amendment to Order Fixing of Fees Administered by the Victorian Qualifications and Registration Authority, dated 12 December 2016.

Gambling Regulation Act 2003 —

Amendment of the Category 1 Public Lottery Licence issued to Tattersall's Sweep Pty Ltd, dated 22 December 2016.

Notice fixing the value of the gaming machine supervision charge for venue operations for 2015–16 under section 3.6.5A, dated 23 December 2016.

Amendment to the Victorian Pre-Commitment Player Account Equipment Technical Requirements Document,

December 2016, Version 2, pursuant to section 10.1.5A of the Act.

Livestock Disease Control Act 1994 — Exemption Order under section 6(3A) of the Act, dated 13 December 2016.

National Electricity (Victoria) Act 2005 — F-Factor Scheme Order 2016, dated 20 December 2016.

Road Safety Act 1986 — Specification of Electric Personal Transporter Use Area — Geelong Foreshore, dated 3 January 2017.

Water Act 1989 — Abolition of the Bungaree Groundwater Supply Protection Area, Wandin Yallock Groundwater Supply Protection Area and Barwon Water Supply Protection Area, dated 30 November 2011.

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

Alpine Resorts Legislation Amendment Act 2016 — 1 January 2017 (*Gazette No. S381, 13 December 2016*).

Child Wellbeing and Safety Amendment (Oversight and Enforcement of Child Safe Standards) Act 2016 — 1 January 2017 (*Gazette No. S381, 13 December 2016*).

Crimes Amendment (Carjacking and Home Invasion) Act 2016 — 7 December 2016 (*Gazette No. S375, 6 December 2016*).

Family Violence Reform Implementation Monitor Act 2016 — 1 January 2017 (*Gazette No. S389, 20 December 2016*).

Housing Amendment (Victorian Housing Register and Other Matters) Act 2016 — 21 December 2016 (*Gazette No. S389, 20 December 2016*).

Melbourne and Olympic Parks Amendment Act 2016 — 12 December 2016 (*Gazette No. S375, 6 December 2016*).

Melbourne College of Divinity Amendment Act 2016 — 1 January 2017 (*Gazette No. S381, 13 December 2016*).

Road Legislation Further Amendment Act 2016 — Part 2, Divisions 3 and 5 of Part 3, remaining provisions of Part 4 and Part 5 — 1 January 2017 (*Gazette No. S389, 20 December 2016*).

Sentencing (Community Correction Order) and Other Acts Amendment Act 2016 — whole Act other than Part 5 — 20 March 2017 (*Gazette No. S17, 31 January 2017*).

Transport (Compliance and Miscellaneous) Amendment (Abolition of the Penalty Fares Scheme) Act 2016 — 1 January 2017 (*Gazette No. S389, 20 December 2016*).

PRODUCTION OF DOCUMENTS

The Clerk — I have received the following letter from the Attorney-General relating to the resolution of the Council of 7 December 2016 relating to the 2015 and 2016 grand final eve public holidays and 2016 Christmas Day public holiday:

Production of documents — Christmas and grand final eve public holidays.

I refer to the Legislative Council’s resolution of 7 December 2016 seeking the production of the documents relating to the 2015 and 2016 grand final eve public holidays and the 2016 Christmas Day public holiday.

The government is in the process of reviewing and assessing the documents for the purpose of preparing its response to the order. The Council’s deadline of 6 February 2017 does not allow sufficient time for the government to complete this process.

The government will endeavour to respond to the order as soon as possible.

The Clerk — I have received the following letter from the Attorney-General relating to the resolution of the Council of 23 November 2016 relating to the Department of Health and Human Services compendium briefings to the Minister for Health and the Minister for Ambulance Services, and any ministerial responses, between 1 June 2016 and 22 November 2016:

Production of documents — DHHS weekly compendiums

I refer to the Legislative Council’s resolution of 23 November 2016 ordering the production of DHHS’s weekly compendium briefings to the ministers for health and ambulance services, and any ministerial responses, between 1 June and 22 November 2016.

The government has identified 54 documents that fall within the scope of the Legislative Council’s order, and has assessed these documents against the factors listed in my letters to you of 14 April 2015 and 29 April 2016, which note the limits on the Council’s power to call for documents and the government’s approach to claiming executive privilege.

In final satisfaction of the Council’s order, the government has determined to produce 29 documents in full and 25 documents in part, which are enclosed. Accordingly, the government, on behalf of the Crown, makes a claim of executive privilege in relation to parts of 25 documents, on the basis that their disclosure would be contrary to the public interest on one or more of the bases described in my letters of 14 April 2015 and 29 April 2016. In compliance with standing orders 11.02(3) and 11.03(1)(a), the attached schedules refer to the documents that are produced in full and in respect of which a claim of executive privilege is made.

Some of the documents produced by the government contain the personal information of individuals. In the interests of personal privacy, those details have been excluded.

BUSINESS OF THE HOUSE

General business

Ms WOOLDRIDGE (Eastern Metropolitan) — By leave, I move:

That precedence be given to the following general business on Wednesday, 8 February 2017:

- (1) order of the day 1, second reading of the Country Fire Authority Amendment (Protecting Volunteer Firefighters) Bill 2016;
- (2) order of the day for the second reading of the Drugs, Poisons and Controlled Substances Amendment (Pilot Medically Supervised Injecting Centre) Bill 2017;
- (3) notice of motion given this day by Ms Crozier in relation to the Minister for Families and Children;
- (4) notice of motion given this day by Ms Dunn referring a matter to the economy and infrastructure committee; and
- (5) notice of motion given this day by Mr Davis in relation to the Melbourne Metro rail project.

Motion agreed to.

MINISTERS STATEMENTS

Youth justice system

Ms MIKAKOS (Minister for Families and Children) — I rise to inform the house of wholesale changes to Victoria’s youth justice system that will help keep our community safe and provide for the better management and rehabilitation of young offenders. Recent incidents have made it clear that a major shake-up of our youth justice system is needed. Yesterday the Premier, the Treasurer and I announced sweeping reforms to our youth justice system that will do just that. We will be moving responsibility for youth justice in Victoria from the Department of Health and Human Services to the Department of Justice and Regulation. This will take effect from 3 April 2017. Corrections Victoria will also assume full responsibility for maintaining safety and security in all of Victoria’s youth justice facilities.

After careful consideration and the formulation of a detailed business case, we will be building a \$288 million fit-for-purpose high-security youth justice centre on currently undeveloped government land at Werribee South. This site is preferred because of its buffer from residential communities, its proximity to supporting transport and other services, and its suitability. This will be the most secure youth justice facility ever built in Victoria, with the latest security equipment and technology. It will create up to

3000 construction and related jobs as well as 450 ongoing jobs at the facility itself. It is estimated that the new facility will bring an economic benefit of almost \$420 million to the local community, with abundant opportunities for local businesses.

Community consultation sessions will be held over the coming weeks to provide further information about the facility and the time line for construction and to make sure the local community is engaged in the process.

Unlike those opposite, we will not shirk our responsibility. We are investing where the Liberals cut and acting on independent reviews where the Liberals shelved a master plan. There is no doubt that this facility should have been built years ago. There is nothing we can do about that now, but we can get on and fix it, which is what Victorians expect and exactly what we are going to do.

MEMBERS STATEMENTS

Supervised injecting facilities

Ms HARTLAND (Western Metropolitan) — Two weeks ago I was invited to walk around Richmond with several residents to look at the problems they have because of street heroin use. The residents were clear about their support for a supervised injecting room and could not understand why the government and especially their local member, the Honourable Richard Wynne in the Legislative Assembly, were not prepared to support their call for a supervised injecting room. They were also clear that they would turn the government's refusal to even look at a trial of a supervised injecting room into an election campaign issue in 2018, and of course the Greens will be there supporting them and campaigning with them.

The visit reminded me of what it was like for me in Footscray 20 years ago, when heroin street dealing and use were at their worst. I lived next to the Footscray railway station, and people would buy their heroin at the station and inject in my street — often on my front verandah. I got involved in this issue because I did not want to come home and find someone dead in my front yard. I urge the government, and especially Mr Wynne, to step up, support the residents of Richmond, stop the terrible, unnecessary deaths of heroin users and agree to a supervised injecting room in Richmond.

Black Saturday

Ms SYMES (Northern Victoria) — Eight years ago today we watched unfold devastation that was to become known as the Black Saturday bushfires. All

Victorians remember Saturday, 7 February 2009, as brutal, destructive and life altering. That day more than 47 fires erupted across the state, almost entirely in Northern Victoria Region. Fourteen of those fires caused significant damage and claimed lives. One hundred and seventy-three men, women and children died eight years ago. The pain is still very real for the families and communities impacted by this event that lasted days, and the recovery is still ongoing.

During the aftermath I was humbled to meet with many locals working without hesitation to keep communities safe and informed, binding them together. Haunting images of flattened and blackened homes, farms, forests and streets will remain with me forever, as will the faces of the Country Fire Authority members; the incident control teams; the staff of the Department of Sustainability and Environment staff, as it was then; the police; the Department of Health and Human Services staff; relief centre staff; cooks; doctors; vets; lawyers; and community members. They had all lost so much, but they were still wanting to help others. We see this type of community spirit and collective strength in the midst of crisis again and again in rural and regional Victoria and across this great state.

Today, as then, I would like to thank our emergency services personnel, our volunteers and all those who gave their time and put themselves at risk to protect lives and property. I know they have done it since and I know that they will again, and my thoughts are with those communities today.

Government performance

Ms WOOLDRIDGE (Eastern Metropolitan) — It is like we never left as we return in 2017 to exactly where we finished off in 2016: a youth justice system in crisis; crime at all-time highs; a broken desalination plant, while heavy rains hit Victoria; and a government that spent the summer on holidays while Victoria suffered a lack of leadership at the most testing times. No doubt the Premier's crisis team had the Minister for Families and Children on speed dial as she lurched from one crisis to another, with escapes, violent crimes, pool parties, lost court cases and human rights abuses all plaguing the minister, who decided that being on holidays and at home was the safest place for her to be rather than at work. While home used to be the safest, under Premier Daniel Andrews everyone is at risk because of Labor's crime tsunami — just ask the shadow Treasurer, one of the many victims of car vandalism over the summer.

At a time when Victorians were doing it tough with cost-of-living stresses, we see the impact of the

Andrews Labor government's reckless ideology and taxation policies, with the upcoming closure of Hazelwood and the loss of jobs in the Latrobe Valley. From dodgy deals in Anglesea to abolishing move-on laws and the impact that has had, as well as Parks Victoria's \$2.2 million credit bill, this was a summer of scandal and a summer of mismanagement. To cap it all off, the paranoid Premier ordered a forensic audit of all government ministers and staff phones after cabinet leaks. What an extraordinary vote of no confidence this Premier has made in the government, one that we support: no confidence in this government!

March for Life, Washington, DC

Dr CARLING-JENKINS (Western Metropolitan) — I rise today, firstly, to welcome all members to the start of the new year. I hope that each of us has had an enjoyable summer break, but judging from the tenseness in the room, I rather doubt that. My break, however, was very good, and I had one that was perhaps a little cooler than most as I travelled over to Washington, DC, to meet with legislators and the organisations which support them. I had the privilege of attending President Trump's inauguration, and I also spent time with a legislator I admire, Congressman Chris Smith. I even watched on in the House of Representatives as he introduced and successfully debated his bill to end taxpayer funds being expended on local abortions.

However, the most inspiring event I attended was the 44th annual March for Life. While there are no exact figures on how many people were there, there were hundreds of thousands. I would estimate around 500 000 people attended this year. This certainly sets a very high bar for Victoria's March for the Babies in October. We were joined and addressed at the march by Vice-President Mike Pence, who acknowledged the key role pro-lifers played in the election of the Republican Party to power. Towards the end of his address the Vice-President stated:

... we will not rest until we restore a culture of life in America for ourselves and our posterity.

I too hope that one day a culture of life will be restored here in our state of Victoria.

Rainbow Serpent Festival

Ms SPRINGLE (South Eastern Metropolitan) — I rise today to talk about a trip that I made the weekend before last up to an area just out of Lexton for the Rainbow Serpent Festival to view and be shown around the festival and its new safe space for women, including women who have been victims of sexual assault. The

festival itself is growing, and it is internationally renowned. It hosts up to 20 000 people every time it is run, and as has happened at numerous musical festivals around the country, there have been incidents of sexual assault reported over the last few years, so they have, to their credit, responded appropriately. They have set up a system of supporting victims based on the Victorian Centre Against Sexual Assault's work, which is obviously very well known and very well respected. We were very impressed with their new facilities and their new space.

However, I would like to comment that until we as a society start to take perpetrator accountability seriously in this space, all we will ever be doing is reacting to women's assaults and incidents of that sort. I encourage those people who are running these sorts of public events to look more thoroughly in that area.

Bourke Street tragedy

Ms MIKAKOS (Minister for Families and Children) — As a member for Northern Metropolitan Region whose electorate takes in the Melbourne CBD I want to join with all members in standing with the families who lost loved ones and with all the victims of the senseless tragedy that occurred on 20 January 2017. I was shocked and saddened by this evil criminal act, and I offer my deepest condolences to the families and friends of the loved ones who were lost. This crime directly affected hundreds of people but has touched us all and, as the Premier has said, we will carry it for years to come.

The sadness we all feel about the dark events of that day are not the only memories I will carry with me. I will also remember the overwhelming outpouring of love and selflessness from everyday Victorians who rallied together to help in the immediate aftermath and weeks following this tragedy — from the amazing floral tributes and personal letters in the Bourke Street Mall, the teddy bears and the thousands of everyday Victorians who attended the vigil in Federation Square to the overwhelmingly generous response to the Premier's Bourke Street Fund, which has now raised over \$1.2 million to help those caught up in this tragic event. That makes me feel very proud to live in our wonderful state.

The amazing everyday Victorians who in the face of danger leapt forward to care for the injured in the face of senseless evil showed the very best of Victoria. Their love and compassion will not be forgotten. As an attending paramedic remarked:

... when we needed your help ... we didn't have to ask, you were just there.

I was proud to see taxidriver Lou Bougias, a family friend and fellow Maniot, and so many other anonymous heroes who provided comfort and support to the victims. Thank you, Lou, thank you to all those other heroes and thank you to our police, emergency services, health services and the many community organisations and volunteers who helped in the days and weeks that followed. We are indebted to you for your courage and compassion. While we do grieve as Victorians, we have seen the very best of Victorians shown through this incident.

Youth justice centres

Mr FINN (Western Metropolitan) — It is a truism that Labor neglects Melbourne's west. It is oh so true — Labor's use and abuse of Melbourne's west is legendary. We have seen it for years, but nothing has prepared us for this government's contempt for the people of Wyndham these past few days. Daniel Andrews — Despot Dan, as he is known — and Jenny Mikakos have kicked Werribee where it hurts with their announcement that a youth jail is to be constructed in Werribee South near residents and just up the road from a university and a hospital.

What makes this worse is the betrayal of his constituents by the local member in the Legislative Assembly, Tim Pallas. As a senior member of the government Mr Pallas had the capacity to put a stop to this development, but he did not. He was actually at the announcement cheering it on. What a sellout. It is clear he lives nowhere near his electorate. The Premier and the minister for pizza and Coke dropped this jail on the people of Werribee with only the slightest of warnings in last week's paper.

Ms Mikakos — On a point of order, Acting President, I take objection to the member referring to me in those terms and I ask him to withdraw it.

The ACTING PRESIDENT (Ms Dunn) — Order! Mr Finn, I would ask you to withdraw the comment. I would also remind you that you should address ministers by their proper titles.

Mr FINN — Certainly I withdraw, Acting President.

There was no consultation with anyone prior to the announcement. Indeed the minister tells us today that the first consultation was this morning — today — the day after the announcement. How is that for a consultative, open, transparent government? That is what we have come to expect. The Wyndham mayor, Cr Henry Barlow — a man who once came within a

poofteenth of sitting in this house as a member of the ALP — is furious and released a media statement to that effect. This government will never be forgiven for what it is doing to Werribee.

Vicki Jellie

Mr PURCELL (Western Victoria) — It gives me great pleasure to rise today to speak about an amazing woman in my local community. You will have heard me speak in this chamber before about Vicki Jellie from Warrnambool, a widowed mother of three who drove a community campaign for cancer care services in south-west Victoria after her husband, Peter, passed away from cancer. The amazing Vicki rallied schools, businesses, politicians and farmers, turning the first \$30 000 into \$5 million in donations, and there were also contributions of \$25 million from state and federal governments.

Last year her husband's dying wish came true with the opening of the integrated cancer care centre in Warrnambool, which will increase survival rates for south-west Victorian cancer sufferers. The effort has seen Vicki, in Canberra on Australia Day, named as Australia's Local Hero for 2017, an amazing achievement and one that south-west Victoria is very proud of. Well done to Vicki.

Moreland citizenship ceremony

Mr ELASMAR (Northern Metropolitan) — On the morning of 26 January, Australia Day, together with several parliamentary colleagues it was my pleasure and honour to attend Moreland City Council's citizenship ceremony. Citizenship ceremonies held on Australia Day are of particular significance, both for the recipients and me. In my short address to the gathering I was pleased to see my words of welcome resonating with the new citizens. I thank council officers for organising a very special event on a very special day.

Roland Jabbour

Mr ELASMAR — It is with great pleasure that I sincerely congratulate Mr Roland Jabbour on receiving an OAM in the 2017 New Year's honours list. He has been honoured for his outstanding contribution to commerce and industry. This award also recognises his positive fostering and successful promotion of international Arab relations. He is a most worthy recipient, and I applaud him for his fantastic efforts in demonstrating a positive Arab role model to the Australian wider community.

Keith and Marion Coffey

Mr ELASMAR — I would also like to put on the record my distinct pleasure and congratulations to Mr and Mrs Keith and Marion Coffey, who were awarded a special commendation for their 47 years of volunteer work at the Keon Park Youth Club in the annual citizenship awards from Darebin City Council. Well done to Keith and Marion.

Ballarat bus services

Mr MORRIS (Western Victoria) — Over the summer we have seen many changes to the bus route and bus stops across Ballarat, and the government have made an absolute mess of it. I have been contacted by and have met with residents who are rightfully up in arms about the absurd changes to our bus system. We see bus route changes that advantage no-one but disadvantage many. These serious concerns include but are not limited to the inappropriate placement of bus stops in Humffray Street North and Gracefield Road in Brown Hill, as well as Bridge Street and Skipton Street in Sebastopol; and I say these are just a few amongst the many. These bus stops are simply dangerous. They are accidents waiting to happen. I can see this, the residents can see this, and it is time the minister opened her eyes to what a disaster the changes to the Ballarat bus system has become.

Caroline Springs railway station

Mr EIDEH (Western Metropolitan) — Once again I am pleased at the outcome of an important and long-awaited development in my electorate, the much-needed Caroline Springs train station. This is the 10th new station opened by the Andrews Labor government and is part of record investment in public transport, especially in the western suburbs. Key improvements have been made to the design of this station, including an enclosed waiting area, a wider centre platform and public toilets. It is a vital piece of infrastructure for everyone travelling in and out of Caroline Springs and will be serviced by more than 280 trains every week. This will help connect the growing community in Caroline Springs to the train network and will offer a safer and faster way to travel to work and to school. This is certainly a long-awaited victory for residents in and around Caroline Springs.

Bourke Street tragedy

Mr EIDEH — On another matter, I would like to offer my deepest condolences and sympathies to the families and friends who tragically lost their loved ones as a result of the senseless act of violence in Bourke

Street on 20 January. I was saddened to hear that the attack claimed a sixth life last week. I understand some of the injured are still recovering in hospital, and I wish them and their families a speedy recovery from this horrific and traumatic event.

Western suburbs hospitals

Ms FITZHERBERT (Southern Metropolitan) — Hospitals in the west of Melbourne have many pressures from vast population growth, including a baby boom that shows no sign of slowing down. Even so, new figures for the number of people staying in the emergency departments of two hospitals in the western suburbs for more than 24 hours are deeply concerning. I am speaking of Werribee Mercy Hospital and Footscray Hospital.

Most comparable Victorian hospitals have reported no-one staying in emergency for more than 24 hours at any point over the last year, but these two hospitals have had multiple people doing so in every quarter over the last year. From October to December 2016 Werribee Mercy had 48 people on a trolley for 24 hours or more and Footscray Hospital had 18. For the same quarter in 2017 it was 32 and 13 respectively. To put it into perspective, there were 122 people in emergency for more than 24 hours in the last quarter of 2016. Sixty-six of them were from the Werribee and Footscray hospitals.

I question what the Minister for Health is doing to fix this problem in an area very close to her own seat and home. There are sick people lying on trolleys all night, unable to get a bed in their local hospital when they need it. The west deserves much better from the Minister for Health.

Mountain Cattlemen's Association of Victoria

Ms BATH (Eastern Victoria) — In January I had the absolute pleasure of attending the Mountain Cattlemen's Association of Victoria's (MCAV) 43rd annual get-together on the stunning property of Dale Rogers along the Buchan River. Caring for the High Country since 1834 is their motto; keeping High Country traditions, culture and skills alive is their passion.

It was a delight for me to award the Doug Kneebone poetry competition to winner Christa Dwyer, who gave a wonderful performance.

There was something for everyone at this fantastic event. We saw shoeing, quick shears, cattle-handling, whip-cracking and hay-stacking events, which showcased the traditional skills of bush people. A

highlight for me was the dog high jump. Congratulations to Nick Cook and his best mate Chevy on achieving 2.8 metres in height. The event culminated in the Mountain Cattlemen's Cup Challenge, which tested both the horses and their riders.

To a packed audience the MCAV facilitated an Indigenous firestick forum. Speakers included David Wandin from the Wurundjeri tribe; Russell Mullett from the Gunaikurnai; ecologist Vic Jurskis; Brett Ellis; wildfire task force president John Mulligan; and mountain cattleman Chris Cummins. They all shared their passion for healing country, increasing biodiversity and protecting Victoria from megafires. I would like to congratulate Charlie Lovick, Graeme Stoney, Chris Cummins, Chris Cooper, Simon Turner, all the team and the committee.

Bourke Street tragedy

Mr MULINO (Eastern Victoria) — I would like to echo the sentiments expressed in this chamber earlier today. As was observed, out of the worst of events and in the most difficult of circumstances our community expressed the greatest love, support and resilience.

AFL Women's league

Mr MULINO — Congratulations to all involved in the AFL Women's competition, and in particular to Carlton for winning the first ever game. The quality of play of this competition was at the highest level. It is also worth noting with pleasant surprise the incredible level of community support, in terms of both television ratings and those attending the grounds. Indeed there were hundreds at some grounds and thousands at others who were turned away. It is worth noting that this is both a compelling sporting event and a dramatic and positive culture-changing phenomenon. May the success of this competition continue.

John Henry Primary School

Mr MULINO — It was fantastic to attend with the Minister for Education the opening day of John Henry Primary School in Pakenham. With an opening enrolment of almost 400 students it is clear just how much this new school is needed in this rapidly growing community. The science, technology, engineering and mathematics facilities at this new school are quite phenomenal. It is important to note that this primary school also has competition-grade sporting facilities, which will be used by both students at the school and the broader community.

Australia Day awards

Ms LOVELL (Northern Victoria) — Australia Day awards are a wonderful way of acknowledging and thanking community members who have a big impact on their local community. I want to congratulate the award winners across my electorate of Northern Victoria Region, particularly those from the Shepparton electorate, including Shepparton superintendent Mick Sayer, one of only eight police officers across Australia to be awarded an Australian Police Medal; and John Dainton, who received a Medal of the Order of Australia for significant service to conservation and the environment through natural resource management and the dairy industry. A posthumous Member of the Order of Australia was awarded to Chris McPherson, who was recognised for his service to the regional newspaper industry, men's health and the community.

Local community award winners included Carl Walters of Tatura, who was the Tatura and District Citizen of the Year and the overall Greater Shepparton Citizen of the Year; Fay Alexander, who was the Tatura Senior Citizen of the Year; and Stephanie Gorrie, who was the recipient of the Tatura Sports Award.

In Mooroopna, Courtney Goldberg was the Mooroopna Young Citizen of the Year and Geoff Hill the Mooroopna Citizen of the Year.

In Shepparton, Isabel Treacy was Shepparton Young Citizen of the Year. Former police inspector Ian Bull was Shepparton Citizen of the Year. David Baker was Shepparton Senior Citizen of the Year and Dennis Myers received the Shepparton Sports Award.

In the Shire of Moira, Glennys Walker was Moira Citizen of the Year and Nicholas Megarrity was Moira Young Citizen of the Year. There were many other award winners across Northern Victoria Region, and I congratulate them all.

Also acknowledged in Australia Day awards were the Tatura Medical Centre, which was awarded Tatura Business of the Year; the Tatura Football Netball Club's Christmas Day lunch was awarded Tatura Community Event of the Year; the Shepparton Running Festival was awarded Shepparton Community Event of the Year; the Rotary Club of Numurkah was awarded Moira Organisation of the Year; and the Numurkah Foodbowl Festival was named Moira Event of the Year.

ENERGY LEGISLATION AMENDMENT (FEED-IN TARIFFS AND IMPROVING SAFETY AND MARKETS) BILL 2016

Second reading

Debate resumed from 24 November 2016; motion of Ms MIKAKOS (Minister for Families and Children).

Mrs PEULICH (South Eastern Metropolitan) — Acting President, it is good to have school back in. How delightful it is to catch up with colleagues and hear about their activities. I was fascinated by Ms Bath's recount of a recent adventure, the high cattlemen's shindig, and noted that she had left out two very important activities. One was the wife-carrying competition and the other was the gumboot-throwing competition, which dare I say I have won in the past, although perhaps not at the same venue.

But we are actually here to discuss a very, very important piece of legislation, the Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016. It is a very, very different context in which we are now debating many of these ideas. Aside from crime, violence and drugs which have preoccupied the attention of our media, I think energy, irrespective of whether it is electricity or gas — energy security, the cost of energy, the cost of utilities and the impact on Victorian households and Victorian business — is going to be absolutely a critical issue for this decade. So it is very, very important to make sure that the policy settings reflect our newfound reality.

The cost and security of food is something that is being raised with me ever more increasingly, especially in the context of blackouts that have been affecting South Australia following its policies which have embraced strongly the renewable energy sector. The concerns about how shortages, including blackouts, may impact on heating and cooling and how they may impact on business inputs and so forth are all big issues centred around the cost of energy and the security of energy supply.

This particular legislation I believe reflects a mindset that is probably dated. That is the reason why the opposition will be opposing this legislation. This bill seeks to amend a number of acts, which are outlined in the purposes clause in part 1, which includes the Electricity Safety Act 1998, the Gas Safety Act 1997, the National Electricity (Victoria) Act 2005, the National Gas (Victoria) Act 2008 and the Victorian Energy Efficiency Target Act 2007. This is an opportunity for all policymakers, whether in Victoria or

Australia-wide, to recalibrate our energy policies. The renewable energy feed-in tariff currently is calculated by a forecast value of the wholesale price of electricity and also considers the benefit to the network — that is, electricity travelling less distance.

The reason the Liberal Party and The Nationals will be opposing the bill is that it puts upward pressure on power bills for those Victorian electricity customers without solar photovoltaic (PV) systems installed through cross-subsidies. Including the social cost of carbon and the environment cost components in determining the renewable energy feed-in tariff paid by the retailer to the solar PV customer means that these costs will be transferred to all other customers without solar panels, so what that in actual fact means is that the most affluent get the bigger subsidies and the most vulnerable are the ones who wear the higher energy costs.

This is something that we, as the Liberal-Nationals coalition, do not support, especially in the context of rising electricity prices and rising cost-of-living prices. Of course the impending closure of Hazelwood is going to have a further very dramatic impact on both the cost and the security of electricity supply to all Victorians. This is not the time for the Victorian government to be increasing power bills, given their policy to close Hazelwood, to stand by and to do nothing, and it will certainly send prices up by 25 per cent.

What is instrumental to compare is how the government has responded by propping up Alcoa, providing it with \$230 million in subsidies over four years, versus how it has responded to Hazelwood, which so far has got absolutely zilch. I think that is just absolute hypocrisy. But what I am most concerned about is how rising electricity prices and the rising cost of utilities are going to impact on ordinary mums and dads, householders and retirees, many of whom are living on very low incomes, as well as pensioners in places like Frankston, Carrum, Mordialloc and Mulgrave as well as Cranbourne and other areas in the City of Casey. I think it is high time that Labor's one-eyed energy policy was rethought and reconsidered. This sort of ideological drive is something that is going to be hurting ordinary Victorians and businesses.

Customers with solar PV systems will receive rebates for their renewable energy systems through the federal government's small-scale renewable energy scheme (SRES), part of the federal renewable energy target. The SRES works by issuing small-scale technology certificates (STCs) to eligible households. The STCs are based on the expected output of the solar system

over a 15-year period, and the scheme will generally pay for 25 to 50 per cent of the solar PV system depending on the location. The cost of the SRES scheme is passed on to consumers, so effectively the additional environmental component in the calculation of the feed-in tariff is slugging non-solar customers twice.

In addition, the next stage for households and business energy upgrades is battery storage. If the Victorian government boosts the renewable energy feed-in tariff for environmental benefits at the cost of other energy customers, there will certainly be less incentive for solar PV customers to invest in battery storage. Battery storage will assist in smoothing peak demand by being able to be charged during the day when energy consumption is relatively low, and then the electricity can be used during the evening when demand is high. By smoothing peak demand, which takes up a large proportion of power bills, there will be less reliance on networks.

On another note, it is interesting that in December 2015 the Andrews government rejected cost-reflective pricing for Victorian electricity customers and is now pushing cost-reflective pricing for solar customers. This again highlights how the Andrews government is giving the benefits of cost-reflective pricing to solar customers but not all other customers. The Liberal-Nationals coalition would never sacrifice Victorian jobs or our energy security or desert the Latrobe Valley, nor would we leave business and customers with such significant uncertainty and cost pressures as this government's energy policy is doing and of which this is a component. In an attempt to secure Greens votes and save Labor's inner-city marginal seats, the Andrews Labor government has, of course, done exactly that.

A case in point is the closure of the Hazelwood power station, which will sacrifice jobs. We recently had the shadow cabinet in Morwell, and it was interesting to hear the heart-wrenching stories from the community, many of whom had been lifetime Labor voters but have sworn that never again would they vote for Labor.

A question that was raised with me a number of times is: what attempts did Minister Pallas make in his trip to Paris to negotiate to see what additional life could be drawn out of Hazelwood or what deal he could have offered the company in order to protect Hazelwood, its workers and of course its energy supply? We heard nothing about that whatsoever, and if he has not raised those issues — if he has not pursued those zealously — then this government has failed.

The increased cost to business will sacrifice jobs. The increased cost to customers will further exacerbate cost-of-living pressures. I think at the moment Victoria is already a net importer of electricity, but it will be an even greater one, sacrificing our energy security and delivering an even greater level of uncertainty.

By playing politics to secure its inner metropolitan seats and by bowing to the winds of the inner-city elite, the Andrews Labor government has stood by and facilitated the closure of Hazelwood power station, deserting its workers, families and communities. We know the Andrews government is running a very elitist agenda, running up taxpayers' bills with callous and irresponsible policies and decisions, and this is a continuation of that which will impact dramatically on the most vulnerable Victorians.

Daniel Andrews will be sacrificing over 1000 direct jobs and numerous indirect jobs throughout the Latrobe Valley and wider Victoria. Thanks to our Treasurer, who in his last budget introduced a \$252 million coal tax increase to appease the Greens and members of his Socialist Left faction, Engie, the company that runs Hazelwood, has confirmed that such an increase would certainly lead to significant consequences, mainly the closure of Hazelwood. This is what we now see being played out. Yet notwithstanding the more dire situation for energy — the cost of energy and the security of energy supply — the government is persisting with these other crazy policies which prop up those who are the most affluent and punish those who can least afford it, including businesses and jobs.

In effect this additional tax — the \$252 million coal tax increase — has cost Hazelwood \$20 million and its capacity to continue, threatening its livelihood and ultimately costing jobs. That is where we are now with the announcement that Hazelwood will be closed as early as the end of March or early April.

We have seen a blatant attack on one of our most essential services by the Andrews Labor government. This has been driven by the Premier, who is a servant to Socialist Left ideology, at the expense of Victorians, Victorian families and Victorian businesses. This punishes Victorian families, working people and Victorian businesses. Liberal-National policies will, by contrast, keep the lights on without allowing upward pressure on electricity prices. That is the reason why, in part, we are opposing this bill. What we have will include an additional subsidy, or what we term an environmental tax, and those that have solar will effectively push up prices for the two-thirds of the market that do not have it.

The multiple changes this bill makes to the Electricity Industry Act 2000, the Electricity Safety Act 1998, the Gas Safety Act 1997, the National Electricity (Victoria) Act 2005, the National Gas (Victoria) Act 2008 and the Victorian Energy Efficiency Target Act 2007 are massive changes, the consequences of which will result in upwards pressure on power bills for those Victorian electricity customers without solar PV systems installed through cross-subsidies. These costs will be borne by those Victorians without such solar PV systems. The social cost of carbon and the environmental cost components used to determine the renewable energy feed-in tariff paid by the retailer to the solar PV customers will be transferred to all those customers without solar panels.

This is not the time for the Victorian government to be increasing power bills, given their policies and given the upcoming closure of Hazelwood, which will send power prices up significantly. Certainly we have not seen that modelling, but it is anticipated that bills will increase by 25 per cent.

Origin's view is that the commonwealth government's small-scale renewable energy scheme currently more than adequately compensates solar PV customers for environmental benefits of the installations.

There is certainly significant concern amongst key stakeholders, not to mention of course those who will wear the cost of those impacts — mums, dads, businesses, pensioners and retirees. The Australian Energy Council has also warned that non-solar households that have already forked out for overly generous subsidies for a decade would be further penalised.

St Vincent de Paul Society is concerned that with expected electricity price rises on the way this will impact on households without solar more. This change to feed-in tariffs compounds the effect by subsidising those households with installed solar PV systems.

An additional environmental component in the calculation of feed-in tariffs is of course slugging non-solar customers twice, as I have mentioned earlier. This is because customers with solar PV systems have received rebates for their renewable energy systems through the federal government's Small-scale Renewable Energy Scheme, a part of its federal renewable energy target. The scheme generally pays 25 to 50 per cent of the cost of solar PV systems, depending on the location, and the cost is passed on to the consumers.

The argument the government is putting forward is that the cost of this is negligible, but that ignores the subsidy already in play and the administrative cost and burden to business this amendment seeks to introduce. The Liberal-Nationals parties will continue fighting to keep the cost of living and the cost of doing business down, something this Labor government has ditched, and this bill continues this path.

Clause 5 of the bill amends the Electricity Industry Act 2000 so that the Essential Services Commission (ESC) must determine the feed-in tariffs for the financial year by 28 February and in setting the rate must include the environmental cost and the social cost of carbon.

However, it is unclear at what rate the government will set the environmental payment; there has been speculation in relation to this rate. Regardless, we know that there will be a cost and it will be borne by those who may not be able to afford investing in solar, so the state Labor government is going to slug them anyway by intervening in this market.

In closing, I find it interesting also that the inquiry conducted by the ESC did not assess the cost and benefit of different options for delivering environmental and social benefits across the economy, only assessing changes in the value of the FIT — that is, the feed-in tariff.

Clearly this government's track record on energy is appalling. There are enormous concerns about the cost of energy, the security of energy, the likely impact on energy security, and blackouts. If we want to see Victoria's future we only need to look at South Australia and what that state is contending with and the consequences that will be borne.

Indeed, as I have mentioned before, the opposition will be opposing this bill. I call on the house to oppose the bill and stop this government pushing up power prices that will be felt most by people who can least afford them.

Mr BARBER (Northern Metropolitan) — The Greens will be supporting this rather tokenistic bill introduced by the government that simply gives back some of what it took away last year. But I am absolutely stunned to find that the Liberal Party, and The Nationals too, are going to be opposing a bill that is so — let us be polite and say — modest in its aims.

We will determine during the committee stage of the bill what the likely impact is going to be on the various components that make up people's power bills, but for now let us just say that it has become pretty clear that with all the many, many problems that the coalition

currently has on its plate — many of which are self-inflicted — it has completely dropped any semblance of a single environmental objective within its entire political project. If the coalition actually has an environmental objective left anywhere, I would like to hear what it is.

Mrs Peulich interjected.

Mr BARBER — I would like to hear it.

In the interests of disclosure I should say right up-front that I am the recipient of a feed-in tariff payment along with the more than 10 per cent of households in Victoria who have now installed photovoltaic panels on their roofs.

Mrs Peulich interjected.

Mr BARBER — Mrs Peulich thinks they are all in the inner city. Through you, Acting President: next time you are driving through one of those erstwhile marginal seats that you would like to be putting in your basket next election, Mrs Peulich, what I would suggest to you is that you actually get your eyes up and start looking at the roofs as you drive through Cranbourne and Narre Warren and all those suburbs you have just described as the inner city elite. In fact generally — and we can see this right across the whole of Australia — it is the low-to-medium income households and postcodes that have embraced solar, because it gives them some ability to lower their power bills, and it has also given them a measure of insurance against any future rises. Now, we will have ample time in this debate to talk about what it is that is pushing up power prices.

I should have also mentioned, while we were doing that disclosure, that I have now got a grid-connected Powerwall battery in my house. I was told when it was installed that I was the first residential installation in Melbourne.

Mr Dalidakis interjected.

Mr BARBER — I am not endorsing any one product, for sure, Acting President. There are many, many different offerings for batteries out there, and the prices of those offerings are plummeting even as we speak.

Thirdly, I just want to fully disclose that we have now got software connected to our system that actually allows my power company to take out electricity from my battery during times of high price at will and feed it back into the grid in order to take advantage of those high spikes in prices and at the same time play a role in dampening them down. While this is all pretty new, it

will not be long until there are 20 000 or 30 000 people out there who are just like me, and when that happens the electricity market is going to be transformed utterly. That is the reason that the Liberal Party, in opposing this measure, is engaging in an act of utter futility.

I suspect the Labor government understands what these trends are and how fast they are coming down the line. This is now a clearly made out case of technological disruption, and if the government wants to stand in front of it, they are going to be like King Canute. Give us another year or two and all you will see is the bubbles popping up through the sea. The coalition over here I do not think have the foggiest clue. Based on listening to the speech that was clearly written by the member for Caulfield in the lower house which Mrs Peulich read out, she had never read the Essential Services Commission report, part 1 or part 2, prior to presenting that material to the house, but we will have plenty of time — —

Mrs Peulich — Good bedtime reading.

Mr BARBER — Here they are, Acting President, so if Mrs Peulich wants to swot up in preparation for the role she is going to play in the committee stage of this bill, when we get to that, she can certainly borrow my copies temporarily.

Mrs Peulich interjected.

Mr BARBER — Well, number one, Acting President, solar energy and its continued rollout is driving power prices down, not up.

Mrs Peulich — For some.

Mr BARBER — For everybody. What is driving power prices up right now is in fact the greedy gas generators who act opportunistically in the market. Sometimes they just sit on the sidelines. I think Mrs Peulich may have actually quoted one of those gas generating companies. I am certainly hoping it was not one of the major donors to the Liberal Party. These generators are happy to sit on the sidelines until the power price spikes through the roof, and then they jump in and make a killing. There are many occasions when they make months worth of revenue in just an hour or so.

A couple of weeks ago the wholesale power price in Victoria hit \$770-odd a megawatt hour. At that point the people who control my battery started pulling power out of it, and they paid me, I think, about \$1.22. A small start, but imagine when there are 20 000 more of them all linked up and being controlled. We will eventually get rid of those greedy fossil fuel polluting

generators from the market and the opportunistic way in which they operate right now. Nobody actually gets paid to provide energy security in Victoria. You are paid when you insert electrons into the grid. That is how the auction system works, and that is something that the Liberal Party needs to go away and get its head around.

The first thing to note is that since many solar systems are still generating a certain amount of energy as we get past 4 o'clock in the afternoon, and even 6 o'clock, they are actually driving down the wholesale power price at peak power time while other people, fossil fuel generators, are busy trying to drive it up. So people who invest in solar are actually doing everybody in that grid a favour.

The next shibboleth that has to be killed off if there is any chance of bringing some rationality back into what is a rapidly changing regulatory environment is that this represents a cross-subsidy. We heard Mrs Peulich say time and time again in her contribution that people with solar panels are being subsidised by people who do not have them. But that is akin to saying that Hazelwood power station is being subsidised by the people who purchase its electricity. If the Liberal Party cannot get its head around the fact that people are no longer passive consumers of electricity — they are both producers and consumers in the case of tens of thousands of Victorian households — it is not going to be able to bring forward a policy that will actually work, because one day everybody, most likely, will be involved in producing electricity, consuming electricity and maybe even storing electricity.

The days of the big dumb and centralised State Electricity Commission model are just disappearing rapidly, not because the Labor and Liberal parties are working around the clock to bring us to a better world but simply due to the technology. It is killing the gas generators, and once we start connecting electric cars to the grid, which of course will be both storage and in some cases new forms of load on the grid — —

Mrs Peulich interjected.

Mr BARBER — You will not even recognise it, Mrs Peulich. You will not even recognise the electricity. You will just be floating around like Grampa Simpson saying, 'What's happened here?' and 'I don't understand it and I don't like it'. That is all we heard this morning. Energy policy is dictated by Grampa Simpson: 'I don't understand it, but I don't like it and I'm grumpy'. I am hoping — I have not done the numbers yet — there are 21 votes here to pass this bill,

because if we are left to the Liberal Party, then we are really in a lot of trouble.

The third thing to note is that Mrs Peulich has concerns about the issue of rising wholesale power prices which she lays at the feet of the closure of Hazelwood power station. The thing is that this bill does not change that. The legislation as it exists says that the Essential Services Commission (ESC) must consider the wholesale power price when setting this tariff. The bill does not change that. So even if you oppose the bill, you cannot actually stop the thing that you are complaining about. The only real question is: do you think that solar panels, if you want to conceive it that way, should be on a level playing field with other wholesale producers? So if the wholesale price of power goes up, apparently these tens of thousands of solar producers should not even have access to that much. Coal-fired power stations are big enough and ugly enough to look after themselves when it comes to negotiating a power price, but how is it you think tens of thousands of individual solar home owners — and in many cases increasingly businesses — can negotiate for a price for their electricity?

In any case, that entire suite of arguments that the Liberal Party just proffered are not just wrong; they are worse than wrong. They are irrelevant, and that brings us back to the problem that the government have got themselves into in the way that they ran this inquiry and brought this bill to the house. The government is trying to understand what different mechanisms they can use to give compensation to solar owners for benefits that they may be offering to the broader electricity supply in various ways. It is all about what is fair for someone in return for installing solar panels, and that is not what this is about.

When we brought in the feed-in tariff back in 2009 or 2010, that was what it was about back then. It was about providing people with some compensation and some certainty to invest in solar panels. This is not about giving people encouragement to invest in solar. Solar is so damned cheap now it does not need further encouragement. This is an incentive to encourage solar home owners to stay connected to the grid.

Let me just repeat that. What is needed here is not an incentive to install solar; what is needed is an incentive to keep that solar panel, and associated battery pack most likely, connected to the grid, because if that incentive is not made available, then what is going to happen is solar panels are going to get cheaper and cheaper and batteries are going to get cheaper and cheaper and then lots of people are going to invest in them to avoid their power bills. Then the companies are

going to start to jack up the fixed part of your electricity bill — the charges — to get the money out of you one way or another, and then people are going to disconnect from the grid. They will get bigger batteries and bigger solar panels, which are getting cheaper and cheaper even as we stand here and talk about them. Eventually they will disconnect from the grid completely, even in built-up areas, not out on farms where people are 100 metres or more from the nearest connection point and it is just cheaper, as it has been for more than 20 years.

Mrs Peulich interjected.

Mr BARBER — Mrs Peulich is piping up on behalf of business. In fact business were some of the earliest adopters, because what they are doing now, within the confines of, say, an industrial estate, is they are developing their own generation and storage behind the meter. From the point of view of the outside electricity system, they barely exist. Mostly they share their loads; they share their production and consumption amongst themselves. The Rural City of Wangaratta is getting behind this, if you really want to learn more, Mrs Peulich, so that they can actually avoid these same fixed costs that I am referring to.

The thing is that grids are good. It is actually quite efficient to have hundreds of different households who are consumers at different times of the day and in different quantities, but increasingly also producers. It is good to bring them all together and sort of smooth out the peaks and troughs, because it actually leads to a more efficient use of that infrastructure. In fact, for me to keep getting more and more batteries and more and more solar panels and then go completely off the grid, even though there is a wire running right past my house, would also be really inefficient because I would be meeting my own peak needs when I could be doing that with another household down the road or down the way.

But if people do not get smart, if regulators do not get smart and if the Liberal Party does not sit down and actually read some of these reports and try and understand what it is that is actually happening right now, then that is what will happen by default. More and more people will disconnect from the grid, and those who are left attached to the grid will have to pay higher and higher prices — that is, if we do not start paying people an incentive to stay connected to the grid. That is when power prices will go up. We are paying people to stay connected to the grid so that they continue to add to the economic efficiency of this grid, and Grampa Simpson and the cohort over there are freaked out.

They only need to start looking around to see what it is that is happening.

On the price of batteries, when I purchased mine they were pretty expensive back in February.

Mrs Peulich interjected.

Mr BARBER — It is interesting. Mrs Peulich brings the aged into it. I live opposite an aged-care home, and guess what? Every one of those townhouses has got solar panels on the roof. Why?

Mrs Peulich — Which suburb is that?

Mr BARBER — That is West Brunswick, Mrs Peulich. As I said, eyes up next time you are driving through Cranbourne and start counting those solar panels; You will count up to a thousand pretty quickly on a regular drive and then you will lose count. But for people who are retired solar panels are actually a pretty good tax-effective investment because you do not pay tax on the electrons that you make on your roof, but you would pay tax on the interest if you left a few thousand dollars sitting in a term deposit somewhere.

The Liberals have not even got the politics right of their own marginal seats and their own core constituency on this one. To suspect that they could actually understand some of the complexities around what is going on in the electricity grid right now is of course too much to even hope for. They seem to think this is some sort of Green conspiracy, but apart from my own investment in the grid, that I have fully disclosed, we are along for the ride like everybody else. We are just trying to keep up with how fast this is changing and putting in place some sensible mechanisms that are necessary to avoid, ironically enough, the very negative effects that Mrs Peulich thinks she is trying to avoid with her ‘Stop the world I want to get off’ approach to legislation.

Anyway, the Labor Party made a big mistake when they referred this matter off to the Essential Services Commission because the Essential Services Commission is the regulator of the current grid. Their job is to protect the current objectives of the grid and any perturbation to it. As I think I have argued, this is a giant perturbation that is actually seen as a threat, and therefore the Essential Services Commission operating with a very narrow regulatory framework that is about what exists now is effectively incapable of answering the question — and I do not think it was even given the right question.

Why did Labor do it? Because they made a fuss about cuts to the feed-in tariff when they were in opposition. They expected the same negative reaction when they

came into government. Instead of actually coming up with their own rational policy to deal with this, they just had a policy of flicking it off to the ESC. The ESC has come back, and with the current paradigm that is rapidly retreating before our very eyes they said, 'Okay, give them a cent; give them an extra 1 cent roughly on the power bill'. Labor have overseen two sets of cuts to the solar rebate feed-in tariff and now they are giving back the cent, maybe a bit more, that they took just last year. It has been an enormously complex exercise that they have gone through to come back to the idea that we are going to give you a cent that we just took away from you.

But if they sat down and really wanted to grasp this problem, what they would be understanding is that in order to keep people connected to the grid you need to pay them one for one. Whatever they are paying for electricity needs to be what they get paid for when they generate electricity into the grid, not because there is some outbreak of generosity but simply just because it is the only rational policy that is going to keep the grid functioning in these rapidly changing times.

Now, I am not putting a particular number on it; it should be one for one. This is a mechanism that in a way is self-correcting, because the more solar there is, the more it is going to drive down the prices of electricity, particularly during the middle of the day, and the result is that the payment itself would go down because it is one-for-one. This is happening rapidly, and in other jurisdictions such as Queensland and WA it will not be long until there will be so much solar in the grid and so much sun that they will be driving demand very close to zero in the peak sunny part of the day, and that itself is a whole new — —

Honourable members interjecting.

The ACTING PRESIDENT (Ms Dunn) — Order! Members, could you let Mr Barber make his contribution, please.

Mr BARBER — Thanks, Acting President. That in itself will propose a new set of challenges to the design of the electricity grid.

That is the broad sweep of the policy environment in which we operate, and that is the policy that the Greens took to the last election, and we continue to pursue it. In the two years that have gone by, the trends that we observed in relation to the price of solar, the price of batteries and the response of the electricity market to that disruptive technology have actually become way more obvious and appear to be accelerating. Something pretty big is going to happen pretty soon that is going to

make this bill look pretty tokenistic and pretty silly, but nevertheless when we get to the committee stage of the bill we are going to need to interrogate a little bit more how this mechanism is intended to roll out.

The bill very clearly arises out of a number of inquiries that the ESC has been running, and if the bill passes the house, it will then create further decisions and recommendations that the ESC will carry out. So I think it is appropriate that when we get to the committee stage of the bill we actually interrogate some of the materials and the background to this bill that are in those ESC reports and, for that matter, interrogate what work the ESC may do over the next six months, or less than six months, because the mechanism in the bill and the promise of the minister's great press release is that we are going to get a 20 per cent increase, which is in reality a 1 cent increase, later this year — by the middle of the year, we are told — and we need to know a little bit more about that.

Not everything in the way this mechanism works is necessarily clear to those voting on the bill. There are further mechanisms being established that put the ESC in the driver's seat or leave the government to make a decision under the provisions of this bill down the line, so I think it is important on behalf of all those many, many solar homes and business in Victoria that we get some answers to that before the legislation passes. But it is just unfortunate that we have got a Liberal Party in here that has got its head completely in the sand about changes that are occurring and that are in fact accelerating. They cannot even develop a single environmental objective that they want to hang their hat on, and yet they are willing to try and oppose a mechanism, albeit a very small one, that provides a reasonable and honest rate of return for those who have invested their own money in being not just passive consumers of electricity but, in fact, generators.

Mr MULINO (Eastern Victoria) — It is good to start the year in a similar position to last year, with the Liberals saying that we should do nothing, the Greens saying that we should do everything and us in the middle doing something sensible. I must say it makes me feel very good and it makes me feel very confident in our legislative program that we yet again lie in between these two extremes, and I just hope that we maintain that position for the rest of this term.

I believe that Mrs Peulich's contribution had some strengths. The key strength was what I might call rhetorical flourishes, or what one might call paranoid rhetorical flourishes. I am going to do a word search on that speech when it finally appears in *Hansard*. I counted 37 instances of 'Socialist Left conspiracy', but

it could be more or less than that. That was my initial guess; there is a bit of a plus or minus on that. In her characterisation there are all sorts of dark forces behind what we are doing — this Socialist Left conspiracy that is taking us down the path.

Let us take a step back for a minute and look at where it is that the Liberals are coming from on this before I get to the particulars of this bill, because I believe they are in a very confused place when it comes to energy policy. Now, I agree with a lot of what Mr Barber said here, but I will just spell it out a little bit. One thing is I believe that far too often on their side, they are still trying to work out whether they actually think climate change is real or not. For many on the conservative side of politics there is outright denial. We can find many, many quotes saying that climate change is — insert expletive. We see many instances of that here and amongst their brethren internationally.

But then we find more subtle versions of it. We can find subtle versions saying that the science is out or that there are climate differences occasionally but that it is not clear whether it is human made. So I think those opposite have to get it straight as to whether or not they actually believe that climate change is occurring, because they are not going to get on board a proper legislative program or a proper reform program until they get that much straight.

Secondly, they have got to decide whether they are actually going to get on board with long-term policy change here or whether they are going to be political opportunists, because the second most prevalent phrases in Mrs Peulich's contribution were hollow references to the cost of living, and I will get on to why they are hollow in a moment. Those opposite are more interested in opportunistic scaremongering than in finding real-world solutions to these problems. The consequence of this schizophrenia of those opposite — with some believing in climate change and some not — and of their political opportunism is that they actually have a completely incoherent set of policies. We see this federally, for example, in the 'direct action' response. Federally they have completely random, ad hoc interventions.

Mrs Peulich interjected.

Mr MULINO — I will withdraw that term. The reference was that they are not on the same page within their party. It was a reference to the fact that there is complete confusion on their side, and what it leads to in terms of policy are things like direct action, which I would call completely ineffective and completely lacking in policy substance. I think it is not good for

this policy debate for there to be ad hoc interventions rather than a coherent response to what is a very complicated problem.

Now, what is our response? Mr Barber criticised us for our reference to the Essential Services Commission (ESC). Well, I believe a reference to the ESC is entirely appropriate because the correct response here is to recognise the fact that there are complicated interdependencies and indeed externalities — which are often very difficult to identify and to measure — in the energy market. I will not go through the details. The ESC has run through this in a great amount of detail, but I think it is worth identifying that there are a number of externalities. One is, clearly, that low carbon generation avoids the negative externalities of high carbon pollution, and that is something which has driven Labor Party policy in this space at both the state level and the federal level for decades.

The economics profession has a lot that it should be ashamed of, but in this area I think economists have made a massive intellectual contribution. For a long time it has been economists who have contributed to our understanding of what it is that we should put in place by way of regulatory mechanism to respond to that negative externality. Clearly one of the issues that we have to deal with when it comes to the price regulation of electricity is that there is a negative externality arising from carbon pollution, so any pricing mechanism has to reward, if you will, low carbon pollution mechanisms for our generation.

Another set of externalities are network externalities, in particular the fact that there are negative externalities arising from the capital required for consuming more at peak times but also from transmission and distribution losses from consuming at peak times. Again, it is important that any pricing structure recognises that if generation reduces the pressure for peak load consumption, that should be rewarded. Distributed generation of energy often reduces peak load pressures. As Mr Barber said, storage of electricity can also reduce that pressure and that should be reflected in subsidy and in pricing mechanisms as well. But it is important that any pricing mechanism also reflects the fact that often distributed energy production will have positive impacts on externalities in networks.

The third broader social impact that I think is worth noting is that there are industry considerations in the renewables sector. There are industry considerations in that a broader take-up of renewable generation will result in both employment and industry benefits but will also result in going down the cost curve over time.

That is something that will create positive impacts for society.

In short, if we are going to take into account all these various externalities that would lead us to wanting to have a pricing mechanism that, firstly, would reflect the positive environmental and social impacts of distributed generation, which is exactly what this reform will do, and that, secondly, would reflect the impact of distributed energy on peak usage, for example — on losses and on the capital requirements of energy networks — a good way to do that is through time-of-use pricing. Again, that is reflected in this set of recommendations from the ESC. Both of these important considerations are reflected in what we are debating here in the chamber today.

This is a set of reforms that will generate significant positive efficiencies through the energy sector but will also generate significant social gain through enhancements in the renewable energy sector and significant improvements in the take-up of renewable energy generation throughout society. As has been noted, the take-up is not limited to high-income suburbs. In fact, some of the highest take-up rates of solar panels are in fact observed in many low-income suburbs and in new suburbs. It is actually a quite complex distribution of solar panel generation throughout our society.

One of the election policies that we took to the election was that the ESC would examine feed-in tariffs, the way we should reflect environmental and social gains from the take-up of solar panels and how we should best reflect that through the feed-in tariffs and pricing generally. The ESC has looked at this. As I said, it is entirely appropriate for a pricing regulator with all the capacity to look at these very complicated issues such as the interdependencies of these markets and the externalities to look at them in a rigorous way. This government has taken up the vast majority of the commission's recommendations.

Some of the key recommendations, as I said, were that there be a time-of-use component to any feed-in tariffs and that the tariffs be increased so as to reflect the environmental and social benefits arising from higher take-up rates of solar panels. These changes are reflected through an estimated 20 per cent increase to the feed-in tariff rate, or approximately \$17 a year. It should be noted that this is the first time that the tariff has been increased in six years. It should also be noted that Victorians will benefit from different tariffs at different times of day, which is a critical change. As I said, that is one of the changes that reflects the network benefits arising from distributed generation.

I will go back to where I started. This is a very complicated policy area, and I believe that those opposite actually have to figure out as a party — both here and I would say at different levels of government — whether they genuinely believe that climate change is real, because I think they will only take up long-term policies if they get to a solid, unified position on that issue. I do not think that is the case now.

I think those opposite also have to back away from political opportunism. It is all too easy to talk about cost-of-living pressures in a hollow way and yet offer no practical solution. The irony of course is that it is exactly the kind of market-based solution putting a price on carbon that Labor has supported both at the state and the federal level for decades that have led to the lowest cost solution. It is ironic that we have been pushing market-based solutions and those opposite are supporting ad hoc solutions which actually impose a higher cost. So there is the irony there, and there is the hollowness of their rhetoric on the cost of living. It is critical that those opposite not just carp on about what we have put forward here and in many other bills in this place but actually develop at some point a coherent policy of their own.

I would disagree with Mr Barber that this is tokenistic. This is actually a significant step forward in an important area of policy which encourages the take-up of solar panels throughout this state. There are many elements of this bill which will make that regime more rational and more reflective of the genuine benefits for our society and for the electricity market of higher take-up rates. For those reasons, I support this bill and commend it to the house.

Ms BATH (Eastern Victoria) — The Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016 will not be supported by The Nationals today.

Before I look into the bill itself I would like to make some comments in and around energy production, security and pricing in our fair state of Victoria, but I say that with a disappointed feel in that this is not a fair state when it comes to energy, when it comes to energy production and when it comes to hundreds and hundreds of people losing jobs in my electorate in central Gippsland.

With only eight weeks before the closure of Hazelwood, it is a constant source of pain in my electorate and it is a constant source of pain for people that I speak to who relate stories of how its closure will affect them or their loved ones.

The Hazelwood power station will close as a result of this government's policies. When Engie closes the power station, 25 per cent of our baseload power will be removed. The power station represents a 1600 megawatt reliable power source which has provided affordable power over decades, and soon people in my electorate and wider Victoria will suffer. Businesses will suffer, and unfortunately I fear that many in my region will close.

When the government put on in the last budget a \$252 million coal royalties tax, it was the lead in the pockets of Engie. People on the other side will say it was Engie's decision. Well, it may have been Engie's decision, but an additional payment of \$20 million ended up being very, very heavy stones in the pockets of Engie as they were pushed out onto the gangplank, and the government wobbled their gangplank until Engie was forced to jump.

One of the main frustrating things for me about this is that this is a total backflip for Labor from their policies of the past. In July 2010 then Premier Brumby stated in question time:

Yesterday I announced the government's white paper, and as part of that I ... outlined the government's plan for the staged closure of the Hazelwood power station.

He stated:

... the government will engage in discussions with the owners of the Hazelwood power station to ensure that an appropriate framework is agreed going forward.

We see that that policy has evaporated. We see that the push, the requirement, for a staged closure just fell off the agenda. This is one of the key issues that are hurting the people in my electorate. Yes, we knew that Engie had a limited tenure at the Hazelwood power station, but it is a fact that on 31 March all staff at that power station will walk out the door and the gate will be shut. What unions and workers alike were asking us to fight for was a staged closure, and that is why I have raised this issue on a number of occasions in this place. A staged closure would have enabled the older generation of power workers who had been there for as many as 30 years to transition out. They would have kept the money, retired and stayed in the valley. They would have had a reasonably good payout and would have been able to purchase items, such as a caravan or the like, in order to stay there. That did not happen. The other philosophy would have been that the younger staff at Hazelwood could have transitioned across. There was a reasonable level of agreement on that. But now there will be a complete shutdown on 31 March.

The Committee for Gippsland produced quite a comprehensive report called *Our Region Our Future*. The executive summary states that \$500 million is injected into the Victorian economy by nearly 3000 power station workers and over 1000 contractors who also work on power stations. Many of them are going to feel pressure, with 750 on-site power employees who will be out of work.

Only last week I spoke to a contractor who employs 150 contractors in and around the power station. He said he will go from having 150 employees to three, and in fact he is one of them, so it will probably be two. There will be ramifications for the families of the 147 contractors. They will all be looking for similar jobs in the area. Will they have to go to a fly-in fly-out arrangement? These are real issues that they are facing. That man was quite frustrated because he could do little or nothing to keep his contractors on. There may be some future prospects, but that is little comfort for people who need jobs and need them now. They do not get payouts.

In terms of secure and affordable power, coal-fired power stations provide baseload power — that inertia that provides security without fluctuation — that choosing to go completely to renewables will not provide at this stage. We saw the problems in South Australia — the horrendous shutdown that created chaos and danger for people in that state. Historically Victoria has been a net exporter of electricity to other states such as South Australia, Tasmania, New South Wales and Queensland, but upon the closure of Hazelwood we will be a net importer. Last year the Labor government said prices would go up by about 4 per cent. In fact the Minister for Energy, Environment and Climate Change, Ms D'Ambrosio, said on 9 November:

This is the reality of our situation. We know absolutely, through independent, peer-reviewed modelling, that the impact on electricity prices into next year will be around the order of ... 4 per cent ...

The Premier said on 3 November:

Any increase will cause pressure on household budgets; I acknowledge that. But the numbers are more in the order of 4 per cent or 85 cents a week, not 25 per cent as has been, I think, quite shamefully put about today.

Shortly after that AGL put an advert in the paper stating that electricity prices will be hiked by 9.9 per cent on average for residential power users and 13 per cent for industry, while analysis from Frontier Economics forecast retail prices could be in the magnitude of up to 25 per cent.

There is another interesting issue that happened only last week. The Andrews Labor government, through Minister D'Ambrosio, released a media release that announced that a \$6 million initiative will improve home energy efficiency and save money for those in need. The initiative will be called the making home energy more affordable program, and will deliver efficiency upgrades for 800 concessional and low-income houses.

I have done a little bit of maths and we have approximately 2 million houses across Victoria. Of that, and I will be very conservative in my estimates, we will say that there are 800 000 low socio-economic houses — needy houses, people who are really struggling to make sure they pay their bills. So when the government is spending \$6 million on 800 houses that represents only 0.1 per cent of the low socio-economic people it is helping, I am not sure about that strategy. I really do not feel that is a wise use of funds. There are 99.9 per cent other low socio-economic households that will not receive this sort of engagement but will be burdened with an extra cost imposed by rising electricity prices. I do not think this is a good spend. I believe there are winners and losers in the Labor government's agenda, and I do not feel that the majority of Victorians are winners in this scheme.

If we look at the bill at hand, there are three bills really lumped into one. I want to focus on a couple of areas. It covers the Electricity Industry Act 2000, the Electricity Safety Act 1998, the National Electricity (Victoria) Act 2005, the National Gas (Victoria) Act 2008 and the Victorian Energy Efficiency Target Act 2007. Looking at feed-in tariffs specifically, clause 3 amends the Electricity Industry Act 2000 to shift the renewable energy feed-in tariffs set by the Essential Services Commission to be set for a financial year instead of a calendar year. So this is more the mechanics.

But clauses 4 and 5 amend the Electricity Industry Act to allow the Essential Services Commission to determine multiple renewable feed-in tariffs for the daytime; for example, there would be higher rates during peak demand. The issue is not with charging people rates according to the time of day and demand in terms of periods but that it should be limited only to those who are on solar schemes. Why is it not for all energy users and those without solar panels as well?

Let me be quite clear. In my opinion, renewables should definitely be part of the energy mix. It is important that we embrace and move forward with renewables. The Liberal-Nationals believe the future with solar is important, as is the use of battery storage

and community distribution, and not making non-solar customers pay higher energy bills should be the process. In effect this bill does not address affordability for households.

Minister D'Ambrosio, in her second-reading speech, noted that there had been broad consultation. I am wondering whether or not she consulted with the St Vincent de Paul Society and in particular the manager of St Vincent de Paul, Mr Gavin Dufty, who commented, through the consultation process that we performed, that with expected electricity price rises on the way which will impact households without solar more, this change to feed-in tariffs compounds the effect by subsidising those households with installed solar photovoltaic (PV) systems. Solar is important and it should be used as part of the future energy mix, but it should not come at the detriment of others.

Finally, as it stands the solar PV systems are currently supported by the federal renewable energy target and are subsidised generously through rebates for the benefits to the environment they provide. In addition, solar customers have the benefit of having their daily electricity use from the grid reduced substantially, making the investment an attractive decision. Currently the feed-in tariffs in Victoria represent the wholesale price and benefits solar PV gives to the grid.

It is not enough to cause a behavioural change through tariffs, reductions and savings for people with solar PV. This is not really an incentive for them, but it certainly does put pressure on the living costs of others. The Liberal-Nationals coalition will continue to develop policies to support solar and its complementary technologies to increase uptake, but it will not do it at the cost of other electricity users. It must be noted that the people of my electorate in Hazelwood, in and around Morwell and Traralgon and in Central Gippsland will certainly be feeling the effects and the crushing burden of the current Labor government's policies, so we should not be supporting this, which does not add any positive advantage to Victorians.

Mr EIDEH (Western Metropolitan) — I rise to speak briefly on the Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016. This bill is an example of the Andrews Labor government's delivery of its election commitments and fulfils our promise to Victorians to address the issue of fairness in solar pricing. The government's approach to this matter is, and has been for some time now, that Victorians deserve to be compensated for the true value of the energy they feed into the grid. We said this in opposition, and we are delivering on it now in government.

The bill includes many amendments, but I want to focus here on the feed-in tariffs part of it. As the house is aware, last year the government asked the Essential Services Commission (ESC) to inquire into the true value of distributed generation. The ESC has confirmed that there is an environmental value for rooftop solar. The Essential Services Commission also recommended that Victorians should be paid more for the solar energy they deliver into the grid during peak demand periods.

The government, through this energy legislation bill, will adopt these recommendations. The result of this bill will be that, for the first time, solar households will be rewarded for the environmental value of having solar panels on their homes. Victorians with solar panels on their homes will also benefit at different times of the day, including a special payment for delivery during peak periods. This is the first time the feed-in tariff has increased in six years, and I am proud to say that it is an Andrews Labor government initiative.

Of course the work of the ESC has not concluded, and this year the ESC will recommend what the network value for rooftop solar should be. I look forward to the release of that information. All of this is in addition to the many achievements of the government in relation to energy policy and is in stark contrast to the almost complete absence of coherent energy or environmental policies from the opposition. I can inform those of my constituents in Western Metropolitan Region who have considered or are considering solar energy that the government — —

Mr Finn — You can have solar energy at the youth prison!

Mr EIDEH — It is a good idea, Mr Finn. The government is most certainly acting in their financial, health and environmental interests. The installation of rooftop solar panels in my electorate is not as high as in many other locations throughout Victoria, but consolidating and clarifying legislation with this bill may serve as an incentive to many.

The Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016 amends the Electricity Industry Act 2000. The proposed amendments on feed-in tariffs will allow the Essential Services Commission to determine a single rate or multiple rates for purchases of limited or small-scale renewable energy generation electricity. The act currently only, and unfairly, permits a single rate to be set. This will also have the added benefit of better meeting demand.

There are also significant environmental variables that impact upon the process. The Essential Services Commission will now be able to factor into its rate determinations the avoided social cost of carbon and avoided human health costs attributable to a reduction in air pollution.

In addition to amendments to the Electricity Industry Act 2000 there will also be amendments to the Electricity Safety Act 1998, the Gas Safety Act 1997, the National Electricity (Victoria) Act 2005, the National Gas (Victoria) Act 2005 and the Victorian Energy Efficiency Target Act 2007. All of these amendments will serve to improve Victoria's energy legislation and will benefit all Victorian consumers of electricity and gas. They will improve energy safety in Victoria. They will make Victorian law consistent with other participating jurisdictions in the national energy markets, and they will consolidate and streamline Victoria's approach to energy policy.

There will be a concerted communication campaign by the Essential Services Commission which will include direct information flows to industry stakeholders as well as a more general website and social media-based communications plan for all interested parties. I am proud to make even a small contribution to the progress of this bill and its maintenance of Victoria's deserved reputation for national leadership of energy and environmental policy in the country. I commend the bill to the house.

Mr FINN (Western Metropolitan) — It is a delight to be back for 2017 and particularly a delight to be speaking on this bill, because this is something that does raise a great deal of interest in my mind. I have to say that without casting aspersions on any other speakers in this house there are times when I lie awake at night, in the depths of the dark of the night, and I think to myself, 'I wish that I was as clever as Greg Barber'. He has given us an example here today of exactly what I am talking about, because he got up and gave us a dissertation on the Greens attitude to all things energy — 'Stick something up on your roof and have a look up'. I am not entirely sure what he was on about but he was pushing along the Greens line of how to energise ourselves, and I thought to myself, 'If only I had the intelligence and the brain that that man has, I would be in seventh heaven. It would be a wonderful thing'.

The only thing you can say about this bill is that it is the product of a coalition of the unwilling — a coalition of the Labor Party and the Greens, who are joined by this devotion to global warming-climate change bunkum that we hear so much about. That is what they are on

about. The unfortunate thing is that the aim of the left wing in this country — indeed the left wing around the world, as we have seen — is to put up the price of power. We have seen that in so many places. That was the reasoning behind the carbon tax. We all remember the carbon tax that was at least part of the reason for the defeat of the Rudd-Gillard-Rudd government a few years ago. That was all about sticking up power prices so people could not afford to use electricity, and that seems to be a particular aim of left-wing parties and left-wing activists around the place. They seem to target power prices. They seem to target electricity prices, and that is something that in my view is quite unsustainable, if I can use the term that our friends opposite might use.

Power is the basis of everything that we use in our homes. It is the basis of everything that allows business to run. Of course power — electricity — is the basis of just about every job in Australia. An attack on electricity, an attack on electricity prices and an attempt to artificially inflate electricity prices is an attack on our homes. It is an attack on our families. It is an attack on our businesses, and it is an attack on our jobs.

It is interesting to note that many members opposite — if not all of them — are or have been members of trade unions and have graduated from the House of Stouth on Lygon Street. Many of them will get up here and lecture us at length about the importance of protecting and defending workers. I ask: how can they come into this chamber proposing a bill which contains measures that will put up the price of power, attack our families, attack our homes, attack business, attack jobs and attack workers? If they are fair dinkum about protecting workers, they will not go along with this sort of nonsense. They will want cheaper electricity. Indeed they will want to have greater sources of electricity.

The enthusiasm we have seen from those opposite about the closure of Hazelwood power station quite frankly disgusts me. It more than disgusts me, it sickens me, because we have a situation where many families — many thousands of people in the Latrobe Valley — will suffer as a result of the closure of Hazelwood. Of course Hazelwood is being closed as a direct result of the carbon tax — the coal tax — that was introduced by this government. The Labor Party can deny it as much as they like, but simple economics tell us that if you slap a tax on something that is close to the edge in terms of a profit margin, you are going to push into the wall, and that is what this government did.

The people of the Latrobe Valley and the workers of the Latrobe Valley know only too well who is responsible for their predicament. They know only too well that it was their mates in the Labor Party. They

wrote off the Greens years ago. That is not something that was of any consideration to them at all. But now they have written off the Labor Party as well because they know the Labor Party bashes the workers whenever and however it can. An attack on electricity prices to up the price of electricity artificially is Labor's way of doing that.

When I look at what is happening in this state at the moment I have to shake my head. I have to shake my head because we are going to have a situation here, unless there is some urgent remedy in the not-too-distant future, where electricity prices will go through the roof. We will also have a situation where we will have blackouts. We will have blackouts possibly next winter, but almost certainly next summer. We have been very fortunate this year to have a very mild summer — —

Mr Barber — Start stocking up on candles, Mr Finn!

Mr FINN — Well, you should start stocking up on candles, Mr Barber, because that is what we will be using this time next year if we get any decent sort of heat. Of course we have heard about the earth warming from Mr Barber and members opposite for quite some time, but here we are in February — I have always found February to be the hottest month of the year — and last night I had the heater on at my place. I do not know about anybody else, but it was very, very chilly last night. This is what those people tell us: the earth is warming and everything is changing, and we are all going to die of heat exhaustion. Well, let me tell you, if this summer is any indication, that could not be further from the truth.

Last winter was a particularly cold one. We have seen over in Europe ice and snow, and indeed just this week in the Middle East there were a number of people who died in a snowstorm. This nonsense about the earth warming is just that; it is nonsense. That is what all this enthusiasm to boost the price of electricity is all about. It is pandering to the new religion of global warming — the climate change industry — and let us face it, it is an industry. There are thousands of people throughout the world who are making a killing out of climate change. The more that they make, the more 'evidence' — in inverted commas — they produce to back up the view that they need more money. We have even seen this at the UN with the Paris agreement, which I think is pretty much dead now anyway, and that is a very good thing. I think we should congratulate President Trump on doing that. The fact that the UN was set to harvest billions of dollars from countries around the world on the back of climate change is — —

Mr Ramsay — It is suss.

Mr FINN — It is more than suss; it is a con. It is something that people in Australia have just about had enough of. Certainly people in the US showed last November that they have had enough, and Australians are rapidly saying the same thing. They are sick to death of paying excessive electricity prices just to pander to somebody's political philosophy, somebody's political ideology. Not only have we seen how much electricity is costing government and how much it is costing the people of this state and the people of this nation, but we have seen around the country these 'climate experts' — again, in inverted commas — who have told us that it would never rain again.

I am fond, as the house would be aware, of quoting Sandbags Flannery, Professor — is he? — Tim Flannery, who told us that the rain that fell from the heavens would never be enough to fill the dams again. That was just before we had the floods in Sydney, the floods in Brisbane, the floods in Gippsland, the floods in Adelaide and the floods, I think it was, in Tasmania as well; and we have had a number of severe floods since then. But he was saying that at a time when Labor governments were in place in a number of states, and the idiots who ran those governments went out and spent billions of dollars on desalination plants.

So we now have a situation where there are desalination plants scattered around various points of Australia, and many of them, or most of them — almost all of them, in fact — are totally obsolete. They are just not needed at all. Indeed we have the extraordinary situation down in Gippsland, down in Wonthaggi, where the desalination plant down there is actually rusting. It is rusting because the Bracks government built it on a flood plain. Only the Labor Party would do it.

Mr O'Sullivan — And how much are we going to pay for it?

Mr FINN — I think it is \$2 million a day. \$1.8 million or \$2 million a day. It is an extraordinary sum of money that the Victorian taxpayer is paying all because of this climate change claptrap.

Mr O'Sullivan — Every day?

Mr FINN — Every single day, Mr O'Sullivan. Every single day we are paying \$2 million to prop this rusting thing up that — —

Mr O'Sullivan interjected.

Mr FINN — Sorry?

Mr O'Sullivan — Do we use it?

Mr FINN — We have not used a drop of water out of it, and even now, when the Premier is trying to get water out of the thing — God knows why he is trying to get water out of the thing, because we do not know what we are going to do with all this water, because we have got more water than we have ever had, certainly in recent years — when they tried to fire the thing up, it would not work. That just sort of completes the narrative on Labor governments, does it not? They have spent all these thousands of millions of dollars building these things. They are not needed, nobody is using them, and when they try to justify them and say, 'Yes, we have some money. We'll spend \$27 million of taxpayers money to get some water that we don't need', they cannot get the thing started. It is absolutely wrecked, as indeed is the government, and that is the sad fact of life.

I have got to say that I am sick to death of governments, Labor governments, making policy based on this false religion, this false green religion of climate change, of global warming, which is just nonsensical. Every now and again we see somebody come up with evidence — so-called evidence — saying, 'Well, you know, this is the hottest year that we have ever seen'. Every year is the hottest year we have ever seen, but interestingly enough you never hear that from people who have not got a vested interest in ensuring that it is the hottest year ever because this is a booming industry. This is a huge industry, one of the biggest industries in the world, and they need to produce evidence — again I use inverted commas — just to justify their existence.

I will not be supporting this bill, and indeed I will not be supporting anything at all which panders to this green nonsense. I will not be voting for or supporting anything at all which panders to an ideology, to a philosophy, which is sticking it to the workers in this state just to make a few people in the inner city of Melbourne feel good. I am not going to put the boot into the people in the Latrobe Valley or in the western suburbs for a political philosophy which I do not believe in and the majority of Australians do not believe in, so I will most certainly be opposing this bill.

Mr RAMSAY (Western Victoria) — I am pleased to be able to make a small contribution to the Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016. As has been mentioned, there are different components to this bill, with changes to the Electricity Industry Act 2000, the Electricity Safety Act 1998, the Gas Safety Act 1997, the National Electricity (Victoria) Act 2005, the National Gas (Victoria) Act 2008 and the Victorian

Energy Efficiency Target Act 2007. Other contributors from our side of the benches have indicated our concern in relation to this bill and the impact it will have on the cost of living and specifically on energy prices for households and those families that depend on power not only for livability but for business.

The timing is interesting. While Mr Eideh indicates it is an election commitment and that certain promises were made at a certain point in time in relation to increasing the feed-in tariff, originally I am not sure it was scaled as it is identified in the bill now. In fact the feed-in tariff formula is so complicated that a household would not be able to understand the pricing in certain peaks of the feed-in and feed-out as proposed in this bill.

In fact Origin and other suppliers have indicated their concerns in relation to the multifaceted pricing mechanisms in this bill, and if they are confused, you can only imagine how families would be confused in relation to peak use pricing.

That aside, much has been said about energy pricing and security of energy in Victoria, certainly over the last few months with the announced closure of Hazelwood, a significant closure given its role in providing energy to Victoria and interstate as required on the national grid from Gippsland. When I was in Gippsland recently I heard loud and clear from those that live in that part of the world of the impact the closure of Hazelwood — of taking out a workforce of 2000-plus in a regional area — will have on jobs, job security and the economy of Gippsland and of the unlikelihood that many of those workers will be able to gain full employment again. So not only are we talking about a Labor Party philosophy of transitioning from traditional coal-fired generation to renewables; we are also talking about the livelihoods of many families that actually are dependent on jobs in the traditional coal-fired energy industry.

I just recently put out a survey to gauge the impact of that closure, and also of the 40 per cent renewable energy target that the Labor Party have imposed on the Victorian community in relation to this transitioning to renewables, and to gauge the cost not only to households but also to industry. Already out of the 67 000 survey forms I sent out from my office I am getting considerable feedback to say that the increasing costs just from the closure of Hazelwood and from the renewable energy target we have here in Victoria will be in excess of 15 to 20 per cent for households and anywhere between 30 and 100 per cent for business. So the costs associated with Labor Party policy are quite dramatic in respect of their transitioning from traditional energy sources to renewables.

We have seen that just recently in the *Australian*, where they identified that the taxpayer is currently supporting the wind industry to the tune of \$3 billion per year. Even with that considerable amount of investment we are not assured of any sort of security of supply from wind generation towards Victoria's future energy needs. So while Mr Barber, a strong and long and loyal proponent of wind generation, can come to this chamber and say that renewables will replace our traditional coal-fired energy generation, the fact is that certainly in our lifetime they will not, and we will always be dependent on baseload power, whether it is coal, whether it is gas or whether it is some other form. The fact is, as we have seen in South Australia, you cannot rely on wind power particularly, in relation to renewables, to provide baseload power and also security of that power to industries, whether it is in South Australia or in Victoria.

In relation to this particular bill it is indicated to us that the increase in the feed-in tariff and the provision for different pricing in different peak periods will in fact increase again the cost of energy for households that can least afford it and that the bill also does not provide any behavioural change to those that are seeking some longer term security of energy, but at the same time some price competitiveness, using a more untraditional green power or green renewable resource in solar.

Having said that, as Mr Barber will know, I have been a strong supporter over my many contributions in this chamber of the use of solar power as a mix of energy for use, whether it is for households or for business. In fact in my own house I have panels that feed into our hot-water service and other appliances within the house. That is being used not only for its environmental properties but also for its cheaper cost, so there is a place for solar power and the use of solar panels as well as a place for us as responsible representatives of our communities to encourage greater use of solar as a power source. That does not mean that those users who want to invest in solar have a greater propensity to have subsidised power than others who use traditional sources of power. In fact that is what will happen under this part of the bill. We are actually supporting a particular user — in this case solar users — to the detriment of those who continue to use traditional sources of energy, whether it is coal-fired or from another source.

I think there is probably a better use of taxpayers money in subsidies that encourage greater use of battery storage, where you actually have a uniform flow of energy rather than the sort of intermittent energy that you get from solar power directly into the grid. I would certainly like to see more activity from the Labor Party

in relation to investing in battery storage rather than fiddling with the multi-rate feed-in tariff pricing system they are proposing in this bill.

I do not intend to go on for too long. I do note, though, that there is concern in the community about the long-term security of energy. There is certainly concern in relation to the costs associated with the Labor Party running at 100 miles an hour to transition us to a 40 per cent renewable target at the risk of increasing the costs of energy to families and households and also at the risk of losing jobs, like we have seen at Hazelwood. Certainly I cannot think of one industry that has divided rural communities across Victoria more than the wind industry and the wind industry policy of the Labor Party. I hope that this bill does not create the great divide between those traditional users of energy, who do not have access to the sorts of subsidies that have been proposed in this bill for solar users, and the multifaceted pricing approach.

I have also raised an issue around gas. There will certainly be opportunities in the future around a greater use of gas. It is my hope that with new technology, new research and innovation we can have a mix — a sensible mix; a balanced mix — whether it be coal, clean coal, gas, wind, solar, geothermal or something else that may well come up on the horizon with which we can reduce our greenhouse gas emissions, we can have greater use of renewable energy, we can retain the jobs within current industries and transition those jobs into newer industries and we can also have a secure and price-competitive energy source meeting the future energy needs of Victoria.

Mr O'SULLIVAN (Northern Victoria) — I rise tonight to make a contribution on the Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016. My contribution this evening will be relatively brief, but there are a few important issues that I would certainly like to place on the record tonight.

The bill has a number of implications. Other people have spoken about those, so I will only reflect on a few of them. The bill amends the Electricity Industry Act 2000 to reflect the renewable energy feed-in tariff set by the Essential Services Commission (ESC) from a calendar year to a financial year. It amends the Electricity Industry Act to allow the ESC to determine multiple energy feed-in tariff rates for any time of the day. That is to address peak demand. It also allows the director of energy safety the ability to direct a person to do things necessary for the prevention and mitigation of bushfires involving electrical lines and electrical installations.

All of those things seem reasonable on the surface, but there are a number of concerns in relation to some of the finer detail of the bill. The major concern I have with this bill is the increase in costs for electricity it will bring about. We have heard others refer to that in both a negative and a positive way, but certainly from my point of view — when you look at the power prices around the state now — we do not want to have anything that is going to adversely impact those prices and drive them up. The cost of living for ordinary families now is getting more difficult every day and a piece of legislation such as this that will raise the cost of electricity for ordinary households is something that I, as a member of The Nationals and the coalition on this side of the chamber, simply cannot support. That is the reason that we will be voting against this piece of legislation.

I want to discuss more some of the implications of electricity prices for customers and some of the impacts that are putting additional pressures on electricity costs. In particular if we look more broadly in the electricity system, we have got the scenario in front of us where Hazelwood power station is going to close on 31 March this year. That is only a couple of months away and it is coming very quickly. What is really disappointing for those workers, their families and the community down in the Latrobe Valley is how suddenly this decision was made. There was no step-down or phased closure of Hazelwood. It was just a straight-out announcement that the plant would close, and along with that the 750 people who work there — that is, 750 families — will be directly impacted and will be without a job come the end of March, which is only next month. It is not just those 750 direct jobs; there are thousands of jobs associated with the power industry down in the Latrobe Valley, so people will lose their jobs as a result of the plant closing.

You have got to ask yourself: why did this plant have to close? There is no doubt it has got some issues in terms of the cleanliness of the way it goes about generating its electricity, but I do not think it was very helpful when the current Labor government put in place a coal tax in the last state budget which added a cost of \$252 million to the exercise of extracting coal. Those sorts of costs go directly to the companies, which then pass them on. That has just made it even more difficult for them to operate, and the \$266 million bailout package from this government really only amounts to \$14 million when you take away the \$252 million coal tax added by Labor in the first instance. So the Labor Party had a direct input into the result of this closure.

We must remember that back in 2010 the Labor Party had a policy to close Hazelwood power station, so for it

to come out and say it was the company's decision to close Hazelwood I think is a misrepresentation when it was in fact their policy back in 2010 that Hazelwood should close. As a result of Hazelwood closing, that baseload power has to be made up from other sources. As a result of that, the price of power is going to go up. A Frontier Economics report was released in May 2016 which had a table in relation to the retail price impacts of the closure of Hazelwood. If you look at 2018, which is just next year, the closure of Hazelwood is going to impact retail prices with an increase of 25 per cent.

Now that is a lot of money for those families who are struggling on lower incomes. Somehow they are going to have to find that extra money to pay the 25 per cent increase in their power bills just next year. It is going to be even more difficult for pensioners who rely on electricity to heat their homes during cold winters and who are on a fixed income. As a result of the extra cost of power some of them may decide not to turn on their heaters, which will mean they will be very cold.

If we look at the impact the closure of Hazelwood power station will have on the local community, already we are seeing an increase in the unemployment rate in the Latrobe Valley. It has jumped by 3.7 per cent since December 2014, and that was noted in a press release put out by the member for Morwell in the other place, Russell Northe, who is a good local member in Morwell. In his press release he said:

... the unemployment rate has skyrocketed, rising by more than 50 per cent in two years of Labor.

More than 10 000 full-time jobs and 3289 full-time youth jobs have been lost in the Latrobe-Gippsland region since December 2014 ...

Another 750 direct jobs will leave the community as well as thousands of flow-on jobs, and that is going to have a very negative impact on the Latrobe Valley community. This government just does not seem to understand the impact it is going to have on this local community, particularly when you see also the potential closure of the Australian Sustainable Hardwoods timber factory at Heyfield.

What is really disappointing is that this piece of legislation will contribute to driving up energy prices for ordinary people who are struggling to pay their electricity bills now. The Nationals cannot and will not support this piece of legislation because it will make electricity prices more expensive.

Ms FITZHERBERT — I also rise to speak on the Energy Legislation Amendment (Feed-in Tariffs and Improving Safety and Markets) Bill 2016. As has been canvassed already, the bill makes changes to a

significant range of existing acts pertaining to energy in Victoria. It amends both the Electricity Safety Act 1998 and the Gas Safety Act 1997, clarifying Energy Safe Victoria's power to recall unsafe electrical or gas products. It also amends the Electricity Industry Act 2000 to allow the commission to run a register of those entities that are exempt from needing to hold a licence to generate, distribute, transmit, sell or supply electricity.

The minister in the other place told us that the bill streamlines and harmonises the existing reporting and information management provisions under the National Electricity Law and the National Gas Law. An example of this was given in that a single report could be prepared by the Australian Energy Regulator where similar reports are required to be prepared in both the National Electricity Law and the National Gas Law. However, all this is a long way removed from the concerns of most Victorians. When most Victorians think about energy, their main concerns are cost and availability, and in that regard the Andrews government is obviously failing.

The closure of the Hazelwood power grid, which will take about a quarter of our baseline energy out of the grid, means that supply will be affected and so will price. I understand it is likely that removing this capacity will mean for the first time ever Victoria may need to buy energy from other states at times of peak usage, generally on the hottest days in summer when everyone puts their air conditioning on the highest possible setting. For the first time it is likely that we will be net importers of electricity from New South Wales and gas from Queensland. Of course we cannot rely on South Australia supplying us with any sort of power provision, even if we desperately need it.

In Victoria and indeed in Australia it generally takes a long time to add new power capacity, and this is not something that the Andrews government can blame on the previous government. However, it has been the policy of those opposite for a long time to close Hazelwood. They proceeded in executing this without bringing on any extra capacity, and the result will be the reduction in capacity and increase in power that I have just been speaking about.

The Brumby government wanted to close Hazelwood and similarly had no plan to increase power capacity. The current government, without doing anything to our capacity, to baseload power, has followed through on that promise. In the last budget the Treasurer introduced a \$252 million coal tax increase. The company that runs Hazelwood, Engie, said that would lead to serious

consequences and, if I could say, that is exactly what the coal tax was intended to do.

After the announcement of the closure, the Andrews government said it was putting together an economic growth plan for the area that was affected. I think it would have been quite a good idea to work on that plan well before the closure and have some kind of staged introduction, which would be looking after the best interests of the people who would be affected by it. The government said that through this plan, which they are just starting to work on, it would look at incentives to encourage business in the Latrobe Valley. This is shocking planning. Given the Andrews government knew that it was working to force the closure of Hazelwood, it is inexcusable that it did not have a plan in place well before this time to support the local economy and jobs in the valley.

There will be about 1000 jobs lost because of the closure of Hazelwood in a small community which already faces many economic challenges. Employees will be compensated for job losses, but the businesses around Hazelwood — especially the small businesses that will also suffer a great loss because of its closure — will not have compensation. There is also the effect of the closure on electricity prices, which I alluded to earlier.

We were assured by the Premier that closing Hazelwood and removing up to 25 per cent of baseload energy from the grid would not have much of an effect on prices. The Treasurer also weighed in at the time, saying:

The reality will be that if Hazelwood closes there will be an impact on electricity pricing.

And then he said:

How much that will be we'll need to continue to monitor.

Well, that is great. In other words, 'We'll close it and then we'll work out later what sort of effect that might have on prices' — fantastic!

Then the Andrews government estimated that the average residential power bill would rise about 4 per cent in 2017 or about \$44 a year. The Premier admitted it is true that this would have an impact on weekly family budgets, but it became clear almost immediately that this estimate was wrong when AGL advised of a 10 per cent increase for residential users and more for commercial users.

These are the kinds of issues that concern Victorians, who are looking at how they will pay for higher energy costs, both in terms of the costs they pay for the power

they consume and the costs that they will pay as higher energy costs add to the cost of other items as one of the input costs.

What is behind all of this? Well, it is about votes. It is about the threat that the Greens pose to traditional inner-city ALP seats. It is convenient to the ALP to close Hazelwood because it will boost its green credentials in Northcote and Brunswick. In other words — —

Mr Barber — Don't forget Richmond.

Ms FITZHERBERT — And Richmond. You are quite right there, Mr Barber.

Mr Barber interjected.

Ms FITZHERBERT — Yes, there is quite a list. That is why you have got to spend a lot of money to pull this sort of thing off.

So, in other words, Daniel Andrews's marginal seat campaigns in seats like Northcote, Brunswick, Richmond and the others that Mr Barber has just kindly outlined for us have caused power prices to soar, jobs to be lost and Victoria's power security to be put in jeopardy. It is also having a huge effect on our cost of living. Mr O'Sullivan referred earlier to cost as one of his major concerns with this bill, and I share his concern.

In closing I urge the Andrews government to start focusing more on energy costs for everyday Australians and to start putting this front and centre of their policy for a change, because what we have seen to date has been a failure of policy and a straight-out failure of leadership.

House divided on motion:

Ayes, 22

Barber, Mr (<i>Teller</i>)	Mikakos, Ms
Carling-Jenkins, Dr	Mulino, Mr
Dalidakis, Mr	Patten, Ms
Dunn, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr (<i>Teller</i>)	Purcell, Mr
Hartland, Ms	Shing, Ms
Herbert, Mr	Somyurek, Mr
Jennings, Mr	Springle, Ms
Leane, Mr	Symes, Ms
Melhem, Mr	Young, Mr

Noes, 14

Bath, Ms	O'Donohue, Mr
Crozier, Ms	Ondarchie, Mr (<i>Teller</i>)
Davis, Mr	O'Sullivan, Mr (<i>Teller</i>)
Finn, Mr	Peulich, Mrs
Fitzherbert, Ms	Ramsay, Mr

Lovell, Ms
Morris, Mr

Rich-Phillips, Mr
Wooldridge, Ms

Pairs

Bourman, Mr
Tierney, Ms

Dalla-Riva, Mr
Atkinson, Mr

Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Mr BARBER (Northern Metropolitan) — I have got a few questions for the minister about this bill which I think could well be covered under clause 1. This bill arises out of a series of inquiries that have been run by the Essential Services Commission (ESC), and after the bill is passed, which I certainly hope it is, the Essential Services Commission will then do some work based on the new powers that are given under this bill. It is for that reason that I wanted to ask the minister a few questions about implementation, some of which arise out of the reports by the Essential Services Commission itself, and also for that matter about some of the claims the government has made about the impact that this bill will have. For example, in a press release from the government of 26 October 2016 entitled ‘Supporting fairer feed-in tariffs for solar households’, we read in somewhat triumphant language the suggestion that maybe all this has already happened:

This is the first time the tariff has been increased in the last six years, rising by approximately 20 per cent. It fell every year under the coalition.

So I think the first question for the minister is: is it this bill that is expected to lead to the 20 per cent increase in the value of the feed-in tariff (FIT), or is some other mechanism already being used to actually deliver that 20 per cent increase?

Mr JENNINGS (Special Minister of State) — It is the bill. Well, it is the amendments to the act that will be delivered thanks to the bill.

Mr BARBER (Northern Metropolitan) — So we anticipate that after this bill passes the Essential Services Commission will go away and, using these new considerations that have been provided mainly in and around clauses 4 and 5, decide on a new tariff and that that tariff is likely to be 20 per cent higher than the one we have currently got. Now I should point out that

it fell from 6 cents to 5 cents last year, and a 20 per cent increase would actually take it back up from 5 cents to somewhere near 6 cents. So in order to make sure that this bill does in fact deliver on that promise of a 20 per cent increase, I just want to ask the minister some questions about the implementation phase that the ESC will go into from here on in. If we go back to the Essential Services Commission report that lead to all this, *The Energy Value of Distributed Generation*, from August 2016, I will refer to page 8 of the report. Does the minister need to borrow a copy? I have a second copy, if required.

Mr Jennings — I would need a copy of it, yes, one way or the other.

Mr BARBER — At page 8 of the report there is a finding headed ‘Implementation time frames’, and it says that various things will happen in year 1, year 2 and year 3. What I want to know from the minister is: is that time line proposed by the ESC more or less the time line we can expect after we pass this legislation?

Mr JENNINGS (Special Minister of State) — On page 8 the Essential Services Commission has made some recommendations about, as Mr Barber has described, in the first year introducing a multirate feed-in tariff, including different rates for peak, off-peak, shoulder and critical peak periods. The following year it is intended to introduce a deemed output tariff establishing a payment reflecting avoided greenhouse emissions and in year 3 to introduce location-based pricing in the form of two loss zones in Victoria.

My answer to Mr Barber’s question is that in the course of the first year of that implementation the government has committed and indeed is determined to provide for solar customers receiving fair compensation from this year going forward, so we are making these changes in relation to time-of-use tariffs that can be accessed by customers as soon as possible. Through this mechanism that we are introducing in this piece of legislation we will also include compensation for the environmental and social value component. That will mean the customers will begin to receive payments in 2017 rather than having to wait an additional year. Effectively years 1 and 2 in that report are actually being accommodated this calendar year.

In terms of the other issue that has been identified in the report, the Essential Services Commission will deliver a final report on the network value of distributed generation to the Victorian government in February — so by the end of this month — and a separate government response will be prepared soon after that,

once the Essential Services Commission fully completes its review, which will consider the inquiry findings as a whole and determine any further changes to the feed-in tariff scheme.

Progress reported.

Business interrupted pursuant to sessional orders.

Sitting extended pursuant to standing orders.

**ENERGY LEGISLATION AMENDMENT
(FEED-IN TARIFFS AND IMPROVING
SAFETY AND MARKETS) BILL 2016**

Committee

Resumed; further discussion of clause 1.

Mr BARBER (Northern Metropolitan) — That was exactly the clarification I was seeking from the minister, so it appears that what the ESC originally described as year 1 and year 2 will actually be done as soon as this bill is in place. In relation to the year 3 location-based pricing, do the provisions of this bill allow for that to happen or would the government need to come back to the Parliament at a later date in order to make new amendments to allow for that to happen?

Mr JENNINGS (Special Minister of State) — In the first instance, I remind Mr Barber of what I have just indicated: there is further work that is going to be provided by the Essential Services Commission. The government will respond to that during the course of this year. The specific answer to this bill is that these amendments, because they establish a multi-tariff regime, could give effect to that based upon that recommendation from the government response. But I am not pre-empting what that policy consideration may be.

Mr BARBER (Northern Metropolitan) — Yes, because it is a pretty simple amendment here. It is just basically saying that the ESC may set a rate or rates, and that actually gives the ESC pretty wide discretion at that point to come up with all sorts of different approaches. What I then wanted to ask was if it is the government's intention that the ESC goes ahead and introduces the multi-rate feed-in tariff and also the deemed output tariff establishing a payment reflecting avoided greenhouse gas emissions, it does not look to me from the information contained in the report like the multi-rate feed-in tariff is going to lead to a 20 per cent increase in the value of the tariff. The multi-rate tariff does not even necessarily increase the total payment at all. If we go to page 53 of the report, where they put up a three-part model, what you get paid in the peak might

be 4.06 whereas in the shoulder it is 3.73. That is just saying you will get paid a slightly different amount at different times of the day. Introducing that tariff is not going to increase our payment by 20 per cent, is it, Minister?

Mr JENNINGS (Special Minister of State) — If Mr Barber is wanting to spend a lot of time on the maths to actually try to work out the accuracy of the press release, which I assume is his intention here, I suggest to him that from my understanding of the interlocking nature of the deemed output in relation to the contribution that is made to the distribution network by reducing demand in one instance and a combination of the ability to have a tariff that is based upon hours of use over the course of a day, in relation to the contribution that may mean to peak capacity across the distribution network and on the basis of the existing economic analysis of impact by the ESC and assessed by the government, the government would hold fairly confidently to the 20 per cent estimation.

Mr BARBER (Northern Metropolitan) — That is what I am trying to understand. What is the basis of that confidence? The government announced a 20 per cent increase to the tariff. They announced it in a way that sounded like it had already been done in October, but actually we are dealing with this bill now. A fair bit has changed since last October in the electricity market, so I cannot read anything in the report that says a multi-rate feed-in tariff is going to lead to a 20 per cent increase. However, for the deemed output tariff, which is a payment reflecting avoided greenhouse gas emissions, I think the ESC used a simple dollars-per-tonne figure. It may have been \$12 or \$14 per tonne — —

Mr Jennings — Or another number.

Mr BARBER — Or another number. If that leads to a 1 cent increase in the value of the feed-in tariff, which is a 20 per cent increase in the value, then it is that number that is delivering the benefit. Is that correct, Minister? It is the figure you insert for avoided greenhouse gas emissions that gives you the extra 1 cent for the feed-in tariff. Am I right?

Mr JENNINGS (Special Minister of State) — I am not entirely sure, given that you are actually intending to pass this piece of legislation, you are on the side of the government's legislative reform and you are supporting the policy intent, why you may want to split hairs. If we take it that the tariff sits between 5 and 6 cents and we talk about a 20 per cent increase of that number, then the number increase — the quantum of that increase — will be between one and two. I think you can find ways in which you can make 1 or 2 cents

fit within 20 per cent, satisfying the press release, and I am not sure that you will get much more comfort than that. I would discourage all of us from talking about the accuracy or the attribution of press releases in relation to the energy sector that any party may have made in recent times.

Mrs PEULICH (South Eastern Metropolitan) — Just on that point, if I may, on the economically elegant increase and perhaps even a 7 or an 8-cent peak FIT, how does this discourage the consumption of electricity, even solar electricity, and how does it lead to behavioural change? If you are actually increasing the incentive to consume more solar energy, how does that lead to behavioural change?

Mr JENNINGS (Special Minister of State) — No. The price incentive, if it works in any way, works in the opposite direction, because the value that would come to the owner of a solar panel would be if they reduced their personal domestic demand so that additional capacity was put through the distribution network. They would receive an increased financial return because of what has been fed back into the distribution network.

Mr BARBER (Northern Metropolitan) — So if the \$10, \$12, \$14 a tonne, or whatever number the ESC and the government eventually agree on, leads to the 2010 increase — that is, maybe a cent, maybe 2 cents — the ESC still needs to take into account separately, and under the existing legislation without this bill, the wholesale price of electricity. That was their original decision-making criteria, and it is still their decision-making criteria, so the ESC will have to make an assessment about the wholesale price of electricity looking forward a year or so, and then they will come along with the greenhouse number: the tonnes per CO₂. So what is the government's assessment of the wholesale price of electricity looking forward?

Mr JENNINGS (Special Minister of State) — My knowledge base has actually increased significantly, but — —

Mr Barber — Help me out. Fill me in.

Mr JENNINGS — Rather than penny pinch in this regard in relation to whether 20 per cent is the outer limit of the effect of this policy change, I think maybe you should just be optimistic, but not overly optimistic. In terms of when that will become evident to you, the consumers, the variation in the wholesale energy price will have been well and truly factored in by the Essential Services Commission by the time it makes its determination at the end of the month.

Mr BARBER (Northern Metropolitan) — Okay. I will not press the question about what the government thinks is likely to be the wholesale price of power for the next year, because the minister has said I will find out anyway in a month. But the government has made some comments already about the expected impact of things such as the closure of Hazelwood. As we know, the closure of Hazelwood, the effect of the gas price, the amount of water in the hydro dams, the closure of the Toyota plant, the reduction in demand in households, the Victorian energy efficiency target mechanism, the on-again, off-again closure of the smelter, how sunny it is, how windy it is — these all feed into the wholesale price of power and any prediction that we might make about that.

In the last two years the ESC, considering largely the wholesale price of power, decided to cut the tariff twice in a row. I tend to go on what the futures market is doing because I think that is people betting their own money, and at the moment the futures market seems to have priced in an extra 2 cents a kilowatt hour over the years. So if the ESC does its job the way I understand this bill to work, then they will consider the wholesale price of power, and I cannot see how they would ignore the futures market. They might use their own modelling, they might use their own firm, as I think they did in the past, but the futures market suggests an extra 2 cents on the wholesale price.

The minister has more or less said it will be an extra 1 cent or more as a result of the greenhouse gas component. So that is starting to sound more like 3 cents on top of the 5 cents, which is a 60 per cent increase to the tariff, not a 20 per cent increase to the tariff. While that might be good news to me, of course the opponents of this bill are worried about its effect on a subsidy, and a bigger payment is going to lead to a bigger — the way they see it — cross-subsidy. It is not a cross-subsidy, as I have always said; it is simply just paying people who generate electricity for their electricity, and we are all having an argument about what that electricity is worth. There are a few hundred pages here, Mrs Peulich, if you want to read that and be part of that argument.

Mrs Peulich — I am sure most people would like to own solar panels as well, but they cannot afford it.

Mr BARBER — That was most helpful.

I do not know if the minister has got any further comment on what I just said, but as far as I can tell that is it for me on clause 1. I do have some questions though on clause 5, which relate to another bit of the mechanism we have not really talked about yet, which

is the so-called social cost of carbon and the human health issues, but depending on the guidance of the Deputy President we can probably deal with that under clause 5.

Mrs PEULICH (South Eastern Metropolitan) — Just a few questions on clause 1, if I may, before Mr Barber goes off to clause 5. There have been a range of concerns expressed, and actually Mr Barber did a very good job in identifying some of those ingredients that will impact on the wholesale price of electricity, for which I am sure we will be very thankful. He is absolutely right. The coalition's concern is the impact of paying higher feed-in tariffs to those who own solar panels and the residual impact that that will have on those who do not own them and on the cost of electricity. To that effect, why is it that there has been no cost-benefit analysis undertaken on the multirate FIT?

Mr JENNINGS (Special Minister of State) — The assessment, really, in relation to the cost benefit comes through the other element of consideration, which is the avoided demand on the distribution network and the benefits that solar panels individually and collectively contribute to the energy supply system within the nation but also certainly as that applies in Victoria. So the deemed output tariff is the area in which the benefit to all energy consumers has been attributed a value. On that basis, because that value is designed to be a fair and reasonable response — it is not as if there is a price-gouging mechanism for the owners of solar panels — the tariff is meant to be struck in a way which actually provides equity and a reasonable price for the contribution that those households are making to the collective wellbeing of all energy users. That is the way in which the Essential Services Commission has tried to balance its obligations in relation to maintaining reasonable and appropriate pressures downwards on prices for all energy consumers while providing for an appropriate, reasonable and equitable return for the contribution made by external solar panel owners.

Mrs PEULICH (South Eastern Metropolitan) — It is unclear at what rate the government will set the environmental payment, as Mr Barber pursued. There have been suggestions that an environmental payment of about \$42.60 per annum may be the ballpark figure, but these estimates are well below what many believe will be the carbon price that will be struck, which will be around \$20 a tonne, representing an annual payment of \$61.20. A \$3.75 per household charge would be required to fund that. Could the minister make comment on the environmental payment and how that is going to be established?

Mr JENNINGS (Special Minister of State) — In fact Mrs Peulich and Mr Barber are correct that this will by and large be determined by the Essential Services Commission in relation to what they believe to be the savings to the distribution network of reducing demand by incentivising the owners of solar panels to save electricity within their own domestic circumstances to make a net increase in the contribution they make to the distribution network. They will then apportion what will be the saving across the entire system on the basis of reduced demand and the carbon reductions that actually may be associated with that and try to then assign that global saving across the system back to individual households on the basis of what their individual contributions may be.

Mrs Peulich has outlined a couple of scenarios, an upper limit and a lower limit. She believes, through her assessment of the literature, the Essential Services Commission will be making some determination within that range. That range that she has indicated does vary. Ultimately within all the market forces, the supply and demand factors that Mr Barber outlined in his contribution about the reduced capacity within the generation network, whether it be changes and improvements to the availability of renewable energy, whether it be through the swings and roundabouts of major high-energy consumption industries in Victoria, there is a series of factors which will see a tightening, primarily driven by the closure of Hazelwood but not necessarily that on its own. So that will lead to some tightening and pressures in relation to price, but on the basis of the government's assessment, based upon the Essential Services Commission's determination, certainly we do not think that the demand on all consumers will be in excess of the numbers that Mrs Peulich has referred to. Indeed we believe it will be constrained within them.

Mrs PEULICH (South Eastern Metropolitan) — Is there a limit on the level of environmental payment?

Mr JENNINGS (Special Minister of State) — I have just taken some advice from the advisers in the box, who remind me that the \$3.79 is actually the attribution that is derived from the commonwealth renewable energy target scheme as distinct from the matters that we are actually discussing here.

Mrs PEULICH (South Eastern Metropolitan) — The Australian Energy Council expressed the view that non-solar households that had already forked out for overly generous subsidies for a decade would be further penalised. Are you able to comment on that — confirm it, deny it?

Mr JENNINGS (Special Minister of State) — For completeness, the \$3.79 is attributed to — effectively from Mrs Peulich's terms — the subsidy that actually applies through the application of a commonwealth program in relation to the introduction of solar panels. That is one. Because there is an additional payment that is made on the basis of the contribution to the system, it would be nonsensical for me to say to you that it would not be an additional impost spread across all energy users. It would be insulting your and anybody else's intelligence, but what I suggest to you is that in the scale of that attribution and that impost it is actually fairly minor compared to the value that is derived from the contribution that is made in terms of demand management and in terms of adding to the capacity of the energy sector to meet its supply demands. That is what the Essential Services Commission has been charged to do — to work out what is a fair and reasonable price for that contribution.

Mrs PEULICH (South Eastern Metropolitan) — Origin Energy made the comment that the commonwealth government's small-scale renewable energy scheme currently more than adequately compensates solar photovoltaic (PV) customers for the environmental benefits of their installations. Are you able to comment on that and the double benefit that accrues in terms of levels of subsidies to solar panel consumers?

Mr JENNINGS (Special Minister of State) — I think there would be a variety of views. Origin as an energy supplier and as a commercial interest may have its own views, but they are not necessarily the views that are shared by this government. That is not necessarily the assessment that has made by the Essential Services Commission. In fact I am sure all of us could call on a variety of different stakeholders who would have slightly different perceptions of this value and the way in which it should be apportioned across the economy, across energy users and across those who contribute to energy supply. The government on balance thinks it is an appropriate measure.

Mrs PEULICH (South Eastern Metropolitan) — In formulating this particular regime, has the government taken into account the commonwealth scheme? What is the total amount of subsidy at the federal level and the state level that accrues to solar panel customers?

Mr JENNINGS (Special Minister of State) — At the moment the value of the subsidy we have actually been discussing is a variation in the order of 20 per cent, as the government has identified, to the tariff, which sits within 5 or 6 cents per kilowatt hour. That would be not necessarily a target but an outcome that

we would expect to occur, and that would be then determined by what the net contribution to the distribution network is of people who have solar panels.

Some people are well geared up in relation to having a capacity that enables them to be major contributors to the grid, as Mr Barber may be geared up with his storage system to enable him to provide feed-in to the system at a time of his choosing. Some people just use every single bit of electricity that they generate through their solar panels and more and make very, very minor net contributions to the distribution network. That varies significantly on the capacity, the domestic consumption and other elements of households. But in terms of the return for what is a significant outlay, even with the subsidies that are provided by the federal government, the net value over the course of a year is comparatively modest for the households that are affected by it both as an impost and as a return.

Mrs PEULICH (South Eastern Metropolitan) — Can you confirm that there are 153 000 eligible installations in Victoria — I think that is the figure that was used in the Essential Services Commission report — and 2.5 million households over which to recover the funds that will be paid out in subsidies?

Mr JENNINGS (Special Minister of State) — I am not disputing those numbers.

Mrs PEULICH (South Eastern Metropolitan) — So therefore only a small proportion of people will benefit and the vast majority will wear the brunt. Would you then comment on the concerns expressed by the St Vincent de Paul Society, which said that with the expected electricity price rises on the way, which will impact households without solar more, this change to feed-in tariffs compounds the effect by subsidising those households with installed solar PV systems.

Mr JENNINGS (Special Minister of State) — Not necessarily, because in fact you are ignoring what the opportunity costs might be or the investments that are actually required. In circumstances where there may be a reduced capacity in terms of the energy system or where there might be supply and demand pressures, I can assure Mrs Peulich and every consumer of energy in Victoria that the contribution made by solar panels — the contribution made by renewable energy sources generally — makes a significant difference to our ability to maintain a steady and reliable supply. In fact there is an incentive — going back to a question that Mrs Peulich asked me before — for households with solar panels to reduce their consumption in their homes at times when the system needs additional peak capacity. Whilst that is a modest financial return to

those households, as it accumulates across the entire 153 000 households that are affected it may make a significant contribution and prevent adverse outcomes in the distribution network at times of peak demand.

Mrs PEULICH (South Eastern Metropolitan) — I understand the multirate FIT regime — off-peak, shoulder, peak. Could you just outline what hours that applies to?

Mr Barber — It is page 50 of that report you haven't read, Mrs Peulich.

Mr JENNINGS (Special Minister of State) — Do you have a copy of this report? We might share it. Mr Barber assisted me through his interjection by taking me straight to page 50, which indicates that the off-peak period is 10.00 p.m. to 7.00 a.m., the shoulder time frame is from 7.00 a.m. to 3.00 p.m. and peak period is from 3.00 p.m. to 9.00 p.m. There is an afternoon shoulder, and then there is an evening shoulder from 9.00 p.m. to 10.00 p.m. That is completing the picture on a weekday. Then on weekends the off-peak period is 10.00 p.m. to 7.00 a.m. and the shoulder period is 7.00 a.m. to 10.00 p.m.

Mrs PEULICH (South Eastern Metropolitan) — I do not have any further questions on this clause except to thank the minister for clarifying that for people to take advantage of this scheme they would have to be insomniacs.

Clause agreed to; clauses 2 to 4 agreed to.

Clause 5

Mr BARBER (Northern Metropolitan) — Clause 5(4)(c) introduces two new concepts that the ESC, in determining one or more feed-in tariff rates, should consider: one, the avoided social cost of carbon; and two, the avoided human health costs attributable to a reduction in air pollution. Clause 5(5) then provides for the Governor in Council to specify a methodology or factor that the ESC must use in making those calculations.

It is currently February. If the bill has a speedy passage and if the government has done its homework, the ESC could determine multiple rates that take into account those two factors for rates to commence on 1 July this year. But the ESC cannot consider the avoided social cost of carbon or the avoided human health costs attributable to a reduction in air pollution until the government publishes the methodology under clause 5(5) of the bill.

I understand that during the debate in the other place last year the Minister for Energy, Environment and Climate Change said the government is currently considering methodologies for an order in council and there will be consultation in the coming period of time. Will the work be done in time for the ESC to use it in making its determination by the end of February — by the end of the month?

Mr JENNINGS (Special Minister of State) — Until Mr Barber just became very specific at the end of his question I was about to remind us of what was actually said in the Assembly. Up until that point in time I was about to actually read into our committee stage what was said in the Assembly. Let me just see whether I can actually do any better than that.

I have been encouraged to assist us to get on with it and pass this piece of legislation at the earliest opportunity so that in fact what the Essential Services Commission is obliged to do by the end of this month it will be able to do with the guidance of the Victorian government within that time frame.

Mr BARBER (Northern Metropolitan) — So when does the government intend to publish the methodology, Minister?

Mr JENNINGS (Special Minister of State) — My very circumspect friends did not tell me the exact timing of it, but they have actually given me the momentum and the enthusiasm to implore you to keep on with your support for this piece of legislation to enable us to get on with that task between now and the earliest opportunity to implement this policy.

Mr BARBER (Northern Metropolitan) — Has any of the consultation referred to by the minister in those other comments taken place? If so, who has been consulted in coming up with what will very soon be the magic number?

Mr JENNINGS (Special Minister of State) — It will not be magic; it is based on other issues. But I will talk about the consultation. I have been provided a list, and I will not start with the government departments that are at the start of the list or the Essential Services Commission itself; I will start at the other end of the list, which includes retail businesses, the Australian Energy Council, the Victorian Council of Social Service, the Brotherhood of St Laurence, the energy and water ombudsman, Consumer Affairs Victoria, the St Vincent de Paul Society, the Australian Photovoltaic Institute, ClimateWorks, the Alternative Technology Association, the Moreland Energy Foundation, Solar Citizens, the Australian Solar Council, the Clean

Energy Council and the Australian Energy Regulator. Then we get to the Department of Premier and Cabinet, the Department of Treasury and Finance and the Essential Services Commission.

Mr BARBER (Northern Metropolitan) — And in consulting all those many, many groups, had you actually prepared a draft of the proposed methodology that you were able to show them?

Mr JENNINGS (Special Minister of State) — I am not quite sure whether this was actually identified in the Legislative Assembly, so maybe I should have teased out exactly what was mentioned in the Assembly. Certainly the material was based upon the Victorian energy efficiency target (VEET) scheme long-term average certificate price and the average price when the scheme commenced in 2009. The VEET long-term average certificate price is intended to act as a proxy for environmental and social value. This includes the value of greenhouse gas emissions avoided by distributed generation until such time as a national carbon price is reintroduced or an alternative mechanism is developed by the government or the Essential Services Commission to value avoided emissions.

Mr BARBER (Northern Metropolitan) — That is a very useful and fascinating piece of information, Minister. Do not get the idea that I drafted all these questions; I am just a guy who reads a lot of energy blogs and polishes my solar panels a lot. My very effective research and policy staff will be thrilled to read that when they get a copy of *Hansard*.

I think we have learned what the social cost of carbon that will be used is; you are going to use the VEET price, or the long-term VEET price, as a proxy for that. However, there are also the avoided human health costs attributable to a reduction in air pollution, which could include reductions in hospital admissions and deaths related to cardiovascular and respiratory diseases that are directly caused by outdoor air pollution. These are the things that are sort of referenced or hinted at in the explanatory memorandum, so how are you going on producing a methodology for those latter health costs associated with pollution?

Mr JENNINGS (Special Minister of State) — This is a greenfield opportunity for policy development and analysis, and the Essential Services Commission, which will be charged with the responsibility, will probably be taking the lead in relation to the analytics that will enable this financial attribution to be made. The government will provide assistance and guidance as appropriate to try to take what my advisers in the box

tell me is an opportunity that has not been seized — and detailed analysis has not occurred — in other jurisdictions. It is our intention to explore that value, but we acknowledge that there is quite a lot of work to be done.

Mr BARBER (Northern Metropolitan) — Not completely greenfield, I would have thought, given that we have national pollution standards. The states and the federal government have been struggling along trying to set new standards for particulate air pollution, for example.

Mr JENNINGS (Special Minister of State) — Yes, that aspect of it, but in terms of its attribution to the broader — —

Mr BARBER (Northern Metropolitan) — Sure. Is the minister in a position to actually table a copy of that draft methodology for those two factors that he has referred to and that were the subject of extensive consultation?

Mr JENNINGS (Special Minister of State) — My friends would like to provide me, so that I could provide Mr Barber and the committee, with this material, but they are unable to at this point in time, although they are happy for me to make undertakings that it will be shared with Mr Barber or any other interested member of the Legislative Council between now and the end of February.

Clause agreed to; clauses 6 to 23 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Motion agreed to.

Read third time.

**TRANSPORT INTEGRATION
AMENDMENT (HEAD, TRANSPORT FOR
VICTORIA AND OTHER GOVERNANCE
REFORMS) BILL 2016**

Committed.

Committee

The DEPUTY PRESIDENT — Order!
Mr O'Donohue has an amendment to circulate as substitution for the amendments previously circulated.

Mr O'DONOHUE (Eastern Victoria) — I have a substitute amendment to circulate to the committee. Given it has been a couple of months since the second-reading stage of this bill concluded, let me just summarise the circumstances that have led us to where we are today. The opposition in the other place, through Mr Hodgett and Mr Clark in the Legislative Assembly and other members, expressed some concern about the Parliament's oversight in relation to the new powers being created for the 'transport tsar', to use the colloquial term. Discussions ensued between the government — Minister Allan — and Mr Hodgett for the opposition in relation to addressing those concerns that were put in the other place and in this place during the second-reading debate.

I previously circulated, during the second-reading debate, some amendments that the opposition had had drafted by parliamentary counsel to address our concerns about transparency and oversight for the Parliament and concerns about, for example, the potential gutting of an authority such as VicRoads or Public Transport Victoria (PTV) without reference to the Parliament, without approval by the Parliament and without the knowledge of the Parliament potentially. I am happy to say that the government has conceded the point on that matter, and the position that I am proposing is that, in place of the amendments I previously circulated, the substitute amendment, which makes omissions to clause 3 of the bill, be circulated.

The DEPUTY PRESIDENT — Order! In addition, I wish to call on Ms Dunn. She has an amendment in relation to this bill, so I call her to circulate them.

Ms DUNN (Eastern Metropolitan) — If the Greens amendment can be circulated, I will speak to it at a later time.

The DEPUTY PRESIDENT — Order! According to standing orders, the time has arrived for me to report progress.

Progress reported.

Business interrupted pursuant to standing orders.

Sitting extended pursuant to standing orders.

TRANSPORT INTEGRATION AMENDMENT (HEAD, TRANSPORT FOR VICTORIA AND OTHER GOVERNANCE REFORMS) BILL 2016

Committee

Resumed.

Clause 1

Ms PULFORD (Minister for Agriculture) — I might just respond to Mr O'Donohue's earlier remarks and Ms Dunn's, if this is an appropriate time to do that. It has been quite some time since we were debating this bill, and a couple of months have passed over the summer recess. As members would all recall, the Transport Integration Amendment (Head, Transport for Victoria and Other Governance Reforms) Bill 2016 was introduced and debated in the Council late last year. It was about to be committed, it was ready to be committed, but it was deferred to allow time for the resolution of some matters that were raised by members of the opposition and the Greens.

Potential amendments were floated with the Greens in the final sitting week but ultimately not agreed to. The issues raised by both the opposition and the Greens — and I say this without knowing what it is that Ms Dunn proposed just now in the last 5 minutes — refer to the restructuring order powers given to the head of Transport for Victoria (TFV) to reorganise and abolish agencies within the portfolio.

As written, the bill allows the head of Transport for Victoria to move responsibilities between agencies and to abolish agencies with an order in council. The opposition spoke of the need for an amendment that would require a vote of both houses of Parliament for any restructuring orders. The Greens proposed a slightly less burdensome mechanism with the orders being tabled and disallowable in either house. We proposed that the Greens amendment proceed but with disallowance only by both houses, but that was not agreed to by the Greens.

The Liberal Party have proposed an amendment that would allow for restructuring orders to be made as proposed except where they propose the abolition of an agency. This response of the opposition concerns that the bill would allow for the abolition of an agency, which is certainly not the intention of the bill or of government policy. During the course of the debate on this bill there has been some suggestion that the bill would enable the abolition of VicRoads. Just for the

record, I make clear, if it was not already, that the government has no plans to do anything of the sort. It is not the intention of the bill and it is not the policy of the government, so the amendment that Mr O'Donohue has circulated is acceptable to the government and is a result of discussions between Minister Allan and Mr Hodgett, a member in another place. It was my understanding that we were to proceed to discuss that and consider that.

Just quickly in response to the amendment that Ms Dunn has presented to the house: I have not had time to read this, let alone confer with the responsible minister or any other member of the government. Let us see how we go in this discussion, but this is pretty late in the piece to be receiving new information and amendments that have not previously been circulated. Certainly the government's intention, and we flagged this in the business committee meeting on Monday night, is that we would like to finalise the consideration of this bill today if possible. This is very much late-breaking news, this amendment from Ms Dunn.

Mr O'DONOHUE (Eastern Victoria) — Just on the matters raised by Ms Pulford while we are addressing these threshold or preliminary matters, the presentation by Ms Dunn of her amendment on behalf of the Greens does present some challenges, as the minister says, given that I am representing a shadow minister for the opposition who is in the other place and the other place has risen. We have literally just now been presented with this amendment by the Greens, which makes it very difficult to provide an on-the-spot response without consultation with the appropriate shadow minister and the party room.

Ms PULFORD (Minister for Agriculture) — I have had a moment to confer and take some advice on this question, and I can now inform the house that this is an amendment that is not acceptable to the government. This actually goes to some of the matters that I raised just a few moments ago — in essence the question about such action being disallowable by either house, not both houses. It actually reflects a point of understood disagreement on the question, so the government will be opposing Ms Dunn's amendment.

Ms DUNN (Eastern Metropolitan) — Although I may speak to this amendment later, I feel it is important to speak to it now. It has been very clear from negotiations held all along that in the Greens' view in relation to this particular clause of the bill, a disallowance was a very important component.

Setting aside what the opposition was trying to achieve with its amendment, which we only found out today very late in the piece was no longer on the table, and on which we had further briefings from the government as well when we discovered there had been a negotiation in relation to that, let me just say for the record the Greens' view in relation to a disallowance in this particular clause that it relates to — clause 3 — has been no secret. The Greens have been willing to work with the government in relation to this, and we did try to come to a solution that would meet the Greens' benchmark for accountability. For us a disallowance instrument was the mechanism to do that.

This particular amendment reflects that view of the Greens. For us it is about scrutiny, accountability and transparency, and although we take the point of what the opposition was trying to achieve with its original amendment, for us there are still other issues at play with the enormous amount of power that the minister is afforded by this bill.

I do apologise for the lateness. I recognise that this is far from ideal in terms of the process, but I think what we need to accept is that these changes have come very late in the day and that unfortunately when things do come late in the day — and I accept that this is a dynamic place and those things happen — this might be a result of that. Time runs against us in terms of the legislative work of this particular house and the actions we take, the toing and froing between government, opposition and my own party room. Certainly it is not an ideal way to introduce an amendment, but it is still an amendment that is very important to the Greens.

Mr O'DONOHUE (Eastern Victoria) — My question is for the minister. Clause 1(a) says:

The purpose of this Act is to amend the **Transport Integration Act 2010** to improve overall transport integration in Victoria and enhance the transport user experience ...

My question to the minister is: how will this bill ensure we do not have a repeat of the debacle we saw recently regarding all the wheel issues with the V/Line carriage fleet which put many V/Line services off the rails for months and months and caused enormous angst and concern to my constituents in Gippsland? I had hundreds of representations from and conversations with regular V/Line users, particularly from the Latrobe Valley and from West Gippsland, who were incensed at the service they were receiving and the consequences for their ability to access employment and services in metropolitan Melbourne.

Ms PULFORD (Minister for Agriculture) — I thank Mr O'Donohue for his question. Of course we recognise the inconvenience to travellers from that maintenance issue. Around this time last year — perhaps January of last year — a number of months, on some lines many months, were taken to restore services to a standard that is acceptable to both the government and the community. In response to Mr O'Donohue's question, there is nothing in this legislation that impacts directly on maintenance programs.

Mr O'DONOHUE (Eastern Victoria) — I would like to ask the minister a question on clause 1. Minister Allan has talked about some movement of staff already from Public Transport Victoria and from VicRoads to the new head of Transport for Victoria, which this bill will obviously give legal authority to. As of today, how many staff have been transferred to Transport for Victoria from PTV, VicRoads and other transport agencies within the Victorian government bureaucracy?

Ms PULFORD (Minister for Agriculture) — Around 240 staff positions of a combined agency workforce of over 3000.

Mr O'DONOHUE (Eastern Victoria) — Thank you, Minister. Do you have any concerns that the movement of those staff before this legislation has passed the Parliament pre-empts the Parliament or, worse, is being done without the legislative or appropriate authority?

Ms PULFORD (Minister for Agriculture) — I thank Mr O'Donohue for his question. There are a small number of additional staff who we would propose to move following the passage of this legislation, but all of the people who have moved already, which is the vast majority of people who will, have been moved within the existing powers under the Transport Integration Act 2010. These are people whose work consists of responsibilities held in common across multiple agencies. For instance, VicRoads has unique responsibility for road safety, but there are other duties that are common across agencies. That has all been able to be done under the existing legislation.

Mr O'DONOHUE (Eastern Victoria) — Thank you, Minister. A couple of questions arise from that. The first is: if those 240 employees have been relocated under the existing legislative powers, what will the passage of this legislation enable in addition to this?

Ms PULFORD (Minister for Agriculture) — Thank you, Mr O'Donohue. The nature of the work that is yet to be transferred is those people working in road safety policy and road safety related legislation, as VicRoads

is the only agency that currently has responsibility for and the capacity to hold those functions. The bill does many things other than enable the transfer of staff from one part of government to another, so I might let you take as read, given the debate that we had before the end of last year, that the bill does a variety of other things. In relation to the transfer of staff it is people in those functions that are unable to be moved that will be able to if the Parliament agrees to this legislation.

I did pick up an interesting fact just now that I would like to share with you. Perhaps members are aware of this, but this was news to me: two-thirds of our public transport runs on roads. So in terms of better integrated policy and planning this is clearly a very important thing.

Mr O'DONOHUE (Eastern Victoria) — Thank you, Minister, for that information and for including that point about the importance of public transport on our arterial road network in particular. Thank you also for the advice that 240 staff have already been relocated. Just to clarify, can you confirm that you said just a handful of extra staff are due to be relocated once this bill has passed the Parliament?

Ms PULFORD (Minister for Agriculture) — Around 10 to 20 people are remaining to be transferred.

Mr O'DONOHUE (Eastern Victoria) — Thank you, Minister, for that answer. On the issue of road safety I think we in the community are all concerned about the current road toll and the road toll last year, which was significantly up on 2015. Can you identify how the movement of some of the road safety functions from VicRoads to the head of Transport for Victoria will help the delivery of the road safety strategy Towards Zero and what other benefits it may have for improving road safety, something which I am sure all members of the house are hoping will be achieved?

Ms PULFORD (Minister for Agriculture) — In essence it will mean vastly improved integration of policy and planning. I absolutely share Mr O'Donohue's comments about our concern around any life lost on our roads of course being one too many. The incidence of fatalities on our roads I think we can all agree is unacceptably high. What this move will enable is expanding the reach of road safety. For instance, as members would be well aware, the government has committed to and is undertaking a very significant project of removing 50 of Melbourne's most dangerous and congested level crossings. Where road meets rail is a particularly good example of how better

integrated planning and policy can lead us to better outcomes.

Mr O'DONOHUE (Eastern Victoria) — I thank the minister for that answer, but it did not really address the question about what the transfer of these road safety functions from VicRoads to the head of Transport for Victoria will do to improve road safety. The minister said it will expand the reach of road safety, without actually identifying what that will mean, and then pointed to a policy of the government which was in place well before this legislation came before the house and which is operating without this legislation.

While I do not question the intent, I am struggling to understand the tangible outcomes that will flow from the passage of this legislation, and I take up the road safety example as but one. There are already many road safety partners that contribute to the challenge of improving our roads and safety on our roads, from Victoria Police and the department to the Transport Accident Commission (TAC) and a range of other stakeholders — government and non-government stakeholders. How will the creation of this, another stakeholder, the head of Transport for Victoria, actually help to deliver improved road safety?

Ms PULFORD (Minister for Agriculture) — At the moment road safety is the exclusive domain of VicRoads. What this will enable is a much broader focus on road safety, so that in the development and planning of the network a road safety approach will take into account all aspects of the transport network. Instead of being siloed, it will have far greater reach.

Mr O'DONOHUE (Eastern Victoria) — With respect, Minister, that is just simply not true. Road safety is not the domain simply of VicRoads. The TAC help to fund road safety initiatives which VicRoads implement. VicRoads work with Victoria Police in enforcement. The sheriff in some instances assists with that enforcement in relation to unlicensed vehicles and vehicles that should not be on the road, which office is obviously part of the Department of Justice and Regulation. There are indeed many road safety partners within government that already contribute to both policy and the implementation of policy and infrastructure. As I said, with respect, Minister, I think you are wrong, and I still do not see the answer that will address the question I have put forward to you.

Ms PULFORD (Minister for Agriculture) — We have been discussing the transfer of the road safety policy function. Road safety policy — and perhaps I could have been more explicit earlier — is the

exclusive domain of VicRoads. As Mr O'Donohue has pointed out, there are lots of other agencies that have an interest in this, but at the moment it sits with VicRoads alone.

Mr O'DONOHUE (Eastern Victoria) — Without labouring this point, if I accept the proposition that Ms Pulford has just made, what improvements to policy will the passage of this legislation lead to?

Ms PULFORD (Minister for Agriculture) — To give Mr O'Donohue some context, there are 300 million trips a year on road on buses and trams. Of course countless other trips are taken by cyclists and pedestrians. So the change will enable the use of VicRoads policy expertise and knowledge around road safety, which has been rooted for a very long time in drivers and private commercial transport on our roads network without taking a broader view. We are of the view that there is a gap that will be better able to be dealt with by this change — by taking a broader view of road safety but certainly in no way diminishing the role and the expertise of VicRoads in road safety policy.

Three hundred million trips on roads a year that are considered by a different policy formulation is a lot of trips on the road to be not contemplating in a holistic sense. It is a very significant part of the activity on our road network, and we believe that by bringing these functions together we can only improve policy and then, in turn, outcomes for travellers of all types, whether they be private vehicles, travellers on the public transport system that does operate on our roads or even those on bikes and on foot.

Mr O'DONOHUE (Eastern Victoria) — I thank the minister for her answer. I do not want to unnecessarily prolong the committee stage, so let me just say, if I may, I do not think the minister has, to my mind, made a convincing argument about the benefits that will flow from this. On the one particular example that we are discussing at the moment, the fact is that VicRoads already do a lot of work around pedestrian safety, around cyclist safety and around vulnerable users on our roads, and they look at a whole range of users of our road network when it comes to road safety. I do not mean to say that there is not a lot more that can be done to improve things. The question for this house is: what tangible benefits will flow from this legislative change and what material impact will that have on road safety?

I accept the answers provided by the minister and I thank her for those, but I think there are still questions that will be raised about what tangible benefits will

flow, and perhaps, I think, many other questions could be raised about other aspects of this bill. But I will not unnecessarily prolong the committee stage. I just want to make that point to finalise this discussion the minister and I have been having.

Ms PULFORD (Minister for Agriculture) — Yes, VicRoads does work on road safety for cyclists and pedestrians, but we would like greater emphasis on this. We also believe that 300 million trips a year is not an insignificant share of activity on our roads, and we look forward to a better integrated policy approach on this very important question and to better road safety outcomes and better planning as a result of that. I thank Mr O’Donohue for his interest in these matters.

Ms DUNN (Eastern Metropolitan) — My question for the minister is in relation to clause 1. What is the process that will be used to incorporate the various authorities into Transport for Victoria?

Ms PULFORD (Minister for Agriculture) — Could I just ask Ms Dunn: is the member inquiring about a staff transfer or function or about the shift of responsibilities from agencies to the new entity? I am not completely sure I am understanding her question.

Ms DUNN (Eastern Metropolitan) — The bill contemplates a whole range of agencies spanning from the Roads Corporation of Victoria, taxi services, V/Line, VicTrack — the whole range. I am not going to go through them all. I am just wondering what process the government intends to use to determine whether all of those agencies sit under Transport for Victoria and the timing around that. It is not so much around staffing. It is at a broader strategic level that I ask the question; it is not actually about the personnel per se.

Ms PULFORD (Minister for Agriculture) — I thank Ms Dunn for her question. The policy rationale for this change goes back some time to the development of the Transport Integration Act 2010 and represents all agencies’ desire for better integration among them and more seamless integration of all of the work that they do, which of course integrates our transport services in a number of different ways. I note Ms Dunn did not want to get into too much of the finer detail on this question, but this has been a long journey — more than seven years — with staff in all agencies keen for this change to happen, their vision having been articulated a good number of years ago now. What this legislation does is provide for the machinery of government changes to give it effect, but the policy rationale has been around for a while.

Ms DUNN (Eastern Metropolitan) — Thank you, Minister. I am wondering if you can describe for me the accountability measures in place that are proposed as part of this bill. I note that the minister does have absolute power, so I am interested in where those accountability mechanisms might appear as part of this.

Ms PULFORD (Minister for Agriculture) — I thank Ms Dunn for her question. The bill is quite specific about the circumstances in which the minister or the secretary can use these powers. In terms of Ms Dunn’s concern that there is some superpower to rearrange agencies, I would reassure Ms Dunn and remind her that all of these agencies have their own legislation. The agencies and their legislation are unaffected other than in the ways that the bill intends — in quite specific ways. So anything that was to impinge on other legislation and the functions of agencies in the way that we have known them to be would have to be brought before the Parliament as legislation — if it in any way went beyond the reach of this legislation.

Ms DUNN (Eastern Metropolitan) — I thank the minister. I know with this particular bill before us that there is no ability for it to be a disallowable matter. I am just wondering if there was a rationale or reason behind why in this particular instance that was not contemplated as part of this bill.

Ms PULFORD (Minister for Agriculture) — As I indicated in my remarks at the commencement of this committee stage, there have been numerous discussions with the minister involving the Greens and the opposition on this question. The Greens have proposed a disallowance, and that is the subject of Ms Dunn’s amendment. On this question I think the Greens and the government will have to agree to disagree.

Ms DUNN (Eastern Metropolitan) — I thank the minister. The Victorian Auditor-General’s Office (VAGO) report *Managing the Performance of Rail Franchisees*, which fortuitously came out in the last sitting week of Parliament last year, which was when we were last contemplating this bill — it seems a long time ago — states:

PTV has determined that both MTM and Yarra Trams have met the performance benchmarks specified in the agreements, enabling them to negotiate a new franchise agreement, which will be known as MR4. If these negotiations fail, the state could extend the agreement at a fixed price for up to three years, while it undertakes a tender process for new franchisees.

It is understood that Public Transport Victoria is not leading on the negotiations for the extension; the negotiations are being led by the Department of

Economic Development, Jobs, Transport and Resources. So my question is: why is PTV not leading these negotiations, given that it was reportedly PTV that determined that Metro Trains Melbourne and Yarra Trams had met their performance requirements and it is PTV that oversees all aspects of the franchisees' day-to-day operation of the train and tram networks and so is best placed to understand the weaknesses and strengths of the franchisees — of course PTV being one of those agencies contemplated to be under the umbrella of Transport for Victoria?

Ms PULFORD (Minister for Agriculture) — The franchise agreements are well beyond the scope of this legislation. Whilst we often have quite a broad discussion on legislation in clause 1 — and I appreciate that Ms Dunn might like to take this as an opportunity to raise other issues — this is beyond the scope of the bill.

Ms DUNN (Eastern Metropolitan) — I thank the minister for her answer. Will there be a role for Transport for Victoria in contract negotiations in the provision of transport in Victoria?

Ms PULFORD (Minister for Agriculture) — PTV will continue to manage the contracts, so whilst there will be a role, it will not be a major role.

Ms DUNN (Eastern Metropolitan) — I just want to clarify: PTV will manage the contract but not negotiate the contract as part of its role in Transport for Victoria?

Ms PULFORD (Minister for Agriculture) — Those negotiations will occur in exactly the same way that they do now.

Mr MORRIS (Western Victoria) — I was hoping to ask the minister a question regarding clause 1, which states that the purpose of the bill is:

to amend the Transport Integration Act 2010 to improve overall transport integration in Victoria and enhance the transport user experience by reforming the governance of sector transport agencies and establishing the Head, Transport for Victoria as the lead transport agency ...

I am hoping the minister may be able to enlighten the house as to whether or not this bill will make it easier to facilitate the relocation of VicRoads to Ballarat.

Ms PULFORD (Minister for Agriculture) — This bill provides the machinery of government to enable better integration between numerous agencies. It does not canvass questions of public sector relocations. Again I understand Mr Morris's interest in this, but it is

beyond the scope of the bill. It will have no impact one way or the other.

Mr MORRIS (Western Victoria) — I was hoping the minister might be able to enlighten us as to whether or not this bill will in any way, shape or form help the Lydiard Street North residents who are going to suffer through the indefinite relocation of the Ballarat bus hub to their magnificent heritage street.

Ms PULFORD (Minister for Agriculture) — I thank Mr Morris for his question and his interest in the temporary arrangements in Lydiard Street, Ballarat, and I note his rapid departure from support for the Ballarat station project — and that is very disappointing. Again this is well beyond the scope of the bill, and the bill will have no impact on this one way or the other.

Mr MORRIS (Western Victoria) — I am wondering whether or not this bill will in any way, shape or form assist the many bus travellers who reside in Ballarat who are deeply concerned about the dangerous and inappropriate placement of new bus stops across the great City of Ballarat.

Ms PULFORD (Minister for Agriculture) — I would encourage Mr Morris to reflect on the questions and answers between myself and Mr O'Donohue around the integration of policy functions so that road safety can be considered more broadly than it has been historically. I think that is something that we would all welcome.

The temporary bus stops, I might add, are very much related to a significant expansion of the bus service in Ballarat — a great many more services — and are the kind of thing that come about as part of the government's ongoing investment in regional public transport and the fine work of my colleague Jacinta Allan in the regional network development plan. I also note the clear desire of Ballarat residents for additional bus services expressed to the government in any number of forums. In fact there has been a desire among Ballarat residents to see an improvement to bus services for certainly as long as I can recall.

Again Mr Morris's question about these matters in Lydiard Street, Ballarat, are beyond the scope of the bill. This is about enabling better integration of services and enabling the intersection between our road network and our public transport system to be smoother and more effective for all Victorian travellers.

Mr MORRIS (Western Victoria) — Just to clarify, that last question was not in relation to the inappropriate use of Lydiard Street North. It was in regard to the

inappropriate location of bus stops in places like Humffray Street, Brown Hill; Gracefield Road, Brown Hill; Skipton Street; and Bridge Street, Sebastopol. It relates to the road safety aspect of this bill, where there has been significant concern raised by local residents that the locations of the bus stops in these streets are going to have a detrimental impact on road safety in Ballarat and place lives at risk. I am wondering whether or not there is anything in this bill that is going to assist with the locations of those bus stops.

Ms PULFORD (Minister for Agriculture) — I stand by my earlier answers in the committee stage on this question.

Ms DUNN (Eastern Metropolitan) — It is understood that 20 per cent of the key senior staff that were meant to transfer from PTV to Transport for Victoria have left, moving to agencies interstate or to the private sector. The VAGO report I mentioned earlier notes that there have been failures in contract management, and I quote:

... PTV's record keeping and document control has not been adequate. This creates a risk that knowledge needed for effective contract management may be lost when key staff leave PTV.

Considering this risk has now eventuated, how will Transport for Victoria be able to effectively manage the franchise agreements?

Ms PULFORD (Minister for Agriculture) — I thank Ms Dunn for her question. As I indicated in response to an earlier question, PTV will manage the franchise agreements.

Ms DUNN (Eastern Metropolitan) — Thank you, Minister. Can the minister advise how the new structure proposed in the bill will address concerns such as a lack of focus on managing train and tram system assets, assuring the people of Victoria that these critical assets are being optimally maintained and used by operators to maximise the efficiency and effectiveness of train and tram services?

Ms PULFORD (Minister for Agriculture) — In response to Ms Dunn's question, PTV will remain responsible for the management of their assets; Transport for Victoria will be charged with strategy. Maintenance and management will sit with agencies as they currently do, enabling agencies that are responsible for the operational aspects of the network to focus on those matters.

Ms DUNN (Eastern Metropolitan) — Thank you, Minister. A further question I have is there is currently a call to bring the PTV call centre in-house, because at the moment it is not in-house, and transfer all current PTV call centre workers over to Transport for Victoria. Is the government contemplating seeing that transfer of call centre operations over to Transport for Victoria?

Ms PULFORD (Minister for Agriculture) — I thank Ms Dunn for her question. As I indicated in response to Ms Dunn's earlier question, we want agencies responsible for operations to focus on operations. Whilst it is a possibility that that could occur, there are no firm plans to do that as yet. But if we are heading to a more integrated and seamless set of arrangements for delivery of our transport services, then I think we need to be mindful of the passenger experience or the road user experience. Conceptually I think the idea that people could go to one point for all the information they needed to manage all of their journeys is a good one. There are no firm plans as such to do that, but it would be possible.

Mr O'DONOHUE (Eastern Victoria) — Minister, in a similar vein to some of the previous questions, I want to ask you about the cessation of rail freight in the north and west of the state at temperatures as low as 33 degrees, which is because of the appalling state of part of our rail freight network. Rail freight is being stopped at temperatures of just 33 degrees. I understand until last year it was being stopped at 36 degrees. In large parts in the north of the state it is regularly above 33 degrees for weeks and weeks and weeks. What will this bill do to improve the farcical situation of rail freight travelling at 10 or 20 kilometres an hour or indeed being stopped altogether, and hundreds of trucks being put onto our roads rather than freight travelling on our rail network?

Ms PULFORD (Minister for Agriculture) — I thank Mr O'Donohue for his interest in rail freight. The government is very proud to be delivering the Murray Basin rail project, which will be the biggest upgrade to the rail freight network since the coalition government a number of years ago now flogged the whole thing off. As the agriculture minister I am certainly very conscious of the challenges that our growers have experienced with the freight rail network, which does need significant work — work I am very pleased to say is underway.

In answer to your question, this is very much an operational question that will fit with the relevant agency. Whilst I would love to stay up all night debating rail freight and the form of various coalition

governments on this over the ages, I can indicate, as I have in answer to a number of other questions, that this legislation will not affect this one way or another. I know that Minister Allan is working with growers and grower groups on this question, and that where greater speeds can be safely managed, that they are being safely managed, but the work on Murray Basin rail certainly goes on at a great pace.

Clause agreed to; clause 2 agreed to.

Clause 3

Ms DUNN (Eastern Metropolitan) — I move:

Clause 3, page 30, after line 14 insert —

- (5) A copy of an Order in Council made under this Division must be laid before each House of Parliament on or before the 6th sitting day after the Order in Council is made.
- (6) An Order in Council made under this Division may be disallowed in whole or in part by either House of Parliament.
- (7) Part 5 of the **Subordinate Legislation Act 1994** applies to an Order in Council made under this Division as if —
 - (a) a reference in that Part to a “statutory rule” were a reference to the Order in Council; and
 - (b) a reference in section 23(1)(c) of that Part to “section 15(1)” were a reference to subsection (5).’

The amendment seeks to put into clause 3, which is in fact division 2 of the transport restructuring orders, the provision of a disallowance. I did speak to that a little earlier when we commenced in committee. The Greens think it is important to include in the bill this transparency measure. We think it is important in terms of accountability and scrutiny that there is a disallowance instrument included as part of this bill and in particular in relation to division 2, the transport restructuring orders.

With that, for brevity, I am going to leave my comments there because I think I really addressed them earlier when we commenced in committee.

Amendment negated.

Ms PULFORD (Minister for Agriculture) — Having conferred with the people who are involved in this committee stage in consideration of this bill, we think we have got about 10 minutes left, so if members are willing to allow us to finish the task, then we will be able to move on with the next bill on Thursday.

Mr O’DONOHUE (Eastern Victoria) — I move:

Clause 3, page 34, proposed section 65E, omit lines 10 to 14.

As discussed at the introduction of the committee stage, this amendment has come after discussion and negotiation between the shadow minister and the minister, both in the other place. It addresses in part at least the concerns raised by the opposition about appropriate scrutiny and oversight by the Parliament and the power of the head, Transport for Victoria.

Amendment agreed to; amended clause agreed to; clauses 4 to 50 agreed to.

Clause 51

Ms DUNN (Eastern Metropolitan) — My question is just one of clarity. This particular part of the bill is the part that facilitates the transfer of passenger and freight of V/Line Pty Ltd to V/Line Corporation. My question is: will any staff be affected by this change? And for any staff that may be affected by this transfer, will there be any impact on their employment conditions, or will there be any redundancies?

Ms PULFORD (Minister for Agriculture) — I thank Ms Dunn for her question and for her interest in staff impacted by the transfer of functions. I can assure Ms Dunn that there will be no impact on staff, that there will be a full transfer of entitlements, that there will be no redundancies and that these matters have also been discussed with the relevant union.

Mr RAMSAY (Western Victoria) — Can the minister provide me with advice in relation to the roles and responsibilities of the current V/Line board as it would stand under the new legislation?

Ms PULFORD (Minister for Agriculture) — Two boards will become one. I am advised that the people that are on the board of the private part of the business and those that are on the board of the public part are exactly the same people, so in effect we already have a mirror arrangement with the board. It will legally and technically become one board, whereas it is now two. There will be no impact on the personnel.

Clause agreed to; clause 52 agreed to; schedule 1 agreed to.

Reported to house with amendment.

Report adopted.

Third reading

Ms PULFORD (Minister for Agriculture) — I move:

That the bill be now read a third time.

I thank all members for their contribution to the debate.

Motion agreed to.

Read third time.

ADJOURNMENT

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) — I move:

That the house do now adjourn.

Campaspe crime

Ms LOVELL (Northern Victoria) — My adjournment matter is for the Minister for Police, and it is regarding increasing crime in the Tongala community. My request of the minister is that she acknowledge the fears of the Tongala community and directly respond to their concerns, including outlining what immediate action the government will take to improve community safety for the Tongala community as well as other local communities, including Tatura, Mooropna, Timmering, Nanneella, Rochester and Lockington.

Since early December the Tongala community have lived in fear because of what they feel is an increase in crime and a lack of law and order in the town, saying they are too afraid to go out because of a lack of police. Community members say people in the community think they are above the law, and specify speeding, hoon driving and ice dealing as major concerns.

There has been a high crime rate in the Campaspe region in the past six months, and the Crime Statistics Agency figures for the end of 2016 show increases in various crimes across the Campaspe region from the end of 2015, especially crimes against the person and drug, public order and security offences. They include sexual offences, which were up by 147.3 per cent; abduction and related offences, up 300 per cent; robbery, up 125 per cent; stalking, harassment and threatening behaviour, up 42 per cent; dangerous and negligent acts endangering people, up 96 per cent; weapons and explosives offences, up 88 per cent; cultivate or manufacture drugs, up 18.2 per cent; and drug use and possession, up 19 per cent.

Residents in the Campaspe region, like people across Victoria, are feeling less safe in their own homes and their own community because the Andrews Labor government has been soft on crime and law and order issues. Awful events like the Bourke Street tragedy remind us that community safety should be paramount. All Victorians have the right to feel safe in our own community. The unfortunate reality is that bad things happen, but this is when we need the government to step up and act quickly and decisively to make sure our communities are as safe as they can be. The Tongala community has been expressly clear in that its residents do not feel safe and they need government assistance to improve community safety.

Some of the community comments included ‘There are never any police here ... it’s getting beyond a joke. You ring the police station and no-one is ever there. Everyone is worried someone is going to get hurt’; ‘People believe a car is going to end up through a bedroom window’ and ‘Some mums are too scared to go out walking with their babies’.

Residents in Tongala join members in other small communities like Tatura, Mooropna, Timmering, Nanneella, Rochester and Lockington, communities that say they also need help with community safety. Tongala residents spoke directly to the Premier when he visited nearby Rochester in December about their concerns — unfortunately to no avail. As a journalist said, ‘Daniel Andrews casually fobbed off questions about the soaring crime rate in Tongala during his visit’, and that the Premier ‘offered little to comfort victims of thefts in Tongala and other small towns, or of dangerous hoons taking over the streets after dark’. What a disappointing let-down of the Tongala community by the leader of the state.

Upper Ferntree Gully height limits

Ms DUNN (Eastern Metropolitan) — On 23 January this year, Knox City Council tabled at its council meeting a report by an independent planning panel that recommended building heights in the town of Upper Ferntree Gully should be mandatory and no more than two storeys high, except at the 1812 Theatre. This was provided for in planning scheme amendment C141. The council voted six to three to abandon planning amendment C141, thereby providing for no height limits.

Upper Ferntree Gully is adjacent to the green wedge and frames the entry to the Dandenong Ranges National Park. It is a significant part of the vista and landscape as you approach the Dandenong Ranges, and height limits are a sensitive matter not only for the

residents of Upper Ferntree Gully but also for those thousands and thousands of tourists that visit the Dandenong Ranges and have an expectation that they are in fact going to see trees and not rooftops. It is clearly not an area that is appropriate for high-density development with unchecked height limits.

The action I seek is that the Minister for Planning inquire into the abandonment of the height limits outlined in C141 and ensure that appropriate height restrictions and mandatory controls are put in place in Upper Ferntree Gully.

Western Metropolitan Region TAFE funding

Mr MELHEM (Western Metropolitan) — My adjournment matter is directed to the Minister for Training and Skills, Gayle Tierney. I note that Victoria Polytechnic recently received more than \$550 000 in state-of-the-art specialised teaching equipment, a very welcome investment that will make a real impact in not only ensuring that the needs of students, staff and industry are met but also that students enter the workforce with the knowledge, skills and experience to use the most up-to-date equipment within their chosen industry. Victoria Polytechnic has already outlined that it will use its funding for simulation equipment for health-based courses, to purchase 10 robots and to improve equipment for hair, make-up and beauty courses, yet further investment in the TAFE sector is needed in Western Metropolitan Region following years of lack of investment by the former coalition government.

With this in mind, the action I seek is that the minister visit Victoria University's Sunshine campus in the near future to discuss further support for the TAFE and training sector in my electorate.

Youth justice centres

Mr FINN (Western Metropolitan) — I wish to raise a matter on the adjournment this evening for the Minister for Families and Children. It concerns her announcement yesterday — and of course she was accompanied in that announcement by the Premier and the member for Werribee in the Assembly, Mr Pallas, who is of course the Treasurer — that there would be a youth prison built in the middle of the City of Wyndham near residences, near a university, near a hospital and not far at all from the famed Werribee tourist precinct.

To say that the community is angry about this announcement would be somewhat of an understatement. The fury is palpable in Werribee and

throughout Wyndham at the moment. Even the mayor of Wyndham, Cr Henry Barlow — a man who came exceedingly close some years ago to being elected to this place as a member of the Australian Labor Party — has issued a press release ripping strips off the government for its lack of consultation, because that is exactly what we have found on this issue and many other issues as well. On this issue the government has refused point blank to talk to anybody about it.

It is just extraordinary that the minister told us today during question time that she first spoke to the CEO this morning — the CEO actually rang her this morning and finally got on to her — more than 24 hours after they had actually made the announcement. That is some sort of consultation. I understand that there is some discussion going on that the government may allow local residents to have some input as to the wall colours of the prison, which I am sure will make the residents pleased beyond words.

Next Monday night there is a public meeting in Werribee, and the local community would like answers. I will be speaking at that meeting, and I am hopeful that I will be able to provide some answers to that community, but clearly there are some who know more about this than I do. I would hope the minister is in that position, so I am asking her — —

Ms Lovell interjected.

Mr FINN — So do I, quite frankly. I am asking her tonight to accompany me to that public meeting next Monday night in Werribee and to explain to the local community what she is doing with this youth jail right in the middle of their city.

Sexual harassment and assault in licensed venues

Ms SPRINGLE (South Eastern Metropolitan) — My adjournment matter is for the Minister for Consumer Affairs, Gaming and Liquor Regulation. A number of recent sexual assaults at music festivals and gigs have been reported to police and covered comprehensively in the media. These reports probably represent the tip of the iceberg. Australian research has found that around half of all women report having been harassed or assaulted at licensed venues. We also know that Australia in general and Victoria in particular have very high rates of sexual violence by a non-partner when measured globally.

In July 2015 the former Minister for Consumer Affairs, Gaming and Liquor Regulation, Jane Garrett, announced the establishment of a policy task force on

sexual harassment and assault in licensed venues. This was a very promising initiative that brought together some impressive leaders from across the music industry and government agencies. Having worked extensively on the issue and options for action, the task force has developed a pilot project that would work with selected licensed venues and their staff to help them develop a zero-tolerance policy on sexual assault, procedures to support that policy and a culture of safety and support. The pilot includes a robust research plan to measure impact. But the task force has stalled, and no-one seems to really know where it is headed.

May I remind the house that the task force was established more than 18 months ago. Researchers and campaigners have been highlighting the scale of this problem for decades. Through its inaction the government is sending a message that sexual assault in public places is not a problem, or at the very least that it is not important. I want to put on the record that it is a problem, one that this government has acknowledged in the past. All public places should be safe and free from illegal, intimidating and predatory behaviour. Victoria boasts some of the most incredible musical talent, and all Victorians and visitors should be able to celebrate that in a safe and non-threatening environment. As the government rolls out its gender equality strategy, surely this represents an area where momentum has already been generated and where action is clearly needed.

Can the Minister for Consumer Affairs, Gaming and Liquor Regulation update the chamber on the current status of the task force and its future plans?

Ballarat railway station precinct

Mr MORRIS (Western Victoria) — My adjournment matter is for the attention of the Minister for Regional Development. There is at present a wave of anger in Ballarat aimed fairly and squarely at ministers Pulford and Allan and at Ballarat Labor MPs Geoff Howard and Sharon Knight. The Ballarat railway station redevelopment should be an opportunity to improve this incredible asset in our city, but what we have seen so far is an absolute shambles. This government's plan for our transport hub includes a reduction in commuter car parking of over 120 car parks, from the current car parking capacity for over 390 cars down to just 270. This reduction is at a station that has of late experienced and is expected to experience into the future huge growth in commuter numbers. What does Labor do when commuter numbers grow? It reduces car parking — absolutely absurd.

Not only is Labor cutting car parking but it is also cutting bus parking. That is right — Ballarat's transport hub will have its current bus hub entirely eliminated, and all of Ballarat's V/Line and local buses will be forced onto the magnificent Lydiard Street North. That is Lydiard Street, Ballarat, one of the most — if not the most — intact and magnificent heritage streets in Australia. Why has this occurred? It has occurred due to this government's absolute lack of consultation with the local community. Therefore the action I seek from the minister is that as part of stage 1 of the redevelopment the government commit to fully funding additional commuter car parking so there is no net loss of car parks and to funding the Ballarat bus hub's placement within the railway precinct, rather than placing it on the magnificent Lydiard Street North.

Heathcote water supply

Ms SYMES (Northern Victoria) — My adjournment matter tonight is for the Minister for Water. Many Heathcote residents contacted me during January to complain about the quality of their water. They reported brown, smelly, undrinkable water. I visited affected Heathcote residents Michelle and Jason so I could see firsthand the water quality coming through their taps. Despite assurances from Coliban Water that the water was safe to consume, I can confirm there is no way I would have been drinking that water and probably would have thought twice about bathing my children in it. Michelle and Jason had litres and litres of bought water filling their kitchen.

In the main street I spoke with locals who reported similar stories — white sheets hung on lines with brown streaks, murky kids paddle pools and the boiling and filtration of water by cafes for coffees. Coliban Water received many complaints, held community meetings and embarked on flushing the mains of customers who reported poor quality issues. The issue was ongoing for several weeks. I am advised that the water discolouration at Heathcote was caused by naturally occurring manganese in the source of the water supply. The water treatment processes at Heathcote do not specifically remove this from the source water, and so it was finding its way into the water pipeline network and discolouring the town's supply. The water supply is now satisfactory, and the discolouration issue has been addressed.

Residents feel that this issue was not handled well. There was no formal advice about the water problem, many people report that Coliban had no idea about the water colour for the first few days and several were told the issue had been rectified during the time when it had not been at their house. There was a lot of concern in

the community and mixed messages, and it was difficult to get clear advice on what had happened and how long it would take to be fixed. Coliban has since acknowledged that drinking water provided to Heathcote residents during this time was not of the standard that it should be supplying. It admits it could have communicated better and is working on improvements in this regard and further investigating a long-term solution to resolve the issue of the variable quality of drinking water experienced in Heathcote. I do thank Coliban for these efforts.

This experience has been alarming for the community, and I am concerned that there is now a high level of mistrust regarding the water quality and fears that this will be a regular problem. My request of the minister is to facilitate a site visit for me and a couple of town representatives to see firsthand the water treatment facility that supplies water to Heathcote to learn more about the water supply, the processes of treatment, the condition of the equipment and pipes and other relevant information so we can report back to the community and hopefully provide reassurance that everything that can be done is being done to ensure that safe, quality drinking water is provided now and in the future to the Heathcote community.

Northern Victoria Region rail culverts

Mr O'SULLIVAN (Northern Victoria) — The matter I wish to raise tonight is for the Minister for Public Transport in the other place. The action I am seeking from the minister is for her to direct VicTrack to undertake the necessary maintenance works on the culverts between Numurkah and Wunghnu. We are still in summer, but we are just around the corner from the flood season, which comes up as we enter into the winter period. As we all know, floods can be very devastating if you are impacted by them, whether that be in the country or in the city. What is even more annoying is when you have a flood that could have been avoided.

I have met with the Numurkah Flood Action Group on several matters, and this is a matter that the group has just raised with me. They are very concerned, as we approach the winter period, about these culverts and what is growing in them. Cumbungi growth in the culverts has been extensive through the end of last year and over the summer. Particularly with some of the summer rains and the good conditions we have had in the north of Victoria, the cumbungi has grown right up through these culverts. If any floodwater were to go down these culverts, the cumbungi would impede water flow, which would result in localised flooding around these culverts. This is not a new request to the minister.

The minister is aware of this issue, and I understand that the minister had a commitment from VicTrack that works would be undertaken and completed by the end of 2016. That has not occurred at this point. The action I am seeking is for the minister to again speak to VicTrack and for it to undertake the necessary maintenance works on the culverts so we can avoid any flooding this winter.

Country Fire Authority Ballan brigade

Mr RAMSAY (Western Victoria) — My adjournment matter tonight is for the Minister for Emergency Services, the Honourable James Merlino. The action I seek is for the minister to outline to the Ballan community the current status of the Environment Protection Authority Victoria work notices at Fiskville, the firefighter training college in the south-west, and the government's commitment to providing a new Country Fire Authority firefighter training facility in the Ballan area.

Firefighters in western Victoria are having to travel to Craigieburn, which is a Metropolitan Fire Brigade (MFB) training facility, and to find accommodation in and around Melbourne during their training days at a significant cost. It was recently reported that traces of PFOS, which is a chemical residue, was found in the water system at the MFB training facility in Craigieburn — ironically, the very chemical residue that caused the closure of the Fiskville facility in south-west Victoria.

It is now nearly two years since Fiskville was closed due to samples of this chemical residue being found at certain water points, but even though there was a budget allocation for a new training facility and a commitment from the Andrews government to build a new firefighting training pad in the Ballan region, there is yet no sign of any land purchase and no sign of any construction of a new firefighting pad — or in fact the potential re-use of the accommodation and lecture rooms at Fiskville not party to the contamination issues that have surrounded the college.

My call to arms or action is for the minister to travel to the Ballan community and speak to them in relation to both the current status of Fiskville and also the status of the new firefighting training pad in the Ballan region.

Flemington Road trams

Ms FITZHERBERT (Southern Metropolitan) — My adjournment matter is for the Minister for Public Transport, and the action I am seeking is for low-floor trams to operate on the 55 and 59 routes as soon as

possible. This issue has been raised with me by a constituent named Kate McMahon. Kate and her husband have two children, William and Olivia. Olivia is four. She is a beautiful little girl with a smile that lights up the room. Olivia has the rare genetic condition Kleefstra syndrome, and she is also fortunate to have two parents who love her very much and are clearly prepared to give as much as they can to ensure that both their children have the best possible start in life and can reach their full potential.

Due to Olivia's condition the McMahon family have spent hundreds of hours over the years at the Royal Children's Hospital, and to do this they have to drive because there is no disability-friendly way to get there by public transport from their home, which is their preference. In Kate's words:

It has long been a bugbear that for families like mine which use prams or wheelchairs when at the Royal Children's Hospital, the only practical option is to drive there.

There is a significant cost involved in this. Medical appointments often run late. Kate told me that there have been periods of time when she and her daughter have regularly visited the Royal Children's Hospital twice a week or, alternatively, when Olivia has been hospitalised for a period.

The irony is that while there is a tram super-stop right outside the Royal Children's Hospital on Flemington Road, there is not a single low-floor tram operating on either the 59 or 55 routes that go there. Those who do brave the older style trams to the Royal Children's Hospital need to negotiate at least two sizeable steps to get on and off through narrow doors and with no dedicated areas for wheelchairs or prams. Again to use Kate's words:

Many rely on the kindness of other passengers to help lift their bags and children on and off safely. From personal experience, trying to get a 22-kilogram four-year-old child in their custom-built wheelchair up any sort of step on a tram is almost impossible. If you do manage it, there is no safe space aside from the aisle where a chair can be put.

The Yarra Trams website and accessibility plan explain that low-floor trams run on 10 lines across Melbourne, but there are currently no plans to introduce them on the 59 or 55 routes that service the Royal Children's Hospital. The alternative at the moment, leaving from Port Melbourne, is to go to the Royal Park train station or the Haymarket tram stop. Leaving aside what it is like to navigate the Flemington Road roundabout or an unsealed track from the zoo, this is hardly viable with exhausted children or in anything other than mild weather.

One new low-floor tram is expected to join the fleet each month this year. I fail to see why some cannot be put at the disposal of sick children and their families, and I note that route 59 stops at a range of other hospitals and route 55 services a range of other facilities as well. Kate McMahon told me she hopes there will be at least one low-floor tram on the 55 or 59 lines by the end of this year. I would like to think the government could do a lot better than that and introduce low-floor trams as a priority on both lines.

Heyfield timber mill

Ms BATH (Eastern Victoria) — My adjournment matter this evening is for the Minister for Agriculture, the Honourable Jaala Pulford, and the action I seek from the minister is to release and guarantee the timber supply required by Australian Sustainable Hardwoods (ASH) at Heyfield for at least the next five to seven years while long-term contracts can be determined, so enabling the 250 workers and their families to be secured in Heyfield.

The Australian Sustainable Hardwoods mill at Heyfield has significance not only for the town but for Gippsland and all of Victoria. ASH products, including Victorian oak, are extensively used in residential and commercial applications across the state and internationally. This includes the impressive fascia board which is in place along the redevelopment of the Margaret Court Arena at Melbourne Park. The closure of the mill could see crippling flow-on effects and potential job losses in the thousands. The mill provides jobs and economic stability not only for the town of Heyfield but also downstream in terms of processing, value-adding, transportation and agricultural and paper production jobs.

It has been well documented that in 2014 there was an agreement on the table with Australian Sustainable Hardwoods for a supply of 155 000 cubic metres of wood for at least 10 years. Yet ASH has informed me that there is just 80 000 cubic metres on the table this financial year, dropping to 60 000 in the subsequent second and third years, which is hardly job or supply security. VicForests has said that this is primarily due to additional areas being locked up in reserve. Clearly the timber has not just evaporated.

It is also well documented — and I might have said it before in this chamber — that 94 per cent of Victorian forests are national parks, leaving the remaining 6 per cent available for the sustainable harvesting of sawlogs. Based on an 80-year rotation this equates to less than 0.1 per cent of Victorian forests being harvested each year. The transition to purely plantation timber will take

decades and require a total re-establishment and realignment of manufactured products and domestic and overseas markets, all of which is cold comfort to Victorian and Gippsland families in the here and now.

Timber is also a capturer of carbon dioxide and a renewable resource with multiple building applications. It is far less energy intensive than other construction materials. As a side benefit the timber industry also contributes to the maintenance of the capillaries of road networks throughout the forests, which can be used as firebreaks during significant burns. It is essential that the agreement for the long-term supply of wood for the Heyfield mill be locked in very soon to prevent the closure of this important manufacturing plant and the loss of thousands of jobs.

Melbourne Metro rail project

Mr DAVIS (Southern Metropolitan) — My matter for the adjournment tonight is for the attention of the Minister for Planning, and it concerns the preliminary works aspect of GC45. GC45 gives power to the Minister for Planning to control the process for planning permits and controls in relation to Melbourne Metro. Unfortunately though GC45, amongst many of its failings, lays out some arrangements which provide for carte blanche on preliminary works.

What it means is that parts of GC45 will require the project to comply with parts of the environment effects statement (EES) that have been accepted by the Minister for Planning. But he provides a blanket exemption for preliminary works, and that means a substantial lack of control and unrestrained destruction are a significant possibility. It means — and Ms Fitzherbert has been fighting very hard for the trees along St Kilda Road — that the preliminary works are not controlled in the way that other key aspects of this project are meant to be controlled. So damage can be done — massive destruction — and significant works can occur under this carte blanche or open slather arrangement, which provides for an open permit, in effect, for these preliminary works.

What I am seeking from the minister is that he stop the preliminary works. He can ensure, thereby, that the preliminary works can meet the better requirements in the EES and comply with the EES requirements. He needs to make sure that we do not have tremendous destruction of those trees and other aspects, including the war memorials in that significant boulevard. The risk is that the weak controls that Heritage Victoria has — patently a very tardy and weak body all round — will not be able to protect what is a significant part of our heritage.

We have seen application to Heritage Victoria by 2600 people seeking the protection of the boulevard along St Kilda Road. I would have thought that is a clear demonstration of the significance that is attached by Victorians to this very significant boulevard and the very significant heritage aspects of it, but the idea that you would as part of GC45 provide that blanket exemption for preliminary works is a travesty.

What I seek from the minister is that he stop the preliminary works until proper protections are in place and that he re-examine this and put those protections in place.

Heyfield timber mill

Mr O'DONOHUE (Eastern Victoria) — My adjournment matter this evening is for the attention of the Minister for Agriculture. The action I seek from the minister is that she do whatever is required to ensure the adequate long-term supply of timber to enable the Australian Sustainable Hardwoods mill at Heyfield to continue to operate on a sustainable, long-term basis.

The PRESIDENT — Order! Mr O'Donohue, are you going to come to something more specific in terms of the action?

Mr O'DONOHUE — Yes. That is the outline of the action. I will provide more specifics in my contribution.

The PRESIDENT — Order! It is just that 'Do whatever you can' is not sufficient to satisfy the adjournment debate requirements.

Mr O'DONOHUE — As I said, President, I have just opened my contribution. I will provide more specifics as I continue, but thank you for that guidance.

The Gippsland region is under significant threat in relation to jobs and economic activity, with the issues in the Latrobe Valley regarding the power generators, the imminent closure of one of those power generators, the loss of hundreds of jobs and now the risk to 250 jobs at Heyfield and thousands of jobs around Victoria if that mill were to close.

Many workers at the Heyfield mill have worked there for years or indeed decades, and many would have difficulty finding other suitable employment in and around the Heyfield or Central Gippsland region. The Minister for Agriculture, with responsibility for VicForests, can influence the outcome in relation to the supply of timber and the allocation of timber to enable this mill to continue to operate. VicForests has currently offered the mill just 80 000 cubic metres of

timber a year, and that is clearly insufficient to enable the mill to continue in a viable manner. I am advised that the mill needs approximately 150 000 cubic metres to be viable to continue.

As the minister responsible for VicForests and as the minister responsible for the ultimate allocation of timber, the action I would seek from the minister is that she ensure that the mill has access to the 150 000 cubic metres that it needs to be viable to ensure that these important jobs are retained at a time when economic activity in Gippsland is under threat and at a time when jobs in Gippsland are being lost. This is a critical part of the economic fabric of Gippsland, and I ask that action of the minister.

Responses

Mr DALIDAKIS (Minister for Small Business, Innovation and Trade) — We had adjournment matters raised tonight by Ms Lovell to the Minister for Police in relation to the Tongala community request for improving community safety; there were a number of other communities alongside Tongala as well.

Ms Dunn raised a matter for the Minister for Planning to abandon planning scheme amendment C141.

Mr Melhem raised a matter for the Minister for Training and Skills, seeking that she visit the Victoria University Sunshine campus to discuss what further work can be done to assist, what programs can be provided and what money can be spent.

Mr Finn raised a matter for the Minister for Families and Children seeking that she attend a community meeting in Werribee with him on Monday night. I would just like to clarify that that was not a dinner date; it was just seeking that the minister attend the meeting.

Mr Finn — No, there was no dinner invitation.

Mr DALIDAKIS — I just wanted to clarify that. I was just looking out for my colleague's welfare there.

Ms Springle raised a matter for the Minister for Consumer Affairs, Gaming and Liquor Regulation seeking that she update the chamber on where the task force is at on the very serious issue of sexual abuse of women at events. Mr Morris raised a matter for the Minister for Regional Development in relation to the funding of car parks at the Ballarat CBD railway precinct and the bus hub. Ms Symes raised a matter for the Minister for Water in relation to water quality at Coliban. Ms Symes seeks a site visit to view the treatment facilities for the Heathcote communities. Mr O'Sullivan raised a matter for the Minister for

Public Transport seeking that she direct VicTrack to undertake maintenance works around Numurkah.

Mr Ramsay raised a matter for the Minister for Emergency Services seeking that he travel to Ballan regarding the status of firefighting in the region. Ms Fitzherbert raised a matter for the Minister for Public Transport in relation to introducing low-floor trams on routes 55 and 59. Ms Bath raised a matter for the Minister for Agriculture asking her to release enough timber to supply Australian Sustainable Hardwoods for the next five to seven years. Mr Davis raised a matter for the Minister for Planning in relation to GC45. He wants that to be stopped. Mr O'Donohue also raised a matter for the Minister for Agriculture seeking to ensure an adequate supply of 150 000 cubic metres of timber to Australian Sustainable Hardwoods.

Furthermore, I have 73 written responses to adjournment debate matters.

The PRESIDENT — Order! On that basis the house stands adjourned.

House adjourned 9.14 p.m.

