

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Wednesday, 13 November 2013

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

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

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

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

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Family and Community Development Committee — (*Council*): Mrs Coote, Ms Crozier and Mr O'Brien. (*Assembly*): Ms Halfpenny, Mr McGuire and Mr Wakeling.

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FIFTY-SEVENTH PARLIAMENT — FIRST SESSION

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Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP

¹ Resigned 26 March 2013

² Appointed 8 May 2013

³ Resigned 1 July 2013

⁴ Appointed 21 August 2013

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Wednesday, 13 November 2013

The PRESIDENT (Hon. B. N. Atkinson) took the chair at 9.33 a.m. and read the prayer.

The PRESIDENT — Order! I wish to inform the house that I have been advised that the Environment and Planning Legislation Committee will meet this day following the conclusion of the sitting of the Council.

BUSINESS OF THE HOUSE

Standing orders

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

That so much of standing order 5.03 be suspended in relation to the presentation and tabling of the Family and Community Development Committee's report into the handling of child abuse by religious and other non-government organisations so as to allow the mover of the motion to take note of the report and other members to speak as required.

Motion agreed to.

FAMILY AND COMMUNITY DEVELOPMENT COMMITTEE

Betrayal of Trust

Ms CROZIER (Southern Metropolitan Region) presented report on inquiry into handling of child abuse by religious and other non-government organisations, including appendices, together with transcripts of evidence.

Laid on table.

Ordered that report be printed.

The PRESIDENT — Order! Before I call on Ms Crozier again, I know there are a great many people in the gallery who are interested in this report being presented to the Parliament today. I understand the significance of this report for each of you, and I wish to indicate that it is important that you do not participate in the proceedings. You are most welcome to hear the speeches that will be made in support of the tabling of this report, but I ask that you refrain from any sort of participation at all, which includes applause or comment or such like. I thank you for your assistance in that.

Ms CROZIER (Southern Metropolitan) — I move:

That the Council take note of the report.

President, it is a great honour to rise and speak to the report of the inquiry into the handling of child abuse by religious and other non-government organisations undertaken by the Family and Community Development Committee. This has been a significant and historic inquiry for the state of Victoria, and I am proud to table our final report on behalf of the committee. We have called our report *Betrayal of Trust* — the reasons are clear. Children were betrayed by trusted figures in organisations of high standing and suffered unimaginable harm. Parents of these children experienced a betrayal beyond comprehension, and the community was betrayed by the failure of organisations to protect children in their care.

This report was made possible by the hundreds of personal accounts that victims courageously shared with us during the inquiry, many for the very first time. I thank them for their determination and the significant contributions they made to our inquiry. I also thank the families of victims, some of whom spoke on behalf of those who could not speak. To the many other participants who provided us with invaluable insights, thank you.

We received a large volume of evidence: 578 submissions were provided, and we held 162 hearing sessions, including 56 private hearings. I would like to acknowledge the cooperation by organisations throughout the inquiry in providing evidence, assisting with additional information we requested and enabling us to access relevant files. In addition to the evidence from victims, we heard from experts and those with valuable knowledge on protecting children, from communities in regional Victoria and from non-government organisations themselves.

We held hearings in Melbourne, Bendigo, Geelong and Ballarat, and the committee recognises that there are communities in many other parts of Victoria that have also been affected. Through written submissions and hearings we also sought access to documents and files from organisations. In total the committee scrutinised 604 complaints files to assist in understanding the management of complaints.

From the evidence we heard, the devastating effects of the crime of child abuse were clearly evident, in many instances with life-altering implications. The criminal abuse of children is a fundamental breach of the values of our community. It involves unlawful physical assaults, sexual abuse offences and the criminal neglect

of children. Children cannot be expected to protect themselves from crimes such as these within organisations, and it is up to us as a community to take greater responsibility in safeguarding their wellbeing.

In our evidence we heard that children were subjected to a pattern of criminal behaviour, parents were groomed to enable access to their children, reports of criminal abuse were not acted upon by organisations, and organisations covered up their wrongdoings to protect their reputations and finances. It was important that we could review all the evidence we heard and received and that our final conclusions were soundly based.

The committee was extremely mindful of the complex nature of information given to the inquiry: allegations, disclosures and the sensitivities for victims reliving their experiences. To assist victims throughout the inquiry process we engaged the Victims Support Agency to provide multiple levels of support at varying stages of their participation. It was never our role to investigate individual cases, and we were instructed by our terms of reference not to impinge on the responsibility of the police or courts.

At the outset we worked to establish a parallel process for any allegations that may have arisen from any historical or new cases that could then be responded to properly. The SANO task force was established by Victoria Police to investigate any claims or allegations, and during its inquiry the committee referred 135 cases to the task force.

We have endeavoured to be open, transparent and balanced in conducting our inquiry. To ensure natural justice and to prevent us impinging on the responsibilities of investigatory agencies we have needed to redact content before publishing it on our website and also ensure that people were given the opportunity to submit a right of reply if they felt they needed to. In total we received 30 rights of reply at the time we adopted our report.

Our recommendations are intended to provide an umbrella of protections from the consequences of the heinous crime of child abuse that people in positions of authority have facilitated either through their actions or their inaction. While we acknowledge we cannot repair the irreparable damage that has beset so many, our recommendations are designed to create an easier path for victims in their pursuit of justice.

In essence our recommendations cover five key areas. Firstly, in reforming the criminal law we propose amendments and new laws to make it an offence to fail

to report to police or to conceal knowledge of suspected criminal abuse of children, make it a criminal offence for people in authority to knowingly put a child at risk and make it a separate offence to groom a child, their parents or others.

Secondly, to create easier access to civil litigation we propose legislative amendments to exclude criminal child abuse from the current statute of limitations, recognising that it can take decades for victims to come forward about their abuse, and to ensure that organisations are held accountable for their legal duty to protect children from criminal abuse and that they can be held vicariously liable for the actions of people who act on behalf of the organisation. We have also addressed the legal entity of the non-government organisation. Any organisation that receives government funding or tax exemptions from government should be incorporated and insured.

Thirdly, we propose the establishment of an independent, alternative avenue of justice for those people who want to make a claim but cannot or do not want to take civil proceedings. It is intended that this will be a truly independent government-managed system that is paid for by non-government organisations.

Fourthly, we recommend greater monitoring and scrutiny of organisations through independent oversight and by giving greater attention to developing the skills and knowledge of people in organisations to appropriately handle allegations.

Finally, we make recommendations to further enhance prevention systems and processes, including strengthening the working-with-children check system and working towards organisational environments that are safe from criminal abuse.

As chair of the Family and Community Development Committee, it has been an enormous privilege and honour to have worked on an inquiry of such significance. It is an important reminder that our Parliament is privileged to hold special powers and has the capacity to conduct such an inquiry which has exposed many issues that may otherwise never have been revealed.

I pay tribute to the former Premier, Ted Baillieu, and the government for having the courage to launch an inquiry of such great importance. At that time no other government within Australia was prepared to take on issues as confronting as those about which we have read and heard. It was only after the establishment of this inquiry that New South Wales established an

inquiry in that state and the former federal government announced the royal commission.

This inquiry has been a collaborative effort by many, all of whom felt the responsibility of the task they had been given and all of whom have supported the committee throughout the course of the inquiry.

In conclusion, I thank the Parliament and those people who have assisted with the inquiry. To the dedicated secretariat, whose members have worked so diligently and with compassion, and who together with the staff of Hansard have had the unenviable task of recording a litany of personal trauma and obnoxious criminal behaviour; to Dr Janine Bush, who together with her team has done an extraordinary job in assisting the committee and getting this report to the Parliament today; to the expert advisers, Mr Mal Hyde and Ms Claire Quin, who have given tremendous guidance; and to the Honourable Frank Vincent, I thank him for his wise counsel, which has been instrumental in so many ways. And finally, to my committee members, who have all worked with dedication and demonstrated such commitment to enable the tabling of this report today, I especially thank Mrs Coote and Mr O'Brien in this house, and in the Assembly the deputy chair and member for Broadmeadows, Mr McGuire, the member for Ferntree Gully, Mr Wakeling, and the member for Thomastown, Ms Halfpenny.

President, I believe our inquiry marks the beginning. We have not only listened but we have heard. This is our report. I trust it gives the community an opportunity to set a new benchmark for the future protection of Victoria's children. I commend the report to the house.

Honourable members applauded.

The PRESIDENT — Order! It would be hard to tell people in the gallery not to applaud when members do. At any rate, I thank Ms Crozier for a fine presentation of that report.

Mrs COOTE (Southern Metropolitan) — In the words of Justice Marks of the Supreme Court of Victoria:

A society which fails to protect its children from sexual abuse by adults, particularly those entrusted with their care, is degenerate.

It is within this framework that the Family and Community Development Committee of this Parliament presents its report, *Betrayal of Trust*. Sexual offences against children are by no means a recent phenomenon, nor have these crimes occurred only or mainly within the institutions that are now the subject

of increased scrutiny. The sad reality is that such assaults have been committed throughout human history within virtually every kind of family and other setting that gives perpetrators access to children.

This report may appear to emphasise offences that occurred in the Catholic Church and the homes and orphanages operated by the Salvation Army. This is an inevitable product of the volume and content of the submissions the committee received. In regard to the Catholic Church, specifically the committee found that rather than being instrumental in exposing the criminal abuses within the organisation, it minimised and trivialised the problem; it contributed to abuse not being disclosed and, prior to 1990, not being responded to at all; it ensured that the Victorian community remained uninformed of the abuse; and it ensured that perpetrators were not held accountable, with the tragic result that some children continued to be abused by some religious personnel when it could have been avoided.

We found that today's church leaders, with the notable exception of Father Kevin Dillon, view the current question of abuse of children as a short-term embarrassment which should be handled as quickly as possible to cause the least damage to the church's standing. They do not see the problems as raising questions about the church's own culture. The betrayal of trust perpetrated at a number of levels of the church hierarchy is also so completely contrasted to the stated values of their religion that many parishioners found the betrayal almost impossible to acknowledge.

A sliding morality has developed within the Catholic Church which emphasises the interests of the perpetrator and the church. The Catholic Church appears to have compartmentalised the issues in order to avoid the obvious moral conflicts. This is apparent within the Catholic Church's evidence, presented to the committee. It shows that even today church leaders are reluctant to fully acknowledge that they adopted policies that gave first priority to protecting the interests of the church. The Catholic Church's submission 'Facing the Truth' barely mentions past church policies and is expressed mainly in the present tense.

Over recent times, and notably since the establishment of this inquiry and the royal commission, religious leaders have been at pains to emphasise their bona fides in this area and their desire to support victims and assist them to achieve justice. This can be easily tested and will be quickly evident. If they are prepared to continue to rely on the legalistic approaches adopted to date or if they simply engage in damage control, hoping the issues will soon fade from public consciousness, these

approaches will constitute a powerful indicator of the genuineness of their remorse and must not be permitted.

The notion of justice cannot be confined to the past or the present but must have regard to the rights of children in the future. The recommendations of the committee are directed to achieving these objectives as far as possible. The community must be confident that whatever dangers await children in the external world, the church, synagogue, mosque, temple and school are places they can grow and learn in safety.

We saw firsthand that abuse has ruined the childhoods of Victorian victims and has been an ever present part of their adult lives. Collectively as a society we have failed these children by allowing them to be incarcerated in places and exposed to people who did not cherish them. This betrayal must cease.

Mr O'BRIEN (Western Victoria) — I rise to make my contribution to the debate on the report of the Family and Community Development Committee on institutional child abuse, appropriately entitled *Betrayal of Trust*. I join my colleagues in commending all who were involved in this inquiry and in particular the many victims who made submissions or appeared before the committee for their strength, courage and determination. It is their wellbeing and their stories of their pain and their often unsuccessful search for justice and vindication that have remained the focus of the committee's deliberations. I also commend a number of persons who have provided me with the faith, support and guidance to participate in this inquiry.

First and foremost, I commend the chair, Georgie Crozier, who balanced the need to be caring and respectful while also being insightful, efficient and at times forthright. Most importantly, she managed to conduct this inquiry in a way that was fair and balanced for all participants. I must also acknowledge the deputy chair, Frank McGuire, the member for Broadmeadows in the Assembly, and the other committee members for engaging in that work in a non-partisan manner. I am grateful for the assistance of the committee's advisers and staff, in particular the Honourable Frank Vincent, Claire Quin, Dr Janine Bush, Amanda Kennedy, Mal Hyde and Ian Dossier. Time does not permit me to mention the many other supporters, but I endorse the remarks of my colleagues that it was indeed a group effort. I wish to express my personal thanks to my family, former Premier Ted Baillieu and Deputy Premier Peter Ryan for having the courage to initiate this important inquiry and for appointing me to the committee.

The rape of children and other criminal child abuse is a gross betrayal of trust whenever it occurs; however, when it is committed by members of trusted organisations that then cover up those crimes and in their denials and cover-ups inflict further child abuse on unsuspecting communities, children and families, it is an abomination. That much of this abuse was carried out by paedophile clergy in the Catholic Church and personnel in the Salvation Army is a terrible indictment of those organisations, in which much community trust was placed. Up to 25 per cent of the Victorian population identifies, or once identified, as Catholic. Of course there are many committed Catholics and many good priests, such as Father Kevin Dillon of Geelong, who provided much support to many victims over many years. Father Dillon's concluding testimony in Geelong sums up the feelings of many victims who are former Catholics or who attempt to remain devoted. Father Dillon concluded:

I certainly do not want to be interpreted as bucketing on the church. I love my church, I love what it represents and I love all the enormous amount of good and solace and comfort that it provides, but I do believe in this most critical area of its responsibility as well as its ministry that it has failed very badly. I just hope that perhaps in some small part my offering might go some way towards a much better treatment for victims along the way.

A glimpse of the extent of the abuse can be gained by simply listing the towns in the Ballarat diocese of the Catholic Church where reported abuse took place. The Ballarat diocese corresponds with much of Western Victoria Region, which I represent together with some of my parliamentary colleagues, many of whom took the time to attend hearings in Ballarat and Geelong.

I have compiled this list as a testament to all the victims, who in many cases include not only the children who are now adults themselves but also their families and often tight-knit and small communities. Secondly, this list refutes any suggestion that this abuse was not systemic or endemic, at least in the Ballarat diocese, without for the moment adding the systemic abuse that occurred in Melbourne, other parts of regional Victoria and indeed interstate and internationally.

In alphabetical order, based on Broken Rites research and the evidence presented to the committee, towns in the Ballarat diocese or the western region affected by Catholic clergy child abuse include Apollo Bay, Ararat, Ballarat, Bannockburn, Camperdown, Colac, Edenhope, Geelong, Inglewood, Hamilton, Horsham, Kyneton, Maryborough, Mildura, Mortlake, Ouyen, Peshurst, Portland, Port Fairy, Sea Lake, Swan Hill,

Tatyoan, Terang, Warrnambool, Wendouree, Werribee and Winchelsea.

I should add that many of these towns contained numerous victims and numerous offenders, sometimes offending during the same or over successive time periods. Several more prolific offenders offended in a number of these towns after having been moved on, when a proper intervention would have prevented further abuse of innocent communities and innocent victims, many of whom remain nameless. Nevertheless, one can see by this raw list of towns and communities that these crimes affected the whole Victorian community, and for that the church stands condemned. Having facilitated rape and child abuse across much of western Victoria, it is appropriate that the church hierarchy stands condemned for its actions and inactions at the highest levels in Victoria over many years.

It is also appropriate that this inquiry was conducted by a tripartisan joint house committee of the Victorian Parliament and that this report now be considered by the Parliament as a whole. Whilst this report represents the culmination of this committee's work, the task for victims and their families will go on. The more serious task remains for the offending religious and secular organisations to genuinely commit to working with the government and the Parliament to implement the committee's recommendations, embracing the cultural change sought by so many submitters, providing genuine reparation for all victims and seeking to ensure that the systemic child abuse that betrayed so much trust can never occur again.

Mr JENNINGS (South Eastern Metropolitan) — It is my humbling responsibility to speak on and welcome this report on behalf of the Labor Party. I do so by thanking the resilience, determination and depth of compassion, commitment and resolve of care leavers and people who have had to endure pain and suffering for the many decades that have led us to this position — a position where the Parliament of Victoria is behaving at its best. The Parliament of Victoria is rising up to meet the sheer enormity of our responsibility to be custodians of the care and wellbeing of our citizens and to make sure we protect them now and into the future, where we have sorely failed them in the past.

I wholeheartedly congratulate the government on commissioning this inquiry. I wholeheartedly thank the government for having the courage of its convictions and to undertake this work, which had been ignored for decades by all jurisdictions across this nation and which has led to a building of momentum in other states and across the nation to finally open our hearts and minds

and listen to the testimony of those who suffered at the outrageous hands of people who abused them in a fashion that was systemic, as has been referred to by members of the committee.

I thank the people who had the courage to appear before this inquiry and to share their stories and place their personal circumstances — their pain and suffering — in the hands of a political process that has largely ignored this issue for decades. That in itself showed great courage. I congratulate my colleagues — and they are my colleagues in the best and broadest sense of the word — across the Parliament of Victoria who opened their hearts and minds to listen to and seek the wise counsel of people within the Parliament and across the legal and community services sector in Victoria to highlight the important lessons that need to be learnt and to take the steps that have been taken today.

I have not had the opportunity to read this report, but I certainly give my undertaking to do so. I am sure my colleagues on this side of the house will want to be fully apprised not only of the testimony and recommendations in this report but also of the momentum that Ms Crozier outlined in terms of the legislative reform that is required in the state of Victoria to protect children and all our citizens into the future. Those reforms sound to me like the sorts of things that will bring out the best in this Parliament — the best of any politician in this state — if we rise to the challenge the committee has laid before us today by responding appropriately to the recommendations that have come through this inquiry.

On behalf of the Labor Party, I acknowledge that this was work that we left undone. My colleagues and I will do our best to make sure we rise up to seize the opportunity that the government and the parliamentary inquiry has provided us. We will try to walk the steps of justice into the future so that the resilient, committed and determined people who have left care — what an ironic term that is — but survived may walk their own paths of restitution and justice. We will walk together in future. All Victorians will be better for that if we can focus on the way we can protect children and citizens and help them live fulfilling and enriched lives and ensure that the pain and suffering that has been borne by people for years leads to circumstances where, under Victorian law, such suffering will not occur in the future.

Hon. D. M. DAVIS (Minister for Health) — I speak on behalf of the government when I say this is a seminal day. I thank Mr Jennings for his generous contribution. I particularly thank Ms Crozier, chair of

the Family and Community Development Committee, and all other members of the committee. I thank all of those who have contributed to this inquiry. I thank Ted Baillieu, the former Premier and member for Hawthorn in the Assembly, for the courage he showed, along with Peter Ryan and the cabinet, in leading forward with this. But most of all I thank those who contributed to the inquiry. I hope that good comes from this, as outlined by Ms Crozier, Mrs Coote, Mr O'Brien and Mr Jennings. After consideration of the report the Parliament will have an opportunity to look at it in great detail and debate it in full. I see this, as Mr Jennings has outlined, as a time of hope and response and a time to look into the future.

Ms HARTLAND (Western Metropolitan) — On behalf of the Greens, I would also like to thank the Family and Community Development Committee. I was unsure whether the committee would be able to do everything it had been charged with at the beginning, but quite clearly it has done a magnificent job. Having read a number of the transcripts, I do not know how committee members sat in that room, day after day, looking into the eyes of people who had been abused by the Catholic Church and whose trust had been betrayed.

As someone who was raised a Catholic I understand oh so well the power of the Church and the fact that it would not admit to what it had done. All I can say to committee members and to anyone who kept this going for decades and said, 'I am not going to accept this treatment from the Church', is thank you. I thank them, and I thank all the people who gave evidence. I particularly thank the police. If anybody reads just one submission, I would suggest they read the submission from Victoria Police, which clearly outlines the kinds of barriers they came up against.

Again, I wish to thank members of the committee. I know the Hansard staff have already been thanked because at times it was particularly difficult for them as well, but they did a magnificent job.

Motion agreed to.

The PRESIDENT — Order! I was going to make some remarks, but I think Mr Jennings stole my notes because he eloquently expressed some of the comments I wanted to make, which were to congratulate Georgie Crozier, chair, and Frank McGuire, the member for Broadmeadows in the Legislative Assembly, deputy chair, and members of the committee for the work they have done on this very difficult inquiry.

The fundamental responsibility of a Parliament is obviously to protect the rights of citizens and to ensure

their safety and security. Perhaps for far too long this Parliament as an entity has overlooked its responsibility to ensure justice for people who have clearly been abused and suffered a betrayal of trust, as this committee has highlighted with its work. The Parliament is often derided and sometimes even ridiculed, as are its members, for the work we do, and yet, as Mr Jennings rightly said, the work of this committee has demonstrated the Parliament at its best.

Congratulations to the committee on the work it has done. On behalf of all members of Parliament, I join the leaders of the respective parties and members of the committee in thanking those people who opened their hearts, and opened their wounds in some respects, in an inquiry that was very confronting and difficult and has perhaps been too long coming. Hopefully now there is a measure of justice in what has been achieved by this committee, and the work it has done will ensure that the laws and processes in the future are much more responsive to the needs of our citizens.

PAPERS

Laid on table by Clerk:

Victorian Inspectorate — Report, 2012–13, pursuant to section 30Q of the Surveillance Devices Act 1999 in relation to Victoria Police.

MEMBERS STATEMENTS

Family and Community Development Committee child abuse inquiry

Mr LEANE (Eastern Metropolitan) — I would also like to note the work of the Family and Community Development Committee on the reference it has just tabled. When we come into this place we want to make a difference; that is why we are here. I want to acknowledge today that the work that members of this committee have done will make a difference, and its members should be proud of themselves. In this chamber there are times when we are at each other's throats and we particularly dislike each other, and there are times when we question each other's characters. But after listening to the government speakers today, the only thing I felt was absolute admiration for those three members of Parliament. They did a great job.

Climate change

Mr FINN (Western Metropolitan) — It is rather difficult to continue normal business after what we have heard this morning. Whilst I am not particularly looking forward to contributing to the discussion on the

report, it is a report that I must make a contribution on, and I will certainly do so at some future time.

In the meantime I have some good news, and that is that winter sea ice cover in the Antarctic has grown to its largest extent since satellite records began in the late 1970s. Sea ice is said to be the canary in the coalmine of global warming, so climate alarmists must be greatly relieved with NASA satellites showing cover has increased to a record 19.47 million square kilometres. We rejoice at the news from the British Met Office that there has been no global warming for some 17 years, and a further report from the United Nations Intergovernmental Panel on Climate Change that shows computer predictions for global warming and the effect of carbon emissions have been wrong.

The good news keeps on coming with the new federal Abbott government defunding the hysteria-generating Climate Commission and removing its chairman, Tim 'Sandbags' Flannery, from his \$170 000 a year part-time job. The election of the federal government on a promise of abolishing the carbon tax is a sure sign that the people of Australia are onto the climate change industry. The people of this nation are finally awake to the scam that is global warming. That surely is the best news of all.

Monash Children's

Mr TARLAMIS (South Eastern Metropolitan) — I rise to voice my continuing concern at the government's treatment of the community in the south-east. Secret documents have come to light revealing that the Napthine government's razor gang is continuing to wield the knife to diminish the services for the yet-to-be-built Monash Children's hospital. This government has heartlessly pulled \$16.4 million out of the budget for this project, a project that in opposition it initially said would be completed in its first term. It is a promise it broke before it was even elected. The appalling loss of \$16.4 million from the project will mean that the proposed helipad will be scrapped as well as the footbridge between the existing hospital and the children's hospital.

The government fails to comprehend some of the basics of emergency care. Emergency services use helicopters in circumstances where they can make a great deal of difference to the chances of someone's survival. Put simply, the longer it takes to get to an emergency department the worse your chances of recovery. Having an integrated helipad is obvious, but to this government it seems to be an optional extra. Other initiatives under the knife include a children's sleep laboratory, a

children's mental health unit and a gait laboratory required to help disabled children to walk.

These callous cuts come under the government's new terminology of 'value management initiatives'. I am sure parents in the south-east will be thrilled that value management initiatives will ensure that their children will not get the services and programs they deserve. I am unable to see the value management of removing a facility to help children walk, although that is what the government is doing. This is a government that used the term 'structural adjustment fund' to take the axe to TAFE campuses. Now we have value management initiatives. It appears that the only thing this government is capable of is spinning and cutting, and the only thing the community gets is more broken promises and half-funded services.

Port of Hastings development

Ms PENNICUIK (Southern Metropolitan) — On Saturday I joined community members at Hastings to protest against plans to expand the port of Hastings as a container port and as a mooted coal export port. The protest was organised by the Westernport Peninsula Protection Council, Environment Victoria and Quit Coal. As was written in the preamble to the recently released report *Understanding the Western Port Environment — A Summary of Current Knowledge and Priorities for Future Research*, which was conducted under the auspices of Melbourne Water, the Port Phillip and Westernport Catchment Management Authority and the state government:

Western Port is a unique feature on the Victorian coast ... Superficially similar to Port Phillip Bay, it is more complex than its western neighbour, with a greater tidal range, extensive intertidal mudflats and two large islands (Phillip Island and French Island) ... All of this makes for complex oceanographic circulation.

In the words of Dr Brian Cuming, who has worked for the protection of Western Port Bay for more than 40 years:

Western Port is not and has never been the place for industry. It is one of the world's most important wetlands, and has outstanding marine and coastal environmental values.

Bully Zero Australia Foundation

Mr ONDARCHIE (Northern Metropolitan) — Last Sunday *60 Minutes* highlighted the tragic case of Chloe Whitehill, who was bullied online through cyberbullying. Motivated by the tragedy of her teenage sister Chloe, Cassie Whitehill has been campaigning for the introduction of bullying laws right across Australia. Victoria is the only state with specific bullying laws, as

an extension of the state's stalking laws. I commend the great work that Cassie is doing. The federal Minister for Justice, Michael Keenan, is about to improve online safety around cyberbullying as a result.

As members know, I am the chairman of an organisation called the Bully Zero Australia Foundation, which is determined to deal with bullying and bullies right across Australia. I take the opportunity to commend my board: Julia Schembri, Michael Jansen, Dean McGowan, Cindy Millen, Adam Centorrino, Michael Ford, Dee Johns, Emmanuel Kelly, Alan Yildiz and Ali Halkic. I also thank our chief executive officer, Oscar Yildiz, for the wonderful job he does in leading our team to tackle bullying.

This Saturday night the Unbreakable Charity Ball — a fundraiser for the Bully Zero Australia Foundation — will take place, and it has sold out. It has sold out, with more than 1200 participants who want to join us and stand with us in stamping out bullying in this country. I thank everybody who has been involved, and I thank the Parliament for getting behind antibullying messages.

Regional and rural roads funding

Ms TIERNEY (Western Victoria) — Throughout the electorate of Western Victoria Region there are many complaints about the services and funding that the Napthine government has cut from regional Victoria, yet the issue I hear about most consistently regardless of where I go is the Napthine government's failure to fix damaged and potholed roads. Regional Victorians quite frankly are sick of it — they are sick of the Napthine government ignoring them and their safety on the roads.

Over the last financial year \$160 million has been slashed from VicRoads, which has significantly decreased VicRoads capacity to ensure that our roads are fit for use. There are seven VicRoads districts in Victoria, and every single one of them has had a significant amount of funding stripped from its budget. Yet nowhere has this been greater than in the south-western region, which covers the Assembly electorates of the Premier and the Minister for Roads; \$37.3 million — or 37.6 per cent — of the south-western region's road funding has been cut by the Premier and the Minister for Roads in their own electorates.

It is little wonder my constituents in Western Victoria Region are constantly talking to me about unsafe roads and stating that the government simply is not listening. But the Labor opposition is listening, and through the

'fix our roads' online campaign Victorians now have the chance to tell Labor which roads have been neglected and forgotten by the Napthine government. Tipping \$8 billion into a hole that nobody wants will not do anything for congestion in Melbourne, and it certainly will not do anything for the dangerous roads the Napthine government expects constituents in its electorates to travel on every day.

National Emergency Medal presentations

Mr KOCH (Western Victoria) — I was honoured to be in Ballarat last Sunday representing the Minister for Police and Emergency Services, the Honourable Kim Wells, to present national emergency medals to Country Fire Authority (CFA) district 15 members from the Grampians region for their service during the 2009 Black Saturday bushfires.

National emergency medals recognise sustained service to others during a declared nationally significant emergency. CFA members from the Grampians region and across the state fought to protect lives and property during a long and difficult fire campaign. Ceremonies are being held throughout Victoria to award national emergency medals to more than 4470 members nominated for their involvement in the 2009 Victorian bushfires campaign.

In the Grampians region, 442 CFA members have been awarded the medal, which is marked 'Vic Fires 09' and bears the image of a flowering wattle tree. Medals have also been awarded to volunteers involved in two other emergencies declared nationally significant: Cyclone Yasi and the Queensland floods of December 2010 and January 2011. Earlier this year national emergency medals were also awarded to 224 State Emergency Service members for their service during the 2009 bushfires.

The CFA is one of the world's largest firefighting organisations, with more than 60 000 members, 98 per cent of whom are volunteers. I commend all CFA firefighters for their courage and commitment and congratulate National Emergency Medal award recipients on receiving this national honour.

Mallee District Aboriginal Services

Mrs MILLAR (Northern Victoria) — Last week I had the pleasure of visiting the Mallee District Aboriginal Services (MDAS) new community health centre in Mildura, together with the Minister for Health and Ageing, the Honourable David Davis, the New Zealand Minister of Health, the Honourable Tony

Ryall, and the member for Mildura in the other place, Peter Crisp.

At this new state-of-the-art \$4 million centre, which was funded by the Department of Health and Ageing, Mallee District Aboriginal Services is able to offer a one-stop shop for Aboriginal health in Mildura. This is being described as the biggest step forward in Aboriginal health in north-western Victoria in a generation. The project was delivered both on time and on budget, utilising local contractors. Several Indigenous workers were also employed on the project.

During my visit to this stunning new facility it was a great pleasure to meet and talk with chief executive Rudolph Kirby and many of the staff. MDAS employs more than 150 staff, 52 per cent of whom are Aboriginal. The highlight for me was speaking with the mothers and their children who regularly use the MDAS services. These mothers reflected on the welcome they receive from the staff, the ease of accessing services via their links with the dedicated staff members and their pleasure in bringing their children to the centre. Great emphasis is placed on ensuring that these children progress strongly through their preschool development period. This puts a proactive emphasis on being healthy for life, which is having a notable impact in this community.

I congratulate Minister Davis and staff at the Department of Health and Ageing on their commitment to this priority. I especially pay tribute to Rudolph Kirby, the board members and the MDAS staff for their dedicated service delivery and for all that is being achieved for the Indigenous community in Mildura and the broader Mallee district. They are making a huge difference to ensuring that the beautiful children we met during this visit have the opportunities and support to become future leaders in their community and this state.

AUTOMOTIVE INDUSTRY FUTURE

Mr SOMYUREK (South Eastern Metropolitan) — I move:

That this house calls on the Abbott federal government to immediately move to secure the future of the Australian automotive manufacturing industry and the thousands of jobs that go with it by announcing its commitment to coinvest in this critical industry.

The motion before the house today was formulated very carefully to ensure that it is not political. The motion was designed in a spirit of bipartisanship so that government members would be able to join the opposition in communicating to the federal government the importance of securing the Victorian automotive

manufacturing sector for the Victorian economy and Victorian jobs. Accordingly I sincerely hope that members opposite understand and care about the importance of the automotive industry and will vote for this non-political motion.

The motion before the house is not political, but I am afraid I cannot guarantee that the commentary in which I am about to engage will not offend the sensitivities of those opposite, as there is a clear anti-local automotive industry bias in certain sections of the Liberal Party that may trigger or precipitate the demise of the industry — —

Mr Finn interjected.

Mr SOMYUREK — If I have enough time, I will come back to the anti-local manufacturing bias of some sections of the Liberal Party. I do not think Mr Finn is one of those people.

Before I go on to outline the importance of the industry to our economy and the future prosperity of our state and nation, I will briefly explain to the house why the automotive sector is currently in the news again. The auto industry has featured prominently in the news in recent days because there is some genuine concern in the industry that Holden may follow Ford and cease manufacturing operations in Australia because of the apathy of the federal coalition government. If these concerns were to be realised and Holden were to pack up and leave our shores, we could say goodbye to our entire auto manufacturing sector because a critical mass of work required to sustain the components manufacturing sector would be lost, thus making Toyota's manufacturing operations in Victoria and Australia virtually unviable.

One reason for concern at the moment about Holden's future is the Abbott government's failure to commit to coinvestment in the industry before the Productivity Commission hands down its report next year. In the meantime, according to reports, the departure of Holden is a very real possibility. The appointment of its Australian operations head, Mike Devereux, to a new position in its international division a few weeks ago is an ominous sign and indicates that Holden is thinking seriously about its future in Australia.

According to former industry minister Kim Carr, who is also the opposition minister at the moment, Holden's manufacturing future has been discussed by the General Motors board in Detroit on a monthly basis, and by its December meeting, General Motors may have made a decision to wind down Holden's manufacturing facilities in Australia. Mr Carr also claims that the

federal coalition knew about Holden's December 2013 deadline and how critical this deadline is for the auto industry. Mr Carr stated that the government was briefed about this date last December, as was the opposition. Mr Carr's comments have been reinforced by information obtained by News Corp Australia and reported on news.com.au in an article dated 31 October 2013. The article states:

... News Corp Australia understands Holden's plans to build two new models in Australia from 2016 to 2022 have been put on hold pending the government's decision on further funding, due in April or May next year after a Productivity Commission review.

Does that not sound familiar, that a coalition government, on coming to office, has no idea and no plan what to do next? Therefore it calls on a Productivity Commission, or efficiency commission, to buy it some time, perhaps hand down a policy, or perhaps do some other more sinister things. We went through that with the Baillieu opposition coming into government in November 2010. It spent a great deal of time in opposition, but apparently that still was not enough time to formulate a manufacturing policy or plan, because the first thing the Baillieu government did was call on the Victorian Competition and Efficiency Commission (VCEC) to formulate a manufacturing policy for it. Unfortunately for the Victorian manufacturing sector and workers, who lost their jobs en masse, the process took about 11 months, and in the end it came up with some flimsy report that failed to inspire industry. In the meantime thousands of Victorian manufacturing jobs went south. Companies had lost confidence in the leadership of the Victorian government, so they decided to either scale down operations or close down manufacturing facilities altogether.

This is *deja vu* for me, because I have been banging on for three years about what the Baillieu and Napthine governments have done. Their lack of activity flicked off the manufacturing sector to the VCEC process. We are going through the same process again with the federal government waiting on a report from the Productivity Commission. As I said, I am not sure whether this is a delaying tactic, but the federal government has been lazy and we have not seen a policy from it. Its members have been busy — the former Liberal member for Indi, Sophie Mirabella has been busy running around in her fluoro vests and hard hats, but she has not come up with a policy. I am not sure whether this will mean a more sinister result that will be used as justification to kill off the industry. I fear the latter.

As I have said, Holden has made it clear that it wants certainty and that it wants it immediately. Yet the government is waiting until mid-next year for the Productivity Commission to hand down its recommendations before it will engage in any meaningful dialogue with Holden about its future in Australia. In this context deferring coinvestment decisions until the middle of next year is simply inviting trouble. Given the high risk that Holden may leave, the Abbott government is engaging in brinkmanship with an entire industry and is playing chicken with the jobs of tens of thousands of Australians, including thousands of Victorians.

It is no secret that prior to the federal election Prime Minister Rudd was in advanced discussions with GM Holden for a new investment plan. However, the deal was not able to be sealed because Holden was concerned — —

Honourable members interjecting.

Mr SOMYUREK — Holden was concerned about the noises being generated from the opposition — at that stage the Abbott opposition — and about what members of the then federal opposition would do if they were to come to government. Let us be frank about this: at that time it was pretty certain that the Abbott government would assume office, so naturally enough Holden put off signing any deal because it was concerned about what an Abbott government would do. Holden decided to sit it out and wait.

Mr Finn interjected.

Mr SOMYUREK — Unfortunately — even after two months, Mr Finn — Holden is still waiting, and it will be waiting for another six, seven or eight months, maybe another year.

The federal Minister for Industry, the Honourable Ian McFarlane, made the candid declaration — and full marks to him for doing so — that he is facing a big fight in cabinet to keep Holden in Australia. This is an ominous sign for Holden and the Australian automotive industry. This is not the type of thing that head offices of major automobile manufacturers want to hear. The split in cabinet ranks with regard to the automotive industry is a clear indication that the Abbott government was not interested in policy formulation when in opposition. Clearly if members of the now federal government were interested in policy and interested in the automotive industry and its future, they would have taken a position on this issue.

Some two months after being elected, members of the Abbott government are yet to declare their position on

the automotive industry, one of the most important industries in our national economy and certainly in the Victorian economy. I find it hard to imagine how members of the federal government could not have landed on a position for coinvestment in the automotive industry. This is one of the reasons members of the federal government have flicked coinvestment off to the Productivity Commission, because they have not got their act together. They had years to get their act together on this very important issue, and they still have not.

I take this opportunity to outline the importance of the automobile manufacturing industry to Victoria and to Australia. Victoria is the national hub of the industry, accounting for approximately 60 per cent of Australian automobile production. Victoria is home to the Australian corporate head offices of GM Holden, Ford and Toyota, and to their design and engineering centres and engine plants. It is important to note that the automotive industry is also comprised of heavy vehicle manufacturers and component part manufacturers, who quite often get left out of the debate, but they are an important part of the auto industry, and in particular they are very important in Victoria. Heavy vehicle manufacturers such as Iveco Trucks Australia, Kenworth Trucks and Volgren have engineering centres and assembly plants located in Victoria, and let us not forget that there are over 100 Victorian-based component manufacturers supplying the industry.

The Victorian automotive manufacturing industry has been a pillar of the Victorian economy and the Victorian manufacturing sector for decades — some say for at least 100 years. The industry is of strategic importance to Victoria and the Victorian manufacturing sector as it drives employment, investment, technology transfers, innovation and skills acquisition. Furthermore, the automobile industry has a wide-ranging and profound economic effect on economic activity and employment. Studies indicate that the jobs multiplier effect associated with manufacturing and production is especially prominent in the auto industry, with around four jobs created in Victoria for every person directly employed by GM Holden, Ford and Toyota. While the industry directly employs approximately 7000 people in Victoria and 12 500 in Australia, there are a further 28 000 supporting jobs across Victoria and 50 000 across the nation in component manufacturing.

The automotive industry continues to undergo immense transformation as it becomes increasingly technologically driven, with car manufacturing driving innovation in engineering, computer systems, information technology, materials processing, design

initiatives and clean car technology. As the Victorian manufacturing sector continues to lose competitiveness to low-cost economies in traditionally low-skill, low-technology industries, the innovations and creativity fostered in the auto industry enhance Victoria's high-end manufacturing capabilities and provide Victorian small and medium enterprises with a competitive advantage on the global stage in developing innovative industries of the future, and in doing so enhancing the future competitiveness and prosperity of the Victorian economy.

All this is lost on the detractors. As I said, we talk about having to transition our manufacturing sector away from low-skilled, high-volume, low-cost industries — because we cannot compete with low-cost economies — to high-end manufacturing requiring high-level skills and perhaps more highly paid people. That has clearly worked and is where our competitive advantages are. You may be able to do that, but at the moment you cannot do that without having the auto industry. The auto industry is a key driver; it is an innovation hub. You cannot give lip-service to transitioning our industry to high-tech advanced manufacturing and expect to do away with the auto industry. That does not gel with me; it is nonsensical.

We are fortunate to be one of only 13 countries in the world with the capacity to undertake the entire process of motor vehicle manufacturing, from concept and design right through to making sales on the showroom floor. In this regard we are in a unique club, and it is a club that many countries and jurisdictions throughout the world would love to get into. We are in a select club of 13 countries, and what we are doing at the moment is risking our membership of that club.

The relative openness of the Australian market, the increased international competition in the auto manufacturing sector, the strong Australian dollar and a weakness in demand for Australian vehicles in traditional export destinations have seen the local automotive manufacturing industry face increasing challenges in the last decade. Imported vehicles have increased their market share at the expense of locally manufactured vehicles.

Over 75 per cent of vehicles imported to the Australian market are sourced from just four countries: 41 per cent of our vehicles come from Japan; 13 per cent come from Germany; 12 per cent come from Thailand, and that is increasing at a rapid rate; and 10 per cent come from Korea. It is informative to compare the tariff regimes and the non-tariff regimes and coinvestment strategies in these countries with those in Australia. In comparison to those four countries and other

comparable auto manufacturing countries the Australian automotive manufacturing industry provides very little government coinvestment and low levels of tariff and non-tariff protection.

This situation is highlighted in a report commissioned by the Federal Chamber of Automotive Industries entitled *Budgetary Assistance to the Australian Automobile Sector*. I will mention some per capita coinvestment figures from that report. Canada coinvests US\$96.39, France coinvests US\$147.38, Germany coinvests US\$90.37, Sweden coinvests a whopping US\$334, the United Kingdom coinvests US\$27.99 and Australia invests a measly US\$17.80. We are paying US\$17.80 annually towards sustaining the automotive manufacturing sector, but it might surprise us to hear that the US taxpayer is paying a whopping US\$264.84 per capita in coinvestment. Yes, that great socialist republic, the United States of America, is paying US\$264.82 per capita to the auto industry. What does that tell us?

That is not all. As if it were not enough for our automotive manufacturers to have to compete with automotive manufacturers whose governments provide significantly more coinvestment; they also have to compete with other tariff and non-tariff protection measures provided by various countries. I will list a few of those, and there are some very creative non-tariff measures in place throughout the world.

Vehicle tariffs in the European Union and UK are 10 per cent, in China they are 25 per cent and in India they are 60 per cent. In Malaysia they are 30 per cent, plus there is a 105 per cent excise on larger vehicles and a 75 per cent impost on smaller vehicles. South Korea has a vehicle tariff of 8 per cent, plus you get a personal tax audit thrown in for good measure. Russia's vehicle tariff is 30 per cent, plus an additional 18 per cent value added tax on imports. Passenger car vehicle tariffs are 2.5 per cent and light commercial vehicles have a tariff of 25 per cent.

Thailand imposes a staggering 80 per cent. Ms Tierney has previously spoken about some of the practices that are got up to in Thailand in terms of disadvantaging our exports into that country, so I will not go into those, as I am sure Ms Tierney will go into them. That matter centres on the free trade agreement with Thailand; an Australian car is forced to cost about \$30 000 extra in the Thailand market.

Brazil has a base tariff rate of 35 per cent, and it has an additional tax called the industry products tax — very creative — or the IPI, as it is unaffectionately called in Australia, which falls mainly on imported vehicles,

adding up to 55 per cent on top of the 35 per cent tariff wall. What is our tariff protection? If there is no free trade agreement, it is 5 per cent, and for countries with which we have free trade agreements, it is zero.

As I have just demonstrated, the Australian automotive manufacturing sector receives the lowest level of assistance of the sectors of all automobile manufacturing countries, and the level of noise generated by the detractors of the industry and the commentariat — including dry, neoclassical economic types and some Liberal Party politicians — is remarkable given the importance of this industry to the Australian economy, to Australian jobs and to the future prosperity of Australia. The statistics demonstrate that our automotive manufacturing industry is clearly losing market share in Australia; there is no doubt about it. The case I just put to the house, however, indicates that it is not necessarily losing market share because it is less efficient than auto manufacturers overseas; it is losing market share because of the factors I have just mentioned — because of the lack of protection for our auto industry and the lack of coinvestment in our auto industry.

The lack of protection basically means that our auto industry becomes a target. Manufacturers from overseas say, 'Okay, there is no barrier to entry into the Australian market; let's go there and sell our vehicles into the Australian market'. Our poor old manufacturers cannot export because other economies are protected, but we allow our market to be the target of auto manufacturers located in other countries around the world. It is therefore not exactly a level playing field. It is not about inefficiencies; it is about not having a level playing field for our auto industry. It is as simple as that. The corollary of that is obviously the loss of jobs in the Australian economy.

Clearly if we want to be anything other than a quarry for the rest of the world, and if we are to add value and engage in high-tech manufacturing — thereby playing to our strengths — we need a robust auto manufacturing industry driving innovation in engineering, computer systems, information technology, materials processing, design initiatives and clean car technology. The decision by Ford this year to cease its manufacturing operations in Australia from 2016 indicates the gravity of the problems facing the auto industry. Industry experts contend that Australia will lose its automotive manufacturing industry should another manufacturer decide to cease its manufacturing operations in Australia. I mentioned the reason that is the case earlier in my speech; obviously the viability of the supply chain comes into question. If the auto supply chain is not viable without a viable auto supply sector,

there is no doubt that life will be very tough for the sole remaining car maker in our market; at this stage it looks like it might be Toyota.

Mr Finn interjected.

Mr SOMYUREK — No, I am not talking the industry down, Mr Finn. We are at a stage where by December — in a month — the industry might be gone. The whole industry might shut down. This is a crisis, and we have a federal government playing chicken — —

Mr Finn — And you're going to push it along as much as you can.

Mr SOMYUREK — I am not pushing it along. I am hoping that this chamber of this Parliament communicates to Mr Abbott our collective commitment to the Australian auto industry. I am hoping that is what comes out of today. I am therefore not talking the industry down; I am merely trying to convey to the house and to people how important the industry is and that we are facing a major crisis.

This is not a bluff. According to the Federation of Automotive Products Manufacturers, for the local industry to be financially viable going forward, local industry needs to be manufacturing some 300 000 cars per year. At the moment we are only manufacturing some 221 000 vehicles, which includes exports. To break that figure of roughly 221 000 vehicles into exported vehicles and vehicles produced for the domestic market, 131 000 are manufactured for the domestic market and 89 000 or so are exported. These figures vary a great deal according to the rate of our currency. That is, however, where we are, so we need to be manufacturing at least another 80 000 vehicles a year. Consequently, the Victorian government has a role to play in stimulating demand.

While the government might not like to think that it is impotent — it might like to think it is omnipotent — through its actions, it demonstrates to the Victorian business community its belief that it does not have any policy levers at its disposal. That is certainly the case regarding the manufacturing sector as a whole, as I have been saying. The government does not have access to the macroeconomic levers of the country. It cannot influence the rate of the Australian dollar, it does not have the required connections in China to influence the rate of the yuan and it certainly cannot control demand in the international marketplace. However, for three years I have been flat out trying to explain to the Victorian government that it actually has policy instruments — levers — at its disposal to drive

the economy and the manufacturing sector. I have been banging on about this for a long time.

In the case of the auto industry, I concede that the main game is Canberra, not Victoria, but we can make a difference in Victoria. There are things Victoria can do as a state jurisdiction that could make a difference. We are not totally impotent. The differential of 80 000 vehicles could be made in Victoria with a bit of a push and shove using policy instruments, but unfortunately this government does not seem to be that way inclined. A couple of years ago we came out with an auto policy mandating the purchase of locally manufactured vehicles for the state government and its agencies and for local government. We said we would mandate those. We put it out there as a challenge to the Baillieu and Napthine governments. We are still waiting. The government still has not taken it up.

The coalition gives lip-service to this. Premier Napthine gets on the TV and radio and talks about the Council of Australian Governments (COAG). I understand that there is a big problem — the record of jurisdictions like Queensland on the purchasing of Australian-manufactured cars is appalling — but rather than talking about COAG the first thing the government should do is take up the opposition's challenge to mandate the purchase of locally manufactured vehicles for the state government and its agencies and for local government.

Mr Drum — We do.

Mr SOMYUREK — You don't. You have not adopted our position.

Mr Finn interjected.

Mr SOMYUREK — Let me just qualify that: the mandate applies where a fit-for-purpose vehicle is available.

Mr Finn — Why didn't you do it when you were in government?

Mr SOMYUREK — Maybe we should have, but we should start doing it from now on. That is the main thing — we are moving forward.

I will finish my contribution by outlining the possible impact on our economy of the collapse of the auto industry. The Allen Consulting Group prepared a report for the Federal Chamber of Automotive Industries entitled *The Strategic Role of The Australian Automotive Manufacturing Industry* in April, although it was not publicly released until recently. The analysis contained in the report demonstrates the massive impact

the loss of the auto industry would have on Australia's economy and in particular on the economies of Victoria and South Australia — and I must add that places like Geelong and Dandenong in the electorate that Mrs Peulich and I represent, South Eastern Metropolitan Region, are also talked about in quite ominous terms.

The report contends that without the automotive manufacturing industry, by 2018 Australia's gross domestic product (GDP) would be \$7.3 billion less than it is now — and we are talking about today's dollars, not dollars in 2018. Furthermore, billions in foreign direct investment would cease if the industry shut down. That foreign direct investment in the Australian economy would not be redirected to other sections of our economy, as some people would have you believe — that is complete fantasyland stuff. That is capital that would be sucked up and would go back overseas. It would not be redeployed for more productive purposes in the Australian economy; that is a complete fallacy. That capital will exit the Australian and Victorian economies.

That will have a devastating impact on GDP, and the corollary of that is that it will have a devastating impact on Victorian jobs. The report states that employment would fall by 1.5 per cent as a consequence of the auto industry leaving. That does not sound like much, but if you look at our unemployment rate, you see that 1.5 per cent of it is a big chunk.

The car industry receives around \$500 million in government funding each year, and the report states, 'For this investment, the Australian economy is \$21.5 billion larger'. The report states that putting in \$500 million annually amounts to \$21.5 billion more in GDP. That is not a bad investment. I do not mind that at all. I quote from the report:

A shutdown of the Australian automotive manufacturing industry will lead to not just ... a permanent loss of GDP, but a loss in economic welfare (measured as loss of consumption expenditure) as well, amounting to \$21.5 billion, or \$934 per person.

We are complaining about investing US\$17.80 per capita in the auto industry, but this shows that there will be a loss of \$934 per person in terms of GDP. The report continues:

The economic loss will be particularly severe in the automotive industry-intensive states of Victoria and South Australia, especially in Melbourne and Adelaide.

This next section goes to the point I made before — that whilst our market is not protected, the markets that

our auto sector is supposed to be exporting into are protected. The report states:

In contrast, if the barriers to Australian exports of motor vehicles could be lowered, this would lead to significant positive economic effects.

A shutdown of the Australian automotive manufacturing industry will also deplete the range of spillover benefits the industry currently provides to the broader economy. This includes technology transfer, lean management techniques and applications, and advanced labour skills and manufacturing techniques.

That is all very clear. I think I have built a good case for our auto manufacturing sector. I am sure those opposite believe in our automotive manufacturing sector, because I am sure they believe in Victorian jobs and in the future prosperity of the Victorian economy.

I will make this point before I finish. When Greece fell over during the euro debt crisis, the world was panicked that Italy and Spain could potentially fall over as well. The commentary then was that Italy and Spain are just too big to fail and fall, and I contend that the auto industry in Australia is just too big to fail.

Mr DRUM (Northern Victoria) — It is always great to stand up and defend the work this government has been doing in automotive manufacturing since coming to office. It was good to hear Mr Somyurek acknowledge the impact the high Australian dollar is having on the automotive industry and manufacturing in general. It is also good that Mr Somyurek has acknowledged the cost of doing business and the high cost of wages in Australia and the impact that has on manufacturing. However, he did not mention the impact of the Labor Party-imposed carbon tax on the motor vehicle industry. He just happened to let that one slip. When Mr Somyurek acknowledged that in 11 years he was not able to convince his pals in the Labor government in Victoria that they should take on some of the policies they now have in place, I was just about ready to call for an extension of time, throw Mr Somyurek a bigger shovel and let him keep talking and digging a bigger hole for himself and his Labor Party colleagues in this state. He may have been differentiating himself from his other left-leaning colleagues in the Labor Party.

However, this motion deals mainly with the commonwealth government in Australia. In effect the motion calls on this house to call on another house, the House of Representatives, to do something. If you look at what the federal government is doing after eight weeks in government, you see that the manufacturing minister, Mr Macfarlane, has openly said that his biggest challenge upon coming to government — the

biggest problem he has to fix — is the auto industry. It is his biggest issue. He is putting more time, effort and energy into fixing up this country's auto industry than any other issue he currently has on his plate. Around the country there are organisations calling on Mr Macfarlane to do some work and save hundreds of jobs — for example, at SPC Ardmona in the Goulburn Valley. He says that food manufacturing is a worthwhile and meaningful problem that he has to get his head around, but he says the biggest problem he has been left by the previous government is of trying to work out what to do with the vehicle industry in Australia.

This is a little rich coming from Labor. It is not that long ago that in this chamber Labor government members were telling us that in an upcoming federal election we should vote for a bloke called Mark Latham. The Labor opposition in Victoria wants to talk about federal politics, but it was not that long ago that Labor members wanted us to vote for Mark Latham. Luckily we did not and we stuck with the Howard government for another term.

Then they wanted us to vote for Kevin Rudd, who was described by Bendigo's Steve Gibbons, his colleague of 11 years, as a schizophrenic psychopath. He was the one they wanted us to vote for and he became our Prime Minister, but then a bloke called Bill Shorten got rid of him and put in place the worst Prime Minister we have ever had, Julia Gillard, who openly told us that not only the car industry but all of Australia would never have a carbon tax under a government she led. Then within six weeks of coming to government she introduced a carbon tax. Then Bill Shorten went back to supporting Kevin Rudd. Now if people want to vote for Labor federally, they have the opportunity to support the executioner himself, the man with the golden backstabbing knife, Bill Shorten.

With that as the background, by this motion state Labor members want the government to put more pressure on the incoming Abbott government to immediately save the Australian automotive manufacturing industry. Let us put it all in perspective. A whole range of initiatives are being undertaken and will be worked through in Victoria. It was only last week or two weeks ago that the Premier of this state was touring the Toyota plant in Aichi Prefecture in Japan with the leading businesspeople, the managers and executives, of Toyota. He was continuing to build on a 50-year partnership between Toyota and the city of Melbourne and the state of Victoria. Based primarily in Altona, Toyota makes more than 100 000 vehicles every year. They make quite amazing vehicles, including the

Camry, the Camry hybrid and the Aurion models, one of which I drive. It is the best car I have ever driven.

In his contribution Mr Somyurek showed that he wants to have 50 cents each way. He wants to talk the industry down and then he wants to talk the industry up. Yesterday I received an email from a friend in Geelong. He said, 'Drummie, we have got to stop the negative talk about this great city'. That was under the caption of the cartoon about the city that was in a newspaper yesterday or the day before.

If members of the state Labor Party want to go down the path of a trashing the state model of opposition, they should feel free to do so, but they should make sure that they understand exactly what they are doing. Every time they trash any particular part of this state, there are real and genuine consequences. It was not so long ago that the former Treasurer, Mr Lenders, stood in here lambasting the then opposition for daring to mention anything negative because there would be dire consequences from negativity created by members of the state opposition. Opposition members continue to talk about the uncertainty in the automotive industry when this state government is doing so much for it and the Minister for Industry in Canberra, who is responsible for manufacturing, has said that it is his no. 1 priority.

I would like to talk about another little issue that arose during the horrible six or seven years of the Rudd and Gillard and Rudd federal governments. In the city of Bendigo, where I live, we have Thales, which is the manufacturer of the Bushmaster and Hawkei vehicles and also the Fireking vehicle, which is an amazing bit of technology. The Bushmaster project was coming to completion, and the then federal government had more than a year to understand that there was a highly skilled and highly qualified group of in the vicinity of 200 people employed and based in Bendigo all working on the Bushmaster and that their jobs would be at risk when the existing contract came to completion.

The federal government knew that the company needed to then have a new contract coming through, which was to build the Hawkei. The incompetence of federal Labor meant that it was simply unable to bring forward by six to eight months one contract to ensure that the workforce could be protected. The federal government did not have to pay any additional money or provide additional resources. The only thing that had to happen was that one contract needed to be brought forward by six to eight months to ensure that the workforce was protected. The champions of the manufacturing industry, the members of the good old Labor Party, just went to sleep.

Nothing was heard from members of the state opposition here about those jobs running out the door. There was nothing at all heard from Jacinta Allan and Maree Edwards, the members for Bendigo East and Bendigo West in the Assembly, or from Adem Somyurek about how incompetent federal Labor was in protecting those jobs in the city of Bendigo in the manufacture of vehicles for our defence personnel. Sure enough, when the Bushmaster project was complete, many of those highly skilled people were forced to leave and look for work elsewhere. That was because federal Labor could not organise the proverbial in a brewery. That again puts into perspective the motion about the automotive manufacturing industry that members are debating today.

Former Premier Baillieu and the current Premier have been on trade missions. In his short term as Premier, Denis Naphine has been on more trade missions than all the trade missions former premiers John Brumby and Steve Bracks went on. The commitment of the current government to shoring up relationships with overseas companies and generating continued and improved overseas investment in this state and this country shows the way compared to what was done by the state Labor Party. Members of the Labor Party must be hanging their heads and asking, 'Why didn't we do that in 11 years of government?'. Mr Somyurek was digging a hole for himself in his contribution. I ask: why did those opposite not introduce the policies that in opposition they are now advocating?. It has taken them two and a half years to come up with a policy, and there has been not one skerrick of an answer to the question of why those opposite did not do what they now say the government should do.

There is no doubt that we on the coalition side of the Victorian Parliament understand the importance of not only the automotive manufacturing industry but also the manufacturing industry as a whole. It has a \$30 billion impact on gross state product. Manufacturing industries across Victoria have a huge impact. They employ over 310 000 people and account for \$1.6 billion of expenditure in research and development. What we generate with our manufacturing sector is quite phenomenal. Over \$6.3 billion in exports are associated with manufacturing, and 30 per cent of Australians who are involved in manufacturing are involved with it here in Victoria. It is not just automotive manufacturing; advanced electronics plays a huge role in Victoria's manufacturing sector. The sector also involves machinery, aerospace, aviation and defence — which I have spoken about in the Bendigo context — plastics, chemicals and pharmaceuticals. We have also heard the Minister for Agriculture and Food Security, Mr Walsh say food and fibre is worth over \$9 billion in Victoria

alone. There are phenomenal numbers associated with manufacturing, and a significant part of that is accounted for by vehicle and automotive manufacturing.

The Victorian government has led various trade missions to Korea, Japan, the Middle East, China, India and the US. It is very important that we look at the things we can do, rather than focus on problems caused by a high Australian dollar and the fact that we are not throwing even more subsidies into a particular industry. Somehow or other we have to generate efficiencies. You would have to be an absolute idiot not to acknowledge that the Ford Motor Company has been making the wrong cars over the last 10 years. The company itself has acknowledged as much. It acknowledges it woke up to this particular issue about 5 to 10 years too late. Continuing to make large sedans when the rest of the world was moving into smaller vehicles was a mistake that, in effect, cost the Australian arm of the Ford manufacturing business. It is worth noting that other car manufacturers, predominantly Toyota, have been making cars that have been selling well overseas. Toyota has been making the Camry and the Hybrid Camry here and selling a large proportion of them overseas.

There have to be efficiencies and innovations to make these industries and sectors more economical and financially sustainable. About 70 per cent of the Toyota vehicles manufactured at Altona find their way overseas. The Middle East is one of our largest export markets. Holden's operations are predominantly in Elizabeth, where it manufactures 70 000 vehicles per year, but it also has a strong emphasis on design and engineering capabilities, and those operations are based here in Victoria.

Ms Tierney — And the engine plant.

Mr DRUM — And the engine plant in Port Melbourne, as Ms Tierney says. Ford has its major operations here in Victoria, and it currently employs around 2700 workers — 1750 in Broadmeadows and about 1000 in Geelong and Lara. The company has trouble moving the larger Falcons and Territories that it makes. The larger part of its market is mainly domestic, so there is going to be a serious issue, and nobody on this side of the chamber would suggest that the vehicle industry is not in a significantly precarious position. I would be surprised, shocked and disappointed if the people from the other side who moved this motion simply got up and suggested that the answer to the problems faced by the automotive industry in Victoria and Australia is that respective governments simply throw more money at it. That would just be farcical,

and I would expect a little bit more from people who truly understand such an industry.

I would also like to touch on a few things that have been pushed hard by the coalition government here in Victoria. We in coalition are happy to pick up the phone. It was once said in this chamber, 'How about you pick up the phone and talk to your mates in Canberra'. We are always happy to do that. I am sure that the Assistant Treasurer is happy to ring and talk to manufacturing ministers in Canberra and suggest that Victoria is home to some serious industries with a very strong, rich and powerful history in this state that we would like to see continued. In my opinion it would be farcical to think that phone call would be based solely around requesting more money without there being innovation strategies and efficiencies in place to ensure that those industries would operate in a sustainable manner.

I will mention a couple of initiatives we have set out. Firstly, I make note of our manufacturing strategy, *A More Competitive Manufacturing Industry*, released in December 2011. Mr Somyurek's suggestion that it was a bit lame for us to be producing a strategy on the manufacturing industry was an interesting statement. That comment comes from a member of a state Labor Party that did not have a minister for manufacturing or even a manufacturing portfolio. We are talking about gold medals for hypocrisy. From 2006 to 2010 the Labor government did not have a minister for manufacturing or a manufacturing portfolio. One might say its attitude now is, 'Whoops! We forgot about that. Thanks for reminding us that we did not have a minister. Sorry about that.'

We have the minister, we have the portfolio and we are literally throwing millions of dollars — and I will outline the details shortly — at ways to support not just the vehicle industry but the auto industry more widely. We also have what we have called 'A more competitive manufacturing industry' strategy that we released in 2011. This strategy sets out priorities to assist and lift productivity and competitiveness throughout the manufacturing sector.

It is one thing to have a minister and another to have a portfolio. It is also necessary for people in that ministry to have a strategy. In the 2012–13 budget, money has been provided to back up that strategy and make it work. Victorian manufacturers will benefit, especially small and medium enterprises, from our Investing in Manufacturing Technology program. There is \$24.8 million to support businesses to invest in new and transformative technologies that will improve business performance. Under rounds 1 and 2 of the Investing in

Manufacturing Technology program we have awarded \$6.6 million to more than 40 businesses to support investment in new technology, processes and equipment, resulting in the creation of new jobs and also transitioning existing jobs to higher value roles.

Another program this government has going is its Manufacturing Productivity Networks grants program, for which \$7.5 million has been set aside. This program provides flexible support to networks seeking to expand their activities. There has been a total of 20 applicants for rounds 1 and 2, and they have been awarded funding for business network projects which are expected to assist the productivity and competitiveness of over 630 businesses. We recognise the challenges. We are putting these programs in place to assist businesses to get even more work and to grow their businesses through new technology and innovation, giving them the ability to become truly competitive in the world market.

It was just yesterday that a delegation of manufacturers in Bendigo met with Mr Hodgett, the Minister for Manufacturing. The delegation comprised a consortium of businesses that want to get together. They are the largest manufacturers in Bendigo and include representatives from Thales, the company that makes the Bushmaster and the Hawkei, the Australian Turntable Company, Lawyers Conveyancing, Motherson Elastomers — the list goes on. There were representatives from a whole range of the largest manufacturers in Bendigo.

This is a good story because those companies have a proactive attitude towards the future. Huge things are happening in this state, including the construction of the Bendigo Hospital. Those companies believe there will be a huge need to rebuild, to continue to build, to reinvest in our ports and to upgrade access to our ports. They can see that this state is going to be the home of some serious larger contracts into the future. They are not just trying to gear themselves up so that they can somehow or other get a piece of far-off interstate mining contracts. This is about preparing themselves to operate as members of a joint venture in Victoria which will take on the work they see is going to arise in the short term.

The representatives of those companies have met with Minister Hodgett to work out how this government can assist them to operate as a joint venture so that they can go after and create more jobs to generate more investment. They are putting their money where their mouths are, because they are companies that not only want to talk about access to some of the larger contracts but they also understand that they need to grow their

own capacity so that they can tender and hopefully go after and win some of the larger contracts that individually they might not have the capacity to go after. This is forward thinking from those major manufacturers, which all employ 50, 100, 150 and 200 people in the city of Greater Bendigo. They include companies like Southern Shorthaul Railroad, a Bendigo company that makes carriages for trains for railways around Australia. There are some serious manufacturing businesses that are talking to the government about how the government can assist them, how the government can generate further investment for them, how to coinvest to make sure that they have an opportunity to expand their businesses and grow even more jobs. That is something that the Manufacturing Productivity Network program is going to provide.

As I said earlier, the government recognises the challenges that the manufacturing sector is facing at the moment, as does the federal government that has been doing the job in Canberra for the last eight weeks. The federal Minister for Industry has identified the auto industry as his no. 1 problem, thanks to the mess he has been left by the previous Labor government with all those outstanding — I should not even joke about it — leaders we have had in federal Labor over the last decade. He understands that it is his biggest challenge and he is going to set his mind to doing what he can to assist. We are happy to encourage the federal Minister for Industry, Ian Macfarlane, to support the industry in the same way that we are supporting the industry with the various programs I have outlined and with the production of our manufacturing strategy.

Before Labor dumped the idea of having a manufacturing minister, and when it had Mr Theophanous and Mr Haermeyer in the industry portfolio, in opposition we asked when it was going to produce its blueprint for manufacturing. It got to a stage where the strategy was, I think, over three years late, and in the end we gave up because the government had dropped the ball and it did not care about the manufacturing industry. The Labor government did not do anything about producing the documents it said it would produce. Ultimately the matter was put in the too-hard basket and Labor tried to spin its way out of the fact that it was a do-nothing government when it came to the industries it said it would protect.

The state Labor Party voted for the carbon tax, and even recently it voted not to abolish that tax, so it is beyond belief that it now expects the coalition government in Victoria to play the white knight and go running off to Minister Macfarlane to make him do something that he has already said he is going to do

anyway — that is, address the current issues within the automotive industry in Australia. It is a huge issue and a huge business. The industry has some amazing assets in relation to what it provides for the people of Victoria with its employment and its contribution to the gross state product. Over 3700 people are directly employed at Toyota, not to mention many others who are employed indirectly across the state. We understand the importance and gravity of the situation that is facing the vehicle industry, and we know what we are doing at a state level to create innovation and efficiencies within the manufacturing sector. We need to talk up the manufacturing industry not only in this house but also when we are in the public arena. We need to be talking up the manufacturing sector and the city of Geelong to make sure people take a positive approach.

There is one thing that is quite often overlooked in the city of Geelong, and that is the growth of another company that this government has helped, which is Cotton On. Representatives of that company came to see me and members of this government when we had been in office for about two months. They said the company had planning issues it had been unable to resolve under the Labor government. One thing led to another, and Cotton On threatened to pack up its whole operation and move to Singapore and/or Silicon Valley because it had been offered enticing opportunities to relocate its head office to these meccas of industry. This government and the Minister for Planning, Matthew Guy, were able to fix the planning issues in the space of three weeks. The company had been waiting for a decision for over two years under the previous government. We then further invested in Cotton On to secure 500 new jobs in Geelong, which Labor never did.

I am talking about positive stories and the city of Geelong, but I have never seen Gayle Tierney stand in this place and talk about the positive impact of Cotton On and the new jobs that we have coinvested in with Cotton On. You just never hear it. All we hear is whingeing and moaning from Labor members who come into this place with negative stories. Ultimately it is another case of Labor being about bad news. A great company, Cotton On, has now moved into over 50 countries, and it is way ahead of the investment projections that were part of the deal with this government — not with the Labor Party. I urge anybody who gets an opportunity to have a look at what Cotton On is doing in North Geelong. It is bringing in hundreds of new jobs and bringing new companies under its banner. It is an amazingly positive story. I would not mind every now and again Labor members in Geelong starting to talk up their town rather than talking it down at every chance they get.

Ms TIERNEY (Western Victoria) — I will start by making seven points directly in relation to the contribution we heard from Mr Drum. Firstly, I have made very supportive comments about various companies in Geelong, and I have specifically mentioned Cotton On. I can recall that I said that these are exactly the types of companies we need in our region, and we are absolutely thankful and grateful for those organisations that exist in the great city of Geelong.

Mr Drum interjected.

Ms TIERNEY — No, Mr Drum, I will not talk about the mayoral election that was covered a little bit in the *Age* today, because that might embarrass you.

My second point is in relation to what Mr Drum keeps on saying in terms of the carbon tax, and I am sure we will hear the same thing from others on the government benches today. I simply say to them that they need to watch *Q&A*, which was on ABC television on Monday night. On the panel were representatives from Aussie home loans, Santos Ltd and a number of other organisations. In fact the executive chairman of Aussie home loans said that he supported carbon pricing, and indeed the representative from Santos said that his company is fine with carbon pricing because it just factors it into its business planning. So to keep having this smokescreen that is relied upon by government members as a reason they do not get in there, roll up their sleeves and do something about all the massive job losses we are seeing in this state beggars belief.

Then on Friday morning we had the announcement of the Avalon job cuts. The new federal member for Corangamite, Sarah Henderson, jumped on the radio with Jon Faine and tried to use the carbon tax as a reason for the job losses in Geelong. To be quite frank, Jon Faine had to take her to task and tell her that that is not the case and that that certainly was not the position of Mike Devereux, who until very recently was the managing director of Holden in this state. This bother about the carbon tax continues to be a furphy. As I said, it is used as a smokescreen by those opposite to enable them to do very little when it comes to the real work that needs to be done in this state in terms of protecting manufacturing jobs and advancing and creating new manufacturing jobs.

The third point I want to make is that Mr Drum asserted Labor is interested in just tossing more money at the automotive industry. That is simply not the case. It was Labor that created the innovation fund. It ensured that companies in this country, before they came knocking on any government doors, had to prove that they were

innovative, sustainable and something different — that they were not just same old, same old. It was also Labor that brought coinvestment to this country in terms of dealing with manufacturing, and particularly car manufacturing. It is not a matter of Labor supporting cap-in-hand requests for more money. Labor is not about that; that is not sustainable, and it is not the right thing to do in terms of the taxpayer, let alone those who work in the industry.

Mr Drum also said the vehicle industry in this country is basically not competitive because wages are too high. I cannot remember the last time a vehicle worker in this state took home a full week's wage, because they have had down time week after week. They have also had to be very inventive when it comes to enterprise bargaining agreements as well as informal arrangements in response to what has happened with the market. Leave arrangements have also been incredibly flexible, and as I have said people who work in the industry have gone out of their way and made sacrifices to make sure that their jobs and their industry stay in this state and this country. Government members should not say that wages are too high and we are therefore not competitive; people have been busting their backsides for years to make sure that we have a manufacturing industry in this state and this country.

The other thing Mr Drum claimed was that Labor did not have a manufacturing minister. The fact of the matter is that when I was in the vehicle industry we had no problems whatsoever contacting the minister, whether it was the employer, the employees or the unions making contact with the responsible minister. That was equally the case when the minister responsible for manufacturing was Mr Haermeyer, when it was Mr Holding and when it was Mr Theophanous. They were accessible, they were engaged and they were not waiting around for pieces of paper. Rest assured, not only did they have their sleeves rolled up but they also made significant contributions in the house and in the media advocating for the vehicle industry and manufacturing generally. That is unlike the current Minister for Manufacturing, who last time I checked *Hansard* had mentioned manufacturing three times. Government members should not come into this chamber pointing the finger at Labor; Labor has been engaged, but the government unfortunately has picked a manufacturing minister who simply is not up to it.

When Labor members stand up and talk about the vehicle industry, the last thing we want to do is be accused of talking the industry down. The only reason we get up and say these sorts of things is that we are so frustrated. We feel we simply have to shake government members to make them realise the

situation. Mr Drum said the vehicle industry is precarious. The reality is that it has gone beyond precarious; it is in crisis. Ford has already made the announcement to close. That leaves us with two manufacturers. Holden is dodgy, and the business reality is that if Toyota is the only remaining manufacturer, it will find it incredibly difficult.

We know there needs to be critical mass in terms of the component supply chain; that is just the way the industry is structured, not just here but in the United States, Canada, Japan, China and everywhere else. You have first, second, third, fourth and fifth-tier suppliers, and when you reduce your industry to one or even two manufacturers things get very rocky. That is also what the Federal Chamber of Automotive Industries is saying. It is not just Labor saying this; it is the organisation that speaks on behalf of the vehicle industry. It is really concerning that there is a situation here in Victoria and South Australia that, if not dealt with quickly, will lead to serious problems both in the other industries that are connected with vehicle manufacturing and in terms of high unemployment levels, which may reach such a point that they cannot be arrested.

Getting back to my contribution, as opposed to the assertions Mr Drum made earlier, we have a situation where our automotive industry is at a crossroads and its future is on very shaky grounds. It is important that we rely on the Federal Chamber of Automotive Industries report because it provides us with the most recent overview of the industry. The report states that Australia's gross domestic product (GDP) will be \$7.3 billion smaller by 2018 if local automotive manufacturing is allowed to slip through the cracks of indecision by government. The automotive industry provides research and development benefits for the entire economy. It has extensive links with other sectors, be it heavy engineering, marine or aerospace.

The automotive industry put its money where its mouth is, spending \$693 million on research and development in 2011–12. Its value-added benefit was \$5.4 billion in 2011–12, which is 5.3 per cent of industry value-added benefit for the entire manufacturing industry. The automotive industry is also a major player in training young people who later go on to work in a whole range of other sectors such as mining. The Australian economy will be all the better if the skills of younger as well as older people are developed and maintained. Without the automotive manufacturing arm, these skills will simply be lost.

The automotive industry is a major export industry. The value of Australian automotive exports in 2012 was

\$3.7 billion. Of this, \$2.1 billion was comprised of motor vehicles and \$1.6 billion was comprised of automotive components, ensuring that large, medium and small businesses were rewarded for their efforts. While Australia's automotive exports are down from a record high of \$5.8 billion in 2008, they still account for 13 per cent of total exports of elaborately transformed manufacturers. This is an industry that adds to the national wealth, providing between 40 000 and 50 000 direct jobs in both the large car maker and supplies sectors, with several hundred thousand more dependent on the industry's viability.

Historically the automotive industry has absorbed waves and waves of migration. It has provided wages for newly arrived people to this country to start new lives for themselves and their families and integrate into our way of life. The automotive industry has embraced people from all backgrounds. Many people have worked in the industry from the age of 18 all the way through to their retirement. These are the facts. By and large there is no dispute between the major political parties with respect to these basic facts.

That is why it is important for the federal coalition government to support the automotive industry and to step back from its often populist and sometimes ill-considered rhetoric of election campaigns. The federal Liberal and National parties made damning comments with respect to funding arrangements for automotive manufacturing in this country in their bid to win government. This is probably one of several policies the coalition parties wish they had not pursued with such vigour, because the reality of operating as an opposition is vastly different to decision making in government when you have responsibility for the economic health of the nation. We must not forget that 60 per cent or more of the automotive industry is based in Victoria. This is about the health of our state, which is inextricably linked to sensible decision making about the automotive industry's future.

I would argue that the vehicle industry incites passion from all sides of politics — from the economic Luddites and the free marketeers who call for the industry's dismantling to the more considered approaches being considered by the likes of Senator Kim Carr and the federal Minister for Industry, Ian Macfarlane. Both of these formidable politicians passionately believe that the automotive industry is fundamental to the health of this country. In an article published in the *Age* of 5 November Senator Carr states:

Victoria, as a key manufacturing state along with South Australia, will feel the ill effects of the death of the

automotive industry even more acutely. Where would the thousands of Victorians employed in the automotive industry find another job? How would Victoria's economy recover from a 1.6 per cent hit to GDP?

If General Motors Holden goes, then the likelihood is that Toyota and a good part of the 160 component manufacturers in the supply chain will follow. This is the harsh reality of an industry that operates as an ecosystem, each part dependent on the other for survival.

Supporting this industry is not a case of throwing good money after bad. Far from it. For the \$2.7 billion the Labor federal government invested in this industry, we saw \$26 billion in new investment. That's a return on investment of almost 9:1, impressive in any terms.

And if you think the auto industry gets a lot more government support than other industries, you're wrong. The federal government spends more on grain, sheep and beef than auto. More on primary production, more on mining.

The automotive industry is a major employer and a significant contributor to the national economy, but it is in crisis. Without an urgent commitment from this government, it could all be over by Christmas, and it knows it. An industry that survived the global financial crisis could disappear because of inaction by the Abbott federal government.

With respect to the proposed Productivity Commission review, Senator Carr went on to point out correctly:

There have been at least four academic studies into the contribution of the automotive industry to Australia's economy and their findings all point in the same direction. It would cost the economy more to see the industry fail than it ever would to support it. The cost of seeing this industry fail in terms of lost tax revenue and increased social services alone would top \$26 billion, not to mention the billions more lost in new investment, capacity and research and development. It would take more than 10 years for the economy to recover from the underlying hit to GDP.

Far from being a burden on taxpayers, this industry is a major contributor to our national wealth.

A telling identification of assistance measures in both the USA and Germany was also outlined in the article, where we were reminded that the US spends the equivalent of \$264 per person supporting car making — 14 times more than Australia does. Germany spends \$90 per person, which is five times more than Australia. Australia spends a paltry \$18 per person. The reality is that there is not one car on the road anywhere in the world that is not supported by a government somewhere.

Again I would stress that Minister Macfarlane has also adopted a reasonable position in his comments. He recently stated on 9 October this year:

In the end, I'm just as enthusiastic about the car industry as the people who work in it.

He goes on to recognise that 'the car industry is critically important'. These are very welcome comments from a minister who is not unfamiliar with the industry, unlike the previous industry spokesperson, Sophie Mirabella. But time is of the essence, and it is uncertain if car manufacturers are able to carry their losses, which are substantial, for very much longer. The Productivity Commission is due to provide an interim report in March, which, in the current climate, could be too late.

Minister Macfarlane agrees that every other country in the world subsidises its car manufacturers, in most cases far more extensively than Australia. To his credit he has made it part of the terms of reference of the Productivity Commission's inquiry. I understand he wants to get those facts on the table to assist the government's decision making, but in reality this is hardly rocket science. The minister's own department would have this information at its fingertips, as would the department of our own Victorian minister. This information is readily available. Delays in sensible decision making are dangerous in these perilous times.

In respect of these matters I also refer to the Allen consulting group, which is hardly the cutting edge of the revolution on these matters, where it points out that both Victoria and South Australia would be devastated by the closure of the industry. To be quite frank, this is a masterful understatement of such an event. The study shows that a shutdown of the industry by 2018 would lead to a \$21.5 billion hit to the economy in net present value terms. It says high-technology jobs would be lost and billions of dollars in foreign direct investment would be redirected to other countries. The study claims that 33 000 jobs would be lost in Victoria, with a 1.4 per cent fall in gross regional product by 2018, along with the loss of 6600 jobs in Adelaide and a 0.9 per cent fall in economic input. Can any of us imagine the damage a disaster of these proportions would have on our Victorian economy, let alone the human cost of such a tragedy? We would become a wasteland of manufacturing before and if employment growth were to resume.

Do the federal Liberal-Nationals government or the Victorian government want to be the governments to preside over the dismantling of the vehicle industry in Australia? I think not. Today is an opportunity at least here in Victoria within the Council to lay before the Victorian electorate this government's position in support of this great industry. It is an opportunity for this state Liberal-Nationals government to outline its

actions to ensure its federal colleagues make the correct policy pronouncements for this country and our state, and it is an opportunity to show all Victorians that this government cares about their future and the job opportunities that come with a successful long-term manufacturing industry. Simply put: does the government support vehicle manufacturing?

Business interrupted pursuant to standing orders.

QUESTIONS WITHOUT NOTICE

Prison capacity

Mr TEE (Eastern Metropolitan) — My question is to the Minister for Corrections. I refer to the escape of two prisoners from Dhurringile Prison. The opposition is concerned that overcrowding at the prison may be a factor that contributed to the escape, because it is reducing the prisoner and prison officer ratio. I ask: what is the current ratio of prison officers and prisoners at the prison?

Hon. E. J. O'DONOHUE (Minister for Corrections) — I welcome this question from Mr Tee. I have been waiting since before the winter recess for a question from the opposition, so I welcome Mr Tee's belated interest in the corrections portfolio. Let us not forget Mr Tee's outrageous comments about the Callinan review, and his flagrant disregard for its enshrining of community safety into law.

This government has a very clear agenda when it comes to the corrections portfolio. I have previously advised the house that this government has opened 681 new beds since coming to government, exceeding our pre-election commitment of 500.

Honourable members interjecting.

Hon. E. J. O'DONOHUE — The interjections from opposition members show their disregard for community safety.

We have opened 681 beds since coming to government, and we have 2500 additional beds in the pipeline, including the new prison at Ravenhall, which will have 75 mental health beds, to continue our program to keep recidivism low and to give offenders the skills to reintegrate into the community.

I can respond to Mr Tee by saying that the escapes have happened from a minimum security prison, which is an open-style campus. I am pleased to advise the house that due to the terrific efforts of the general public, Corrections Victoria and Victoria Police all three prisoners who walked off these campuses in November

were captured the day after their escape. I am advised that the Office of Correctional Services Review (OCSR) is undertaking an investigation of the incidents. Corrections Victoria is also undertaking a thorough review of the incidents.

Supplementary question

Mr TEE (Eastern Metropolitan) — I welcome the fact that these prisoners have been recaptured, and I also welcome the fact that the minister suggests that there will be a number of investigations. As part of those investigations, will the minister consider the impact that overcrowding has had in the sense of whether it has made it easier for these prisoners to get out? Will that factor be part of the investigations that the minister has referred to?

Hon. E. J. O'DONOHUE (Minister for Corrections) — Mr Tee is again showing his ignorance of how these systems and processes work. I refer to the Office of Correctional Services Review, and I am advised that it is undertaking an investigation of the incidents referred to by Mr Tee. If Mr Tee is suggesting that I interfere with the independent OCSR, he should say it very clearly. Let us be very clear. The OCSR reports to the Secretary of the Department of Justice, not to the Minister for Corrections. If Mr Tee is asking me to interfere in an investigation, I would ask him to clarify that point in a supplementary question.

Let me make a general point. Additional staff have been recruited across the prison network to accommodate the growth, and I congratulate the general managers, the commissioner and all the prison staff on their excellent work in working to keep the community safe.

Carbon tax

Mr FINN (Western Metropolitan) — My question without notice is directed to the Minister for Health, and I ask: can the minister outline to the house the impact of the federal Labor-imposed carbon tax on Victorian hospitals, as recently collated by the Department of Health, and indicate whether it is Victorian government policy to support the removal of the carbon tax on health-care facilities?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for his question, and I note his long advocacy for the removal of the carbon tax. I can inform the house that the department has collated all the bills for the various public hospitals — the 86 health services that Victoria has across the state, some with more than one campus. I am able to inform the house

that the cost of the carbon tax approaches \$14 million in the financial year to 30 June. This is not an estimate; these are the actual costs as listed on the health service bills.

Those who look at commercial bills will be aware that there is a line item that says ‘carbon tax’ for gas and electricity suppliers; they levy carbon tax, including on hospitals, health services — private and public — and ambulance services. All of those are levied with a federally inspired carbon tax, and this state government has opposed that carbon tax. It takes money straight from the capacity of hospitals to service their patients. It is a tax directly on health care. It means less services are provided. The house will be interested to know that Monash Health, a key health service, has a carbon tax bill paid to Canberra of \$1.299 million for the 12 months to 30 June. In the case of Western Health — Mr Finn will be very aware of Western Health — \$785 000 is the carbon tax bill put on Western Health by Julia Gillard and Kevin Rudd.

I can also inform the house that it is state government policy to support the removal of that tax. I note that in the federal Parliament this morning a bill was tabled and a second-reading speech given — the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013. If passed by the federal Parliament, this bill will remove the carbon tax from Victorian hospitals and health services. In the case of our public health services in Victoria that will mean we will have almost \$14 million extra to spend directly on patients and services. That is money that should be spent on services that is currently being paid to Canberra as a tax on hospitals and health services.

It is interesting to read very briefly from the second-reading speech for the Clean Energy Legislation (Carbon Tax Repeal) Bill 2013. It states:

Now the Parliament gets its chance.

The 2013 election was a referendum on the carbon tax.

The people have spoken.

Now, it’s up to the Parliament to show that it’s listened.

The Australian people have pronounced their judgement against the carbon tax: they want it gone.

It is Victorian government policy to want the carbon tax pulled off our hospitals, off our schools, off our facilities and off our health services. This will enable the money to be put back into treating patients rather than paying a carbon tax to Canberra. I say it is more important to treat patients than it is to provide a carbon

tax to Canberra, and that is what we will be supporting and advocating for.

I can indicate that the department has gone to some effort to collate those bills from all around the state. It is millions of dollars, and it will grow. It does not matter how efficient you are as a hospital, whatever level of energy efficiency you get to, you will still get the carbon tax put on top of your hospital or health service facility. This applies to large private hospitals like Epworth or Cabrini and small GP surgeries and pharmacies. All of those are hit with a carbon tax on their services, and we certainly welcome the — —

The PRESIDENT — Order! Thank you, Minister.

Emergency department performance

Mr JENNINGS (South Eastern Metropolitan) — My question is to the Minister for Health. I agree with the minister that it is most important that we treat patients in our hospitals. At the end of the last sitting week — a week when the government released hundreds of hospital annual reports — we received the hospital performance data for 2012–13 in Victoria; that was very courageous of the minister. That shows that 2088 patients had waited in emergency departments in Victorian hospitals for longer than 24 hours. In the last few days the minister has announced the infamous ambulance dump-and-run policy. Can the minister tell us how that policy will positively impact on his ability to move 2088 patients through emergency departments within 24 hours?

Hon. D. M. DAVIS (Minister for Health) — I can indicate that our policy — —

An honourable member — The carbon tax.

Hon. D. M. DAVIS — To pick up the interjection, the carbon tax on ambulances is very significant. All of our ambulance services are clobbered with a carbon tax being put on them — even air ambulances cop a carbon tax from the opposition’s federal mates, and opposition members voted for it; they voted to support the carbon tax. Opposition members are against the repeal of it. It is time that opposition members thought about it. Yes, ambulances — absolutely — are going to pay carbon tax too.

Honourable members interjecting.

Mr Lenders — On a point of order, President, on the matter of relevance. The minister is pointing to this side of the chamber and saying we voted for a carbon tax. I put to you that he is debating the issue, because the legislation he refers to is a commonwealth act and

was not voted on in this chamber, therefore by definition he is debating the issue.

Hon. D. M. DAVIS — On the point of order, President, clearly I was responding to the interjection by the member and was being provoked. In that circumstance I certainly did stray from a direct response in my answer to the question.

The PRESIDENT — Order! On the point of order, members would be aware that I am a bit concerned about constantly having to go back to this particular issue in respect of debating technique. The house is now well acquainted with the minister's view of various federal government policies and former federal government policies and is well aware of how the minister might have characterised the current state opposition's position in respect of carbon tax and some other matters in terms of health funding and so forth. I do not think we have to traverse this ground over and over again, particularly where it is leading in a debating sense.

Having said that, I understand — and I have commented on this before too — that where they are injections, they absolutely invite a minister to go in an entirely different direction with their answer, and it is difficult for me to bring a minister back to an apposite position with regard to the original question if they are then provoked by interjections which invite them to stray. I ask the minister to return to the substantive question in his answer.

Hon. D. M. DAVIS — Thank you, President. As you said, I was provoked, and I will seek to focus directly on the question.

I can say that in our emergency departments the median time to treatment for all emergency patients improved from 21 minutes in the June 2012 quarter, the equivalent quarter, to 19 minutes. It is exactly the set of figures that the member referred to. Performance in relation to the most urgent categories, 1 to 3, remains steady with the median time to treatment being 12 minutes in both quarters. Performance for the less urgent categories, 4 to 5, improved from 34 minutes to 31 minutes in the same period — I am comparing the June quarter data that was released and was referred to by the member. The June quarter 2013 time to treatment performance for emergency department category 2 was above the 80 per cent target.

In terms of 24-hour waits, they will always be a challenge for our major health services as we seek to meet national targets. The June quarter 2013 saw 313 emergency department patients with a length of

stay greater than 24 hours, which is a significant improvement on the 2012 data, which saw 533 patients with a length of stay of 24 hours. The most recent data actually shows an improvement in 24-hour waits, which is always pleasing, but 24-hour waits were of course a challenge for the previous health minister.

In terms of the important Stripp report, which was canvassed at some length in this chamber yesterday, it is important to understand who prepared that report and why it is significant. Dr Fergus Kerr was a member of Andrew Stripp's task force. He is the Austin Health director of emergency. Associate Professor Tony Walker, manager of regional services at Ambulance Victoria, and Melisa Tully, the Western Health acting nurse unit manager, were other members of the task force. That task force came back with five essential recommendations and associated points. They have been adopted by the government, which supports those recommendations and will move forward on them.

I also make the point that there was wide consultation by the Stripp task force with dozens of key people across Victoria's health sector: in major hospitals, emergency departments and the ambulance service. The focus is on a whole-of-hospital approach that enables a better movement and flow through the hospital, including the transfer of patients from ambulances into emergency departments or wherever else is appropriate in a hospital. On some occasions the transfer may be appropriate to another location within the hospital depending on the triage steps taken. Either way there is acceptance by hospitals as a whole, with the support of CEOs and senior clinicians in hospitals, of the need to move patients forward. I am not sure what Mr Jennings would be arguing. I cannot imagine he would argue against the timely and proper movement of patients from the ambulance service into the emergency department.

Supplementary question

Mr JENNINGS (South Eastern Metropolitan) — I am sure that you noticed, President, and I hope the minister noticed, that when he was giving relevant information and not debating the issue the opposition did not interrupt his flow, and he had 3 clear minutes to provide his answer. In that spirit can I provide the minister with a further opportunity to clarify the matter he just concluded on: this issue of a whole-of-hospital response and the ability to deal with the crisis in our emergency departments. Surely the minister recognises that his inability to deliver on his 800-bed promise to the people of Victoria contributes greatly to the ability of Victorian hospitals to move those patients through emergency departments, meaning we have to this day

2088 patients in Victoria who wait longer than 24 hours in our emergency departments?

Hon. D. M. DAVIS (Minister for Health) — I am not exactly sure what the question was, but in any event I will make some response. I can indicate that the government is putting more resources into our hospitals: increased funding of \$2 billion across the health-care portfolio area in the period since coming to government. In terms of our ambulance service, there is increased funding of almost \$100 million, and 465 additional paramedics are in place now compared with the period under the previous government. The fact is the previous government had no intention of increasing the resources required by our ambulance service. It did not do the work; it allowed the service to run down. That is what it did.

Mr Lenders — On a point of order, President, once again, when asked a question on government administration the minister is debating what a re-elected Brumby government may or may not have done post-2010. I ask you to bring him back to the question, which is on government administration, not a hypothetical debate about what an unsuccessful opposition might have done if it had been elected to government.

Hon. D. M. DAVIS — On the point of order, President, it is clearly relevant to understand that there were alternative policies, and it is about the resourcing of our ambulance service. The government has put resources in, and that is the point we are making. We are contrasting that with the failure of the previous government to put in resources.

The PRESIDENT — Order! I am inclined to accept the point of order from Mr Lenders on this occasion. Firstly, I do not think it is entirely relevant to be canvassing what an alternative government may or may not have done, given there was a judgement by the electorate. More importantly, on this occasion the substantive question referred to a report that has been done subsequent to the previous government having left office and therefore is dealing with a current circumstances rather than with what may or may not have been. The minister's substantive answer certainly went to that report and the government's response to it, and I think that is the context in which the supplementary question sought to obtain some further information.

Having said that, I accept what the minister said about perhaps the supplementary question was not well framed on this occasion. The supplementary left it to the minister to judge what might have been the

question. I think the minister was at some difficulty in that, but while canvassing what a previous government might have done is perhaps worth some reference in an answer, it ought not to be leading towards a debate in terms of the response.

Hon. D. M. DAVIS — It will be of interest to the chamber to understand something of the challenge that is faced on transfer times around the world. This is not an Australian problem; indeed it is not even a problem of this government. The previous government faced challenges on transfer times and failed to declare the data — —

The PRESIDENT — Order! Time, Minister.

Young driver safety

Mr DRUM (Northern Victoria) — My question without notice is to Mr Gordon Rich-Phillips in his capacity as the Assistant Treasurer. I would ask him to inform the house as to Victoria's road safety strategy and how it is targeting improved safety for Victoria's young drivers.

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Drum for his question and for what I know is a genuine interest in driver safety, particularly for young drivers here in Victoria. On Monday I was delighted to join my colleague from the other place the Minister for Roads for the launch of the latest Transport Accident Commission (TAC) campaign titled 'Get through the red together'. For the first time this is a campaign targeting parents as to the role they play in assisting their children as young drivers to be safe drivers on our roads.

Over recent years we have seen the adoption, through VicRoads, of the 120-hour L2P program, which requires learner drivers to undertake around 120 hours of supervised driving prior to being tested for their P-plates. Typically that driving is undertaken with their parents, who act as mentors and instructors and obviously have the opportunity to impart to their children the benefit of their typically long experience as drivers.

Equally, we know that on receiving their probationary licences and P-plates young drivers have a 30-times greater chance of being involved in a transport accident than they do while driving on their L-plates. That highlights that for newly licensed drivers the first 6 or 12 months of their period as a P-plate driver is a particularly dangerous period. As a consequence of that knowledge and the undertaking of collaborative research with VicRoads and the RACV, TAC has

developed its latest campaign, 'Get through the red together', specifically targeted at parents to encourage them to continue to be involved in their children's driving once they transition from L-plates to P-plates.

As part of the campaign TAC has established the saferpplaters.com.au website, which contains a range of advice and information for parents around the roles they can play as mentors and indeed as role models on the road and in giving advice and assistance to their children in areas such as driving at night, endurance driving, long-distance driving, driving in adverse weather conditions et cetera. These are types of environments that parents typically will have been exposed to over a long period of driving but which their children, as newly licensed P-plate drivers, will not necessarily have had exposure to.

The research undertaken collaboratively with VicRoads and the RACV has indicated that at least with respect to driving, young newly licensed drivers do listen to their parents' advice to gain the benefit of their experience. Through this campaign we are encouraging parents to remain involved in their children's driving once their children receive their P plates — to continue to be involved in those early stages of driving and to impart their knowledge as experienced drivers, to be role models for their children as drivers and to ensure that we can continue to improve the safety of our P-plate drivers on Victorian roads.

Uniting Church kindergartens and playgroups

Ms MIKAKOS (Northern Metropolitan) — My question is to the Minister for Children and Early Childhood Development. Recently the Uniting Church of Australia resolved to divest a number of its properties, including three kindergartens — Ewing Kindergarten in Malvern East, St Columba's Kindergarten in Balwyn and Crossway Preschool in Strathmore — and a number of playgroups, including those in Bentleigh East and Williamstown. A number of these are set to close, and there is a great deal of uncertainty about their future. What is the minister prepared to do to save these kindergartens and playgroups from closure?

Hon. W. A. LOVELL (Minister for Children and Early Childhood Development) — I thank the member for her question. The Uniting Church has made a decision on what are privately owned facilities. It has made this decision because it incurred a significant debt through the closure of Acacia College in 2012. It has made a number of decisions to sell a number of facilities, including the ones the member has mentioned. However, the Uniting Church has said

recently that it is going to review the buildings it has listed for sale, so we are unsure as to which facilities will eventually be sold. All the services will continue to operate in 2014 while transitional arrangements are being implemented. My department is working closely with the services and with local governments in the area to ensure that there are alternative arrangements for kindergarten children.

Supplementary question

Ms MIKAKOS (Northern Metropolitan) — The minister needs to go back and check her information again, because some of these kindergartens have said that they have been told not to take enrolments for next year and that they will be closing at the end of this year. The minister would understand that parents are looking for continuity of service provision and that there is a lot of anxiety around this issue. If the local council submits applications as part of this round of the children's facilities capital program, is the minister at least prepared to prioritise those applications for funding which would enable the kindergartens to remain open?

Hon. W. A. LOVELL (Minister for Children and Early Childhood Development) — I note that the member seems to be asking me to intervene in a process for which there are guidelines for applications for funding and in which the department actually decides what funding will be allocated.

Ms Mikakos interjected.

Hon. W. A. LOVELL — Funding is allocated on a needs basis. Priority is given to growth areas. Funding will be provided where there is a need for new facilities. The department is working with the communities where these facilities are located —

Honourable members interjecting.

Hon. W. A. LOVELL — I am trying to answer the question, but the member keeps talking at me. She is obviously not interested in the answer to this question because it does not suit her that my department is working closely with the services and with the communities to ensure that there are kindergarten places available. To prioritise a grant where there are other places available at nearby kindergartens and put at risk another service being established in a growth area where there is a need for additional places would be a perverse outcome. It would be the wrong decision to make. We will work with —

The PRESIDENT — Order! Thank you, Minister.

Horace Petty public housing estate

Ms CROZIER (Southern Metropolitan) — My question is to the Minister for Housing, Ms Lovell, and I ask: can the minister inform the house of recent activities and improvements on the Horace Petty estate in Prahran?

Hon. W. A. LOVELL (Minister for Housing) — I thank the member for her question and her ongoing interest in the Horace Petty estate. I also thank her for her interest in listening to the answer to this question, something a member on the other side was not willing to do when she asked a question.

Last Friday I joined Clem Newton-Brown, the member for Prahran in the Assembly, for two significant announcements at the Horace Petty estate. The first was the naming of the new park that has been established on the estate. The competition to name the park attracted more than 30 entries from local residents. There were some great and creative suggestions by the residents. Three locals were recognised in the finals. The runners up were Adya Lyubarsky and Rose Marie Szulc. The winner of the name the park competition was Stephen Anderssen for his suggestion of Gumtree Grove, which perfectly suits the new, modern park that has gum trees in it. As he said, 'grove' suggests to him a place that is green and modern. Mr Anderssen received a year's pass to the Prahran Aquatic Centre for his contribution. He was grateful for that, saying it would help him with some of the exercise he needs to do for a condition he has.

We also opened the new adventure playground. This is a wonderful new facility that has been funded on a 50-50 basis by the Victorian government and the City of Stonnington. With me to open the facility, in partnership, was the mayor of the City of Stonnington, Matthew Koce. Funding of \$300 000 has gone into this project — \$150 000 from the state government and \$150 000 from the City of Stonnington — which provided a new playground, a new kitchen, a half basketball court and new paths. This is an example of the government's commitment to building and improving communities and improving livability, particularly in the Horace Petty estate.

I look forward to progressing wider improvements for this site and surrounding estates through the master planning process for the Horace Petty estate and surrounding estates that is under way the moment.

TAFE funding

Mr LENDERS (Southern Metropolitan) — My question is to the Minister for Higher Education and Skills, Mr Hall. Yesterday the minister refused to rule out state subsidy cuts for 2014 TAFE courses on the basis that 'training effort is focused where Victorians need it'. What are the total savings for 2013-14 that the minister will announce later this week that reflects this refocus of training effort?

Hon. P. R. HALL (Minister for Higher Education and Skills) — In answering this question let me say to the Leader of the Opposition that the commitment this government has given to training in this state is for a record level of funding applied to training. Backed by the Victorian training guarantee, which was part of the system that the previous government introduced, it means that people who enrol in training and fit the eligibility rules will be given government support for that training. Therefore to talk about cuts to funding is ridiculous when it is market driven and there are no caps in terms of the total. Those students who enrol in courses and meet the eligibility requirements across Victoria will receive government funding — full stop. There is no cap in terms of the total funding for training.

Supplementary question

Mr LENDERS (Southern Metropolitan) — I thank the minister for his 'answer'. The question yesterday, which I rephrased in my substantive question, referred to the minister's statement yesterday that some subsidies will not remain the same — they will be cut. My question to him today asked him to quantify that. In my supplementary question, I ask: given that some subsidies are being cut, will the minister commit, in dealing with those cuts, to consult with the individual TAFE institutes in particular so that they have a lead-up time to deal with these changes rather than just hearing an announcement that says the subsidy for some courses is being cut?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Part of the contractual requirements which the government enters into with providers in this state to deliver government-subsidised training requires a minimum of 60 days notice for any change in subsidy rates — up or down. That commitment has always been honoured by this government, and it was part of the basic contractual terms of the system that Labor introduced when it was in government. In terms of consulting and giving adequate warning to providers, it will not only be TAFEs that will be provided with the

mandatory 60 days notice of any change in subsidy rates but indeed all providers.

I add that currently there are of the order of 600 providers in Victoria that have expressed interest in a contract arrangement with the government to deliver training in 2014. Those applications are now in the process of being assessed. Over 150 providers have already been told that their applications will be received and a contract offered to them when a full list of the rates for 2014 are made available. There will be plenty of time for consultation. There is time for people to realise and understand exactly what subsidies will be offered.

Port planning zone

Mr O'BRIEN (Western Victoria) — My question is to the Minister for Planning, the Honourable Matthew Guy, and I ask: can the minister inform the house what action the government has taken to bring forward new planning certainty to Victoria's ports?

Hon. M. J. GUY (Minister for Planning) — That is a good question from Mr O'Brien in relation to protecting some of the state's most important economic assets, which are our ports, particularly the ports of Melbourne, Geelong, Hastings and Portland. Two of those, being the ports of Portland and Geelong, are in Mr O'Brien's electorate of Western Victoria Region, and he would know them well. I have moved very swiftly with the Minister for Ports, David Hodgett, to ensure that we put in place, as a follow-up to the environmental significance overlay last year, a new port zone that will protect our ports from any inappropriate development that may occur. The new port zone, which will protect freight operations around the ports, as well as the ports' neighbours, is essentially important to ensure that we are protecting the vital economic assets that our ports are.

This government acknowledges that Victoria is the freight and logistics capital of Australia and will do what it can to protect that reputation. Whether it is about building the port of Hastings, a future port for this state that will benefit the people of the south-west of Melbourne, Gippsland and indeed the whole state, this government will get on with it. Whether it is about building the east-west tunnel to service our ports — the ports the government will protect — this government will get on with it, because it is about building a state of the future and protecting our reputation as the freight and logistics capital. This government is not afraid to do what is important to protect economically vital areas such as our ports, because the government knows more

than any other government that it is about protecting jobs.

Planning in particular is about jobs and the way we live. More to the point, it is not just about jobs at our ports; it is about the jobs that service those ports. That is why this new port zone is so important. That is why Plan Melbourne is so important in complementing the delivery of the port zone, which will be important in protecting the future of those ports. That is why the east-west tunnel is so important in protecting the economic viability of the freight and logistics capital and for the future viability of those ports, and that is why the port of Hastings is so important for the future economic viability of the state of Victoria. I can say with great confidence — —

Mr Leane interjected.

Hon. M. J. GUY — If Mr Leane thinks container ships go through a tunnel, that is a reflection on him more than it is on anyone else. Maybe Labor's transport plan says Labor will make a tunnel for ships; it is so vague and varied. Daniel Andrews, the Leader of the Opposition and member for Mulgrave in the Assembly, will promise anything to anyone. I am sure that Mr Leane will soon have a transport plan to solve who shot Kennedy! At the end of the day, this government is focusing on jobs and the way we live. That is why this government is focused on jobs and the way we live, and that is why the new port zone that this government — Minister Hodgett and me — is putting in place will protect jobs at those ports and protect the jobs that service those ports.

Hon. D. M. Davis interjected.

Hon. M. J. GUY — As Mr Davis says, we do not believe in building canals, as Mr Leane obviously does; we believe in building jobs and a sustainable state. That is what Plan Melbourne does, that is what the port of Hastings will do and that is what the new port zone will complement, making Victoria Australia's greatest state.

Midwifery services

Ms HARTLAND (Western Metropolitan) — My question is to the Minister for Health. In recent days, *Eligible Midwives and Collaborative Arrangements — An Implementation Framework for Victorian Public Health Services* was released. To my surprise, the government stated that the framework does not apply to women planning a homebirth who are seeking backup arrangements should they require transfer to a public hospital. A smooth and organised transition to hospital with continuity of care from the primary midwife from

home to hospital is very important for the safety and reassurance of the mother and baby. When will the minister provide an implementation framework for collaborative arrangements between private midwives and public hospitals for homebirthing mothers?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for her question. She will be aware of the significant maternity care funding in the recent state budget. She will also be aware that the Victorian government has commenced a homebirth pilot at Sunshine and Casey hospitals. She will be aware — and we have had discussions in this chamber before — that the Perinatal Services Advisory Committee has been asked to review that pilot and future options for birth models and has expressed its support for the expansion of publicly supported homebirth models of care in Victoria. The decision to implement homebirth models of care is at the discretion of individual health services, and we would allow them to undertake those steps if they wish.

Supplementary question

Ms HARTLAND (Western Metropolitan) — I am a bit confused by that answer because I was asking particularly about the framework that was released, which does not have any arrangements for private midwives wanting to have the backup of hospital. When will the minister actually look at this? The minister supports the National Maternity Services Plan, which was endorsed by his government, and that states that providing continuity of a range of maternity care options including homebirth is a priority, so again I ask: does the minister support the creation of formal arrangements between private midwives and public hospitals for cases where homebirthing women need to be transferred to hospital?

Hon. D. M. DAVIS (Minister for Health) — As I indicated, these are matters for the services. National reforms, as the member alluded to, allow midwives to access the Medicare benefits schedule and the pharmaceutical benefits scheme for certain admitting rights and so forth for private midwifery services. This is a new model of care that, as the member outlines, applies to women planning to give birth in a public hospital as a private patient of an eligible private midwife. It does not apply to women planning a homebirth.

There is an expert reference group which includes representatives from a number of different groups, and the Perinatal Services Advisory Committee was also consulted. In line with devolved governance arrangements, the establishment of collaborative

arrangements with eligible midwives is a decision for individual health services. The implementation framework recommends that health services seek independent legal, financial and industrial advice. The uptake of this model of care in other jurisdictions has begun and is being managed through different mechanisms in line with each jurisdiction.

Mathematics and science teachers

Mrs MILLAR (Northern Victoria) — My question is to Mr Hall, the Minister responsible for the Teaching Profession. Can the minister inform the house of what the coalition government is doing about the important issue of attracting maths and science teachers into Victorian schools in order to lift student learning outcomes in these very critical areas?

Hon. P. R. HALL (Minister responsible for the Teaching Profession) — I welcome that question from Mrs Millar because it touches on an area that I have a personal interest in — that is, the teaching of mathematics and science in schools in Victoria. Those who have an interest in education will recall that in the 2011–12 Victorian government budget there was a commitment of \$24.3 million to employ 200 specialist maths and science teachers to work in Victorian primary schools — 100 mathematics specialists and 100 science specialists. The first cohort of those 200 places, comprising 60 specialist maths teachers and 40 specialist science teachers, has been working in primary schools for the last two years — 2012 and 2013 — and those teachers have been very effective in the role they are playing in those schools.

On Monday of this week my ministerial colleague Mr Dixon and I welcomed an additional 100 specialist maths and science teachers who will work in Victorian primary schools for the next two years — 2014 and 2015. These comprise 45 specialist maths teachers and 55 specialist science teachers to complement the previous 60-40 — —

Mr Jennings interjected.

Hon. P. R. HALL — We have; we have 105 specialist maths teachers and 95 specialist science teachers now working in Victorian primary schools. By any measure that is a pretty good outcome. The first cohort worked across 55 primary schools. This new cohort will work across 59 primary schools. The work they do is very important in that they can lend that expertise to the students they teach directly but also in that half of their time allocation each week is spent working with other colleagues — teachers in the school and neighbouring clusters of schools. Spreading the

knowledge that they, as specialist maths and science teachers, have obtained across a range of schools is a very important element of this program.

It is pleasing that we have fully committed to delivering on that promise to employ 200 specialist teachers. They will bring great benefit to young people in their formative years learning maths and science, hopefully encouraging them to pick up a career involving maths and science in future years.

Finally, as an aside I make an offer to members in this chamber that if mathematics and science — particularly mathematics — are of interest to them, I have in my office in the parliamentary building completed copies of the three Victorian certificate of education mathematics exams offered for this year. There is a challenge available to anybody who would like to come and have a look at those exam papers and see what Victorian certificate of education maths is all about. It is some time since I taught some of those subjects myself, hence I do not feel that I am in a position to offer any expertise or advice to those who want to try them. Perhaps Mrs Millar, who is also very interested in maths and science, might want to lend a hand and challenge herself to those subjects.

Maths and science are very important to this government. We invested \$24.3 million in 2011–12 for these disciplines in our schools, and we are doing other very important things to encourage the take-up of maths and science and competence in maths and science for all Victorian schoolchildren.

QUESTIONS ON NOTICE

Answers

Hon. D. M. DAVIS (Minister for Health) — I have answers to the following questions on notice: 9468, 9473, 9563, 9564, 9839, 9910, 9911.

The PRESIDENT — Order! I am in receipt of two items of correspondence from Ms Mikakos in regard to questions that she has placed on notice. In the first instance she has written to me regarding questions on notice 9001, 9002 and 9003, which were to the Minister for Ageing, Mr David Davis. The answers she was given to those questions were dated 7 January 2013, but apparently she received them at a later date. Those questions sought information in regard to home and community care services. The answers to those questions in each instance indicated that some work would be undertaken during 2013 as priorities permitted, given that there was a substantive amount of work involved in responding to these questions.

Certainly in the preliminary answer to Ms Mikakos the indication was that further information would be available to her at some stage during 2013.

Ms Mikakos has sought the reinstatement of these questions on the notice paper. I am not sure that I need to go to that extent at this point in time, but I would seek an indication from the minister either today or tomorrow as to how work is progressing in respect of these three questions and whether Ms Mikakos can still look forward to more detailed responses to those questions.

Hon. D. M. DAVIS (Minister for Health) — I will be happy to examine those, President.

The PRESIDENT — Order! Ms Mikakos has written to me regarding a second matter, and this one is a bit more difficult. Again I am going to seek the minister's advice as to why I should not reinstate the questions. Ms Mikakos has written to me with regard to question on notice 8993, which was to the Minister for Children and Early Childhood Development, Ms Lovell. The question concerns whether there were any recommendations or findings conveyed to the minister from the Victorian Children's Council, and if so, what they might have been. The time frame in which Ms Mikakos had sought that advice was from December 2010.

The answer Ms Mikakos has been provided with by the minister's department is to the effect that the work of the Victorian Children's Council has been subject to an FOI request, also by Ms Mikakos, and that the release of some 100 pages of relevant documents was considered exempt from provision to Ms Mikakos given the nature of those documents, and therefore the view was that the questions were covered by that same exemption.

I am a little perplexed by that in that I think members of Parliament are entitled to ask questions, and I think the process is different to the freedom of information process. We have had rulings on a number of occasions by President Hunt, President Chamberlain and President Smith. The most recent one I have documented in *Rulings from the Chair* states:

It is insufficient for a minister to answer a question on notice by advising that that the information sought is subject to freedom of information provisions. The house is entitled to answers even if, for example, an Assembly member has submitted a freedom of information request.

I dare say that would extend to Council members.

As I understand it, the answer to Ms Mikakos's question 8993 would suggest that it relies on the FOI

exemption, which in itself seems to have been based on public interest. Ms Mikakos's question specifically asked if there are findings or recommendations for legislation or budgetary measures from the Legislative Council.

I have looked at the role and structure of the council, what it actually does, and I am of the view that it is not protected from providing answers to questions to members of Parliament in respect of its activities or certain advice it might give to ministers. I accept that some matters may be sensitive and their disclosure may well not be in the public interest, but I do not think knowing whether or not there are recommendations for legislation change is against the public interest. Therefore, I think that the answer provided to Ms Mikakos in this instance might well have been more fulsome, and that the question does not rely on the release of documents which she had sought and been denied under the freedom of information process.

In my view Ms Mikakos is entitled to an answer on this question. However, rather than reinstating the question at this point in time I would ask that the minister provide to me by the next sitting week an indication as to why I should not put this question by Ms Mikakos back on the notice paper.

Hon. W. A. Lovell interjected.

The PRESIDENT — Order! Just put it back on? It would have been interesting to get a process for the future, but I am happy to reinstate the question.

Ms MIKAKOS (Northern Metropolitan) — I thank you, President, for those rulings. I have other outstanding questions on notice that I wish to raise, and I advise you that in accordance with standing order 8.12(8) I have written to all the relevant ministers giving them notice that I would be raising the issue of outstanding questions on notice. I put on record my thanks to the Minister for Community Services, Ms Wooldridge, for responding to me and providing me with answers to all the outstanding questions on notice I had asked of her.

As I said, I wrote to the Minister for Children and Early Childhood Development on 29 October in relation to a number of questions on notice, and a number of those questions remain unanswered. They are questions on notice 8476–8484, 8595, 8993, 9285 and 9286, 9521–9525, 9551–9558 and 9840. I ask the minister for an explanation as to why these questions on notice have not been answered within the required time and when I am likely to receive those answers.

Hon. W. A. LOVELL (Minister for Children and Early Childhood Development) — I have signed a number of answers to questions on notice in the last week and they will be coming through the system. They may well be in the pile today.

Ms MIKAKOS (Northern Metropolitan) — I inform the minister that I received three answers to questions on notice yesterday. I did not refer to those three in what I said today.

Hon. W. A. Lovell — No, but I signed the six today.

Ms MIKAKOS — I have not received them and I have just received some from other ministers.

In relation to the portfolio of Ageing, I ask the Leader of the Government for a response. Again I wrote to the minister on 29 October asking for answers to a number of questions on notice. They are 9532 and 9589. I have received another answer today and I thank the minister for that, but I ask the Leader of the Government for an explanation as to why the answers to these further questions on notice remain outstanding. In his response could he also advise me in relation to an outstanding question on notice to the Minister for Youth Affairs? Again I wrote to the Minister for Youth Affairs, Mr Smith, on 29 October in respect of question 9533, which is also unanswered.

Hon. D. M. DAVIS (Minister for Ageing) — As the member indicated, there have been some responses to some questions today. I can also indicate that the letter my office received on 29 October referred to a number of questions that had been answered.

Ms Mikakos interjected.

Hon. D. M. DAVIS — I am just making the point that the letter we received referred to a number of questions that had at that point been answered previously. I will follow those questions up and ensure they are not the same questions but other questions.

With respect to questions to the Minister for Youth Affairs, Mr Smith, I will also follow through on those questions.

Ms HARTLAND (Western Metropolitan) — I also have a number of outstanding questions on notice.

The PRESIDENT — Order! Are these questions covered by a follow-up with the minister's office?

Ms HARTLAND — Yes. I would like to understand how often I am supposed to follow up with the minister's office.

The PRESIDENT — Order! My view on that is that it should be within a reasonable period. Twenty-eight days, for instance, is the required response time. I would think that for a little longer than that a member would still be covered by their original request to the minister for a follow-up.

Ms HARTLAND — My first question is from 27 March 2012 and I have repeatedly asked this set of questions.

The PRESIDENT — Order! Did Ms Hartland write to the minister's office?

Ms HARTLAND — Yes, and so I need to know whether I am supposed to make requests repeatedly or just the once.

The PRESIDENT — Order! I do not want Ms Hartland to have to do it on a weekly basis. When was the most recent follow-up with the minister?

Ms HARTLAND — I would need to check with my office. That is what I need to clarify because I have asked for answers to these questions on a number of occasions and they have not been forthcoming. Am I required now, before I ask for them in the house, to contact the minister's office and ask for them?

The PRESIDENT — Order! That is the process. However, as I indicated in the last sitting week, a reasonableness test needs to apply because I do not want members to be frustrated by having to repeatedly follow up with a minister's office on the same question; I would hope that the matters could be addressed in a reasonable time. I ask Ms Hartland to proceed to ask today, and she might advise me when she has followed up with the minister's office.

Ms HARTLAND — I will do that. Question 8510 was from 27 March 2012; 8969 from 15 November 2012; 9016 from 11 December 2012 — —

The PRESIDENT — Order! Which ministers are these to?

Ms HARTLAND — Sorry, 8510 is to the Minister for Public Transport; 8969 to the Treasurer; 9016 is to the Minister for Housing; 9250 is to the Minister for Higher Education and Skills; 9288 is to the Minister for Ports; 9535 is to the Minister for Environment and Climate Change — I received two responses today; and 9829 to the Assistant Treasurer.

Hon. D. M. DAVIS (Minister for Health) — I will follow up those for the member.

Hon. P. R. HALL (Minister for Higher Education and Skills) — One of the questions was directed to me. If my memory is correct, it was for the Minister for Education, because when it was raised last time I followed it through to seek an answer for Ms Hartland. I might add that therein lies a little bit of difficulty for ministers. If it is a question on which we are inquiring on behalf of another minister, we do not actually get receipt of the request. Therefore one might consider making sure that we are copied in on any request if we are doing it on behalf of another minister. I might add that in terms of your commentary on the frequency of follow-up, President, I would be happy to receive a monthly summary of answers to questions.

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

AUTOMOTIVE INDUSTRY FUTURE

Debate resumed.

Ms TIERNEY (Western Victoria) — Before question time I was talking about the importance of supporting the vehicle industry, and I outlined many of the benefits we have in Victoria as a result of the vehicle industry currently being substantially located here. We should therefore support the industry at all times, but particularly now as we see a very long list of jobs that have been lost across a number of sectors, predominantly in manufacturing. We know of the announcement that by 2016 the Ford plant at Geelong will close; that will affect approximately 1600 people in Broadmeadows and Geelong who will be without jobs.

We have seen a similar phenomenon at the head office of Target Australia in Geelong. Whilst the jobs there are not blue collar jobs — they are white collar jobs — many people on the redundancy list are family members of those who are Ford workers who will lose their jobs in a couple of years, or are family members of workers who have already lost their manufacturing jobs.

Of course we had the announcement last Friday of the Qantas decision to cut 350 jobs at Avalon Airport; that is also going to have a devastating impact on the local community. Recently we also saw 100 redundancies at Toyota in Altona. Although Altona is not in my electorate, I know many workers at that site live in Geelong and the surrounding areas. Those job losses are on top of the 350 sackings that took place about 18 months ago in that company, which I must say were very bitter sackings at the time. As recently as this week there have been the arguments before the Fair Work Commission with respect to Holden and its closure of

the product development track at Lang Lang, along with various other facilities.

There are also perilous question marks over the continued operation of Alcoa at Point Henry. There is a 'For sale' sign up at Shell, so we really do not know at this point in time what will be happening there. We have also seen jobs go in Ararat from AME Systems, which is a supplier to car companies. Victoria Carpets at Castlemaine has closed, with 21 employees losing their jobs.

Just after question time I was furnished with answers to questions I asked of the Assistant Treasurer in relation to jobs that were cut at IBM in Ballarat, with 30 jobs lost there. There were further losses at the Ballarat Rivers site — another 25 redundancies — as well as at Warmambool, where the warehouse sales and electrical discount sales departments saw a number of job losses. On several occasions over the last few months, the front page of the Ballarat *Courier* has outlined the hammering that manufacturing has had in Ballarat and the surrounding region.

If there were ever a time that we as decision-makers needed to ensure that there were jobs in this state, now is that time. I have just touched the tip of the iceberg in terms of the job losses in my electorate. No doubt very shortly there will be another motion moved in relation to manufacturing to try to get an answer out of this government about its intent and what its job plan is so that the growing queues of the unemployed can be stemmed. I am not saying it is an easy task, but so far this government has not given any indication that it is interested or is even flexing brain or arm muscle with respect to carving out a road for those who are essentially being left behind.

To put it simply Labor is saying to the state government: do you support vehicle manufacturing or do you support the human misery that will be created through its closure? It is vital that this Parliament send the right message to Canberra. It is essential that this house act in a bipartisan matter on something so fundamental to the future of our state. I therefore call upon all members of this chamber to vote in favour of Mr Somyurek's motion and to do so with vigour.

Once they vote, members should not just walk out of this chamber and forget about the hundreds of thousands of people who are losing their jobs — both blue and white collar — in the manufacturing sector; they must ensure that there is real drive and movement to come up with a jobs plan to support the vehicle industry in this state and that every single member of the Liberal-Nationals federal caucus is well acquainted

with the fact that the Napthine government overwhelmingly supports the ongoing existence and vitality of the vehicle industry in this state.

Mr ONDARCHIE (Northern Metropolitan) — I rise to speak on Mr Somyurek's motion 666. Does anybody else find it ironic that Mr Somyurek's motion is numbered 666? This motion asks that the federal government coinvest in the automotive industry, yet not one speaker from the Labor Party has explained to this house what they mean by 'coinvestment'; they have not once explained it. Tragically those who read speeches provided by the vehicle builders union did not even take the opportunity today to talk about — —

Ms Tierney — On a point of order, Acting President, that is clearly a reflection on me; it makes a lie of the speech that I delivered for the member to say that it was written by the vehicle builders union. It was not; I wrote it.

Mrs Peulich — On a point of order, Acting President, this is a point of debate. It is certainly not a point of order, and it ought to be dismissed.

The ACTING PRESIDENT (Mr Elasmarr) — Order! It seems to me more like debating a point of order.

Mr ONDARCHIE — I made no reference to anyone in particular in this house. Those who feel guilty should jump to their feet — —

Ms Tierney interjected.

The ACTING PRESIDENT (Mr Elasmarr) — Order! I have already ruled on the point of order. Mr Ondarchie, to continue.

Mrs Peulich — On a point of order, President, in her interjection Ms Tierney reflected on Mr Ondarchie by inferring that he is a bully. I find that offensive. Words like that should not be used, and I ask that the member apologise and withdraw.

The ACTING PRESIDENT (Mr Elasmarr) — Order! That is not a point of order.

Mr ONDARCHIE — It is interesting how excited people get very early in the piece; I was only 30 seconds into my contribution and already they are getting excited. I will put some things on the record that cannot be disputed. The previous speaker said, 'Holden is dodgy'. Feel free to check *Hansard*. The words were, 'Holden is dodgy'. I do not think Holden employees at Elizabeth and Port Melbourne would feel very

comfortable about a member of this house saying their organisation is dodgy.

Ms Tierney also mentioned some form of market appreciation and talked about first, second, third, fourth and fifth-tier suppliers but forgot about the aftermarket, which is a critical part of the automotive industry. Ms Tierney talked about the inaction of the Abbott government. Correct me if I am wrong, but was the Abbott government not sworn in only yesterday in Canberra? Ms Tierney talked about the Abbott government but failed to talk about the Rudd, Gillard and Rudd governments.

Interestingly enough the final message from Ms Tierney was that it is important for us to get together to send a message to Canberra. But where were those opposite on the carbon tax? We called upon them to join with us to send a message to the then federal Labor government about the carbon tax. You could have cued the sound of crickets: there was absolute silence from those who now come in here purporting to represent working families, those working in the automotive industry and those organisations and trade unions that are aligned to them. Those opposite did not support our call to get rid of the carbon tax under the Rudd, Gillard and Rudd governments; there was absolute silence.

Incredibly, though, members opposite come in here today and say to us, 'Let's get together and send a message to the one-day-old government in Canberra'. Where were they last time? Where have they been? Where was the Setka party on this earlier?

The government is not going to oppose Mr Somyurek's motion because it believes in the strength of the automotive industry. We know the local car industry is facing significant challenges due to the decline in local production volumes. Like the rest of the manufacturing sector, the very high rate of the Australian dollar and intense global competition have an impact on business.

Notwithstanding all that, the Australian and Victorian economies derive great benefit from our automotive industry, and we know it contributes significantly to both economies. For example, the automotive industry employs around 50 000 people Australia wide — half of those in Victoria — and spends around \$700 million on research. Seventy five per cent of that is spent in the great state of Victoria.

The Napthine government has assisted Victorian automotive businesses to strengthen their capabilities, improve their efficiencies, become more productive and access new global markets. We have also assisted them

by providing access to local opportunities across the globe throughout our Victorian-led trade missions to Korea, Japan, the Middle East and more recently the United States and India.

We on this side of the house will not talk down the Victorian automotive industry; we will support the Victorian automotive industry and Victorian workers. The Abbott government recently announced the terms of reference for a Productivity Commission inquiry into the automotive industry. The government looks forward to contributing to that inquiry because it knows the automotive sector is very important to the Victorian economy.

In Altona, which is in Mr Finn and Mr Elsbury's electorate of Western Metropolitan Region, Toyota has been a market leader in vehicle sales across Australia for many years, accounting for almost 20 per cent of total sales in 2012. Toyota produces over 100 000 vehicles at its Altona facility, including the Camry, Hybrid Camry and Orion models, all of which can be seen in the parliamentary car park. Toyota currently exports around 70 per cent of its production from the Altona plant to the Middle East and recently announced — and we congratulate it on this — that it has exported its millionth Camry.

Holden — which I do not think is dodgy — makes over 70 000 vehicles per year here and retains its world-class design and engineering facilities and capabilities at Fishermans Bend in Port Melbourne. This enables Holden to compete for design engineering work within the General Motors Holden group across the globe. Holden employs 1400 people in Victoria, 320 of whom are based at the engine plant site in Port Melbourne.

The Ford Motor Company has all of its major operations located in Victoria and currently employs around 2750 people — about 750 at Broadmeadows in my electorate and around 1000 in Geelong and Lara. One-third of Ford's vehicles are built locally: the Falcon and the Territory. I drive a Territory, Acting President, and I am pleased to announce that I have just ordered a replacement Territory. They are a great motor vehicle.

Members would no doubt be aware that on 23 May 2013 Ford announced plans to cease its manufacturing operations in Australia from October 2016. Ford advised the government that the decision to cease manufacturing follows difficulty competing with automotive manufacturing in Europe and Asia, where manufacturing costs are, respectively, two and four times below those of Australia. However, Ford remains absolutely committed to its research and development

work in Australia, and its design and engineering centre employs about 1100 people.

The Napthine coalition government is also investing in supporting businesses and workers in the automotive supply chain by combining with the commonwealth government to provide an additional \$12 million for the Automotive New Markets program, bringing total funding for this program to \$42 million. That is a serious commitment. The Automotive New Markets program was created to assist businesses to diversify into new markets and products. The coalition government will continue to support sustainable automotive manufacturing in this state.

Mr Somyurek talked about the automotive industry. He talked about the three car makers that are members of the Federal Chamber of Automotive Industries. He talked about the component manufacturers that are connected to the Federation of Automotive Products Manufacturers. But he failed to mention the other important part of the automotive industry — that is, the automotive aftermarket. It is a major exporter and a major employer, yet Mr Somyurek failed to recognise it in his contribution today.

Mr Somyurek talked about pressures on manufacturers. There has been no greater pressure on manufacturers recently than that due to the carbon tax, which has driven up energy bills and cost Victorians jobs. Sadly, the Australian Labor Party today failed to address that. As its members call upon us to speak to the Abbott federal government about supporting the motor vehicle industry, it fails to recognise that today in federal Parliament a piece of legislation was introduced to repeal the carbon tax. The Australian Labor Party should join with us today in supporting that initiative.

In addition to those specific areas of support I talked about in automotive funds, the Victorian government's manufacturing strategy of December 2011, *A More Competitive Manufacturing Industry*, sets out priorities to lift productivity and competitiveness in our manufacturing sector. Initiatives that were funded in the 2012–13 budget are now delivering benefits for Victorian manufacturers, especially small and medium enterprises. They include \$24.8 million to deliver the Investing in Manufacturing Technology (IMT) program, which supports businesses to invest in new and transformative technologies that will improve business performance. Under rounds 1 and 2 of the IMT program we have awarded a total of \$6.6 million in grants to 40 businesses to support investment in new technology, processes and equipment. That has resulted in the creation of new jobs, and we have also transitioned existing roles to higher value roles.

We have also invested \$7.5 million in the Manufacturing Productivity Networks program. This provides flexibility to support networks to expand their activities. Under rounds 1 and 2 of this program, a total of 20 applicants have been awarded funding for business network projects. We expect to assist productivity and competitiveness for around 636 businesses.

The government recognises the challenges facing the manufacturing sector and is committed to building a sustainable and prosperous manufacturing sector by cutting the costs of doing business, promoting local manufacturing opportunities and creating more jobs. We know manufacturing is a major contributor to the Victorian economy that attracts investment and generates employment. Manufacturing currently employs about 284 000 people, or about 10 per cent of the state's workforce, and contributes \$27.2 billion, or about 8.3 per cent, of gross state product to the Victorian economy.

However, we know Victorian manufacturers face serious challenges due to the strength of the high Australian dollar, which is currently travelling in the mid 90-cent range against the US currency. Given federal Labor's carbon tax, which members opposite could stand with us today and denounce, Labor's inflexible workplace laws and very intense global competition, I would have to say there was no clear or coherent strategy from the previous state government to provide a supportive, productive and competitive manufacturing sector. It was silent on that. Opposition members have been big on the rhetoric today but silent on the strategy.

We came to government with a clear election commitment and a policy commitment to revitalise manufacturing. We delivered our manufacturing strategy in 2011. It was based on sound economic fundamentals and was informed by discussions with Victoria's numerous manufacturers. As well, we had the Victorian Competition and Efficiency Commission conduct a wide-scale review into state manufacturing to inform our policy development. As part of that overall strategy we invested \$13.7 million in specialist manufacturing services to help manufacturers overcome market failures and barriers to entry, and raise productivity and competitiveness. We also invested \$9 million in the Building Innovative Small Manufacturers initiative to provide targeted assistance for small manufacturers through specialist workshops. We have also introduced the managing transition for retrenched workers program, with \$3 million to reduce the adverse impacts of retrenchments.

The Napthine coalition government is committed to a strong and successful manufacturing sector in Victoria. Today the sector remains the state's single largest full-time employer and a significant source of both exports and investment. Times are tough for this sector. We know that; this house knows that. I am aware of the data that was released recently by the Australian Bureau of Statistics which showed challenges in the manufacturing sector, which I spoke about earlier. The data also shows that Victoria remains the leader for manufacturing employment in Australia. Unlike those opposite, I am not going to talk down manufacturing in this state.

The Australian Industry Group recently issued its *Australian Performance of Manufacturing Index (PMI)* for the month of September. The latest seasonally adjusted figures for performance of manufacturing improved by 5.3 points in September, rising to 51.7 points. The headline to the PMI for September reads 'Manufacturing expands in September'. The same report also shows expansion in our food and beverage sector, which is one of Victoria's fastest growing export sectors, so it is not all doom and gloom.

On 1 October the *Australian* reported that Ai Group chief executive Innes Willox said the life in manufacturing was welcome news for a sector of the economy that has been under pressure from a high exchange rate and high energy costs. He went on to say that the clear outcome of the federal election was lifting business sentiment. Furthermore, the *Herald Sun* reported on the PMI results that there have been lifts in services, manufacturing and confidence.

Those opposite can dwell on the negatives if they choose to, but I prefer to talk up Victoria's manufacturing sector, because it is showing great strength and resilience in these very challenging times as a result of a number of initiatives that were either not put in place or put in place by the former, Rudd, Gillard and Rudd federal governments. I am confident other speakers will talk about the biggest impact on business, jobs and working families — that is, the carbon tax.

With commitment and vision — our commitment, our vision — we can secure and strengthen the state's prosperity and produce jobs and opportunities for the future. There is a real job opportunity in front of us right now. The east–west link is a real opportunity not only to improve productivity in this state but also to create thousands and thousands of jobs. And who is opposing it? Those opposite. Those opposite are saying, 'Don't go ahead with this project', despite the fact it is going to create thousands and thousands of jobs. I do not know why they are opposing the east–west link,

particularly their leader. To be fair, I am not sure that everybody in the Labor Party opposes the east–west link. I think that privately some of them see it as a good opportunity for Victoria, but we know the leader of the Labor Party, Daniel Andrews, the member for Mulgrave in the Assembly, opposes the east–west link, which is kind of curious.

It is curious that Daniel Andrews opposes the east–west link when it is supported by the ALP-aligned Construction, Forestry, Mining and Energy Union (CFMEU), which thinks it is a good thing. The ALP-aligned Australian Workers Union thinks it is a good thing. The Electrical Trade Union thinks the east–west link is a good thing. The Victorian Employers Chamber of Commerce and Industry thinks the east–west link is good, as do the Australian Logistics Council, the Australian Industry Group, Infrastructure Partnerships Australia, the Master Builders Association of Victoria, the Property Council of Victoria, the RACV and the Victorian Automobile Chamber of Commerce. All of them have got behind us, as have the Committee for Melbourne and the Committee for Gippsland. All of them have said that the east–west link is a great project.

This job-creating project — over 3200 jobs — was also previously supported by the federal Leader of the Opposition, Bill Shorten.

Mr Finn interjected.

Mr ONDARCHIE — Electricity Bill Shorten absolutely supported the east–west link, as previously did a member of this house, Mr Cesar Melhem.

Mr Finn — How many jobs was it?

Mr ONDARCHIE — I will take up that interjection. It was 3200-plus jobs, Mr Finn. This is a real opportunity. Mr Melhem supported it; Mr Wade Noonan, the member for Williamstown in the other place, previously supported it; and the Honourable Marsha Thomson, the member for Footscray in the other place, supported it. Guess who else supported it? The mover of this motion, Mr Somyurek. He supported the east–west link, and yet he stands behind his leader — feebly, I suspect — and says, 'We will not support the east–west link', but he did before and he should — —

The ACTING PRESIDENT (Mr Elasmarr) — Order! I know what Mr Ondarchie is trying to say, but I think he should go back to the motion. This has gone further than it should have.

Mr ONDARCHIE — Acting President, I thank you for your comments, but I remind you that the previous speaker talked about job creation when she talked about Cotton On and a range of jobs at Shell and a number of places in her electorate. She spoke about job creation, so with due respect, I am just picking up her line. The east–west link project will create jobs.

We know that manufacturing in this state is doing it tough. Victoria is a great state for manufacturing and a great place to do business. There have been several announcements over the life of this government that have indicated that people are willing to invest in manufacturing in this state. I remember the announcement not that long ago about Nexteer Automotive investing \$126 million to develop the manufacturing of new lightweight electric power steering systems right here in Melbourne.

I think Victoria will be one of the few places around the world where we are going to see great new and emerging technology in the manufacturing sector and in the associated automotive industry. Nexteer Automotive's investment is one of Victoria's biggest automotive investments in two decades and will strengthen the sector's R and D capacity and manufacturing and export capabilities as well. This investment by a large global company is a vote of confidence in what we are doing in this state. We work very closely with manufacturers and businesses to make them competitive and productive and enable them to access export opportunities, so we welcome investments like that of Nexteer.

Members of this government will continue to work to revitalise manufacturing in Victoria. We are going to work with businesses to strengthen them and to improve their productivity and innovation so that Victoria can compete with the best, both globally and at home. I am sure that those opposite will get with us today and say, 'Yes, this is a good initiative by the Napthine coalition government to ensure the strength of the manufacturing sector'. With that in mind, the government will not be opposing the motion.

Ms PENNICUIK (Southern Metropolitan) — I am pleased to make a contribution to the debate on Mr Somyurek's motion, which states:

That this house calls on the Abbott federal government to immediately move to secure the future of the Australian automotive manufacturing industry, and the thousands of jobs that go with it, by announcing its commitment to coinvest in this critical industry.

It is interesting that lately we seem to have had a number of motions which have called on the federal

government to do things. I am not sure how much weight motions passed in this chamber carry with a federal government.

Mr Leane interjected.

Ms PENNICUIK — I am sure they are tuning in right now, Mr Leane, to hear what we have got to say.

It is important to start by saying that the automotive manufacturing industry has a long history in Australia. One might say that its history is interwoven into the fabric of Australia, particularly in the post-World War II years, and it has employed thousands of people in that time.

As Ms Tierney said during her contribution, the automotive industry has been responsible for the training of many apprentices. Sadly over the last couple of decades the number of businesses that have been involved in training has reduced. For example, the utility companies used to play a big role in training apprentices, including Telstra, the State Electricity Commission and others, and their number has dwindled.

While we are on the subject of skills, we could say that in terms of state governments, the previous state government's introduction of market contestability in the TAFE system and the current government's continuation of it, which has meant the ripping of almost \$400 million from the TAFE sector, have added to the problem we have with making sure that Victorians still have access to skills training.

The automotive manufacturing industry is concentrated in Victoria and South Australia. It is important that as a country we have a balance of industries. A robust economy needs a diversity of industries, including manufacturing. We need to make sure that we maintain a manufacturing base in Australia; we cannot just rely on mining, agriculture or service industries. We need a balance of industries underpinned by an excellent education system, because the education system is the backbone of the economy. As I started out saying, the automotive industry has a long history, so the loss of the auto industry would not only be an economic loss but would also be a social loss. In the *Age* this morning the well-known writer Gideon Haigh reported on the social and economic costs of the loss of the automotive industry.

I note that previous speakers talked about the high Australian dollar, which I think is worth around 90-something US cents at the moment. It has been at or above parity with the American dollar in the last couple of years and that has profoundly affected Australian

industries. That has had an impact on all manufacturing, not just on automotive manufacturing. Mr Somyurek talked about tariff measures in other countries, although I am not quite sure what he was recommending.

Mr Drum and Mr Ondarchie mentioned the recent federal government announcement that the Productivity Commission is to look into Australia's automotive manufacturing industry. The commission released its terms of reference for the inquiry around 10 days ago. It is interesting to note that the inquiry is going to look at national and international markets and regulatory factors; possible alternative public support mechanisms; transition issues or adjustment costs from policy changes; the significance of the capabilities within the industry, its direct employment and economic benefits, and its secondary impacts on other sectors; and the costs and benefits of existing and alternative assistance mechanisms.

The inquiry is going to cover not only the automotive manufacturing industries but the whole supply chain, including vehicle producers. Those will include producers of light commercial vehicles, including SUVs and heavy vehicles, but also the component producers and the providers of services and skills that support the industry, including design, research and development, tooling, engineering and product services. It is quite a comprehensive inquiry, but it will not be the first inquiry into the automotive industry in Australia. During the debate on one of Mr Somyurek's previous motions on the manufacturing industry, of which there have been several over the last little while, my colleague Mr Barber wondered whether it would constitute a new Button plan. It remains to be seen whether this inquiry by the Productivity Commission will be anything like the Button plan.

I note that the commission is going to release its preliminary findings by 20 December — not very long from now — and that it will produce a final report by March next year. It will be a fairly short, sharp inquiry into Australia's automotive industry. As I said, it will not be the first one. A lot of what it is looking at through its terms of reference is already in the public sphere and fairly well known. We know that over many decades a lot of money has been poured into the automotive industry by the federal government, various state governments and the industry itself. There has been a lot of investment by governments, companies and the community in the automotive industry and its substantial infrastructure in south-eastern Australia, particularly Victoria.

This is an important issue. It is one thing to ask for ongoing coinvestment and investment in the industry from the taxpayer, but I note the Productivity Commission inquiry's terms of reference do not contain any mention of the requirements of the industry or any conditions put on the industry to change its ways.

Mr Drum said that Ford Australia had realised that it had been producing the wrong types of cars over the last five years. I would have thought the writing was on the wall at least 20 to 30 years ago that we needed to move away from gas-guzzling cars because that was not the future for the automotive industry. Somehow or other Ford was unable to see that.

If you looked at the whole of Australia's automotive industry, you would have to say only a little bit of attention is being paid to hybrid vehicles, with no attention paid to the idea of electric vehicles. No attention has been paid to the conditions for supporting and moving the industry into the 21st century. As the Greens have said in the federal Parliament, there should be a requirement that coinvestment in the auto industry set the goals and milestones for electric car development. Governments need to put conditions on the support they give to car companies, such as job security and moving the production of vehicles to a clean transport future. Green cars are the future of the automotive industry, and that has to be a fundamental premise on which any coinvestment and future support for the industry are founded.

We also need to ensure that any new manufacturing support includes the establishment of vehicle carbon dioxide emission standards at least as stringent as those in place in the European Union. The previous government scrapped its Green Car Innovation Fund, which would have assisted in moving towards national emissions standards, which the Australian automotive industry should be required to meet. In the federal Parliament in 2012 Adam Bandt called for a summit on the crisis facing the economy of south-eastern Australia and the impact of the two-speed economy, and that could also be looked at in terms of supporting the manufacturing industry across the board rather than only the automotive industry.

From our point of view, continuing to support coinvestment in the car industry must be conditional on the adoption of goals and milestones for electric vehicle development and manufacture and on putting in place a regulatory environment that supports electric vehicles, such as regulation of deployment and the setting of competition and policy standards, as well as industry policies that develop the electric vehicle sector in Australia, such as battery manufacture and servicing, and engineering and manufacture of vehicles or parts in

Australia. Like the governments of the US and Germany, the federal government should commit to a near-term target for the take-up of electric vehicles in Australia. If the industry is to be supported in an ongoing way by taxpayers funds, it needs to move very quickly into the 21st century in terms of vehicle manufacture.

We have also heard today from government members about the issue of the carbon tax. In everything I have read from the car manufacturers and heard in interviews with them they have made it very clear that their decisions to cut staff or close down have had nothing to do with the carbon tax. They have been very clear in saying that. Whatever government members may want to say, the car manufacturers themselves have said very clearly that the carbon tax was not a factor in those decisions. However, the Australian economy needs to move towards being a low-carbon economy, and that includes vehicle manufacturing, which needs to be part of and to contribute to a low-carbon economy. That would be our bottom line for any future coinvestment in the industry. With those brief words, I note we will not be opposing the motion.

Mrs PEULICH (South Eastern Metropolitan) — I also rise to make a few remarks on the motion moved by my upper house colleague Mr Somyurek, which states:

That this house calls on the Abbott federal government to immediately move to secure the future of the Australian automotive manufacturing industry and the thousands of jobs that go with it by announcing its commitment to coinvest in this critical industry.

We have had a number of relevant motions debated in this house. Anyone who has followed the debate would understand that the performance of Labor members at both state and federal levels in regard to the manufacturing and automotive industries often highlights their hypocrisy and incompetence. They perform as if on a soapbox when they are in opposition. Mr Somyurek has made a good case; given that the Abbott government was sworn in only a day ago, this motion is actually an admission of federal and state Labor's failings — in particular those of federal Labor.

Mr Finn will no doubt find lots of opportunities to speak about the carbon tax and the damage it wreaks upon industry. It leads to deindustrialisation by jacking up the costs of production here in Victoria, and it exports production to parts of the world where there are fewer environmental controls and labour protection policies. To me that does not make a lot of sense; chasing our industry offshore is not good. Much of that can be attributed to many of the policies that have been

adopted by Labor and in part by its political partners, the Greens.

Not only do those opposite adopt silly policies such as the carbon tax — and many people who come from particular cultural communities refer to it as a tax on air — but this year the former federal government announced it was going to impose changes to the fringe benefits tax which would have absolutely killed the automotive industry. I spoke to a range of car dealers who said that within a single year it was going to have a hit amounting to hundreds of thousands of dollars on their bottom lines and that that would impact upon the number of cars they would purchase and sell. On the one hand those opposite talk about coinvestment and providing multimillion-dollar amounts, and on the other hand, through policy failings, they neuter the industry — or plan to. That is where the incompetence of Labor is crystal clear. I guess therefore Mr Somyurek's motion is in an admission of Labor's incompetence.

Looking at state Labor, I note we cannot in 3 years turn around the damage that was done over 11 years — as much as we like to be miracle workers. We can turn the ship around, but it will not necessarily sail to the destination, given how much ground has been lost and time that has passed. People know, for example, that Labor did not have a manufacturing minister. Those opposite talk about how important the sector and the industry are to them; they are certainly important to Mr Somyurek and me. We represent South Eastern Metropolitan Region, which has vast manufacturing areas in it and is significant not only to Victoria but to Australia — and I will speak about that in a moment.

The former government did not have a manufacturing minister, and it took it over three years to produce a manufacturing strategy. That compounded the problem. Federal Labor was inept and state Labor did not have its eye on the ball. Of course there are external factors, which have been well canvassed by previous speakers — Mr Drum in particular — and there are also examples of the industry itself making bad decisions, such as producing large cars when the market, consumer choice and the cost of fuel meant that people were choosing smaller cars, which are more efficient. There are a range of factors.

This does not mean the motion is not a good one. It deserves consideration. Despite the fact that the Abbott government was only sworn in a day ago, it is already on the move. But do members know who has beaten the Abbott government to the move? Victorian and Australian voters, by throwing out Labor federally. By doing so they have ended two damaging policies that

would have continued to weaken the automotive manufacturing sector: the carbon tax — for which, mind you, federal Labor has voted under the federal Leader of the Opposition, Bill Shorten, or Electricity Bill — and its changes to the fringe benefits tax. That is a concrete example of what can be achieved with a change of government — putting in a government that has business nous, business common sense, rather than the Rudd, Gillard and Rudd federal government with its jack-in-the-box policy pronouncements.

Mr Finn — Change the government, change the nation.

Mrs PEULICH — Yes, and they have. As they say, there is nothing more powerful than the democratic vote.

In addition to many of the external factors over which we do not have control and the industry itself making the appropriate decisions in terms of its positioning, there are things that can be done. We know the local car industry is facing significant challenges due to a decline in local production volumes. The strong Australian dollar and intense global competition have taken their toll on the local car industry, as they have on the rest of the manufacturing sector. Notwithstanding this, the local automotive industry contributes significantly to the Australian and Victorian economy, as well as that of South Eastern Metropolitan Region, which I represent, producing thousands of jobs.

The industry employs 50 000 people Australia wide, 50 per cent of them in Victoria, and spends approximately \$700 million on research, 75 per cent of which is spent in Victoria. The industry is important to us as a state, and it is certainly important to my electorate. That is why the change in federal government has been so positive for the nation. From a recent poll of consumer confidence I noted that it is trending up. After seven months of painful indecision — the circus we saw in Canberra — the change of government basically resulted in a collective national sigh of relief.

The Victorian government has provided assistance to Victorian automotive businesses to strengthen their capabilities, improve efficiencies and access new markets. Many who follow politics know that the Victorian government has assisted Victorian automotive businesses to access global opportunities through many of the Victorian government-led trade missions to countries and regions such as Korea, Japan, the Middle East, China and more recently India and the United States. It is not just about making it easier for business to do business.

As a member of the former Economic Development and Infrastructure Committee I digress by noting that the committee recently tabled a report which focused on the importance of economic development — helping businesses and jobs to grow — and the important role the local government sector plays in that regard. There are many things we can do to make it easier on businesses. Businesspeople can start up new businesses or grow their businesses here, but importantly they can also acquire new markets by taking their businesses international. The Premier has spearheaded that, following the traditions established by former Premier Ted Baillieu, the member for Hawthorn in the Assembly.

When Labor members are in opposition they like to tear down and talk down the industry — and Ms Tierney is an example of that; she does not speak but sort of spits in anger — without ever admitting any failings on their part, especially in relation to the two policies I mentioned before: the fringe benefits tax changes and the carbon tax, for which the state Labor Party has voted time and again in this chamber.

We will not talk the industry down; we will put in policies that will help it. The Abbott government recently announced the terms of reference for its Productivity Commission inquiry into the automotive industry. We look forward to contributing to this inquiry, as the automotive industry is obviously very important.

Toyota has been the market leader for vehicle sales in Australia for many years, with almost 20 per cent of total sales in 2012. Toyota produces over 100 000 vehicles at its Altona facility, including the Camry, Hybrid Camry and Aurion models. Toyota currently exports around 70 per cent of its production from its Altona plant to the Middle East and recently announced that it had exported its 1 millionth Camry.

What was Ms Tierney's expression? I think she said Holden was dodgy.

Mr Finn interjected.

Mrs PEULICH — Yes, dodgy. I am sure that these tapes will show that Ms Tierney said Holden was dodgy. GM Holden makes over 70 000 vehicles here and retains its world-class design and engineering capabilities in Victoria, which enables it to compete for design and engineering work within General Motors globally, so that is very important.

Holden employs 1400 people in Victoria, 320 of them at the engine plant site in Port Melbourne. In fact when my parents were newly arrived migrants — they first

migrated to Australia back in 1967 — both of them were employed at GM Holden’s Port Melbourne facility.

Ford Australia has all its major operations located in Victoria. I drive a Ford Territory. It is my first time; I had been a Holden girl. I tried the Ford Territory — —

Mr Finn interjected.

Mrs PEULICH — It does drive well. I must say the boys in my house generally provide the advice on this — I delegate that to them — and they made a good choice.

Mr Finn interjected.

Mrs PEULICH — We must know our limitations from time to time, and picking cars is not a priority for me, but it is a priority for our economy. One-third of Ford’s vehicles are locally built — the Falcon and the Territory — and no doubt members are aware that on 23 May Ford announced plans to cease its manufacturing operations in Australia from October 2016. It advised the government that the decision to cease manufacturing came following difficulty competing with automotive manufacturing in Europe and Asia, whose manufacturing costs are, respectively, two and four times lower than Australia’s. The federal inquiry will no doubt shed some light on how we might respond to those challenges. Ford remains committed, however, to its research and development work in Australia, and its design and engineering centre employs 1100 people.

The coalition government is also investing in supporting businesses and workers in the automotive supply chain — and there are a string of those across the south-east — by combining with the commonwealth to provide a total of \$12 million for the Automotive New Markets program, thereby bringing total funding for the program to \$42 million. The Automotive New Markets program was created to assist businesses to diversify into new products and new markets, and the coalition government will continue to support sustainable automotive manufacturing in this state.

Our manufacturing policy, A More Competitive Manufacturing Industry, was released in December 2011. The strategy sets out priorities to assist in lifting the productivity and competitiveness of the Victorian manufacturing sector, and a number of the initiatives funded in the 2012–13 budget are now delivering benefits to Victorian manufacturers, especially small and medium enterprises, including \$24.8 million to deliver the Investing in Manufacturing Technology

program, which supports business to invest in new and transformative technologies that will improve business performance. Under rounds 1 and 2 of the Investing in Manufacturing Technology program we have awarded a total of \$6.6 million in grants to 40 businesses to support investment in new technology, new processes and new equipment, resulting in the creation of new jobs and also transforming existing positions to take on higher value roles.

In addition to that we funded \$7.5 million for the Manufacturing Productivity Networks program, which provides flexible support to networks seeking to expand their activities. Under rounds 1 and 2 of that program a total of 20 applicants have been awarded funding for business network projects that are expected to assist the productivity and competitiveness of something like 636 businesses.

In conclusion, the government recognises the challenges facing the manufacturing sector and is committed to building a sustainable and prosperous manufacturing sector by cutting the cost of doing business, promoting local manufacturing opportunities and creating more local jobs. The federal government is focused on a similar agenda. We are not opposed to the motion, but I highlight the hypocrisy and incompetence of both federal and state Labor and the two key policies that went a long way to undermining manufacturing, particularly automotive manufacturing: Labor’s carbon tax policy and its failed and stupid fringe benefits tax policy, which will fortunately be revoked. With those few words, the government does not oppose the motion.

Debate adjourned on motion of Mr LEANE (Eastern Metropolitan).

Debate adjourned until later this day.

PRODUCTION OF DOCUMENTS

Debate resumed from 21 August; motion of Mr TEE (Eastern Metropolitan):

That this house requires the Leader of the Government in the Legislative Council to table in the Legislative Council on Tuesday, 3 September 2013, the business case for the proposed east–west link.

Mr LEANE (Eastern Metropolitan) — I intend to speak briefly on this motion, moved previously by Mr Tee. There was some debate on the motion during a previous sitting week, but I propose an amendment to the motion due to the fact that the date by which the motion calls on the government to produce the east–west link business case has come and gone. I ask

that copies of the amendment be handed out to interested members. I move:

That '3 September 2013' be omitted with the view of inserting in its place '10 December 2013'.

This amendment gives the government time to bring the east–west link business case before the chamber. I note that in the debate Mr Dalla-Riva pointed out that in the previous Parliament he was denied a similar request. He obviously had held on to his pent-up anger for a number of years until he had a chance to bring this to our attention in recent weeks. If we did act in that way, that was a crook thing to do to Mr Dalla-Riva. In order for him to move on, I put on the record that we apologise that we denied his request.

As far as debate on this motion goes, it has taken place on two days weeks apart. My recollection is that when it was first debated the main speaker for the government said that the business case for the east–west link had been released and he was waving around the 12-page short form of the business case. Those 12 pages include the front and back covers. The 10 pages between the covers include a page taken up with 50 coloured triangles and a half-page picture of a tram, which I imagine would not have a lot to do with the east–west link tunnel. There is also a three-quarter-page picture of an intersection in the CBD, which by my estimation would be 5 kilometres or so away from the site of this particular project.

Mr Finn — Which intersection?

Mr LEANE — To answer Mr Finn's interjection, from memory I believe it was a Swanston Street intersection but I cannot remember which particular main street it intersected with. I am happy to take that on notice and get back to him on it.

On the government's position that the business case for the east–west link has been released, that is not true. In his motion Mr Tee seeks that the full business case be released. Government members have crowed and crowed about this project and said that it will change everything. They have said it is a game changer and a congestion buster — that it will change everything, including the relationships between dogs and cats. They have said that this particular tunnel will change the world, that it will be a magic tunnel that will bring about world peace. If government members matched their rhetoric with actions, I would have thought they would be waving around the full business case for the east–west link everywhere for everyone to see and saying, 'There you go. It all adds up, it all makes sense and we've got nothing at all to hide about this project'.

As members know, up until now that has not been the case. I am not sure whether the business case for the east–west link has been filed next to the Vertigan report and a number of other reports that the government has paid external consultants and engaged departments to develop but then has not produced for the people government members represent to see. I imagine the business case is somewhere near those reports. All that Mr Tee is calling on in this motion is for the government to find the business case, wherever it is filed, and release it to this chamber so that we can all see that it all adds up. I suppose that is what people are looking for particularly.

The motion is pretty simple: it is calling for one document to be produced. I appreciate that government members may be pretty keen to speak on the motion. While I accept that, the opposition will be looking for the chamber to complete the process — that is, the debate on the motion — today and for it to be voted for or against or agreed to on the voices. Then we can all move on in anticipation that the document will be produced by 10 December, as the amendment that I have moved to Mr Tee's motion calls for.

Mr FINN (Western Metropolitan) — I will begin on a cordial note, a note of cooperation, reaching across the aisle and all that sort of thing, by saying that the government will not oppose the amendment. It is probably one of the better amendments that have come from Mr Leane in recent times. Clearly it is something he has given a great deal of thought to. I commend him on the work that he has put into it, and I suggest to him very strongly that he is heading in the right direction and if he continues down this path, at some stage the world may be his oyster.

In saying that, I have to ask the question: exactly why is this motion being put to this chamber? Members know that the Labor Party is opposed to the east–west link. We know that the Leader of the Opposition and member for Mulgrave in the Assembly, Mr Andrews, has staked his leadership on opposing this particular road project. We know that as a result of his rather grandiose statements on this particular issue many members of his own party have expressed concern about not just policy but indeed their leader's judgement on the issue. It is well known, I think around this place and around many places in Victoria, that votes or heads are being counted on whether Mr Andrews will keep his job as a result of the extraordinary campaign that he has led against the east–west link.

That is understandable, because what we are seeing with the campaign against the east–west link — I am

sure that this is something that you, Acting President, will understand; I will not go so far as saying that you will relate to it — is a fight over the inner suburbs of Melbourne. This has nothing to do with the eastern suburbs or the western suburbs. This is about a fight between the Labor Party and the Greens, who are fighting over political gains in the inner suburbs. This all began in the lead-up to the by-election for the Assembly seat of Melbourne — last year, I think it was, from memory. We all know that on that occasion the Labor Party managed to pull it off, I must say much to my surprise. I would go so far as saying maybe even to your surprise as well, Acting President. Then this year in the federal election we had Mr Bandt from the Greens and the Labor Party campaigning against the east–west link and the result was of course reversed.

It is very unfortunate indeed that we have a situation where the leader of a major political party in the state, a man who regards and portrays himself as the alternative Premier of this state, puts his political survival and the welfare of his political party ahead of the best interests of the people of this state. That is the reality, and I think it is very sad indeed that he puts winning politically against the Greens in Fitzroy, North Melbourne and Carlton over the millions of people who need and will use the east–west link when — and I emphasise when — it is built. Mr Andrews really should have a good, hard think about where he is going and what he actually stands for.

I come back to the question of why this motion has been moved. We know it does not matter what the government does, says or releases; we know from Mr Andrews himself that the Labor Party will oppose this project. We have more than a fair idea that the Greens will oppose this project. With a little frustration I ask the question again: why are we debating this motion today? It seems to me that irrespective of what we do and irrespective of whether this motion is passed, nothing will change. The government will continue down the path of building this much-needed piece of infrastructure in Melbourne, and the opposition will continue down its path of being mindlessly negative about the infrastructure needs of this great city of Melbourne. I am hoping that at some stage somebody from the opposition will rise to their feet and explain to the house why this motion is necessary. As I said, it will have no impact either way.

Mr Leane interjected.

Mr FINN — Even if we gave Mr Leane a form guide for Saturday with all the winners marked, given the attitude of this house — the government and the opposition — to this project, it would not make any

difference to the result. This is an extraordinarily important project and piece of infrastructure to the future of Melbourne and Victoria.

As members of the opposition may be aware, many millions of people in this state like to drive their cars. They do not necessarily want to catch a tram, ride a bike or hop it down to the railway station; they want to drive their cars. I think they have a perfect right to do that. It is a pretty reasonable sort of thing for them to do. I am talking not just about people in the suburbs but also people in country Victoria, including in places like Gippsland, the Western District, Bendigo, Ballarat and other places right around this state, who will benefit from the building of the east–west link.

I do not know how members of this house got here this morning, but I will wager that if they drove, they would have been caught up in traffic congestion. Whichever way they came, whether from the north, east, south or west — and increasingly they come from the west — they would have faced significant congestion on the roads. This vital piece of infrastructure is all about easing that congestion and making life easier for people who live in the east and west of Melbourne. Apart from the obvious benefits it will bring millions of people who want to get home early and who do not want to be faced with the sort of obstruction that I have referred to on their way to work every morning, the east–west link will bring other benefits. For example, it will cut emissions. This is something I care deeply about. It will cut emissions because it will enable cars to get from their point of departure to where they are heading more quickly.

I ask members to imagine just for one moment that, as things stand now, somebody leaving home takes an hour to get to work. That is 1 hour worth of emissions. Once the east–west link is up and running it may well be that that travelling time will be cut to half an hour, and the emissions will be cut in half. That surely must appeal to those of us who have the tendency to be fond of green issues. That must be a plus for those who live in Carlton, North Melbourne and North Fitzroy. That has to be a plus on any measure.

We will see a huge cut in emissions as a result of this tunnel being built. We are talking not just about one or two cars; we are talking about tens of thousands of cars. Just think; even in one day the huge cut in emissions will benefit our community. Over the period of a year the emissions savings will be enormous. That is something we have to look forward to. It will benefit more than just car drivers and passengers, whether they are from the eastern or western suburbs or from country Victoria. Increasingly we are seeing people from

Ballarat, Bendigo, Geelong and even Bairnsdale and places near Gippsland commuting to Melbourne on a daily basis. Warragul is another place, and what is that other place?

Mrs Kronberg — Drouin.

Mr FINN — Drouin is the place I am looking for. Mrs Kronberg is reading my mind. People in these places will benefit from the east–west link. On top of that we will see the huge benefit to our environment as a result of the cut in emissions once this tunnel is up and running. Melbourne international airport, as we know, is something that we in Victoria, particularly people in Melbourne, should be proud of, and I have no hesitation in saying that it is without doubt the best airport in Australia. It is the leading airport in Australia and the east–west link will open the pathway to the eastern suburbs for millions of people who wish to travel to the airport.

At the moment, and I am sure Mrs Kronberg knows exactly what I am talking about, people from the eastern suburbs travel down the Eastern Freeway on their way to the airport and then that freeway finishes. They then have to crawl down Alexandra Parade and crawl through Carlton and Brunswick until they get onto the Tullamarine Freeway. Once they are on the Tullamarine Freeway they get another clear run, generally speaking, to the airport. This project will be a huge benefit to people travelling to the airport and a huge benefit to the airport itself and to future jobs at the airport, but I will get to that in just a moment. There will be huge benefits for that airport, which in my view is the most important piece of infrastructure in the west, in Melbourne and possibly in Victoria.

The east–west link will be a huge boon to business because what we are going to see is a cut in the time it takes for freight, for example, to be delivered to businesses. Mr Leane has a quizzical look on his face. Mr Leane often has a quizzical look on his face but he has a particularly quizzical look on his face at the moment; he is wondering exactly what I am talking about. That does not surprise me because I mentioned the word ‘business’ and when you mention the word ‘business’, members of the Labor Party always look quizzical because they have not got a clue about business and nor do they particularly care. Mr Leane is showing his — —

An honourable member interjected.

Mr FINN — I would not go as far as saying ignorance because that would be rude and I would not go down that path. Mr Leane is showing that he lacks

some understanding about business and the importance of the east–west link to business in this city and in this state. There are thousands of small businesses across this state — and big businesses as well, but big business can generally look after itself. I am particularly concerned about small businesses, and I believe that as governments we have some degree of responsibility to assist where possible. Thousands of small businesses will benefit enormously and directly from the east–west link. We are going to see travelling times cut to a fraction of what they are now — and time is money. Mr Leane may laugh but yet again he is giving away his lack of understanding of how business operates. In business, time is money, so if you can cut your travelling time by a half, a third or whatever it might be, you are going to save money. That is dollars in the pocket.

That leads me to the next benefit of the east–west link, and that is the jobs we will see as a result of this project. As mentioned by Mr Ondarchie earlier, just during its construction we are going to see over 3200 people employed in building this link. But it is going to be a greater boon to employment in this state than just creating jobs on the construction site because, as I mentioned, this is going to be a major boost for small business. If you put more money into the pockets of small business people, that will allow them to employ more people. That is what small business people like to do; they like to reinvest their money in their own businesses. Is that not right, Mrs Kronberg?

Mrs Kronberg — Absolutely, and that means they employ people.

Mr FINN — They do employ people; that is exactly right. It does not surprise me that the Labor Party does not understand that because — —

Mrs Kronberg interjected.

Mr FINN — It is like joining the dots, but they are a bit dotty themselves and I think it is a bit sad that they do not understand that.

The east–west link means jobs for Victorians, and not just short-term jobs in the building of this project; its effects will last much longer. Small businesses and, as I said earlier, larger businesses will benefit from this new link which will connect the east and the growing west of Melbourne. I am sure Mr Elsbury will agree with me when I say that the western suburbs of Melbourne are booming. Many municipalities in the west are the fastest growing in Australia. They include the cities of Wyndham and Melton, just to mention a couple.

An honourable member interjected.

Mr FINN — Indeed, there is the city of Hume where I live. Those municipalities are growing at an extraordinary rate.

The ACTING PRESIDENT (Ms Pennicuik) — Order! I have been listening to Mr Finn for close to 20 minutes now and I have not heard him once refer to the substance of this motion, which is the release of the business case. I ask him to steer himself in that direction.

Mr FINN — I am sorry, Acting President, that you missed my comments. I was asking earlier why members of the Labor Party need the business case because they will not change their minds. It would not matter what we said in the business case; they have made it perfectly clear they are not going to change their minds. That is the reality. It does not matter what we say in a business case. We can put forward the best business case that has ever been put forward for any project in the history of this country and this crowd over here will still oppose it.

Their opposition has nothing to do with the business case. Their opposition to this project is about politics. I think I tried to explain that earlier, Acting President. I am sorry if I failed in that. It does not matter what is in the business case. Labor Party members, and I think the Greens, have made it very clear that they will oppose this project.

I would like to ask members of the Labor Party if they will cease and desist with the untruths — I was going to say something else — that they are telling across the length and breadth of the state about the government's intentions with regard to expenditure on other projects. Labor Party members are going around the state saying that because we are spending so much on the east–west link no other project will be feasible; we will not be able to afford anything else. This is a very salient point to the business case, because I am sure that the business case makes it very clear that this is not this government's only major project. I know, and Mr Elsbury knows — and we will be happy to tell members at length, if they like — that one of the major projects we are very keen on finishing is the regional rail link, which is a bit of a misnomer, because while it benefits commuters and people travelling from country areas, its main beneficiaries will be the people in the western suburbs of Melbourne.

If you were to look at the business case for the east–west link, you would discover that the two projects are not mutually exclusive; they go hand in hand. We are talking about two major projects including a rail tunnel, which we also wish to

build. These are a major part of a plan that the Napthine government has for the future of our state. The business plans for these projects were put together very carefully, and I ask the Labor Party to come clean and tell the truth — that is, that we are not putting every cent that has ever been created into the east–west link. During the federal election campaign the then Leader of the Opposition, now Prime Minister, made it very clear that a federal coalition government would contribute \$1.5 billion to the east–west link, and I am sure that every Victorian is grateful for that. But that is not the only project that we will be investing in over the next few years.

Speaking of business, I want to finish on this: it is important that those who sit opposite make their position very clear on the thuggery — the bullying — that has been occurring in the city over the last couple of months with regard to protesters who have been blockading companies which the protesters believe may bid to build the east–west link. I have watched in amazement as this has occurred on a daily basis. The making of a living has been denied to people because they work somewhere that might at some future time have something to do with the east–west link. I would like to know from members opposite what their position is on this. Do they support these thugs? Do they support these bullies who are using storm-trooper tactics in an attempt to intimidate those who may be involved in the east–west link?

I urge members to read an article written by Rita Panahi on page 29 of the *Herald Sun* of Monday this week. It is an excellent article with the headline, 'Protesters do a great PR job for east–west'. It goes through point by point the outrageous nature of what is going on on our streets at this time with regard to the protesters against the east–west link. There is no justification for what is occurring. My sympathy is with the police, who have been subject to some pretty nasty incidents, but also the people who have been denied access to their places of work. My sympathy is with those people, including small business people who cannot sell coffee in the morning because the protesters will not let people in to buy their coffee. Can somebody explain to me how stopping people from selling coffee is going to disrupt the east–west link? It totally mystifies me. It is an act of brainless bullying and sheer bloody-minded intimidation and is something we in this state should not tolerate.

I ask Mr Leane what his party's view is. What is his party's policy on the thuggery that is going on on the streets of Melbourne at the moment? Does the Labor Party support the professional protester, socialist lunatic

and former City of Yarra councillor, Anthony Main, who clearly has his own agenda, which is very much in conflict with the best interests of the state?

What I want is what is best for Victoria and what is best for Melbourne. There is no doubt in my mind that the east–west link will be a huge plus for the people of the city and the state. The business plan will be made available. We will not be opposing this motion, but one should be aware that some things are commercial in confidence and need to be protected. They are things that I am not aware of, but even I am aware that in some circumstances there are parts of any business plan that cannot be made public. I want to point that out to the opposition.

I conclude my brief comments on the matter by saying this is an extraordinarily important project for Victoria and Melbourne but particularly for the eastern and western suburbs of Melbourne. It is particularly important for the west of Melbourne because for a long time we have missed out. For a long time the west has been neglected. This tunnel will ensure that the west gets the same sort of deal that the rest of Melbourne gets, and that alone should be enough reason to support this project. Perhaps when the opposition gets the business plan it might as a group gather around the Leader of the Opposition in the other place, Mr Andrews, and say, ‘We need this project’.

Mr Somyurek, Mr Melhem — there are so many people who have gone on the public record as supporting the east–west link in the past. They might go to the leader of the Labor Party with the business plan in hand and they might say to him, ‘Come on, fair go, let’s do the right thing for the people of Victoria and let’s support the east–west link’. If the business plan can do that, then obviously it is far more than a business plan; it is almost a super-plan if it can turn around the appalling negativity and political game-playing of an opposition leader and an opposition that are not fit — and never will be fit — for government.

The ACTING PRESIDENT (Ms Pennicuik) — Order! I now invite Mr Elsbury to speak on the motion and the amendments to the motion.

Mr ELSBURY (Western Metropolitan) — Thank you very much, Acting President, not only for giving me the call but also for some guidance in how I should approach the debate this afternoon. Certainly, it is a motion that we on this side of the chamber support, because we have nothing to hide when it comes to the business plan. We are happy to share it. It is a document of great importance to such a major project.

You would expect that for most major projects across the state a business plan would be developed. For example, if you were to build a desalination plant you would expect there would be a business plan but, no, there was not one, was there? Or, if you were to build a pipeline from the north of the state to the south, you would expect there would be a business plan, but there was not one for that either!

Mr Barber — So you are now as bad as the Labor Party?

Mr ELSBURY — I take up the interjection from Mr Barber and say that we do have a business case. What we are saying today is that we are happy to make that available. We are happy for the opposition, and anyone else, to see that business case. As Mr Finn pointed out in his contribution, there are of course certain parts that are of a delicate nature that need to be excluded because of commercial-in-confidence issues and other matters, but we will make available the documents that are needed for people to be able to go through what the provision of the east–west link will do.

We have a major project that will benefit a great section of our community. In fact, the entire state will benefit from this project because we are talking about improving the logistics of our city. Certainly, if we are able to convince the groups that are tendering to expand stage 1 of the project to the Swanson Dock area, certainly we are looking at major improvements in the number of trucks that are currently going through the inner western suburbs of Melbourne.

I have information that suggests to me that at the Williamstown Road off-ramp from the West Gate Bridge, there are approximately 11 000 vehicle movements. Vehicles come over the bridge from the east, then take the Williamstown Road exit and turn right. This suggests to me that quite a number of those vehicles are trucks, and quite a number of those then turn down Francis Street and cause a great deal of discomfort to people who are in that part of my electorate. To have the tunnel coming through to the docks will therefore be of great benefit to my electorate. The business case for this project will be able to show that sort of benefit.

We also have a myth going around about this project that it is somehow going to suck every single last dime that we have out of every other project known to man. I find that interesting because I would like to know what project it was that sucked every last cent out of the state and stopped the Labor Party from delivering projects to the western suburbs of Melbourne. Why was it that

Galvin Park Secondary College was allowed to get into the state it did, which involved its ceiling collapsing? Why was it that recommendations for improvements to the main road crossing in St Albans were not acted upon? Why was a grade separation not put in place? It has been left to the current government to fix that.

Why was it that the Labor Party allowed continued growth to occur in the western suburbs without delivering any of the road infrastructure that we need? Why is it that we do not already have this infrastructure in place? This is not something that just dropped out of the sky on top of us one sunny day; this project has been on the cards for many decades. We have had organisations such as the RACV coming out for decades saying that a connection between the end of the Eastern Freeway and the Tullamarine Freeway needs to be built. Then we had the Eddington report that the previous government supported and put a lot of effort into. This was put on the never-never scheme. If its recommendations had been implemented it could have delivered not only this one piece of road between the Eastern Freeway and the Tullamarine Freeway, but certainly an entire project all the way to the Western Ring Road. That is what we support as a government: the entire project from the end of the Eastern Freeway near Hoddle Street all the way through to the Western Ring Road. The efficiencies that will provide, not only in terms of logistics but in terms of transport and public transport, will be of great benefit to the entire community.

Certainly we have to do a lot more in order to be able to provide the necessary infrastructure across the roads network. This government is delivering on that. We have the Sneydes Road overpass and interchange being constructed to assist the people of Point Cook and Wyndham. We have a number of other traffic black spots that are currently being eliminated through our traffic black spots program. We also have projects like the Metro tunnel, which we support. This will enable us to improve the efficiency of our rail networks.

The list goes on. We have works currently going on at the port of Melbourne and \$1.5 billion worth of works at Webb Dock to improve the capacity of that facility, increase efficiency and productivity and reduce the number of trucks that are thundering through the western suburbs of Melbourne. People have many views about this particular project; I understand that it has caused some discomfort for people. I also know that some discomfort was caused to people who were involved in the regional rail link. Who can forget the complete debacle that occurred in Footscray and Seddon when people were first told by Channel 7 and Channel 9 reporters that their homes were going to be

purchased and demolished? With complete and utter disregard the previous government made a big announcement in Melbourne but did not actually bother telling the people who owned any of the affected properties that this was going to happen to them.

We have done everything in our power to contact people who will be affected by this project. Some people will lose their homes. That is unfortunate; however, the government is aiming to reduce any impact on the community. If we did not do that and instead just went bowling through people's houses, then we would have an above-ground section of the tunnel going through Footscray. But this project does not do that. A minimal number of properties will be disrupted in order to build the tunnel. The tunnel will go from the Eastern Freeway underneath the Maribyrnong River. It will then come out near Tottenham and go above ground through industrial land onto the Western Ring Road. This is critical for the future transport needs of Melbourne.

Mr Leane — Under the cemetery?

Mr ELSBURY — Yes, we will go under the cemetery. We will not go over the top of it. I do not understand why this is such a difficult concept for Mr Leane. The majority of the graves are only 6 feet to 10 feet under. We are going to go beneath that level. Maybe Mr Leane knows something about hidden bodies there; he is from the Labor Party after all. In any case I digress.

Those opposite will claim that every single cent we have for this project has somehow been sucked out of the budget. In my electorate alone there are a number of works going on that remedy some of the problems we face with schools. In the last two years we have built the Alamanda K-9 and Tarneit Central P-9 colleges, and in the last budget we promised three new schools for the western suburbs: Wyndham Vale P-9, Truganina P-9 and Melton P-9.

I am sure, Acting President, that you will be interested to know that the Western Autistic School at Laverton has also been funded, providing the children of the west with some services that have been afforded to children of the north, east and south-east of the city. For the first time these children will be given the same educational opportunities as other kids across the Melbourne metropolitan area.

We have also committed to the East Werribee employment precinct, which is another major project. This project was put out into the ether by the previous government. Members of the previous government

made a few announcements, put out a few media releases and assumed that — ‘Bob’s your uncle’ — it was going to happen. We have actually done the planning; we have precinct structure plans in place. We have plans to recycle the rain that falls in that area to water the gardens and flush the toilets. That is a better use of water. We also have plans for new public transport options there, including a new train station.

We have delivered the Williams Landing train station in the western suburbs. I will admit that project was started under the Labor government, but we did not want it to turn into the disaster that was the Laverton station when it was redeveloped. Laverton station has steps that even billy goats look at and think twice about climbing. It is very difficult for someone to get up those steps if they have an impairment or mobility issue. Even mothers with prams have difficulty getting onto the station platform, especially if the lift breaks down. There are three lifts at that site, and they are often not operational. We therefore constructed ramps at the Williams Landing station. Ramps have far fewer moving parts than lifts, and you have a pretty good idea when they break down, because they fall over. In any case ramps are available 24 hours a day, 7 days a week, making it possible for people of all abilities to board a train at any time.

The government is not out there doing all this on its own. We are not out there chirping into the wind and coming up with proposals without the support of other sectors. As I have said, the RACV is very interested in the government’s work.

I have here a letter dated 15 July 2008 and addressed to the East–West Transport Options Review at the Department of Transport. Attached to the letter is a submission to the East–West Link Needs Assessment Study, which was undertaken by Sir Rod Eddington. The letter states:

As the federal representatives of Melbourne’s west, there are two important points to be made in this debate — that the population of the western suburbs is growing at a rate three times that of Victoria, and that a thriving west is vital to Melbourne’s future.

The west needs modern transport services to catch up with other parts of the city, to benefit the community, and to boost jobs and industrial development.

Therefore we strongly support the opportunities offered by the Eddington report to address current needs and plan for the future.

A balanced, integrated approach which includes the rail, road and cycling projects outlined in the Eddington report will not only deliver efficiency gains through better access and travel times, but also greater equity to the west through improved transport options.

Being a Liberal in the western suburbs is a bit of a lonely caper at times. I have my good friend Mr Finn, but apart from him every other member in the western suburbs is either from the Labor Party or the Greens.

Hon. P. R. Hall — We come out and visit you from time to time.

Mr ELSBURY — I do have good support from the ministry, as the Minister for Higher Education and Skills, Mr Hall, points out; we have received good support from our friends from afar. However, this particular letter is not signed by any ministers from the current state government; it is actually signed by the little-known then federal member for Lalor, the Honourable Julia Gillard; the Honourable Nicola Roxon, then federal member for Gellibrand; the Honourable Brendan O’Connor, federal member for Gorton; and some bloke by the name of the Honourable Bill Shorten, federal member for Maribyrnong. Here we have federal Labor support for the very project that those opposite are now opposing; we have federal Labor support for us to build the east–west link, the Melbourne Metro rail tunnel and other options that we are currently trying to find a way through in order to get up and running.

I am at risk of saying this ad nauseam, but we also had the support of at least a few members opposite when they were not sitting in this place. For example, the *Herald Sun* of 16 March states:

Australian Workers Union state secretary Cesar Melhem also said the east–west link should be a priority for Dr Napthine.

‘The key here is to decide on a solution and go with it, get it moving, and get the Victorian economy moving’, Mr Melhem said.

Here we have a member of the opposition freshly blooded in this place, with all his experience in the union movement, saying that he supports the east–west link. I join with him in supporting the east–west link because of the benefits it will bring to my community and certainly the jobs it will bring to my community.

Mr Leane — It’s an east–east link.

Mr ELSBURY — We have another problem with Mr Leane in that he does not know his geography, because the east–west link does come into Western Metropolitan Region. The first stage already makes it there. If we are able to talk to the various consortia that are looking for job opportunities in this particular project, it will go through to the docks at Swanston Street. Then when we do the second stage, Mr Leane, it is going to be smack bang in the middle of the western suburbs, providing better transport options, and that is

recognised by a group called the Committee for Wyndham. It has written a letter to the Premier that says:

We at the Committee for Wyndham are very supportive of the Victorian government and the federal opposition providing financial support to further the progress of the vital east–west link.

There it is: a letter from the Committee for Wyndham saying that the east–west link is vital for the western suburbs and for the outer western suburbs.

We also have a submission put forward by the Australian Workers Union (AWU) that was actually signed off by one Cesar Melhem, would you believe it? It states:

The fact is there will be more cars on our roads —

Is Mr Barber listening? There will be more cars on our roads —

more people on public transport; and more goods being moved. And more traffic means more congestion. We need to ensure that the necessary investment in infrastructure and services are made to facilitate future growth and development in order for Melbourne to retain its edge as an attractive destination for people and investment and with it local jobs and living standards.

That is from the AWU, signed off by Cesar Melhem in July 2008. So we have here the support not only of business but the support of the union movement, which usually goes to the Labor Party I have to say. Usually it is almost a fait accompli that Labor will get all the support of the union movement. But we have the support of the union movement. It has been long-term support from the union movement and continues to be support, because just a few weeks ago I was watching the TV on one of those odd occasions when I did have time to sit down and see the news and the union movement came out and said, ‘We support the construction of the east–west link’. Their spokesperson said very clearly that they look forward to the jobs that are needed to get through the current cycle of construction in the state, because we have got a lot of work going on on various projects and the east–west link is certainly the next one off the rank. That will be along with the port of Hastings — —

Mr Leane — Metro?

Mr ELSBURY — And also the Melbourne Metro rail tunnel; I threw that one in for the amusement of Mr Leane. However, it just seems that those members opposite are not actually getting the message; certainly Mr Leane is not. I am going to have another crack at it,

as he is not quite understanding how this works. Therefore with regard to the east–west link, I say:

Dot-dash-dash dot, dot-dash dot-dash-dot dot, dash-dot-dot-dot dot-dot-dash dot-dot dot-dash-dot-dot dash-dot-dot dot-dot dash-dot dash-dash-dot, dot-dot dash —

‘We are building it’. That is morse code. If you cannot get anything else, we are building this particular project. We will build the whole lot. We will build it all the way from the east to the west, Mr Leane. We will actually get through, underneath the city and underneath the cemetery with which Mr Leane seems to be so obsessed. We will get ourselves through underneath Footscray, rising back up in Tottenham, and then bring the road over land, over the top, into the Western Ring Road.

With those words of encouragement for the project, and certainly emphasising that we on this side do not oppose the motion that has been put forward, I say that I look forward to the first sod being turned for this particular project. I also look forward to attending the ribbon cutting of the completed project so that we will get much greater benefits for the people of Melbourne and the western suburbs and improve our efficiencies and business opportunities right across this great state.

Debate adjourned on motion of Mr TARLAMIS (South Eastern Metropolitan).

Debate adjourned until later this day.

GAS EXPLORATION

Mr BARBER (Northern Metropolitan) — I move:

That this house calls on the state government to implement a permanent ban on the exploration or development of unconventional gas fossil fuels across Victoria.

Back in August I attended a fiery rally here in Melbourne.

The ACTING PRESIDENT (Mr Finn) — Order! I must caution members of the gallery that the showing or display of signs or stickers is not something the Chair will tolerate. I ask members of the gallery to take that into consideration.

Mr BARBER — That rally was attended by hundreds of Gippsland farmers and their friends from the local community. They presented a petition, which I tabled in Parliament some weeks ago. Bearing 5000 signatures, the petition met the requirements of the Victorian Parliament. Many thousands more signatures were received in electronic format, and I have them available for any member who would like to

inspect them. Parliament has not quite caught up with the internet age and does not yet accept electronic online petitions, but I am sure we can remedy that very soon.

With this motion I invite members of the Labor and Liberal parties and The Nationals to put a stop to the devastating impacts we have seen from widespread gas extraction in other states. This is a phenomenon we are about to see popping up very soon here in Victoria. The government has in place a short-term moratorium on gas fracking. That moratorium is not based on legislation or policy but simply on the government's own decision, and we know that the government is seriously looking at lifting it.

When that happens there will be a number of exploration permits in place under both the Petroleum Act 1998 and mining legislation. In other states the focus has been on coal seam gas, but here in Victoria we have a number of other proposals in the area of tight gas and shale gas, and these all fall under the general heading of 'unconventional gas'. Why is this happening right now, and why are so many communities in Victoria learning about this at the same time as the explorers are rolling into town?

For a very long time Victoria has depended upon offshore natural gas deposits, and many of our homes, our businesses and our industries use that natural gas as a cheap source of heating and other forms of energy — in some cases even as chemical feedstock into products that they are making. However, the official estimates from the Australian Energy Market Operator (AEMO) — and members can read this in the AEMO's *2012 Gas Statement of Opportunities* — are that the proven and predicted reserves of offshore gas will peak in 2017 and start to decline fairly rapidly after that.

At the same time as this is happening we have seen massive developments of gas exporting through New South Wales and Queensland, which has already started to drive up Victoria's wholesale gas price, our system being connected through pipelines to other states and to a certain degree being in competition for other uses of gas, notably export. The unconventional gas exploration companies are moving into this state and getting ready for what they know will be big increases in gas prices which could make their drilling operations on land become economically viable, but we are likely to see a proliferation of gas drilling across the landscape. In many cases this could impact on one of our most important issues for farming, the all-important groundwater, which farmers need for their operations and which in many areas also provides an important supplement to urban water supplies.

The thing about this is that there is almost no information available. When they are online, the permits are out of date, the consultation requirements are minimal, the regulatory framework is limited and the impacts are potentially horrendous. The on-site impacts will be widespread. Members may have seen those photos of gas operations rolling out through entire landscapes, both in Australia and elsewhere. All sides acknowledge that there is the potential of cross-contamination into aquifers. There are often huge fugitive emissions at the point of production of gas as the gas is piped and transferred to our homes and then in the way gas is used in our homes. In many instances this makes it no less polluting than coal-fired electricity. Then there is the burning of the fossil fuels themselves, which as we now know is impacting upon humans and biodiversity across the world.

Emissions of carbon dioxide (CO₂) in Victoria or anywhere else are contributing to global warming, which is already having dramatic effects on temperature, on weather phenomena and on the impacts that flow through to all of our human systems, including the impact on human health, extreme weather events and the way some power and water supplies operate. All these things are affected by the increase in global climate. However, most citizens of Victoria are in the dark about what is planned and how these operations and where they are occurring are to be managed.

Just today we released some information on two planned gas exploration operations in western Victoria. These are not coal seam gas. In fact they are regulated under the Petroleum Act because they are a search for what is called 'tight gas' — that is, gas that is in a sandstone deposit and held tightly in the geological formation, hence the name. Very few people would even be aware of what is occurring here. Some large exploration areas were granted both on the eastern side of the Otways and almost up to the doorstep of Geelong and also west of the Otways through the Port Campbell and Timboon area. It has taken us months to get this basic information out of the government department. Through the release of this information we now know something about how these operations are meant to be managed.

An environmental management plan goes with each of the two operations. In one case fracking is permitted and in another instance drilling alone is permitted. Despite that, a cocktail of chemicals is used during drilling operations, and the company itself acknowledges in this environmental management plan — which we are seeing for the first time — that

there is a risk of cross-contamination between aquifers and drilling operations involving these chemicals.

In the case of PEP 163 — the petroleum exploration permit in the Geelong area — we find that drilling has been occurring recently, but according to the company's disclosures to the stock market, and I am quoting here from the most recent quarterly results:

All exploration projects in this permit have been placed on hold due to the ongoing state government moratorium on hydraulic stimulation —

also known as fracking.

It seems that drilling has occurred. Acting President Finn, you would be shocked at the scanty nature of the permit conditions that go along with this very serious level of industrial production. However, it seems that the company is out there telling one story today — that is, that there is nothing to see here, that there is nothing intended, that there will be no fracking and that we are really not seeing any major rollout of operations in this area. That might be something to do with the fact that it is in the marginal, Liberal-held Assembly seat of South Barwon, and at the federal level it is the marginal, Liberal-held seat of Corangamite. However, the company is telling its shareholders — in classic mineral exploration company style; that fake-it-till-you-make-it approach — one story, which it has to sell to its shareholders, which is, 'We are on the brink of a boom', but at the same time as the community's concern rises, the company will say, 'Do not worry about it; there is nothing to see here, so you can all roll over and go back to sleep'. That is not happening in the Bellarine area.

Tonight there is a protest meeting in Moriac, just up the road from this drilling site, where I am sure many locals are going to be asking many questions. Thankfully, with the release of this information they will have a little bit more information to work with, but they will still have a long list of questions about the impact of unconventional gas exploration, let alone production, on their community and neighbourhood. By the way, this is an area just a few kilometres down the road from the Anglesea Borefield project, which for Barwon Water represents anything from 4 to 7 gigalitres of water, which is the annual supply for Geelong. In that context, reading that there may be some concern about aquifer contamination should be ringing alarm bells and should alone be enough reason to support a moratorium into the future for any kind of drilling operation, let alone gas production in this area.

With this motion I am inviting the Labor and Liberal parties, and The Nationals as well if they like, to

explain to the community either their preferred approach to the regulation of what will soon be a widespread activity or alternatively to join the Greens and lock the gate not just on the property of one individual farmer who might seek those rights but to lock the gate on the state of Victoria and make a rapid transition from gas as a source of energy supply to renewable energy sources. In any case gas will become a lot more expensive very soon so we should use the remaining few years not to pump gas faster, and do even more environmental damage in the process, but to make a rapid transition for our homes and industries from fossil fuel-based energy to renewable energy sources.

Mr P. DAVIS (Eastern Victoria) — I should be forgiven for being surprised by the brevity of the contribution by the mover of the motion, Mr Barber, given the significance of the motion that he moved in the house today and his failure to make a substantial case for support of that motion. To accept the notion that we can behave like Luddites in regard to the development of new energy resources without considering all the information the Parliament and government should have access to would be to the detriment of the long-term economic and social welfare of the state. Mr Barber is quite openly running a campaign to foment concern in the community, which may be well placed or ill informed. The proposition I put to the house today is that we simply do not yet know what the implications are for the development of unconventional onshore gas fields.

I want to turn the clock back a little to make a declaration that in a previous life I was employed by Esso Australia at the Longford gas and oil processing facility. As a legacy of that experience I have a little knowledge of the industry. I certainly do not claim any technical competence in the conceptually difficult issues around the extraction of gas from deep geological formations. What I do know is that in Victoria we have been incredibly well served by the developments that occurred in the 1950s and early 1960s that led to the establishment of the Victorian Bass Strait oil and gas fields. The economic wellbeing of Victoria was enhanced by that significant investment by BHP and Esso.

To put the significance of this industry in perspective, we need to understand that today the Bass Strait field does not produce a substantial amount of the crude oil, which was the attraction of developing that field. I recall that in the mid-1970s the Longford crude plant was producing crude oil at the rate of about 10 per cent more than the designed capacity of the plant, producing over 500 000 barrels per day of crude oil at that time.

Recent discussions indicate that since that time the production of crude oil out of Bass Strait has fallen significantly to less than 10 per cent of the production levels of the 1970s. Given that the main economic driver for the establishment of offshore oil and gas production was the crude oil, it is probable that the development of a gas field would have been a long time coming, because the natural gas was seen as a by-product of the economic rent, if you like, of developing the Bass Strait crude patch.

As Victorians we have been the beneficiaries of a very significant capital investment in the development of a secure supply of energy as an alternative to the brown coal of the Latrobe Valley. A great and serious mystery to me is that those who would argue today against ensuring there was an adequate security of supply of natural gas in Victoria seem to be in many cases the same people — and I include Mr Barber in this — who argue we should not be using brown coal to underpin our energy needs. I also observe that many people will run an argument that says there is a great diversity of energy sources for this state. Without wanting to contradict some on my own side who have said that recently, I note that apart from the brown coal of the Latrobe Valley, all those various dispersed energy sources are minor; they are virtually insignificant. The basis of the energy resource of Victoria — the security of supply of low-cost energy — has for decades been brown coal, added to, since the 1960s, by low-cost natural gas.

We have to give credit where it is due. Owing to the foresight of the Bolte government, the contracts for supply, which do not conclude in full until this decade, were written in price terms which have been of great advantage to Victoria. The result was that when added to the industrial base of Victoria, the security of low-cost energy meant we could establish a very good basis for manufacturing in this state. As we see demand rise for energy and for natural gas, there is a natural price pressure. We now have a national energy market. We have national energy grids of both electricity and natural gas, because we have interconnecting pipelines, in part an outcome of the Longford gas plant explosion in 1998. At that time it was understood we needed to diversify our gas pipeline interconnections, and that led to a matrix of interconnectors on the eastern seaboard, with gas sales into and out of Victoria which involve New South Wales and South Australia and prospectively Queensland. In contractual terms Victoria is now supplying from Bass Strait a market in New South Wales which is running short of gas, and there are real imperatives for New South Wales which will have ongoing economic impacts in Victoria.

As somebody who was also a farmer in the Gippsland area, I have great sympathy for the concern of the land-holders who feel their rights might be in some way subjugated to the interests of commercial gas producers. In terms of the conceptual framework around the production of minerals in this state, one of the problems we have is a perspective which is really not able to be well grasped — that is, that the Crown holds the mineral wealth of the state in trust for the wider community. There is a separation involving mineral wealth — in this case we are talking specifically about gas in its various potential forms on land — such that we as land-holders do not have control of it, even though that mineral resource may be produced from beneath our land, and that is difficult to grasp.

Irrespective of that, land-holders have a real entitlement to have some basis upon which to negotiate access arrangements. There is absolutely no doubt that one of the major concerns for land-holders is the notion that they are potentially powerless in dealing with large commercial enterprises that seek to exploit rights under various licensing arrangements to access mineral resources from land-holders' land. I can understand that concern, because many stories have come from other jurisdictions about it. They have not, however, in practice reflected the experience in Victoria over many years. Victoria has had a very privileged position, informed, I suspect, by the fact that we had such a good — I suppose good is the term — early experience with the goldmining industry. By 'good' I refer to there having been a real recognition of the benefits arising to the state from the gold rushes of the 1850s. The magnificent Parliament building in which we sit today is a reflection of that, and many other great public buildings in Melbourne exist only — —

Mr Barber — How far back is this history lesson going before you explain your government's policy?

Mr P. DAVIS — Would you like to make my speech for me? Thanks for your courtesy in allowing me to make my speech, Mr Barber, as I allowed you to make yours.

The benefits accruing to the state and the people of Victoria over time have been massive. There were the gold rushes, obviously, which enabled the building of the great public buildings of Melbourne and otherwise provided the economic infrastructure for the state in the 1800s, through to Sir John Monash taking charge of developing the brown coal reserves of the Latrobe Valley, which of course underpinned the Victorian economy.

The question arises today: are we on the edge of another potential leap forward in terms of an industry that will do two things — create investment and employment in rural areas and underpin the economic potential of this state — or is that industry at risk because we do not have a regulatory framework properly established to a degree that gives satisfaction particularly to land-holders? It is certainly my view that it is a real test for the government and the Parliament to ensure that there is a proper framework in which land-holders feel that they have some power. By power I mean the ability to ensure that their management of the land is taken into account in any impact of activity on the land's surface and that there are proper compensation arrangements in place.

I do not know what is in the report recently handed to the government by Peter Reith, who was tasked by the Premier with undertaking a review of gas markets. The report is about gas markets as such, rather than dealing with every microscopic detail of the production of gas. It is essentially looking at the broader gas market and what is required to ensure security of supply for Victoria.

I remember just a few years ago being briefed by Esso Australia in a fairly public environment. I was told that the Bass Strait gas field was forecast to be depleted by something of the order of more than 40 years. There was no acknowledgement about how much further forward that estimate could roll given further investment and exploration in Bass Strait. What has surprised me is how quickly that field depletion estimate has been wound back. It is now a few years on and the current forecast on current rates of demand and sales is that the offshore Bass Strait field will be depleted within a 20-year time frame — or it could be even sooner. That is not because of a collapse in the reserves but because of an increased expectation in the rate of production. This means that Victorians have a potential economic scythe hanging over their heads, and we need to be conscious of that.

In my view we need to balance two things. We need to balance the need of the broader community to have security of supply of natural gas as a significant energy source. It is not just an energy source for people to cook their dinner at night; it is also a major energy source for industry, because gas, unlike coal, is a switch-on, switch-off fuel. For example, to crank up a Latrobe Valley brown coal generator from a cold start is a 24-hour process, while to switch on a peak load gas turbine generator takes less than 5 minutes. As an operator at Longford I was regularly involved in switching on and switching off gas turbines for electricity and other purposes. It took a few minutes to wind them up and a

few minutes to wind them down. The point I make is that gas has multiple uses, including as a feedstock for the plastics industry. We need to recognise that gas has a significant role to play.

It comes back to the issue of balancing the individual rights, if you like, of land-holders and the impact onshore gas development might potentially have on them against the fact that the land-holders do not own the resource — the resource is the common wealth of the people — and the need of the greater community to have some access to that energy resource.

I do not think this is an insoluble dilemma. I look forward to reviewing the gas market task force report that Peter Reith handed to the Premier when it is available. I am sure that the Premier and his colleagues are giving it serious consideration and looking at its recommendations. Indeed I am sure that the Parliament will have a great deal more to say on this, as I imagine that coming from this task force report there will be, prospectively, some legislative initiatives, because Victoria has a significant record of responsible regulatory oversight of the resources industries and has often been benchmarked as the leading jurisdiction in Australasia in respect of regulation. If we do not currently have the best regulations in Australasia, then I expect we will seek to have that status before there is a significant development of the gas industry. I think it is inevitable that that industry will develop.

It is useful to make this point regarding what I would describe as a parliamentary procedural intervention and which I would choose to make were I able to do so, but there is a convention in this place that in dealing with opposition motions before the house we do not actually amend them. I have to say this convention was established when Mr Lenders was Leader of the Government and I was Leader of the Opposition, as I recall it was pointed out to the then government that it makes it very difficult for opposition parties to make their point in this chamber if the government simply uses its numbers to change the intent of the motion before the house and in fact reverse its onus. The convention that is now well established is that we — that is, the government — may make a point in debate, but we will not amend the opposition's motion.

I am not intending to amend Mr Barber's motion, but if I had the capacity to do so, I would read in an amendment along these lines:

That all words and expressions after 'government' be omitted with the view of inserting in their place 'to maintain a moratorium on the exploration or development of unconventional gas fossil fuels across Victoria until further testing and scientific studies are completed to ensure ongoing

protection of our environment, groundwater and agricultural produce'.

I read that in for the purpose of leading to my next and substantive point, which is that the presumption that we can proceed as a viable, functioning economic society that acts in the best interests of the whole without having a full fist of knowledge means that one cannot create veto circumstances without having all the knowledge, which we do not yet have.

The government's position is that it has already flagged its intentions. On 24 August 2012 the government introduced some significant reforms. It put a hold on new coal seam gas exploration licences and on hydraulic fracturing approvals, and it put a ban on the use of benzene, toluene, ethylbenzene and xylene in hydraulic fracturing. Those initiatives were taken in relation to the concerns that were then being expressed about the prospective imminent development of further work in coal seam gas.

Given the serious economic and energy policy matters that are before it the Victorian government will not be making any further significant policy announcements on a knee-jerk basis. It has yet to be demonstrated that Victoria's brown coal is capable of producing coal seam gas, so the prospectivity of coal seam gas relating to the greater brown coalfields resource of Victoria's wider Latrobe coalfields is speculative because the evidence is not yet in that there is the potential to ensure that we have anything to find. The coalition has already made clear that any exploration or subsequent development of unconventional gas will occur only after consideration of a wealth of information from a wide variety of sources, and the Premier has made clear that the government will consult widely and learn from the experiences of other jurisdictions before making any further decisions on this matter. It is clear that the government intends to consult widely.

We should know that the reason we are having this debate today is that there is a legacy of licences for coal seam, shale and tight gas exploration and the approval of hydraulic fracturing operations without any community consultation. My understanding is that the previous government issued something of the order of 73 licences in the areas of coal seam, shale and tight gas as well as permitting 23 fracking operations, and it was all done without consultation. In 2012 the government set up a consultation process to run five forums to consult with the community. It involved Leongatha, Sale, Wonthaggi, Bacchus Marsh and Traralgon and government representatives including Southern Rural Water and the Environment Protection Authority. I know many people think that is insufficient, and I am

confident to say there will be a great deal more discussion with the community before any further decisions are taken by government.

In relation to coal seam gas as a commodity under the Mineral Resources (Sustainable Development) Act 1990, it is noteworthy that 53 licences for exploration were issued by the previous government between 2000 and 2010. In the same time frame 20 exploration licences were issued for onshore natural gas, including shale and tight gas. As a matter of record, two-thirds of the current exploration licences that list coal seam gas were issued by the previous government, so a whole raft of licences have not suddenly been issued. In fact this is a legacy issue as a result of interest in this area.

I encourage rather than discourage the examination of what the resource under the ground happens to be, whether it is water, gas or any other mineral, because we owe it to ourselves to know what it is before we make hard decisions about whether that resource should or should not be exploited. It is after all a fact that whether we are farmers or in the resources industry, the activity we are engaged in today is a function of the legacy left by others who came before us. The development of an irrigation industry in the Macalister district, for example, is a consequence of several generations of people investing vast amounts of capital to develop that industry. Similarly the resources industry is on the same plane. People have to take a risk, invest some capital and establish whatever industry opportunity there may be.

I do not want to belabour the issue about what the previous government did. I could make some commentary around the inconsistency in the Greens view of the world, given that they have argued a case against brown coal and now against onshore gas while at the same time promoting the huge transfer of wealth from retail customers in the electricity industry to investors in developing wind and other emerging technologies that require huge subsidies to make them work. We know that gas is a valuable energy resource to the state.

I come back to my concluding point on this. I am not prepared to vote for a motion that calls on the state government to implement a permanent ban on the exploration or development of unconventional gas fossil fuels across Victoria, given the limited knowledge we presently have about the potential for that industry. In fact, to be frank, Mr Barber has made it easy to vote against this motion by framing it the way he has. It is not that I am unsympathetic to the concerns being articulated in my community about unconventional gas, but I am not prepared to vote for a

motion that would see a permanent ban on the development of onshore natural gas in its various forms, given that we do not know what the quantum of that is and we have not yet developed a proper basis for engaging with the community about what I would describe as a consensus about the regulatory framework.

It is my view that at the heart of this debate is the uncertainty people have created through an amazing amount of uninformed rhetoric. I am like anybody — if I read something, I tend to accept it. If it sounds authoritative, I take it on and look for the next bit of information. To that end, I found a book. I was stunned to see on the non-fiction shelf of a reputable bookshop a book written by Peter Ralph — I do not know who he is — called *Dirty Fracking Business — No More Coal Seam Gas Mining*. It has a very dramatic cover, and Darth Vader seems to have made a reappearance.

When I started reading this book I skipped through the introductory bits and went straight to chapter 1 of what was a tragic story. It started off with the funeral of a seven-year-old child who had purportedly died of cancer as a consequence of and by association with the extraction of coal seam gas and the use of chemicals in the fracking process in a rural district in New South Wales. That was the connection. As it would for any ordinary human being, particularly given I am a parent, that story touched a nerve. I thought I had better take this seriously and find out more about the author, so I went back and started reading the foreword. When I got to the line, ‘This story is fictional, and many of the events have not taken place in Australia’, I have to be honest — I stopped reading.

This, frankly, is the problem with the debate around the issue of unconventional gas exploration in this state. Virtually none of the claims that have been made in relation to the adverse impacts of unconventional gas exploration in Victoria have any basis in fact. I would like to see a better process for having that dialogue with the community. If Mr Barber’s motion is intended to draw attention to the fact that we need to have a better conversation in the community, I agree with that sentiment. But I cannot agree with a blanket statement like, ‘We don’t know what’s there, so we don’t want to find out. Let’s not look’.

What I want to see come out of today, and what I want to see prospectively when the government responds to the Reith report on gas markets, is our moving forward to a place where the community can be reasonably engaged in a proper discussion on a factual — not fictional — basis about the implications of the industry. I do not want to be a Luddite, stick my head in the sand

like an ostrich and simply ignore the fact that there is significant pressure in Victoria in relation to our energy needs into the future. There is a party that is opposed to brown coal, onshore gas, nuclear power — —

Mr Barber — We knew that one was coming up.

Mr P. DAVIS — I am trying to think of what that party is actually in favour of. Transferring billions of dollars to emerging technology in the renewables field, which so far has not shown a capacity to wean itself off those significant subsidies, is unwise. I am looking for a proper discussion that will see land-holders have confidence that their interests will be protected and that they will be properly compensated for the impacts of exploration and, if there is development, for any development impacts. There needs to be confidence regarding one of the key issues about which there is long-term discussion: the implication for our aquifers and our water.

Going back to another time, I had one of the original Woodside Petroleum bores on my farm. It was plugged and capped, as were a number of bores up and down the coast parallel with Ninety Mile Beach. In the early years Woodside undertook a lot of exploration and investment in Gippsland. We would not have the vast North West Shelf gas developments today if we had taken a Luddite view back in the 1950s regarding the development of an understanding about our earth resources. Australia would not have received that income from the export of our liquefied natural gas, which is a significant development in the north of the country, if we had not had the early development of — —

Mr Lenders — On a point of order, Acting President, while I understand the context Mr Davis is trying to provide, this is a very tight motion of 25 words dealing with Victoria. Talking about the North West Shelf, I would suggest, is straying a fair bit beyond the scope of the motion. I ask you to at least bring Mr Davis back to the state of Victoria.

Hon. D. M. Davis — On the point of order, Acting President, it is very clear that matters surrounding this motion about energy supply and the advantages, disadvantages and challenges for Victoria are completely relevant to the motion.

The ACTING PRESIDENT (Mr O’Brien) — Order! Does Mr Philip Davis wish to be heard on the point of order?

Mr P. DAVIS — No, I am happy because I know how you will rule on this.

The ACTING PRESIDENT (Mr O'Brien) — Order! I am not sure about that. I rule that there is no point of order in this debate, particularly given the issue of resource scarcity, which implies a knowledge of the resources. I have been listening to Mr Philip Davis, and given that he is the lead speaker for the government, I simply ask him to continue his contribution.

Mr Lenders — He's filibustering.

Mr P. DAVIS — Philip-bustering; is that right? I thank Mr Lenders. I am always happy to Philip-buster. But on this occasion, given that Mr Lenders is anxious to participate in this debate and given that I am conscious of the time we have available, I assure Mr Lenders that he will have an opportunity to respond.

I was trying to underline my point before I was interrupted, so I now have to restate my point. I thank Mr Lenders for his assistance. I was simply wishing to conclude on the point that I do not think it is in order for the Victorian Parliament to take a position to exclude ever utilising a resource that belongs to the people of Victoria as a whole without having a full understanding of what the implications of that decision may be.

As I said, if we had been in this position in the 1950s when Woodside was a formative company, developing its earth resources, technology and understanding, we would not today have those vast resources in northern Australia which are adding to the common wealth of the country. I would argue that to take such a position would be grossly irresponsible.

I do not need to talk about the hypocrisy of positions that other parties have taken because I think that speaks for itself. What I would say is that the Liberal and Nationals parties in government are progressive parties looking to the future. The future of this state, frankly, depends on long-term, secure energy resources which as far as possible are regulated sufficiently well to protect the interests of the land-holders of this state and, importantly, protect the wider community. That is a discussion which I am sure will evolve over the next little while.

Mr LENDERS (Southern Metropolitan) — I will be far more succinct than Mr Davis in speaking to this motion of 25 words. But I will first take up an opportunity to briefly comment on Mr Davis's contribution and then get onto the motion moved by Mr Barber.

Firstly, Mr Davis says the coalition government has a long-term, stable policy — and I think I am not unfairly paraphrasing him. I will go through a very brief history

of the debate we have had in this 57th Parliament on the issue of unconventional gas exploration or fracking or the like. On 1 May last year I moved a motion which is back on the notice paper today. It is motion 668, which calls for a standing committee of this Parliament to undertake a fairly extensive inquiry into the science of fracking and a range of other things. When that motion was moved in May last year it was met with a press release from Michael O'Brien, the then Minister for Energy and Resources. To say it was an abusive press release is probably an understatement. It started off with Labor's 'fracking hypocrisy'. We had this diatribe about how the current government was going to do whatever it could to drag out every bit of energy and get it off the ground as quickly as it could for economic development purposes.

Mr Drum interjected.

Mr LENDERS — I said I would paraphrase, Mr Drum, but I would challenge Mr Drum to go through Mr O'Brien's press release where amongst other diatribes he went on about all sorts of internal Labor Party issues he had in his own mind. He clearly thought he was back at Melbourne University as a student in a debate. We had that press release, and essentially the nature of the government's response was, 'What a pack of idiots' for wanting to get to the science of this energy source, a science that deals with the safety of fracking or any intermingling of waters between aquifers or tries to get a process into place that actually deals with the legitimate access issues of land-holders.

As pressure came to bear on the government, in Gippsland and in Mr Philip Davis's electorate we had Russell Northe, the member for Morwell in the Assembly, going around communities near Callignee and other places saying there would be fracking over his dead body. The then Deputy Premier, Mr Ryan, was in hot water as there were protests by land-holders, particularly from the shire of Wellington and to a lesser extent from the shire of Bass Coast. Gippsland council after Gippsland council started coming out against it, and suddenly we had a complete backflip from the government. We suddenly moved from Labor's fracking hypocrisy to, 'Oh my gosh, we need a moratorium. What will we do? We will refer it to the federal government to come up with a national approach'. The same federal departments that could not be trusted by the coalition government on the basis that they got the science on cattle in the high country wrong, they got the science of climate change wrong and they got the science of the Murray-Darling Basin wrong were then asked to come back with advice on the

science of coal seam gas and come up with a national approach.

It was suggested that the Labor Party having the temerity to suggest that a Victorian parliamentary committee drawing on resources of existing science, under public scrutiny and parliamentary privilege, and calling people to give evidence under oath and under a tight time line was crazy. But suddenly it has all been flicked off to the feds. Then Mr O'Brien and the government did an amazing backflip after The Nationals overcame the Libs, when Mr Ryan and, I am assuming, Mr Northe, given his statements in Callignee and other places which he thought were private but became very public, persuaded the government to change its position. We suddenly had a situation where the coalition said, 'We will deal with it federally'. Then the federal ministerial council started slowly grinding away and trying to come up with a solution. The state government then set up its inquiry, which was the opaque and dodgy Reith review. When I, on behalf of the Labor Party, asked to be briefed by Mr Kotsiras on the Reith review, I got no response and no briefing.

Mr Philip Davis commented on the strong pro-jobs, pro-energy and consistent coalition government. Let us deal with that furphy. Mr Drum is the next speaker and presumably he will be beating his chest saying how The Nationals overcame the Liberal Party on this, for a change. The Nationals tail wagged the Liberal Party dog. Mr Ryan overcame Mr O'Brien, presumably in cabinet, and hence we had the moratorium. Let us get that right.

Let us go back to the substantive motion before us — and I use the words 'substantive motion' with a degree of scepticism. There are 25 words in it that seek to determine public policy in this state. I know Mr Barber says that it is a chance for the other parties to flag what they are doing, but moving a motion in this place seeking to flesh out other people's views is a strange way to have a public policy debate. The Labor Party's view is clear; we have twice moved this motion in this place and twice it has been defeated. It is now on the notice paper again in this house as it was in the Legislative Assembly.

If we thought we could convince one or two government members to cross the floor and vote for it, we would bring it back on again. We had hoped the three Nationals members in this place might vote on it as they voted in cabinet, but alas on two occasions they did not. We may chance our hand with it again. But in response to Mr Barber's request about the Labor Party's position, I can tell him it is strong. We support a moratorium and we support the science into the effects

of fracking and its effects on the water table. That is our position.

Mr Barber says three things in his motion which I am uncomfortable with. Firstly, his motion says 'unconventional gas'. In his introductory remarks he sought to define 'unconventional gas'. If you are doing an inquiry into unconventional gas, I accept that there will be grey areas, but the difference between conventional gas and unconventional gas has no science behind it. You can see clearly what one is and what the other is in one sense, but the grey areas are extraordinary. If you are talking about being off the coast of Gippsland or onshore in Gippsland, the definition of what is conventional or unconventional has not been established, so it is wrong to try to ban something unequivocally when it has not been defined. If we are talking about a classic definition of conventional gas in some of the offshore gas fields, we are probably talking about a dome somewhere with gas in it above anything else. If we are talking about unconventional gas, we are talking about something mixed with something else. I do not think many scientists would be confident to draw a line exactly down the middle about which is one and which is the other. We are being asked to ban something when we are not sure what it is.

Secondly, we are being asked to ban something permanently across Victoria when there is no definition of 'Victoria'. I do not wish to be pedantic, but we have had a debate about what is onshore and what is offshore. Are we talking here about stopping the extraction of gas from Bass Strait in a form that has been going on for decades?

Mr Barber — That is commonwealth waters.

Mr LENDERS — Mr Barber interjects and says that now. His motion does not include any scientific definition of what unconventional is. I accept the colloquial debate about what unconventional is, but Mr Barber is seeking to ban something without a definition of the term and without even a definition of Victoria. Does it mean offshore or onshore? Is it the 3 nautical miles or the continental shelf? I know there are various commonwealth complexities about existing or new fields, but Mr Barber has put forward a 25-word motion that has the general intent of fleshing out the views of other parties in this area.

Mr Barber used a specific example of western Victoria. He will get furious agreement from our side that we should not be drilling or exploring for these unconventional gases unless the safety and science is dealt with. Hence we would unequivocally support a

moratorium, as we have been advocating since March or April last year. But what Mr Barber is seeking is a permanent ban without defining what he is seeking to ban or where it comes from.

Mr Barber has invited us to explain our position. Our explanation and our policy position is unequivocal. Motion 668 on the notice paper has been tested in this house twice, and it is on the notice paper in both houses again. We have tried to get members of The Nationals to vote with us on it, but they have stuck with their coalition mates. On this they have not moved one bit. We are seeking information on the science, and we are strongly opposed to fracking. We need to be convinced before we move any further.

The motion before us is very general in its terms. Mr Barber said it is an invitation to flesh out the policy positions of the other parties. Our position is one of strong support for a moratorium until the science is established, but this motion does not do that. It seeks a ban for all time without any science or debate; it is based simply on the assertion of the mover.

I understand the proposal from Mr Philip Davis, but the parliamentary procedure is rather strange — that is, to circulate a motion that the government will not move, but if it could move it, it would move it. I am sure Mr Barber in his address-in-reply will say that he would not accept the motion if it was moved. For the sake of the charade, if that is the way to describe it, if Mr Davis's motion were put, we would vote for it because it calls for a moratorium to continue until the science is in, which is the central part of our policy position.

We will not be able to support Mr Barber's 25-word motion without the science that something like this deserves, but we look forward to the house supporting our motion 668 to set up a committee to drill into the science in an open, public and transparent way with a requirement for witnesses to report to Parliament — not the dodgy and opaque Reith review, but a full transparent and public review by the Parliament. We would support that, but this motion that does not meet that objective.

Mr DRUM (Northern Victoria) — Once again members of the former government stand in opposition with a different position to the one they took in government. With nearly every issue we debate on a Wednesday we have to deal with an opposition that is now taking a different position to the one it took when it held the reins of government.

Mr Barber — It is like a nightmare.

Mr DRUM — It is like a chameleon, Mr Barber. These people govern one way and then move into opposition with a view that has turned 180 degrees from the view they had when they were in government simply because they think they may be able to get a political benefit from taking a different view.

Mr Barber — The Greens are consistent.

Mr DRUM — Mr Barber jumps into the debate and says that the Greens are consistent, and yes, I must give him his due, they are consistent; consistently opposed to every ounce of development anybody might wish to achieve in the state. However, that is their right.

On a serious note, it is interesting that Mr Lenders was part of a government that allocated 73 licences for coal seam, shale and tight gas exploration and approved 23 hydraulic fracturing operations without any consultation. His government approved those operations. Now Labor is supporting the moratorium that is in place in this state.

Mr Lenders interjected.

Mr DRUM — Mr Lenders likes to use the term 'backflip'. I think he could be a gold medallist in backflips. He probably would have got a game in the Italian soccer team at the World Cup about seven years ago.

Labor supports a moratorium, which is the government's stance. It says it opposes fracking now, but it did not oppose it when it was in government. Labor in effect now supports what we are doing. Mr Davis put forward the type of motion that we would like to move; however, the convention — or the informal agreement — is that we do not amend motions put before the house on Wednesdays, so we have elected not to do it. However, Mr Davis's reference to the type of motion we would be comfortable with lets everybody see exactly where we stand on this issue.

In relation to coal seam gas, about six months ago I travelled to southern Queensland with a group of Nationals colleagues to have a look at the operations in the Condamine Surat Basin. We spent two days with a variety of people who showed us around. They were people who represented the gas industry, the agricultural industry and the various local governments — therefore, the community. We spoke to 10 different organisations, and we did not find one person with a negative view of coal seam gas.

Mr Lenders interjected.

Mr DRUM — We are talking about southern Queensland, Mr Lenders.

We have all seen the inflammatory *Four Corners* reports about gas bubbles emanating from the Condamine River, which somehow translated to ideas that somebody had fractured the aquifers or had miraculously mixed the coal seams with the water table, and that therefore production in that area was ruined forever. I hope Mr Barber saw that show, because that was certainly the story the ABC was trying to convey with that particular episode. Upon further probing, though, we find that in this particular area this is the way it has always been.

We visited one farmer in the area who had a water trough that had been installed 70 years ago. Every time the water gauge in the trough drops to a certain level, it opens the pipe so more water will fill the trough back up, and every time it is accompanied by some gurgling gas bubbles. The gas and the aquifers have been coexisting forever in the Condamine River area of the Surat Basin.

This was further highlighted during the floods of 2011 when the entire area was under a couple of metres of water. The only way farmers could get around and save their sheep and cattle was to take a flotilla of tinnies out, use them to herd their cattle and sheep, and traverse the area that was underwater. To equate the area to Victoria, it would have been equivalent to the Goulburn Valley. Wandoan out to Roma and a whole range of areas — 100-odd kilometres — were covered. There are 27 000 people working in this area in coal seam gas as we speak, building the separation plants and cleaning up the water so that it can be put back into the Condamine River.

The problem with the water that comes out of the mines, Mr Barber, is that it is too clean to go back into the Condamine River. When they treat it, they have to muddy the water so that it assimilates back into the Condamine River without negatively affecting the fish and wildlife in the river. That is what you see when you travel to the area, when you see the work that is being done and travel from separation plant to separation plant. When you go up there, you notice that there are three different separation plants, because the previous state government let three separate companies build three separate pipelines all the way to Gladstone, which is 420 kilometres away.

I hope some of the people Mr Barber has dragged into the chamber might go up there and look at this, because they will see that it is 420 kilometres — —

Mr Barber — On a point of order, Acting President, I understand it is the practice of the Parliament — and there is very good reason for it — that we do not make reference to anybody who may be in the public gallery, for the same reason we expect members in the public gallery not to interject or reference the politicians.

The ACTING PRESIDENT (Mr Ondarchie) — Order! I uphold the point of order. Mr Drum, I ask you not to engage in any way with the public gallery. In saying so, I also remind members of the gallery that they are here to observe and not to engage. If I hear any verbal engagement in future, I will have members of the gallery removed.

Mr DRUM — The water that is taken from the river, separated from the gas, cleaned up and put back into the Condamine River has to have its turbidity increased to make sure that it assimilates with the water that is already in the Condamine River.

Gas and water have been coexisting in this area for as long as the current farming population can remember. Gas seams in that area naturally run so close to the surface that there are spots where you can simply walk out into a paddock and light some of the coal seams, because the gas simply leaks into the atmosphere. That is a fact; we saw it with our own eyes. Farmers can simply light the gas as it emanates from the ground. Once it gets about 6 inches from the ground it dissipates and makes its way into the atmosphere in the way that it always has.

One of the biggest problems we identified when we went to Queensland was the way the industry had been set up. In effect what you had was a Labor government that saw dollar signs. It said to the gas companies, 'Go for your lives, organise your leases with the farmers, organise your separation plants, organise your gas plants and organise your pipelines to Gladstone'. And they did. They took advantage of farmers, and they took advantage of communities. The gas companies had an open-slat approach to getting their leases organised, building their infrastructure and getting the gas to port as quickly as they could.

The situation had been manipulated to the advantage of the gas companies to such an extent that the relevant communities started to kick up and argue against the way they were being treated by the gas companies. But there are no examples of environmental damage in the area, with the exception of one small, shallow aquifer that has dried up. There is nothing to determine whether this is because the gas has been taken out of the area or whether the drought itself led to the aquifer drying up,

and that aquifer has dried up in previous years. There is one very shallow, small aquifer that they have had trouble with. They are still looking into whether the rains that have been falling are replenishing that aquifer.

The lopsided manner in which the coal seam gas industry started in Queensland had a huge bearing on the lock-the-gate protesters who flocked to the area to oppose its development in that area. Protesters had a field day, effectively opposing the industry's development and the building of the wells and infrastructure. This was because the negotiations that were carried out between the gas companies that were building these enormous pipelines and the farmers from various communities were poorly orchestrated.

When the government changed in Queensland, the Liberal-Nationals coalition established the GasFields Commission, which comprises seven eminent members of the community from the southern central Queensland region. The GasFields Commission put together a framework which focused on how communities and farmers could better deal with gas companies when it came to negotiation over leases, compensation for pipelines dissecting farms and loss of small specific areas to gas wells.

Farmers in this area are now generating considerable amounts of wealth, which is enabling them to update and implement new farming techniques, use better machinery with more robotics and increase their production of food and fibre. A whole range of areas have improved because of the increased wealth being generated by gas wells on these farms. One farm we visited had 50 wells. Each well is about half the size of a tennis court, with 10-foot to 12-foot cyclone fences around each of them. You can see a few pipes, gauges and valves inside the fence that form part of the well. The wells are unobtrusive. Farmers are happy to have the wells within 100 metres of their homes. If they decide to sit down and have a cup of coffee, the wells do not provide an unpleasant vista. Farmers are happy to have them either within sight of their homestead or over the rise. The wells do not seem to bother any of the farmers very much. Each well costs in the vicinity of \$4000 to \$5000. There is real wealth to be generated by farmers in hosting these wells on their properties.

We spoke to people from various communities. In Wandoan a new community centre and recreation reserve community hub have been built. There is increased wealth in the town at the moment because the well builders are being accommodated there. An enormous revitalisation of these areas has resulted from the investment in them.

If the government were to support this motion we would be denying our communities benefits, including road upgrades throughout the state of Victoria or airports in regional towns and cities. Millions of dollars are being put into these areas by the gas companies — for their own purposes, I might add. Once the gas companies have finished building the gas wells we will be in a position to take advantage of the improved infrastructure and community assets.

People need to open their minds to what is happening in these areas. You need only ask the locals what they think about having gas wells in their area — 100 per cent of the people we spoke to were positive about them. It did not matter if they were council employees, community leaders or farmers — not to mention gas company employees — people who have always lived and who intend to continue to live in these areas were all very positive about the introduction of coal seam gas exploration and extraction in that part of Queensland.

If members were to overlay the Queensland example onto what we are doing in Victoria, they would see that we have learnt some very clear lessons. We have elected to take a very slow-as-you-go attitude with this. We are being extremely circumspect about this issue. We understand that there are serious concerns in the community. We are not going to move forward from this moratorium until we are convinced by the science that we have all bases covered. The Nationals members are very comfortable with that stance and will continue to do what we have always said we would do: if the science comes in with a positive slant, we will engage the community.

We have already worked with Southern Rural Water and the Environment Protection Authority. We have also been involved in holding five community information sessions on coal seam gas mining in Leongatha, Sale, Wonthaggi, Bacchus Marsh and Traralgon. We have started to engage the community in this area, but we are not going to move forward unless the science gives us the confidence to do so.

A vibrancy has been restored to many parts of southern Queensland that were previously on their knees. Having witnessed the ridiculous set-up where three separate gas companies are building three separate pipelines, each of them 420 kilometres long, from the Surat-Condamine Basin all the way to Gladstone — —

Business interrupted pursuant to standing orders.

STATEMENTS ON REPORTS AND PAPERS

Auditor-General: *Prison Capacity Planning*

Ms TIERNEY (Western Victoria) — I rise to make a contribution to debate on the Victorian Auditor-General's *Prison Capacity Planning* report of November 2012. I will start by saying that this report mentioned a number of worrying trends when it was released 12 months ago. Since that time those trends have only increased. I will not say they have peaked because I think we are going to have continuing issues in terms of prison capacity for some time to come.

We need only look at recent headlines in newspapers to see that the community believes we have a justice system that is crumbling. As recently as Wednesday, 31 October, the *Age* twice used the headline 'Justice system "crumbling"'. A recent editorial headline in the Ballarat *Courier* reads: 'Government must make fixing corrections system a priority'.

The editorial goes on to say:

The police union says the problem has become a safety issue with inmates being kept in cramped cells and police taken off the beat to look after them.

Cells at metropolitan and regional police stations were never designed for long-term prison accommodation. While court cases will be scheduled on weekends in an attempt to ease the problem, the state government really needs to quickly find a temporary place to hold low-risk prisoners.

Coupled with that, we have had a situation where this government has reduced funding to legal aid. Even as recently as 7 November an article in the *Geelong Advertiser* headed 'Aid lawyers feel stress of demand' talks about Geelong-based services dealing with 'unprecedented demand'. It also says:

With continuing demand and no increased resourcing, we've had to look long and hard at how to best target our services ...

An article by Greg Barns in the *Age* of 31 October headed 'Guilty verdict for Naphthine government' talks about 'the shunting of people from cell to cell' being a recipe for mental and physical illness. Closer to home, the *Geelong Advertiser* of 26 September included an article headed 'Bellarine police forced off streets', with the subheading 'State prison crisis hits city'. Even the smaller police stations have their cells full of prisoners. These cells were not built to service this at all. They were meant for very short stays, not to become essentially alternative prisons. We have fewer police on the beat on the Bellarine Peninsula because they have to tend to these prisoners. If this situation continues during the holiday season, which traditionally kicks off on the Bellarine Peninsula on Melbourne Cup weekend and

goes through until about Easter, we will have significant issues because these townships do not just double in size; they quadruple in size for nearly five months of the year, particularly due to people staying in the caravan parks.

This report highlights the issue of overcrowded prisons. It talks about prisoners in police cells. It talks about all of this meaning that police are pulled off the beat and that we essentially have a failing system with crime rates continuing to increase year after year since this government came to power. Under the Labor government, crime rates continually decreased, but now police are being forced off the beat to deal with overcrowding issues.

Office of the Public Advocate: community visitors report 2012–13

Mrs COOTE (Southern Metropolitan) — I wish to speak this afternoon about the report of the Office of the Public Advocate entitled *Promoting the Human Rights, Interests and Dignity of Victorians with a Disability or Mental Illness*, the community visitor's annual report 2012–13. At the outset I would like to put on the record again my praise for community visitors and the excellent work they do.

Recently I had the most extraordinary honour of being with a whole range of community visitors, former residents, staff, family and carers of people who had lived in the Caloola asylum, as it was called, in Sunbury. It was 21 years since Caloola had closed up. It was the 21st anniversary celebration, and it was absolutely heartbreaking to go back and remember what Caloola was like. At that meeting I praised two former Victorian Labor ministers, Tom Roper and Kay Setches, who were instrumental in helping to close down Caloola. This was followed through by Michael John, a minister in the Kennett government, who also did an extraordinary job.

However, it was a report to Minister Roper in May 1988 by the community visitors to the Caloola training centre that prompted the beginning of the demise and winding down of Caloola. It is salutary to read their conclusion. They said:

Conditions at Sunbury Training Centre are intolerable. It is impossible to provide an adequate service in Caloola as it is now ... Buildings that were originally unsuitable have deteriorated into squalor ...

The inhabitants of Caloola suffer from isolation, lack of community support, and the lack of normal existence. They are handicapped by a system that denies the potential of their lives.

This was an absolute indictment. Page after page the report told of the terrible conditions at Caloola. But it is very important for us all to understand just how far we have come in those 21 years. A very poignant contribution was made on the day by Graham, who said:

My mother put me into an institution when I was a boy. I went from institution to institution until I ended up at Caloola. They said, 'You're only here for a holiday'. That was not true. I was in a locked ward. I was in institutions for about 30 years. I got no training. I got no education ... All they taught us was how to clean up the ward.

He went on to give a very poignant description of his life at Caloola, but this is what he had to say after being out of Sunbury and Caloola:

Since I have been out of Sunbury I have had my own friends. I have been able to help people who needed help. I can get good doctors. Nobody tells me to go to bed at 9.30 every night. I can have a shower without a staff member watching me. I can see my friends when I want to. I have my own garden. I know my neighbours.

He is a great neighbour to have and had many supporters there on the day.

The community visitors were instrumental in helping close Caloola. It is extremely interesting to reflect upon what our coalition government has done in closing the Sandhurst Centre in Bendigo. We made an election promise to close the institution. That is exactly what the Minister for Mental Health, Ms Wooldridge, has done. We are in the process of dealing with the families and friends, but I hasten to add that the current Sandhurst in Bendigo is nothing like Caloola was.

The state also runs another so-called institution, Colanda, at Colac, where there are 91 people. They are now in the footprint of the new national disability insurance scheme rollout, and I have been working very closely with them to make certain that the people from Colanda can transition into the community in the ways they wish to. Once again, Colanda is not a model for the present, and neither is Sandhurst, but I can reassure this chamber that conditions at Colanda are nothing like those I have read about at Caloola. We have come a very long way as a community. The introduction of the national disability insurance scheme and its rollout have been fantastic.

The state coalition worked very closely with the then federal government. The Labor government and Julia Gillard made the announcement, and it was good that there was bilateral agreement on this initiative for the disabilities sector. However, it was community visitors who shamed us as a community and who gave a very good report to a former Minister for Health, the

Honourable Tom Roper, and to the Honourable Kay Setches, a former Minister for Community Services. Indeed the closure of Caloola was a great celebration. As a community we have come a very long way, but we have some way to go. However, working together and taking a bipartisan approach to disability is an excellent way forward for the future.

Auditor-General: *Clinical ICT Systems in the Victorian Public Health Sector*

Mr ELASMAR (Northern Metropolitan) — I rise to make a contribution to debate on the Victorian Auditor-General's report *Clinical ICT Systems in the Victorian Public Health Sector*, which was tabled in October and is an alarming report to read. I had difficulty in understanding how funding of \$323 million allocated to ICT systems in the public health sector had failed to achieve its basic goal. In 2003 this program was budgeted to deliver the rollout of an electronic data patient information system across 19 Victorian health services. The software was supposed to enable Victorian medical professionals to have access to patients' medical information, and its purpose was to provide a speedy and cost-effective way for patients to be treated whether they were in country Victoria, a metropolitan hospital or a community health centre.

Doctors and medical professionals rely on direct patient information to diagnose or treat medical conditions, but unfortunately some people are unable to adequately convey their symptoms accurately, so health professionals are sometimes severely hindered in their diagnosis and the prescription of subsequent treatment regimes.

Someone had a brainwave and thought that a handy electronic reference tool with instant access to patient history and past treatments would save money and resources, not to mention patients' time. It was a brilliant idea which became lost in a muddle of bureaucracy. Most of our hardware systems are unusable with HealthSMART software, and government departments and health agencies are not communicating electronically with each other.

It is unbelievable that computer networks currently being used within our health system are largely incompatible with software design for the crucial purpose of assisting patients and doctors. There is duplication of treatments and prescriptions for patients, and waste and mismanagement with no clear end in sight. Computer companies seem to be happy to write software programs, but not happy for those programs to be used universally. What we do know is that the HealthSMART system is only working in 4 out of

19 health services in Victoria. It is a very poor outcome for \$323 million, and a very poor result for all Victorian health service users.

Echuca Regional Health: report 2013

Mrs MILLAR (Northern Victoria) — I am pleased to make a statement on Echuca Regional Health's annual report 2012–13. Echuca hospital has a proud 130-year history, having been founded in 1882, and we can also be duly proud of what is still being achieved by this hospital in its community.

The hospital has reported a successful year across a range of measures, including that — as noted in the report — in most areas of patient activity there has been continued increase in demand for services, highlighted by the number of emergency department presentations increasing by 8 per cent to 17 759. The report notes that an 11 per cent decrease in services for dialysis reflects the increased number of dialysis units now available in the district, which is very welcome.

As noted in the report, Echuca hospital is meeting and exceeding many of its benchmark targets, in many instances by notable margins. Furthermore I was pleased to note that the section of the report which records compliments and complaints notes that a total of 254 compliments were received across the year, contrasting with 73 complaints. Whilst all hospitals would expect to receive some complaints, which are duly acknowledged and investigated, it is pleasing to note that in the case of Echuca hospital the number of compliments received was four times the number of complaints received. This is notable and reflects the value the community places on its hospital and its staff.

Financially the hospital recorded a successful year, with a consolidated net result of \$6.955 million. It was a pleasure to visit the hospital during October and to view progress on its \$65.6 million rebuild and expansion. Work is well under way, with the first stage nearing completion. The report notes that excellent progress is being made on the hospital's upgrade and expansion, with the first of two phases being on time and on budget for commissioning in March 2014. This upgrade will provide an increase from 68 to 113 beds and a 24-bed rehabilitation unit with purpose-designed sanctuaries for palliative care patients. The number of treatment cubicles in the emergency department will increase from 7 treatment areas to 23 and will include both secure and isolation rooms, together with 6 short-stay beds. New surgical, paediatric and maternity wards, including a high dependency unit, will offer space and comfort for both patients and families, and there will be a new radiology department.

As is noted in the report's year-end review, the Echuca and district community has set a fundraising target of \$2.4 million to purchase some additional advanced equipment for the hospital, and at the time of the report's publication a total of \$1.9 million had already been pledged. I am further aware that the \$2 million mark has since been reached, which is a magnificent achievement by this community, and again demonstrates how that community values its hospital.

In its annual report Echuca Regional Health recognises the strong support of the Minister for Health, the Honourable David Davis, and the staff of the Department of Health in supporting the hospital across this exciting period in its history. I congratulate Echuca Regional Health board president, Mrs Judy Cook; the board members; the CEO, Mr Michael Delahunty; the medical practitioners; the very dedicated staff; and the active volunteer cohort, on a highly successful year. I recognise their achievements and service to the Echuca and surrounding district community.

Bushfires royal commission implementation monitor: report 2013

Mr MELHEM (Western Metropolitan) — I rise to speak on the bushfires royal commission implementation monitor's annual report 2013. When 173 people died as a result of the Black Saturday bushfires in 2009 we stood together as a community and grieved. We all shook our heads in shock at the terrible devastation — at the 5000 people injured and 2029 homes lost.

The bushfires royal commission made recommendations, and the then Leader of the Opposition, the Honourable Ted Baillieu, committed to adopting all of them even before he had seen them. He repeated that commitment as Premier, and our current Premier has continued with that line, but disgracefully it has not happened.

The vital ingredient in fire mitigation is prescribed burning — back-burning, if you like. This is carried out by the Department of Environment and Primary Industries and Parks Victoria, but there are not enough people to do the job, and those who carry it out are not properly equipped. The royal commission's recommended target of tripling prescribed burns to 5 per cent of public land is moving further and further into the distance. The Napthine government's latest budget promised increased planned burning and the removal of trees damaged by bushfires. By the way, those trees are sometimes called widow-makers, because they can drop without warning — yet another hazard for our forest firefighters.

The existing public sector forest firefighting force would have to double or even triple its productivity to meet those targets. It is not good enough to continue to set minimum targets if there are not the resources to meet those targets. The state government likes the idea of contracting. The Department of Environment and Primary Industries has said that contractors should provide value for money, but it is a problem when senior public servants think cheap contractors should replace full-time forest firefighters.

Not long ago we had over 400 full-time field forest firefighters, of whom 177 were employed by the Brumby government as a result of one of the recommendations from the 2009 Victorian Bushfires Royal Commission. Guess what? That number has disappeared. We are now almost down to 200 out of the more than 400 field forest firefighters we had three years ago. If we are fair dinkum about meeting targets and implementing all the recommendations from the royal commission, we need to get back to the right number of firefighters, which we had not long ago. Forest firefighters put their lives on the line day in and day out, and we should remember that we lost two brave firefighters earlier this year. They do not get the recognition they deserve, and I refer to the equipment and training and even the full-time resources.

Members in the house should know that forest firefighters are not recognised as emergency services personnel and therefore they do not qualify for the Emergency Services and State Super fund. Metropolitan Fire Brigade and Country Fire Authority personnel and others are classed as emergency services personnel, and rightly so, yet the forest firefighters are not. They are in charge of protecting lives and do a magnificent job year in, year out. These men and women provide an essential service and they should be acknowledged for that. They should have access to the Emergency Services and State Super fund. They should be properly resourced and equipped and not be replaced by contractors.

I have often heard it said that the definition of insanity is to continue to do what you have done in the past and to expect a different outcome. We need change, and we need it now. It is time we recognised these people and treated them as emergency services personnel.

Victoria State Emergency Service: report 2012–13

Mr FINN (Western Metropolitan) — I rise this afternoon to speak on the Victoria State Emergency Service (SES) annual report 2012–13 entitled *Building Community Resilience*. It has to be said that whether it

be floods, fires, storms, road trauma or any other number of calamities, the State Emergency Service will be there to assist. It is a wonderful group of highly trained, committed people — they would be professional if most of them were not volunteers — and we very much admire them. Last year there were 5000 SES volunteers in six regions, with 153 units and 102 road rescue units. We probably underestimate the impact the SES has, particularly in the area of road trauma, because many of these volunteers are in some instances first on the scene for what can be horrific scenes of road carnage. They give up their own time in order to help others, and we commend them for that and congratulate them.

Members in the chamber will remember the dreadful Christmas storms of a couple of years ago that cut through the north-western suburbs of Melbourne. The SES set up a base at the Brimbank Anglican Church in Keilor, and I visited there with the acting Premier at the time, Mr Ryan. It was amazing to meet people who in the course of their Christmas lunches had been called away. They got up and left their families, and three days after the event many of them had not been back because they had been out fixing roofs and helping people.

What amazed me that day was that of that large gathering of volunteers, many of them were from country areas and some were even from interstate. I could not help but be impressed by their commitment. These people gave up their own Christmas celebrations to help people they had never met. They gave up their Christmas to risk life and limb climbing up on roofs which were a little dodgy — to use a term that was thrown around the chamber a bit earlier — and they did that in the spirit with which we have come to associate the SES. I can only say God bless them for the work they do.

Mary Barry, the chief executive officer of the Victoria State Emergency Service Authority — and she is known to many of us — makes the following comment in her CEO's Report:

...it is to our volunteers who again served the state of Victoria 24 hours a day, 7 days a week throughout 2012–13, and who deserve the most hearty thanks and congratulations.

Without the support of volunteers' families and employers, we could not hope to provide such consistent and high-quality service to the people of Victoria, and my recognition and thanks go to these groups as well. Your personal and business sacrifices are to be admired.

Mary may have underestimated the word 'admired'; it is not quite strong enough a word to use. These people sacrifice time with their families, and businesspeople

support their employees when they volunteer. What SES volunteers give to the community is beyond calculation. It is something we should all give thanks for every day. These people are truly magnificent. When I think of the degree of sacrifice that they give for the good of so many in the community, I can only say that the community would not be able to survive without them. I publicly thank each and every one of them for their service to Victoria.

Victoria Police: report 2012–13

Mr EIDEH (Western Metropolitan) — I rise to speak on the Victoria Police annual report for 2012–13. I begin by acknowledging the Chief Commissioner of Police, Ken Lay, deputy commissioners Tim Cartwright, Graham Ashton and Lucinda Nolan, and executive directors Tony Bates and Cliff Owen, for their contributions to this report and their contributions to the governance of Victoria Police during 2012–13. In addition I would like to extend this acknowledgement to all the hardworking front-line police officers and protective services officers who on a daily basis put themselves at risk to preserve and ensure the safety of all Victorians across the state. Their work is exceptional, and I extend a very warm thank you to them from all in this Parliament.

I was pleased to have read in this report that there has been a decrease in the Victorian road toll. Victoria Police indicated in its report that police have continued their commitment to decreasing the Victorian road toll and increasing safety on Victorian roads. Whilst this commitment is pleasing, despite the decrease, 256 Victorians unfortunately lost their lives on the road during 2012–13, and an astounding 17 947 Victorians were injured. I recognise the hard work that has been done by the officers, the tough campaigns and road operations which all contribute to drive down these figures, and I hope this work continues, as I am sure we all would like to one day see a road toll of zero. Only then will we know that Victorian drivers have finally received the message of road safety.

On another point, the commissioner highlighted in his foreword that family violence remains a key focus for the police and that an increase in reporting has been a positive step, as it shows that more people feel comfortable reporting crime. The annual report highlights that since 2008, when 33 891 incidents of family violence were reported, the figure has increased to 60 829, an increase of 79.5 per cent. I understand that the figure increase represents an increase in reporting, and I acknowledge that this is a step in the right direction of eradicating family violence from our communities. I fear, however, that this message may

not be getting through to abusers, who continue to think it is okay to be violent to a member of their family.

Victorians saw family violence at its worst earlier this month when Rekiyah O'Donnell tragically lost her life after taking numerous steps to keep herself safe and away from her alleged killer. Her young life was taken far too soon, and her death has triggered an outcry on the part of Victorians about what this government is doing to proactively protect the safety of women, in particular of those who have already reported domestic violence, as Rekiyah had done. Without the necessary follow-up, the increased reporting figures mean nothing.

Family violence does not have a place in our society; nor does violence of any kind, for that matter. As leaders of our communities, we must fight as hard as we possibly can to ensure that we keep safe those who are suffering from family violence. Even though more than 60 000 cases were reported in the past financial year, that shows that more than 60 000 instances have occurred, and I am sure the real number would be significantly higher, given unreported crimes. These crimes should not be occurring in the first place.

I hope the hard work of Victoria Police will soon pay off so that family violence will not play such a significant part in our society, as it unfortunately does now. I commend this report to the house.

Outer Suburban/Interface Services and Development Committee: growing the suburbs

Mrs KRONBERG (Eastern Metropolitan) — I am pleased to make more of my continuing contribution reporting on the Outer Suburban/Interface Services and Development Committee's report entitled *Inquiry on Growing the Suburbs — Infrastructure and Business Development in Outer Suburban Melbourne* of June 2013. I focus on this because so much of this report has informed cabinet level decision-makers in this government, particularly in the formulation of the visionary plan for Melbourne for 2040.

The work of some celebrated authors of a seminal work looking at how Melbourne will fit into the population expansion of the east coast of Australia constitutes a fitting contribution for today. In raising the subject of population growth in Melbourne and in other major cities along the east coast, we have to face the fact that in effect these cities will become full by the middle of the century. The forecast that Melbourne will reach a population of nearly 8 million people by the year 2056 represents almost a doubling of the current population. Professor Richard Weller and Dr Julian Bolleter argue

for this reason that Australia will need to increasingly embrace the option of decentralisation as an economic and social necessity. These authors suggest:

... new settlements throughout mega-regional landscapes could breathe life into the Australian dream for yet another century. And this dream needn't be a monoculture of housing estates that erase the landscape — on the contrary, we could shape mosaics of new, innovative and capacious development.

These are the exciting things that resonate for me. The authors conclude that such decentralisation would involve significant growth for some existing regional centres; how fantastic! The construction of new, major regional cities and the construction of high-speed transport and communications networks to link such regional centres with Australia's established major cities would enable Australia's growing population to literally leapfrog the pitfalls of the mega-city and stretch out rather into mega-regions.

In its wisdom the committee has also referred to the capacity of Victoria's regional communities to accommodate an increased share of the state's population growth. Committee members did so in the livability report, tabled in December 2012. In that report committee members recommended that the Victorian government continue to promote regional communities as attractive places to live and work.

An extension of these principles has been put forward by Professor Weller and Dr Bolleter in their seminal work, *Made in Australia — the Future of Australian Cities*, which refers to a future east coast mega-region including the cities of Geelong, Shepparton, Wangaratta, Albury-Wodonga, Wagga Wagga, Goulburn, Moss Vale, Central Coast, Newcastle, Taree, Port Macquarie, Coffs Harbour, Grafton and Lismore. I think these sorts of ideas would be new to those listening in the chamber today. The Urban Development Institute of Australia also recently described regional Victoria as providing a 'release valve' to take increasing population pressure off Melbourne and its ever-expanding urban fringes.

The committee considers that government at all levels, in partnership with the private sector, should look to smart growth and decentralisation as increasingly important strategies for the accommodation of Melbourne's rapidly growing population and to reduce pressure on existing infrastructure, particularly in outer suburban Melbourne. The committee is also mindful that these approaches to urban planning are increasingly recognised as representing international best practice in respect of the accommodation of population growth and investment in urban infrastructure.

I will focus on the concept of increased residential densities, because one of the fundamental principles of smart growth and landscape urbanism is the encouragement of urban residential densities that optimise both livability and economies of scale in the provision of infrastructure —

The ACTING PRESIDENT (Mr Ondarchie) — Order! I thank Mrs Kronberg and appreciate her contribution tonight.

Family and Community Development Committee: *Betrayal of Trust*

Ms PULFORD (Western Victoria) — I could not have been prouder to be a member in this place than I was this morning when the *Betrayal of Trust* report by the Family and Community Development Committee was tabled. I will make some comments on this report, having not had enough hours in the day to do it due justice, and I do so very conscious of the survivors and victims of sexual abuse in many of the towns in my electorate — and in particular my home town of Ballarat — that Mr O'Brien spoke about earlier today.

I note the description of the inquiry's proceedings in my local newspaper, the *Courier*, by journalist Fiona Henderson. She said she:

... observed a passionate committee of six MPs of all persuasions refusing to accept excuses or be awed by titles.

The work undertaken by the members of the committee has been extraordinary. The report that was tabled makes many recommendations. It pulls no punches. It apportions responsibility — indeed blame — and clearly, eloquently and passionately puts the case to government about the need for law reform to repair some of the damage, to facilitate greater healing and to provide the best protections we can to minimise the risk of this kind of abuse. It is very much our responsibility as members of Parliament to ensure that this is done and that the work is done due justice.

I note that Mr O'Brien said earlier today that if members read only one submission to the inquiry, they should read the submission from Victoria Police. I was prompted to have another look at that submission after those comments. The observations of Victoria Police are scandalous. Its submission mainly deals with abuse within the Catholic Church, and it systematically pulls apart the flaws in the church's inquiry process. The submission refers to inappropriate advice to victims; movement of alleged perpetrators, something that has been widely reported; the way in which the inquiry process undermined the capacity of police to conduct the most effective investigations of crimes possible; and

a lack of cooperation during police investigations — indeed the church provided an early warning system for perpetrators in some cases. The submission goes on to note a number of deliberate actions by the Catholic Church which arguably were taken to impede or conceal investigations. Victoria Police states that such deliberate actions should be criminalised.

I join Mr O'Brien in urging members to read that submission. I also note the part of the report headed 'Regional experiences — the Ballarat example'. The report contains extracts from witness statements that really illustrate the significant role of church leaders in communities and the special access to children and authority that they have. The report also goes to the question of non-disclosure. It quotes a witness who reported having told his mother of abuse, but she did not believe him. He then told a teacher at school, and the teacher said, 'He's a pervert; just try to keep away from him'. There were multiple instances of children seeking assistance from grown-ups and that assistance not being forthcoming.

Finally, I acknowledge the work of Ann Barker, the member for Oakleigh in the Assembly, and the Attorney-General, Robert Clark, who I think had a lot to do behind the scenes in the lead-up to the establishment of this inquiry. I pay tribute to the survivors who have shown extraordinary courage in demanding that Parliament respond. These people had horrific things happen to them and have found within themselves the strength, courage and determination to take on some of the most powerful institutions in our society. They are to be commended. This is their report; the government's response will be their response. I look forward to seeing that response from the government and to working in a bipartisan way across the Parliament to ensure that whatever can be done to protect children from abuse in future is done.

Auditor-General: *Clinical ICT Systems in the Victorian Public Health Sector*

Ms CROZIER (Southern Metropolitan) — I am pleased to speak on the Victorian Auditor-General's report into clinical ICT systems in the Victorian public health sector, dated October 2013. This is an interesting report because it highlights some of the issues our government is dealing with in undertaking extensive overviews of what has occurred over the past decade or so. This report highlights one of the IT projects that was implemented extremely badly and poorly managed under the previous government. The Auditor-General says:

This audit found that poor planning and an inadequate understanding of the complex requirements to design and implement clinical ICT systems has meant that the Department of Health exhausted its allocated funds, and ultimately delivered the HealthSMART clinical ICT system to only four health services.

We are talking about significant amounts of money when this was commissioned. In 2003 the then government committed \$323 million to the HealthSMART program, which was supposed to be delivered to 19 health services and concluded by 2007. That did not happen. The then government severely underestimated a range of issues that are incredibly important. I note that an audit of the HealthSMART program was done in 2008, and at that time there were many areas identified for improvement that the department needed to action.

We are talking about an extraordinary amount of money. Back in 2003, \$323 million had a greater value than \$323 million has today. Nevertheless it is still a significant amount of money in today's terms, especially as we are trying to find every cent we can to deliver necessary services in our state, especially in the area of health services. This is extremely disappointing, and it goes to the heart of what the former government did. It botched everything in relation to projects. There is a whole list of them, as we know, but I want to talk about this particular botched system. Under the heading 'Poor planning and implementation', the report says:

The HealthSMART clinical ICT system rollout has been a poor example of public sector leadership of government-funded transformative technology projects. In planning and implementing the system rollout, DH has not demonstrated:

an auditable trail of authorisation by government of key changes in the program's scope and direction

effective financial monitoring and oversight practices ...

appropriate attention and action in relation to previous review recommendations ...

effective governance and contract monitoring to ensure vendors performance.

One element this government is particularly focused on is enabling appropriate contracts with appropriate management and appropriate oversight. Vendor performance is critical, and anybody who understands how the private sector works and the critical elements of every dollar that goes into various projects understands that vendor management and contractual obligations are vitally important to the delivery of projects.

This report demonstrates how inept and out of depth the former government was in relation to managing projects. When you add up all the failed projects,

particularly around ICT, the cost is in excess of \$1 billion. That is a significant amount of money that could have gone into better health services and the better delivery of health care in 2013. We are fixing those mistakes, picking up the pieces and giving hospitals and health services greater choice about their IT systems, and I commend the Minister for Health for enabling health services to have the authority to decide what they would like to do.

Auditor-General: *Prison Capacity Planning*

Mr O'BRIEN (Western Victoria) — I rise to make a contribution on the Auditor-General's report dated November 2012 on prison capacity planning. It is an important report, and I am glad it was put on the notice paper by Ms Tierney, because it demonstrates again that this government is working hard to fix the problems that were left by the previous government, including those that have been acknowledged by the Auditor-General as being matters about which the previous government was put on notice time and again.

The audit summary is a helpful introduction and indicates that Corrections Victoria (CV) and the Department of Justice (DOJ) have the task of managing Victoria's prison population, which is not necessarily a pleasant task. Not all the things government has to do involve pleasant activities, but if one is to have safety in the community as a priority, regretfully one needs prisons. Prisons are not the only aspect of this government's response to criminal activity, but they are a necessary aspect in some cases, particularly when the community needs to be protected from violent and serious offenders. That is an issue that has regretfully been played out time and again on our streets all over Victoria and an issue that this government, through its election policies across the board, has sought to remedy and strengthen as part of what has been called a law and order agenda but is first and foremost about protecting our community.

I note that in its conclusions the report states that there is a capacity shortfall, and it squarely exposes the problems that were left by the former government, which over 11 years failed to plan to manage Victoria's prison system. The Auditor-General has made it clear that the former government left us with a prison system that is effectively in crisis due to devastating underinvestment and reckless disregard for its future needs. In November 2012 the report confirmed what this government had been saying in opposition for a long time and what was found by the Auditor-General to be the case — namely, that when it comes to the management of Victoria's prison system the Labor Party is the master of disaster.

An example of that is the botching of the Ararat prison program, which is an important project in my electorate. The contracts put in place by the previous government created great uncertainty and financial dislocation for many subcontractors when the project teetered on the brink. The former Minister for Corrections, Mr Andrew McIntosh, the member for Kew in the Assembly, took a careful and considered approach to the government's contractual responsibilities, which eventually saw the project put back in place and the prison being built.

The real failing of the previous government found by the Auditor-General is that in 2008, 2009 and 2010 it rejected recommendations to build a new prison. On pages 24 and 25 of the report under the heading 'New prison' the report states:

As part of the budgetary process, departments develop business cases ...

DOJ and CV submitted funding applications for a new male prison as part of the 2008–09, 2009–10 and 2010–11 budget processes. However, these were not supported by DPC or DTF.

Ultimately DOJ made some recommendations, but:

... the government did not support DOJ's funding applications for a new male prison in the 2008–09, 2009–10 and 2010–11 budgets.

But the current Minister for Corrections is continuing to implement the government's commitments. I also commend Mr O'Donohue as the Minister for Crime Prevention. I commend the report to the house.

Department of Health: report 2012–13

Mr LEANE (Eastern Metropolitan) — I would like to make a brief statement on the 2012–13 annual report of the Department of Health. In doing so I pay tribute to the Eastern Health network, which covers all of the electorate I represent, Eastern Metropolitan Region. I thank those who recently attended an early morning briefing for councillors, local members of Parliament and other people on how Eastern Health is travelling. I thank Mr Alan Lilly, the chief executive officer, who is always very blunt, good value and entertaining to listen to. He is also enthusiastic about the work that is undertaken by Eastern Health.

It was mentioned in the briefing that Eastern Health has almost 300 volunteers working in the network, which is an interesting thing to take into account. My mother worked for decades as a nurse and when she retired she volunteered at a number of hospitals doing work that volunteers can do. That was very special to her, so I

was glad to hear that a number of volunteers in Eastern Health are doing similar work.

The professionals and volunteers in the health networks are doing their best. It is a bit of a shame that the Napthine government is not backing them up with appropriate funding and delivering on the health promises its members made and took to the election. Every coalition MP's how-to-vote card included health reform with a promise of a \$1 billion health infrastructure fund, which has not come to fruition. There was a promise of 1600 hospital beds statewide. No-one really knows what has come to fruition on that promise of new hospital beds because the Minister for Health says that they have been delivered but he cannot nominate where they are and when they were delivered. There was a commitment to slash the waiting lists for elective surgery and members know that they have blown out. Big commitments were made around ambulances and new ambulance stations. Members are aware that currently the state is suffering the worst crisis in ambulance delivery that it has had to endure.

It is worth revisiting the response given when the shadow spokesperson for health in this chamber, Mr Jennings, asked the Minister for Health to identify which particular key performance indicators (KPIs) in this report he is proud of. The best he could nominate was hand hygiene compliance. It is a bit of a sad day when that is the best thing the Minister for Health can nominate as being proud of in his department's annual report. He cannot point to KPIs such as the delivery of ambulance services because we all know about the ramping issue. He cannot point to the delivery of the new infrastructure that he promised because it has not been delivered. He cannot point to the slashing of surgery waiting lists because, as members know, they have blown out under his watch. When next year's Department of Health annual report comes out, it will be interesting to see whether any of those things have actually improved and whether the Minister for Health can point to a KPI that he is really proud of.

The ACTING PRESIDENT (Mr Ondarchie) — Order! Before I call on the Minister for Planning, I note that today has been a highly sensitive and emotionally charged day on so many levels. On behalf of the President, I pay tribute to the staff, the attendants, and the protective services officers who have done a pretty wonderful job in looking after everything.

CRIMES AMENDMENT (INVESTIGATION POWERS) BILL 2013

Introduction and first reading

Received from Assembly.

Read first time for Hon. E. J. O'DONOHUE (Minister for Liquor and Gaming Regulation) on motion of Hon. M. J. Guy.

Business interrupted pursuant to sessional orders.

ADJOURNMENT

Hon. M. J. GUY (Minister for Planning) — I move:

That the house do now adjourn.

Waverley Park estate powerlines

Mr TARLAMIS (South Eastern Metropolitan) — The adjournment matter I raise today is for the Minister for Planning, which is fitting because he is in the chamber. It relates to a matter affecting the residents of the Waverley Park estate in Mulgrave. Since 2002 many of these residents have purchased their family homes with the expectation that clause 50 of the planning permit would be met by the developer, Mirvac. This condition requires that the Mirvac Group place underground the overhead high-voltage electricity transmission powerlines already built on the land. However, Mirvac has now realised that it vastly underestimated the cost of transferring those powerlines underground. In light of this, Mirvac now wishes to shirk its contractual responsibilities and has sought permission from the Minister for Planning to amend the original planning permit and to leave the powerlines above ground.

Residents and the Monash City Council have approached me to express their absolute preference for the powerlines to be transferred underground as per the original permit. Despite what Mirvac may suggest, there are no technical or health and safety reasons to justify an amendment of the original conditions, only financial ones, and Mirvac originally agreed to shoulder those costs in order to obtain the permit rights for building residential homes. Yet, after it has substantially developed the land and has received all the profits from doing so, it now seeks to legally change the permit conditions to suit it financially, forgetting its obligations to the Waverley Park community.

The action I seek from the Minister for Planning is that he deny Mirvac its claim that would allow it to renege on its obligations and to instead provide the residents of

the estate with certainty that Mirvac will be asked to follow through with the original conditions set out in the permit, and that in so doing he prompt Mirvac to provide the residents of Waverley Park and the council with a timetable for the process for moving these powerlines underground.

Mildura Base Hospital

Ms BROAD (Northern Victoria) — My adjournment matter is for the Minister for Health, Mr David Davis. On behalf of constituents in Mildura I seek clarification from the minister about the fees charged for pharmaceuticals provided to patients when they attend the emergency department at Mildura Base Hospital. Constituents have advised me that they have been charged fees for pharmaceuticals provided to them in circumstances where they needed to attend the emergency department at the hospital. These constituents were not admitted when they attended the hospital but were cared for in the emergency department. The constituents believed that, as public patients attending an emergency department in a publicly funded hospital, services and pharmaceuticals would be free of charge. They are concerned and upset to have been charged fees.

I believe the minister should clarify the situation at the earliest opportunity. It would be in the interests of the whole Mildura community and Mildura Base Hospital for these issues to be clarified by the minister as soon as he can do so. Emergency patients clearly need to know if they are going to be charged for services and pharmaceuticals provided in an emergency department. All Victorians need to know what is included in the contract for the provision of public hospital services in Mildura, for which they are paying.

Wellington planning scheme

Mr TEE (Eastern Metropolitan) — My adjournment matter is also for the Minister for Planning. It relates to the Shire of Wellington and to planning scheme amendment C33, which incorporates new flood data into the planning scheme so that we can ensure that development is safe, flood damage is minimised, land use is sustainable and drainage is optimal. This planning scheme amendment has gone through a very lengthy process. The matter was raised in this chamber by Mr Scheffer in October 2011. The minister responded to that adjournment matter on 11 October, indicating that the planning scheme amendment would be divided into two parts. One part would deal with the whole of the Shire of Wellington, and the other part, which would deal with Port Albert, would be excluded. That second part would go through

a different process, which was a recommendation of the planning panel. That different process would involve a peer review. That was indicated in October 2011.

The peer review has occurred, and I understand a report on it was sent to the minister in January 2012. We have a planning scheme amendment that has gone through a panel. The minister has indicated to this chamber that part 1 would proceed and part 2 would be subject to review, which has been completed. That review confirmed the validity of the original planning scheme.

The delay is an important matter because it is affecting investment, business and communities in that area for two reasons. Firstly, people do not know what is going to happen. There is doubt, and that is impacting on people's ability to pay money, to buy and to sell. There is also a longer term impact, and that is that homes are being built which might be outside the scope or in breach of this planning scheme amendment. My question is: why the delay? Can the minister let us know when the matter will be dealt with? Can he provide any assurance that this matter will be dealt with speedily?

Reg Geary House

Mr EIDEH (Western Metropolitan) — My adjournment matter is for the Minister for Ageing. I am disappointed at the closure of Reg Geary House, the renowned aged-care facility for residents of Melton. Reg Geary House is a key service provider for seriously ill and frail elderly residents in Melton. Only those referred by the Aged Care Assessment Service were able to receive the high-quality, round-the-clock care provided by the dedicated nursing staff.

Reg Geary House offered its residents and their families a real sense of security, which is why it is so hard to believe it is being forced to close. The nursing home had regular visiting podiatrists, optometrists, audiologists, occupational therapists, dentists and physiotherapists. But most importantly it provided a sense of familiarity to the patients who were suffering from dementia and who had called Reg Geary House home for many years.

The sense of family that the patients shared with the nurses cannot be measured, unlike ensuring that all patients have access to their own bathroom. Whilst separate bathrooms would be preferable, I have spoken to members of the community who have assured me that excellent care of their loved ones is far more important than having to share a bathroom with another patient.

I would like to quote Mr Coyne, who talked about his 86-year-old wife being forced to leave Reg Geary House and his feelings of despair that this service is closing down. He said:

My wife and I are both 86, I don't want to have to travel to the city or somewhere like that to visit her ...

I go twice a day to see my wife at the moment, and it's easy because I live in Melton West. I don't have the money to pay for any bonds anywhere. Some places want thousands of dollars in bonds.

Unless it's a government-funded establishment, I think a lot of people are in the same position.

Mr Coyne said he believes the closure is related to the state government's decision to privatise aged-care centres. He said:

I think it's ridiculous because they get very good care there; no-one is complaining.

I call on the Minister for Ageing and the Minister for Health to invest the necessary funds to ensure that Reg Geary House will meet the criteria to stay open to ensure that residents can continue to be cared for in Melton by the dedicated staff.

East-west link

Ms MIKAKOS (Northern Metropolitan) — My matter this evening is for the Minister for Roads. I wish to draw the minister's attention to Urban Camp Melbourne, situated in Royal Park. Since 1984 Urban Camp Melbourne has been a community camp for children from regional and rural schools as well as for children with special needs, allowing them to explore and learn more about Melbourne. There are approximately 8000 visitors to the camp every year, and it is open all year round. The site comprises the heritage-listed Anzac Hall, which was home to American soldiers during the Second World War and returning Australian soldiers as well. The camp also includes a more recently constructed northern wing.

I have been advised that Urban Camp initiated contact with the Linking Melbourne Authority and received verbal assurances that it would not be adversely impacted by the east-west link tunnel; however, to date nothing has been put in writing. The government's public consultation process for this \$8 billion dud tunnel has already been exposed as a complete sham. The government's own invitation for expressions of interest document shows that final tenders are due in April 2014, two months before the so-called consultation period finishes. There is the possibility of further changes occurring to the proposed route. It is possible therefore that Urban Camp may be adversely

affected, regardless of whatever verbal assurances are provided by the Linking Melbourne Authority under the guise of the comprehensive impact statement consultations.

The government's recent redesign plans for a new off-ramp at Ormond Road show that the government is already changing the route and making things up as it goes along. I call on the minister to provide Urban Camp with written assurance that it will not be adversely affected by the construction of the east-west link tunnel, including by construction vehicles and fencing impeding access to its site, and that if any damage or cracking were to occur to its buildings, it would be adequately compensated.

Responses

Hon. M. J. GUY (Minister for Planning) —

Mr Tarlamis raised a matter for me about powerlines on the Waverley Park estate in Mulgrave, and that is a good adjournment matter to raise. I am going to seek everyone's views on this issue, and why would I not? I think I have had a meeting with the community group that is in favour of Mirvac's proposal as well as the community group that is against Mirvac's proposal, and I think I have met the council. Given that I had very different feedback from those two community groups about the position of the local member, Daniel Andrews, the Leader of the Opposition and member for Mulgrave in the other place, and where he stood, I have written to him asking for his point of view. I will be interested to hear what he has to say given he has told the community groups two different things. I will seek his point of view, and when I do that I will also have a look at what planning procedures are available and make a determination at that stage, but I appreciate Mr Tarlamis raising the issue with me.

Ms Broad raised a matter for the Minister for Health, David Davis, about fees for pharmaceuticals at Mildura Base Hospital. This is obviously an important issue, and I will forward a written reply to Ms Broad.

Mr Tee raised a matter for me about the Wellington C33 planning scheme amendment. This is not a straightforward planning scheme amendment. It has come about as a result of the previous government adopting a precautionary principle which means that, if I have got it right, developments in the town of Port Albert would be raised around 2.5 metres above the existing sea level. But you cannot build above 3.5 metres because that is above the pub, and nothing in the town can be built higher than the pub. I might be wrong on the specifics, but if you are going to build a house — or an outhouse or an extension or anything —

on stilts above 2.5 metres that would be around 1 metre high, it will look pretty silly. This situation has come about as a result of the previous government's policy.

This government has gone through a long process — —

Mr Finn interjected.

Hon. M. J. GUY — It would be comical to look at how this issue has been dealt with in the past, but we are going through a long process to get to a position where this one town will be able to have something built in it again. I notice that Mr Tee did not say whether any homes are in breach of what might be in the C33 planning scheme. The first concern for me is not about homes being built in breach of a possible C33 scheme amendment but the fact that no-one in the town at the moment has any ability to put an extension on their own home or build any kind of dwelling in their backyard should, for example, one of their elderly parents, their children or anyone wish to build another home on that property unless they build something which is literally only 1 metre high and is on stilts. That is what we have inherited from the previous government. I am seeking to resolve it, and it will take some time.

We are not going to move any amendments to planning scheme amendment C33 until it is right, because the town of Port Albert in particular has been through a long period of uncertainty thanks to a Victorian Civil and Administrative Tribunal ruling back in the time of the former Minister for Planning, Justin Madden, now the member for Essendon in the Assembly, and because further up the coast where moratoriums were put in place they were simply extended and extended. The C33 is going to seek to resolve that problem, and it will apply throughout the entirety of the shire of Wellington. It is not an easy planning scheme amendment, and I understand there are many detailed maps involved with it, but it is one that I intend to get right so we can give a bit of certainty back to a number of towns that have been pretty adversely affected.

Mr Eideh raised a matter for the Minister for Ageing, David Davis, around aged-care nursing staff out at Melton. Again that is a fairly important issue to which I will have Mr Davis respond in writing directly to Mr Eideh.

Ms Mikakos raised a matter for the Minister for Roads, Terry Mulder, about an urban camp at Royal Park. I gather Ms Mikakos would have raised the same concerns about the east-west link when she was in government and it was proposed by Sir Rod Eddington

and backed by former Premier John Brumby, but now she is raising these concerns with Terry Mulder. I am sure that she would have raised the same concerns when Labor proposed the project five years ago, but she is in opposition now and raising those matters for Mr Mulder and I will have Minister Mulder respond to them directly.

I have two written responses to adjournment debate matters, one for Ms Tierney's matter raised on 21 August and one for Mr Somyurek's matter raised on 18 September.

The PRESIDENT — Order! The house stands adjourned.

House adjourned 6.44 p.m.