

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

**LEGISLATIVE COUNCIL
FIFTY-SIXTH PARLIAMENT
FIRST SESSION**

Thursday, 10 June 2010

(Extract from book 9)

Internet: www.parliament.vic.gov.au/downloadhansard

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Privileges Committee — Ms Darveniza, Mr D. Davis, Mr Drum, Mr Jennings, Ms Mikakos, Ms Pennicuik and Mr Rich-Phillips.

Select Committee on Train Services — Mr Atkinson, Mr Barber, Mr Drum, Ms Huppert, Mr Leane, Mr O'Donohue and Mr Viney.

Standing Committee on Finance and Public Administration — Mr Barber, Mr Guy, Mr Hall, Mr Kavanagh, Mr Rich-Phillips, Mr Tee and Mr Viney.

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

Joint committees

Dispute Resolution Committee — (*Council*): Mr D. Davis, Mr Hall, Mr Jennings, Mr Lenders and Ms Pennicuik. (*Assembly*): Mr Batchelor, Mr Cameron, Mr Clark, Mr Holding, Mr Lupton, Mr McIntosh and Mr Walsh.

Drugs and Crime Prevention Committee — (*Council*): Mrs Coote, Mr Leane and Ms Mikakos. (*Assembly*): Ms Beattie, Mr Delahunty, Mrs Maddigan and Mr Morris.

Economic Development and Infrastructure Committee — (*Council*): Mr Atkinson, Mr D. Davis and Mr Tee. (*Assembly*): Ms Campbell, Mr Crisp, Mr Lim and Ms Thomson.

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Electoral Matters Committee — (*Council*): Ms Broad, Mr P. Davis and Mr Somyurek. (*Assembly*): Ms Campbell, Mr O'Brien, Mr Scott and Mr Thompson.

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Law Reform Committee — (*Council*): Mrs Kronberg and Mr Scheffer. (*Assembly*): Mr Brooks, Mr Clark, Mr Donnellan, Mr Foley and Mrs Victoria.

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Rural and Regional Committee — (*Council*): Ms Darveniza, Mr Drum, Ms Lovell, Ms Tierney and Mr Vogels. (*Assembly*): Mr Nardella and Mr Northe.

Scrutiny of Acts and Regulations Committee — (*Council*): Mr Eideh, Mr O'Donohue, Mrs Peulich and Ms Pulford. (*Assembly*): Mr Brooks, Mr Burgess, Mr Carli, Mr Jasper and Mr Languiller.

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Assembly — Clerk of the Parliaments and Clerk of the Legislative Assembly: Mr R. W. Purdey

Council — Clerk of the Legislative Council: Mr W. R. Tunnecliffe

Parliamentary Services — Secretary: Mr P. Lochert

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FIFTY-SIXTH PARLIAMENT — FIRST SESSION

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Leader of The Nationals:
Mr PETER HALL

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Mr DAMIAN DRUM

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Davis, Mr David McLean	Southern Metropolitan	LP	Pakula, Hon. Martin Philip	Western Metropolitan	ALP
Davis, Mr Philip Rivers	Eastern Victoria	LP	Pennicuik, Ms Susan Margaret	Southern Metropolitan	Greens
Drum, Mr Damian Kevin	Northern Victoria	Nats	Petrovich, Mrs Donna-Lee	Northern Victoria	LP
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Elasmr, Mr Nazih	Northern Metropolitan	ALP	Pulford, Ms Jaala Lee	Western Victoria	ALP
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Hartland, Ms Colleen Mildred	Western Metropolitan	Greens	Somyurek, Mr Adem	South Eastern Metropolitan	ALP
Huppert, Ms Jennifer Sue ¹	Southern Metropolitan	ALP	Tee, Mr Brian Lennox	Eastern Metropolitan	ALP
Jennings, Mr Gavin Wayne	South Eastern Metropolitan	ALP	Theophanous, Hon. Theo Charles ³	Northern Metropolitan	ALP
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Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP
Leane, Mr Shaun Leo	Eastern Metropolitan	ALP	Vogels, Mr John Adrian	Western Victoria	LP

¹ Appointed 3 February 2009

² Appointed 9 March 2010

³ Resigned 1 March 2010

⁴ Resigned 9 January 2009

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Thursday, 10 June 2010

The PRESIDENT (Hon. R. F. Smith) took the chair at 9.33 a.m. and read the prayer.

Mr D. Davis — On a point of order, President, yesterday in response to a question from Mr Tee, the Leader of the Government made some assertions about Kim Wells, the shadow Treasurer, and member for Scoresby in the other house. He may have inadvertently or otherwise misled the house. He said that:

... if you look at Kim Wells's website you see that all that is on there in policies is police policies not updated since 2006.

That is not correct. It is simply wrong. There are links to policies on other sites.

The PRESIDENT — Order! That is clearly not a point of order. If Mr David Davis has an actual point of order to raise, then he is free to do so.

PETITIONS

Following petitions presented to house:

Electricity: smart meters

To the Legislative Council of Victoria:

The petition of citizens of the state of Victoria draws to the Legislative Council's attention the Brumby government's mismanagement of smart meters, in particular:

the Auditor-General's finding that the project cost has blown out from \$800 million to \$2.25 billion, all of which will be paid for in higher bills;

the Auditor-General's finding that the electricity industry may benefit from smart meters at the expense of the consumers who pay for them;

the unfairness of many consumers and small businesses having to pay for smart meters before they are installed; and

findings by Melbourne University that many families will have to pay around \$300 per annum in higher electricity bills as a result of Labor's smart meters.

The petitioners therefore request that the Legislative Council require the Brumby Labor government to immediately freeze the rollout of smart meters across Victoria until it can be independently demonstrated that consumers will not be forced to pay for the Brumby government mistakes in the smart meter project.

By Ms LOVELL (Northern Victoria) (8 signatures).

Laid on table.

Wallan-Kilmore bypass: construction

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council that a 'link' road, containing three roundabouts, has been planned in Kilmore township to take through traffic, including heavy commercial vehicles, past three school precincts, a nursing home and residential areas without being subjected to public scrutiny and without any environmental impact study or the effects of noise, pollution, traffic volumes and dangerous goods on the schools and residents. This link will become the arterial road carrying the Northern Highway traffic in lieu of Sydney Street. This study does not include the detrimental impact of the proposed industrial developments south of Wallan and Kilmore or the unwanted Northern Highway duplication through Wallan to Kilmore.

Your petitioners therefore request that the minister for roads immediately abolishes this link road and the duplication and commences planning for a bypass of Wallan and Kilmore with the end to removing this traffic from these towns.

By Mrs PETROVICH (Northern Victoria) (405 signatures).

Laid on table.

MEMBERS STATEMENTS

Members: conduct

Mr P. DAVIS (Eastern Victoria) — I take this opportunity to raise a matter that is of some concern and which was triggered by events in question time yesterday. The matter I refer to is the points of order about members of Parliament being described as lazy — a pejorative word.

It occurred to me that we are being incredibly hypocritical. We are concerned about declining standards of behaviour on our streets and in the community, but members of Parliament cannot pay proper respect even to one another. It is useful for us to remind one another that we are leaders of the community and we should behave as such.

There are four words that come to mind: integrity, dignity, pride and respect. Each day we come into this place we should think of ourselves in terms of that responsibility to provide community leadership and apply the concept of upholding a standard of behaviour in this place — perhaps that might be better understood when we are describing the appalling nature of some of the behaviour we presently see on the streets in our community.

Rhonda Abotomey

Mr HALL (Eastern Victoria) — In the job we do as MPs we get to meet some amazing people, and I met such a person yesterday. Her name is Rhonda Abotomey and she gave me and my colleagues Peter Ryan and Russell Northe, both members of the other place, an incredible and very personal insight into the impact of the February 2009 bushfires. Members of Rhonda's family died in those bushfires. She did not live in a geographic area affected by the fires but the trauma for her was and continues to be profound.

Being next of kin, her personal grief has been compounded by the need for her to deal with various authorities and government agencies as well as to finalise the estates of her deceased family members. Not living in a bushfire-affected area has also meant that much communication and many support programs have not been available to her. Her submission to the royal commission is compelling reading.

Flowing from Rhonda's experience comes her personal suggestion that we all make the first day of each month what she describes as an SOC day — that is, a seeds of compassion day. She printed a number of personal envelopes and spoke about how one act of kindness you make on one day each month can make a positive difference to a fire-impacted person, one person at a time. Details of this concept are available at <http://www.socday.vpweb.com.au>.

I encourage members to have a look at the website, take up the suggestion and not forget that people are still affected by those fires.

Doncaster Hill Developer Expo

Ms MIKAKOS (Northern Metropolitan) — On 3 June I was pleased to launch the Doncaster Hill Developer Expo. In the *Melbourne @ 5 Million* statement the government recognised Doncaster Hill as one of five market-ready principal activity centres. The Minister for Planning further highlighted Doncaster Hill as a best practice model for the development of an activity centre in the Activity Centres Toolkit — Making it Happen strategy.

This expo provided an opportunity to learn more about the substantial contribution that innovative planning and urban development at Doncaster Hill has made to managing Melbourne's growth. Manningham City Council's 20-year strategy for Doncaster Hill will see the construction of 4000 new residential apartments and will attract 5 million additional visitors each year. This

expo will have fostered ideas to build on the vibrant, well-designed and livable community in Doncaster Hill.

I commend Manningham City Council on its ongoing commitment to the future design of Doncaster Hill, and I am proud to be part of the Brumby government that is working in partnership with local councils to make a difference to the livability of key activity centres.

Planning: Epping Central

Ms MIKAKOS — On 21 May the Minister for Community Development and I attended the announcement by the Minister for Planning of a \$126 000 expert assistance program grant to help Whittlesea council plan key projects for the future of Epping Central. The project includes developing plans for sustainable transport and artists' impressions for a new community hub to support the Epping Central structure plan and the municipality as a whole. This is an exciting development that will build upon the extension of the South Morang rail line.

Main Street, Broadmeadows: extension

Ms MIKAKOS — On 21 May, along with the mayor of Hume council, Geoff Porter, I attended the opening by the Minister for Planning of the new \$3.6 million Main Street extension in Broadmeadows to local pedestrians and cyclists. The new works will include a shared bike path —

The PRESIDENT — Order! The member's time has expired.

CityLink: tolling

Mr ATKINSON (Eastern Metropolitan) — I wish to make some comments on the tolling regimes that we have in Victoria, particularly on CityLink, its access to information about people and how it might conduct its activities. Dianne Cowling has written to me and in fact met with me to discuss a number of concerns that she has about her customer relationship with CityLink. She is now pursuing most of the matters in her complaint with the Tolling Customer Ombudsman and, despite some concerns about initial tardiness on his part, it seems that he is now pursuing those matters.

The thing that concerned me when she came to see me initially was that her complaint stemmed from the fact that her daughter used the toll road without a tolling device and incurred a charge and CityLink, rather than pursuing that debt from the daughter, actually cast around to find out if there were any other accounts that it might be able to charge for that particular trip.

CityLink found the mother's account and therefore levied a charge against the mother's account. I am not sure under what authorisation it is able to do that. It is a practice I think should not persist.

Liberal-Nationals coalition: regional growth fund

Mr DRUM (Northern Victoria) — I would like to congratulate Peter Ryan, the Leader of The Nationals, on his announcement last weekend of the establishment of a \$1 billion regional growth fund. That \$1 billion will be spent over two terms of government, and is double the current government's contribution to regional Victoria through the Regional Infrastructure Development Fund. The regional growth fund will be divided, with 40 per cent to be spent directly at the discretion of the Regional Development Australia committees on projects in their regional areas, and 60 per cent left to the discretion of the minister to be spent on projects across a range of regional government areas.

What has been most disappointing about this project is that even though it has been wholeheartedly applauded by regional Victorian cities and Regional Development Australia committees — effectively applauded by everybody, including local governments across regional Victoria — it has not been applauded by this government. This government, headed up on this by the Minister for Regional and Rural Development, has tried to find holes or negatives in this fantastic plan for a regional growth fund. This government is acting exactly like an opposition: it simply waits for the other side to produce policies and then comes on the attack with the negativity. We have a great plan for regional Victoria, and I hope the government gets behind it.

Community sector: wages

Ms HARTLAND (Western Metropolitan) — Today there is a rally on the steps of Parliament House to address the low wage of social and community sector workers. Over 80 per cent of community sector workers are women. The award covering the sector is the social, community, home care and disability services award 2010, previously known as the SACS award.

It is no secret that the Labor government gets a cheap deal in running essential services that demand highly qualified staff by benchmarking funding against award rates of pay. It pays those workers on average 20 to 30 per cent less than someone doing comparable work for the Department of Human Services. The Brumby government has refused to review community sector funding agreements because it knows the award is a

bargain for it. It says, 'Don't blame us; we are paying the award', and in the next breath it says it supports pay equity for women.

Earlier this year the Australian Services Union, supported by the Australian Council of Trade Unions and the federal government, lodged a test case before Fair Work Australia. This was to prove that community sector wages remain low because this work has been traditionally considered to be women's work. The union asked the Brumby government to publicly support this case, and it still does not have an answer.

Having worked in this area, I know how hard people work. I say the government should put its money where its mouth is and stop using an unfair award as an excuse to pay women less than men for work of equal or comparable value.

South West Institute of TAFE: Warrnambool campus

Ms TIERNEY (Western Victoria) — On Tuesday last week I had the honour of representing the Minister for Skills and Workforce Participation and the Premier to officially open the new \$12.5 million South West Institute of TAFE building in central Warrnambool, of which the state Labor government contributed \$11.3 million. This modern, green building is testament to the Brumby Labor government's commitment to having a job-ready, skilled workforce in regional Victoria with skills that are aligned to what our local economy needs now and into the future. This is an extremely important asset for the south-west of Victoria which will assist in providing a future for young and mature-age workers.

I take this opportunity to congratulate all those involved in the project team, but in particular the TAFE CEO, Joe Piper, president Wayne Krause, and former and current board members who have navigated this great project.

Western Victoria Region: football and netball clubs

Ms TIERNEY — On another matter, I wish to congratulate the Anglesea Netball Club, the Kolora-Noorat Football Netball Club, the North Warrnambool Eagles Football and Netball Club, and the Merrivale Football Netball Club on their success in receiving \$60 000 each for amenity improvements under the state Labor government's country football and netball program. Each club, along with the local government, has also contributed time and money to ensure that local club projects will now be implemented

in the coming months. I commend the football and netball club committees for their ongoing commitment to ensuring that young people in our regional and rural communities have healthy and active engagement in sport and the wider community. I thank them for the hospitality they extended to me last week when I visited all their facilities.

Soccer: World Cup

Mr SOMYUREK (South Eastern Metropolitan) — Since today is the last time Parliament is sitting before the Socceroos kick off their World Cup campaign on Sunday, 13 June, against Germany, I would like to take this opportunity of wishing the Socceroos the best of luck in South Africa.

Four years ago the Socceroos did the entire nation proud by, against all odds, reaching the last round of 16 of the 2006 World Cup, only to be knocked out by the eventual winners — in unfair circumstances, I must say — Italy. This year Australia again finds itself in a tough group, but I am confident that the Socceroos will once again rise to the occasion and do Australia proud on the world stage.

Prospect Hill: soccer pitch lighting

Mr SOMYUREK — On another matter but still on the theme of the world game, I would like to commend the Minister for Sport, Recreation and Youth Affairs, James Merlino, for the \$96 000 funding boost for Prospect Hill Reserve in Endeavour Hills.

The new pitch lighting at the reserve is a boost to the supporters and participants of the world game in the Casey municipality, where the game has been experiencing unprecedented growth. The government's funding is part of the \$5.7 million Strengthening the World Game program.

Schools: volunteer program

Mr SOMYUREK — Finally, I would like to commend the government on the rolling out to schools in the Frankston region of a program that provides greater opportunities for young Victorians to volunteer in their communities.

The PRESIDENT — Order! The member's time has expired.

Northern Victoria Irrigation Renewal Project: dairy industry

Ms BROAD (Northern Victoria) — On Friday, 4 June, I attended the 60th anniversary celebrations of

the Murray Goulburn Co-operative in Cobram, the place where 14 dairy farmers decided to establish Murray Goulburn. Murray Goulburn has long been committed to dairying in northern Victoria, and irrigation has largely been responsible for the development of high-value dairying.

The Brumby Labor government recognises the importance of irrigated agriculture in northern Victoria, and we are investing heavily to ensure the future productivity of the region. Modernised irrigation infrastructure delivered by the Northern Victoria Irrigation Renewal Project (NVIRP) will ensure that the vast majority of irrigation properties will remain in production, with better quality water and a more reliable service. All this will be achieved while reducing by as much as 50 per cent the current outdated and inefficient channel network.

Claims by The Nationals that at least half the area of irrigated land in the Goulburn Valley will be closed down are untrue and they know they are untrue. The Nationals stand condemned for these false claims and for their constant attempts to stop job-creating investment by the Brumby government. The Nationals have said that investment in irrigation infrastructure is a waste of money, and they continue to argue for keeping Victoria's most wasteful water storage, Lake Mokoan. Fortunately for families and communities in northern Victoria, the Brumby government believes the dairy industry does have a future — and that is the reason we are investing in a partnership with industry through NVIRP.

North East Farmers Markets

Ms DARVENIZA (Northern Victoria) — I was very pleased last week to announce a \$37 000 Victorian government grant to enable the development of a regional body to collectively promote farmers markets in north-eastern Victoria. Four farmers markets are operating successfully — at Wodonga, Rutherglen, Yarrowonga and Moyhu — and emerging markets are being explored at Beechworth and in the Alpine shire. The farmers markets sell local produce and beverages as well as small manufactured goods which are predominantly sourced from north-eastern Victoria.

This is a great opportunity to jointly promote farmers markets in north-eastern Victoria and to support the ongoing development of each of the individual markets under a single regional body. The government will assist the markets to band together as the North East Farmers Markets, and through this to be able to generate more visitors to the markets, more stallholders, and of course greater economic activity and viability.

Farmers markets provide an opportunity for producers to sell directly to customers. They provide a healthy, affordable and fresh food supply for local communities, and enable people to get information about the availability, seasonality and origins of their food. I wish everyone well with this project.

STATEMENTS ON REPORTS AND PAPERS

Department of Primary Industries: report 2008–09

Mr P. DAVIS (Eastern Victoria) — I want to comment on the Department of Primary Industries annual report, particularly its responsibilities in the stewardship of Victoria's minerals sector in the context of the significant value of those resources to the state. We know that the state receives royalties from the utilisation of our minerals. The royalties predominantly come from the brown coal levy but there is also a contribution from some other minor contributors.

Importantly, currently there is a debate going on at the national level about a resource tax, and that debate is getting rather frenetic. What seems to have been missed is the obligation to consider the responsibilities of the various jurisdictions. It is noteworthy that, compared to Western Australia and indeed Queensland, Victoria is a minor player in the mining and resources sector, except for the enormous Bass Strait oil and gas reserves and the benefit accruing to all Victorians from gas production and also the Latrobe Valley's brown coal, which is critical to the economic viability of Victoria.

However, one of the issues we miss — apart from how economically important these matters are — is the issue of whose property are the minerals in the ground. One should always base an argument on fact, and the fact is that the Victorian Constitution Act clearly refers at section 17 to:

... all mines and minerals which are within the jurisdiction control or disposition of Her Majesty in and adjacent to Victoria.

That provision stipulates — as the Victorian constitution did at the time of Federation — that Victoria has jurisdictional responsibility in regard to the sovereign property of minerals in the ground.

The Australian constitution provides no legislative power to the Parliament of the commonwealth to make law in respect of those minerals, because those minerals are dealt with by way of the lawful administration by Victoria, and indeed all other states, at the time of Federation. In other words, there is no basis upon which

the commonwealth can make a claim in respect of a proprietary interest other than in offshore waters — that is, outside the territorial waters of the states.

It is clear that the commonwealth — that is, Kevin Rudd as Prime Minister and Wayne Swan as Treasurer — in devising a tricky taxation scheme to take additional revenue from the mining and resource sector, has in effect devised a way to further circumvent the interests of the states at large, although in particular I speak as a Victorian parliamentarian.

It seems to me that Victoria has been silent in this debate primarily because, as the Treasurer mentioned, the minerals sector is a small part of the Victorian economy. Notwithstanding that, it is a very important part of Victorian regional economies, and provides many jobs in the regions. As I alluded to at the outset, this is particularly true of Gippsland, which is very dependent upon the oil, gas and coal sectors as well as having some smaller mining interests in gold.

Section 108 of the Australian constitution provides that every law in force in a colony will apply at that time — —

The PRESIDENT — Time!

Road Safety Committee: pedestrian safety in car parks

Mr ELASMAR (Northern Metropolitan) — I rise to speak on the report of the Road Safety Committee's inquiry into pedestrian safety in car parks. After I read this report I began thinking about how we motorists take for granted the availability of car parks. Sure, cars are a convenient method of travel, but sooner or later we all have to park our vehicles somewhere, and mostly we park in a designated car park. Very little has changed over the last decade in shopping malls and supermarkets, except there are probably more of them and more of us motorists. We have all seen bingles occur from time to time — people in a hurry, people not watching carefully enough before they pull out and the inevitable tiffs when two drivers try to grab the same car parking spot. The facts are clear from this report: pedestrians get knocked down by cars in car parks, and in some instances they sustain serious injuries.

In my opinion motorists seem to take a different attitude to driving in car parks, as though the rules of the road do not apply there — and this is apparent across all ages and genders — but when we exit our vehicles, we all become pedestrians. Unfortunately common sense does not always prevail, and even

decent, ordinary, respectable people can become involved in unseemly and undignified behaviour. Because many of these altercations go unreported, it is difficult to precisely pinpoint the actual number of accidents that occur.

The report is focused on the prevalence of pedestrian injuries, fatalities and mostly minor damage to vehicles in car parks. We all want our car parks to be as safe as possible, and this is where municipal councils can help reduce the trauma of needless injuries. The design of car parks is within the province of local councils. Many times during conversations with people we hear about their near misses in car parks. We all need to be more aware of the dangers of a trip to the shops.

I also realise that we as parliamentarians cannot stop these incidents from happening, but the report says that we need to institute a wider awareness of the dangers involved in negotiating car parks safely, both for ourselves, our kids and our senior citizens. The report has a number of educational recommendations, which I fully support. VicRoads, WorkSafe Australia and the Department of Treasury and Finance promote safe driving within the entire Victorian motorised community in an effort to minimise future injuries.

I applaud members of the committee for their hard work and diligence in bringing forward an educational awareness plan that will, if adopted and implemented, make our car parks safe for all pedestrians and car park users. I commend the majority report to the house.

Department of Human Services: report 2007–08

Mrs COOTE (Southern Metropolitan) — I wish to speak this morning on the Department of Human Services annual report for 2007–08 and compare it with the annual report for 2008–09. It is basically to do with aged care. Aged care in this state seems to have dropped off the radar, and I am particularly concerned about it. I know that under the Council of Australian Governments agreement on health with the federal government, agreed to by the Prime Minister and the premiers, aged care was discussed. I was pleased to see that it was on the agenda. However, in Victoria we have an anomaly with our home and community care services, unlike any other state. It is incumbent on this government and the rest of us in this chamber and in this Parliament to put the aged-care issue right up-front. I know acute health is important but so too with an ageing population is aged care.

I was particularly concerned to see that we have reports of about 190-odd pages, and of those 190-odd pages,

both in the 2007–08 report and the 2008–09 report, there are only about two pages given to aged care. Given that it is such a huge issue in our state for our ageing population to be able to age with dignity, with many of them wanting to reside in their homes, and given that aged care is going to be an increasing challenge to our already overburdened health system, it is absolutely vital that we put it up as a pre-eminent issue for debate in the wider community, particularly in light of the debate that is going to happen from the changes in the federal health scene.

Another issue with aged care is the cost-shifting to local government that continues to happen. I do not think there are any clear-cut parameters for this; aged care costs seem to encroach further and further into the local government budget, which is of great concern to local councils. In the city of Glen Eira within the Southern Metropolitan Region we have a large number of ageing Jewish constituents, and they have some special needs. It is important that that is looked at, regarded and supported. The City of Glen Eira does a terrific job with this particular group, but the state government needs to recognise that there are some special needs and to make certain that there is proper and adequate funding, and a good funding stream and that there is not more pressure put on local government to pick up the bits in aged care.

But it is the figures that I am concerned about when comparing these two reports. If members look at the 2008–09 report, they will see that the performance measurement for residential aged care shows there were 20 000 fewer high-care beds in 2008–09 than were expected; that was the difference between the target and actual figures. That is an enormous number of beds when we are talking about people who cannot stay in their own homes and who really need to have specialist care. It is a huge anomaly, but it did not get much better. In 2007–08 the difference between the target and the actual was only 7000, so the position is getting worse. As we know, there is an ageing population with increasing numbers living longer, but by the time they get to residential aged care they need a very high level of specialist services.

There is also a discrepancy in low-care places, although I must say it is getting better. In 2008–09 there was a discrepancy of only 8000 places between the actual and target figures, whereas the discrepancy in 2007–08 was 16 000 places. I am pleased to see that low-care places are being looked at, but an increasing number of people need high-care places, and it is the pressure on high-care places that we have really got to look at. A 20 000-place discrepancy in bed places between actual and target figures is not good enough.

The other discrepancy I have found between these two annual reports relates to the home and community care service delivery hours. In 2007–08 it was 9 426 468 service delivery hours, whereas in 2008–09 it was about 83 000 hours less. That is unacceptable because it should be increasing and the trend should be an increase not a decrease.

The PRESIDENT — Order! The member's time has expired.

Department of Human Services: report 2008–09

Ms BROAD (Northern Victoria) — I rise to make some comments on the annual report for 2008–09 for the Department of Human Services. I acknowledge the three ministers who had responsibilities during this period for portfolios serviced by the department: Daniel Andrews, the Minister for Health; Lisa Neville, the Minister for Mental Health; and Richard Wynne, the Minister for Housing. I also acknowledge the secretary of the department, Fran Thorn, and her very sizeable staff.

During this period the Department of Human Services was the largest government agency in Victoria with a 13 000-strong workforce across eight regions of Victoria, including Northern Victoria Region. In addition, the department funds a long list of organisations including hospitals, aged-care facilities, ambulance services and community service agencies. Those agencies, which are funded by the Brumby Labor government, employ more than 80 000 people. All the staff come together to help to tackle social disadvantage, to strengthen communities, support families and help children to reach their full potential. These are very important responsibilities of the department in implementing the Brumby Labor government's policies in these areas.

Today I will focus particularly on one area of the department's very substantial responsibilities, which is the area of housing. The Office of Housing has responsibility for increasing the supply of affordable rental housing to low-income Victorians, and during the period covered by this report the Office of Housing embarked on the largest housing construction program in Victoria's history. This is a program funded by the Brumby Labor government because we believe that all Victorians deserve to be housed in decent and affordable housing no matter who they are or where they live. During the year thousands of new homes were constructed and there were redevelopments of existing public and social properties to ensure that they were up to a decent standard.

I also wish to note that the Office of Housing is responsible for delivering services to Victorians who are affected by homelessness or who are at risk of homelessness. Throughout the year the department helped an estimated 21 000 Victorians find accommodation and support. These people are some of the most vulnerable people in Victoria, so it is a very important responsibility indeed.

I wish to draw attention to the Office of Housing's partnerships with two partners. The Office of Housing is responsible for delivering Australia's biggest partnership program with the not-for-profit housing sector to create more social housing across the metropolitan area and regional Victoria and is also a partner with the Rudd Labor government, through the Nation Building program. Happily I saw these two partnerships come together recently when I visited Wangaratta to welcome two tenants to their new homes, which were delivered in Wangaratta through the Rural Housing Network as part of those two partnerships coming together. I was very pleased to be part of the official welcoming of the two tenants, who were very much in need of specialised housing, together with the chief executive officer of the Rural Housing Network, Catherine Upcher, and Zuvele Leschen, who was representing the federal minister as well as being the federal Labor candidate for the area. It was fantastic to see the new housing that is being delivered by the Rural Housing Network.

The PRESIDENT — Order! The member's time has expired.

Select Committee on Train Services: interim report

Mrs PEULICH (South Eastern Metropolitan) — I wish to make a few remarks on the report tabled yesterday by the Legislative Council's Select Committee on Train Services. This will be a very useful report. I note that it is an interim report, so obviously further considerations will be reported to the Parliament as this committee completes its work.

The chairman's foreword is a very good summary of the major recommendations, so I commend Mr Atkinson on that foreword. He outlines that the committee's initial investigations found that Melbourne's train operators — previously Connex and now Metro Trains Melbourne — together with the regional operator, V/Line, have failed to consistently deliver reliable and punctual train services in line with their respective performance targets. This is not a revolutionary exposé. I will give some local information about train services. For example, on the

Cranbourne line in April some 19.8 per cent of trains were more than 5 minutes late; on the Frankston line, 34 per cent; the Glen Waverley line, 6.7 per cent; and the Pakenham line, 33.6 per cent. This is a matter that needs to be addressed. I am not sure if all the recommendations to date will address all those problems.

I note one significant conflict that was not touched on by the interim report is the conflict that occurs between trains, train lines and roads, and in particular on road crossings. I note that Mr Barber, who is in the chamber, is also a committee member. I would urge the committee to contemplate how we can address the conflicts of trains, train lines and roads. In particular this affects the Frankston line, where there are a significant number of road crossings. Breakdowns or incidents that happen on that line can impact on the reliability of train services down the line.

The report also mentions the high level of delays and cancellations during hot days over recent summers. We were spared that last summer, because it was not that hot, but there is a need to up the ante on the replacement of sleepers and doing the necessary maintenance work to achieve a higher level of reliability.

Inadequate braking systems on the Siemens trains, of course, continue to plague the system. There were also various rail infrastructure failures and a dispute between the Rail, Tram and Bus Union and Connex that resulted in service disruptions over the 2008–09 summer. We heard very little about that dispute when, clearly, the then minister should have been in a very good position to resolve it given the close relationship between the Labor Party and the unions, being its industrial arm versus its political arm.

The 12-month average for trains cancelled or short-serviced for the Cranbourne line was 0.9 per cent, Frankston, 1.3 per cent; Glen Waverley, 0.9 per cent; and Pakenham, 1.1 per cent. Since the departure of Connex the reporting of train cancellations has moved from the number of services to a percentage, which reflects better on the government. I point out that the way statistics are managed needs to be consistent so that we can compare apples with apples. With 11 years of neglect and failure by the government to invest in the system and the lack of trains, commuters throughout the South Eastern Metropolitan Region are often stuck on platforms and often late getting to work and getting home at night. This is precious time away from family or the businesses they need to be working in or running.

We continue to have further cancellations and delays in public transport services. All residents of Casey, Monash, Kingston, Greater Dandenong and Frankston know that this is really the sole responsibility of the Labor government, something the government has long tried to conceal. This was exposed by Mr Jim Betts, the Secretary of the Department of Transport, who is quoted on page 25 of this report as saying:

Let me be clear — the government is accountable for the performance of the public transport system. We plan the system, we fund it, we regulate it and we choose the private sector firms with whom we partner. The buck stops here. That does not mean that every train, tram and bus has to be driven by a public servant. But the ultimate accountability is clear and undisputed.

The same situation occurs in relation to overdue infrastructure, and I will give two clear examples. Railway stations at Lynbrook and Cranbourne East were promised and we are still waiting for those to be delivered. The Cranbourne East railway station, of course, has basically disappeared into the ether. I call on the government to take the opportunity to revisit the need to invest in infrastructure.

Auditor-General: *Irrigation Efficiency Programs*

Mr DRUM (Northern Victoria) — I want to comment on the Victorian Auditor-General's report on irrigation efficiency programs, published in June 2010. I draw attention at the outset to his conclusions in the audit summary on the very first page of his report where he says:

Victorian government decisions to invest around \$2 billion in irrigation efficiency and related projects between 2004 and 2007 were poorly informed.

We have been trying to get the government to understand this for the last three years, and it seems that the Auditor-General has now come on board and is telling the government what we have been telling it for three years. The report goes on to say:

This was particularly evident for the food bowl modernisation project, where the decision to commit \$1 billion was based on advice of water savings and cost assumptions that had not been verified, technology that had not yet proven itself and the feasibility of the project, which was unknown.

But the most damning statement in this report is on pages 16 and 17. We must remember that this project has the imprimatur of the Premier himself. This project has been pushed, championed and trumpeted by Premier Brumby. This is what the Auditor-General says about the Premier's favourite project:

The development of the business cases for the FMP and the Sugarloaf pipeline commenced only after the government had committed to the projects ...

The government commits to the projects first and does a business case second. The government approved the funding; the funding was approved first. Then it thought about it and turned around and did a business case to see if the project was feasible. The Auditor-General goes on to say — and this is a beauty:

This process is contrary to the explicit and mandatory business case guidance for projects such as these.

You cannot get it any better than that. That is the Premier being told, 'You really mucked this one up'. He is being told, 'This is your personal myki; this is your personal insulation batts installation scheme'. This is the Premier being told, 'You are out on your own here, fella, and you have mucked this up. For the people of Victoria you are supposed to represent, you have done one of the great muck-ups of all time. You have got yourself back to front, and you need to go back to the book that tells you how to govern this state'. You work out that you get a project, then you do a business case and if it stacks up, you go out and get some money and you build it. You do not get an idea, rush off to the bank and get some money and build it and then try to work out how you are going to get a business case to make it look as if you made the right decision.

The Auditor-General goes on to say at page 17 of the report:

As a consequence, the business cases could only reflect the preferred option given the funding and water savings constraints that the government had imposed through its earlier commitments — \$1 billion and a long-term annual average of 225 GL in water savings.

For the FMP, —

the food bowl modernisation project —

two business cases were developed. The first business case, to conduct early works on the FMP before a full business case was finalised, was approved in March 2008. However, in December 2007, the government had approved funding of around \$113 million to conduct the early works — three months before the early works business case was approved.

I think the second business case is even better. The report states:

The second business case, for the remainder of the project, was submitted to government in August 2008. The decision was taken for the second business case to be further developed.

Because obviously it just did not stack up, so the government had to go away and develop it further. The report continues:

A final business case was approved in June 2009 — two years after the government committed to the project. However, in August 2008, the government had committed to developing tender documentation and engaging a managing contractor for the project, meaning that the approval for procurement occurred before approval of the final business case.

It is there in black and white. The Auditor-General's investigation has finally uncovered all of the goings-on of the government. It has been a deceitful project from day one. Effectively we have been calling on the government to show us the business cases, to show us how the feasibilities did not stack up and to show us the dollars associated with this plan. I do not know whether the Minister for Water has yet been able to tell us how much this is going to cost, but anyway I am glad the Auditor-General's report is before the Parliament.

VicRoads: report 2008–09

Mrs PETROVICH (Northern Victoria) — Today I want to talk on the VicRoads annual report for 2008–09. There is a nice little insert on the front cover, which is a bit of a mission statement, I suppose, that states:

Life is all about people and places. That's why we at VicRoads connect you with the things that matter to you — home, school, work, play, family and friends. We understand the importance of being there.

And underneath it says:

VicRoads. Connecting Victorians.

These comments highlight the stark difference between what the report says and what is occurring in the community.

One of the issues I have spoken about many times in this place is the need for a bypass at Wallan-Kilmore. Just before the budget was presented the Minister for Roads and Ports, Tim Pallas, announced we would not be having a bypass but a link road. Interestingly, on 25 May a public meeting was held in Kilmore — it was a very cold evening — to protest about the lack of consultation, the lack of information and the lack of appropriateness of this road. Over 300 people turned up. We hear from members of the government and members of the Mitchell Shire Council there that they are a small minority. I can tell the chamber that there is a very angry group of people out there.

Today I presented a petition with 400 signatures. Three hundred people attended the meeting because there has been no consultation about the proposal. The community deserves some real solutions around this matter. I believe a previous Mitchell shire chief

executive and mayor worked with VicRoads and knew about this probably around September 2008. The report talks about the connection between VicRoads and its meetings with local government on a regular basis. At page 14 the report states:

VicRoads works closely with all local municipalities to understand and address the transport objectives of local communities. In addition to the day-to-day contact between VicRoads' regional staff and their local government colleagues, VicRoads has an annual program of official visits to municipalities.

I know this for a fact; I was involved in local government in another life. After speaking with the previous chief executive I know that there were plans for this link road in 2008. The question I ask is: at what stage was the council or this government — the Minister for Roads and Ports, Tim Pallas and the local member for Seymour in the other place, Ben Hardman — going to talk to the community?

Lo and behold, there is now a consultation process going on in that community. This is after an announcement and a budgetary commitment. The very sad part about that is that it started yesterday, and this was tagged as the first stage of a public consultation process. I do not think anyone is being fooled by that. The consultation will finally provide that community with the opportunity to participate — or will it? I have been at meetings recently where the process explained to me about community consultation is that this government's format is that by the time you get to a community consultation the decision has been made, it is a fait accompli, the deal is done.

Mr Guy — Hence the Windsor!

Mrs PETROVICH — Hence the Windsor. The examples are there; you do not have to look very far. That is right, Mr Guy, the Hotel Windsor is another example of the mock consultation. This is going on in Kilmore. This is the Hotel Windsor of Kilmore.

What is apparent to me is that we have a fait accompli. The way this process has been run is extraordinarily disturbing. In December last year the schools were notified of the link road proposal because the link road is going past three schools and major infrastructure. Why would you divert heavy traffic out of the centre of Kilmore and take it through the school and community precinct? It will go past a nursing home and the Country Fire Authority station. If proper traffic management studies have been done, they are not apparent to that community.

The community is not buying this consultation. I have looked through this report and I cannot see where it

talks about consultation, which is disappointing to me. VicRoads talks about governance — I would have thought it should talk also about probity, openness and transparency — but unfortunately when it comes to community consultation it does not seem to be doing this very well.

The PRESIDENT — Order! Time!

Auditor-General: *Irrigation Efficiency Programs*

Ms LOVELL (Northern Victoria) — I rise to speak on the Auditor-General's report entitled *Irrigation Efficiency Programs*. I join with my colleague Mr Drum in saying that this is one of the most damning reports that the Auditor-General has ever put out. This is Premier John Brumby's pet project, a project promoted and funded by him when he was Treasurer, and here is the Auditor-General being absolutely scathing of the way this government embarked on its irrigation efficiency projects.

The Auditor-General says that the Brumby government embarked on a panic-ridden response to Victoria's water crisis and in doing so breached its own planning requirements to rush through unproven irrigation projects. The report also states that there were serious flaws and failures in the Brumby Labor government's planning of key irrigation projects, including the food bowl modernisation project and the north-south pipeline. This report is further evidence that the Brumby government is full of spin rather than substance.

Mr Drum spoke of the development of the business case and what a farce that was. He said that it breached the government's own planning requirements and that there was no probity in that process. If a business case that is developed comes to cabinet but does not fit what is wanted and the cabinet says, 'Go away and change it and make it fit what we want', that is absolutely appalling. How did the government change it? It changed the plan so that vast areas of the irrigation system in Northern Victoria would be closed down. The government is playing with people's livelihoods and their lives.

The Brumby government embarked on expenditure of nearly \$2 billion for a number of irrigation projects, without any evidence, without any proof they would work, without cost and water savings verified, with technology that was unproven and with their feasibility unclear. What the Auditor-General is saying of this government is fairly damning. The Auditor-General makes it clear that the Brumby government breached its

own mandatory probity requirements for preparing the business case, as Mr Drum has spoken about, and that none of the projects followed the government's business case development guidelines. This is a damning report about the activities of this Premier and this government.

Among the findings of the Auditor-General was that the decision to commit \$1 billion dollars to the food bowl modernisation project was based on the advice of water savings and cost assumptions that had not yet been verified, technology that had not been proven and feasibility which was unknown. He found that the business case lacked the evidentiary rigour appropriate to the risk and cost of the proposed cases. He found that the analysis of costs and benefits was superficial and information to support the basis for water savings assumptions was lacking. He found that the timeliness of the development of the business case was an issue for most projects, with instances of project work starting before the final business case was approved.

The Attorney-General also found that the government's decision in 2007 to invest \$1 billion dollars in the food bowl modernisation project was based on the Goulburn-Murray irrigation district having annual water losses of about 900 gegalitres. These have since been revised down to only 632 gegalitres, but the water savings target of 425 gegalitres for stages 1 and 2 of the food bowl modernisation project has not been changed to reflect the new loss data. As I said, this is damning. The modernisation plays with people's livelihoods, and people in northern Victoria are furious about it.

The government based much of its food bowl modernisation project on total channel control, which had been piloted in the Central Goulburn 2 project. The Auditor-General's report talks about the CG2 project and the issues that arose in that area. That project actually ended up with an out-of-court settlement being decided between irrigators and Goulburn-Murray Water and the irrigators being paid out by Goulburn-Murray Water. According to the Auditor-General some of the outstanding issues on CG2 that had not been resolved were:

- channel operating height
- accuracy of measurement
- consultation expectations not met
- integration of new assets into old channels, resulting in leaks
- inflexibility of the system, with a lack of control, scheduling issues, and a non-user friendly system
- no choice in outlet type, with expensive outlets installed for customers with small entitlements.

The Auditor-General's report further states:

No evidence was provided to show that these issues have since been resolved. Despite this, the government approved three projects using the same technology — —

The ACTING PRESIDENT (Mr Eideh) —
Order! The member's time has expired.

**Auditor-General: Towards a 'Smart Grid' —
The Rollout of Advanced Metering
Infrastructure**

Mrs KRONBERG (Eastern Metropolitan) — I rise in a state of deepening concern because I am just wading through the Auditor-General's report of November 2009 entitled *Towards a 'Smart Grid' — The Rollout of Advanced Metering Infrastructure*. I am pleased that my colleague Mr Vogels brought a motion to the house yesterday on this issue. I think I can probably sum up the feelings of the citizens of Victoria when we examine yet another failing government project, because by now I feel that when one combines the words 'Labor' and 'rollout' the community collectively shudders.

The Victorian Auditor-General has concluded that the advanced metering infrastructure did not use the checks and balances that would ordinarily apply to an investment of such form and scale. This conclusion underscores a significant gap in the accountability framework for the advanced metering project. Furthermore, the Auditor-General advises that the advice and recommendations the government relied upon fell short of what should be expected in such a project. Frankly, the analysis of the project was seen to be superficial. As a result of the picture of the advanced metering infrastructure, the economic merits this project was based on, as well as the consumer and project risks, did not receive proper analysis.

The Department of Primary Industries is very much in the firing line and is directly accountable to the Minister for Energy and Resources, Mr Batchelor. The Auditor-General found that the governance of the project by the Department of Primary Industries has fallen short in terms of appropriateness for the nature and scale of the market intervention that the project poses. Furthermore, its advice to government on risk assessment has been inadequate. The level of engagement with the community has been inadequate because of the manner and the scale of its impact on consumers in Victoria, especially the disadvantaged.

The Department of Primary Industries has operated at arm's length in a limited observer's role only, and it has been castigated for that. Frankly, it looks like the

department itself, under the guidance of the minister, is behaving like a rabbit in a spotlight, totally reliant on third-party advice and devoid of the expertise that is required to manage the implementation of something as complex as this and with so many far-reaching impacts on Victorians.

There has also been a poor level of staff assigned to the project. This has brought about a really unacceptable gap in understanding the project, in having the skills on the ground to deliver it and in the ability to actually interpret and understand the advice coming to the department from the third-party advisers that have to prop it up. An article by Suzanne Tindal on <http://www.zdnet.com.au> about the smart meters issue says:

The Auditor-General refuted that the department shouldn't become involved because it might gather risk to itself, saying that the department should be more than an observer in the project. 'It is a truism in the public sector that while responsibility can be delegated, full accountability for achieving intended outcomes cannot be', he said.

They are weaselling away and quaking in their boots, which is so characteristic.

The Auditor-General states in his report:

Given the extent of its impact upon all of Victoria's power users, the project needs strong governance in order to efficiently and effectively meet the government's policy objectives.

Governance is about ownership, control and —

wait for it, government members —

stewardship.

Better practice guides in project management characterise effective governance as having:

appropriate oversight of project initiation, planning and implementation activities

effective stakeholder engagement —

When did the government ask the community about this project or assess its impact? —

proactive resolution of issues and risks that threaten the realisation of intended benefits — —

The ACTING PRESIDENT (Mr Eideh) —
Order! The member's time has expired.

BUILDING AMENDMENT BILL

Second reading

Debate resumed from 27 May; motion of Hon. J. M. MADDEN (Minister for Planning).

Mr GUY (Northern Metropolitan) — I rise to make a contribution to debate on the Building Amendment Bill 2010. In doing so I express from the outset that the Liberal and National parties will not be opposing it.

This bill increases penalties in relation to the Building Act, further regulates plumbing work and allows the VMIA (Victorian Managed Insurance Authority) to underwrite insurance products in relation to BWI (builders warranty insurance) changes. How Labor is a bill that increases regulation and introduces higher penalties — but I guess we should not be surprised.

As I said, the main provisions of the bill are the Building Act changes, which are contained in clauses 3 to 28. The bill is designed to increase penalties for offences contained in the principal act, which in this case is of course the Building Act. The government has stated that it is doing this for the following reasons: the base rates of penalties contained in the Building Act have not increased since the original act was introduced back in 1993 under the Kennett government; occupational health and safety has changed substantially in workplaces across Victoria over the nearly two decades since these fines were originally introduced in the Building Act; there is an increased focus on strengthening consumer protection — it is funny how the Labor Party looks at increasing fines as consumer protection; and the deterrent impact of fines on those who conduct shoddy building work. I will come to some points on that later on.

In all there are increases to about 69 different fines contained in the Building Act ranging from occupancy permits to erecting a circus tent. This bill will also allow for increases in penalties for venues that contravene their occupancy permits by allowing more patrons into the venue than allowed by that permit. That is a point that the coalition certainly supports. There are changes contained in clause 31 that will further clarify the role of surveyors and building practitioners.

We then move on to plumbing regulations, which my colleague Mr Hall will be making some comments on a bit later. This bill is designed to further regulate certain types of work that can be carried out by licensed plumbers. I understand the changes have come about from a 2008 review of plumbing regulations. The bill will require people who advance in plumbing stages to

be fully qualified in all parts of the specialised category, not just some parts of it. To clarify, a specialised plumber will need to be qualified in all parts of the specialisation, not just a section or parts of it. And — surprise, surprise — penalties have been increased for people who conduct plumbing work but who are unlicensed, and that is a fair point.

As I said, the third purpose of this bill is in relation to what can be termed DBI (domestic building insurance) or BWI — that is, builders warranty insurance. Clause 29 of the bill will allow the VMIA, which is the Victorian Managed Insurance Authority, to become a designated insurer in relation to domestic building work. The amendment is required to suit the government's changes to the DBI scheme in Victoria. As members of this house would know, we currently have an upper house standing committee inquiry into builders warranty insurance and the issues in relation to builders warranty insurance, which has not been completed. I have some concern about making changes before the committee inquiry is completed but, as I said from the outset, the opposition will not oppose or seek to delay the bill.

As I said from the start, this bill could easily be renamed the 'Increased Penalties Bill 2010' because the principal point of the bill being here today is that the government has been searching around for penalties in the Building Act 1993 that can be increased. Having said that, most of the fines contained in the Building Act are not infringement notices that are issued in large numbers, so we understand the reasoning. To give an example, it is not like speeding fines, of which there are obviously many thousands each year. Clearly there are not many thousands of fines issued under the Building Act, and that is a point we do note.

To me the bill is a good example of a classic Labor bill looking at some of the smaller, albeit important, issues in the community. It is a classic case of the Labor Party and the Labor government over the last 10 or 11 years focusing on some of the smaller issues in the community to the extent that this bill is targeting people for erecting a shoddy circus tent. Why on earth is it that this government will not ban illegal bkie gangs, for example, but is more than happy to fine someone for erecting a circus tent?

It shows the priorities of a government that has been in office 11 years and is completely and utterly incapable of making decisions that are actually of significant substance to the community. In this case the Labor Party wants to go and have it out with small business operators and people who erect wonky tents. While there is merit in going after people who do the wrong

thing, you would think you would also be looking at the top end of the scale, which is illegal gang activity in Victoria. But alas this government is not focused on that; it is focused on the minutiae at the bottom end of the scale. That is why this government has run out of steam and is following the example of its federal counterpart, which, as I think we mentioned yesterday in this chamber, is following the example of New South Wales Labor. In conclusion, while I make those remarks, it is very interesting to note just how many Kevin07 stickers on Labor members' cars have disappeared in the last 12 months.

Ms Mikakos — Why don't you talk about the bill?

Mr GUY — I am concluding, Ms Mikakos. I am concluding by saying that when I used to come into this Parliament, going into the car park and walking through, I used to see a lot of Kevin07 stickers on the backs of cars. The member for Eltham in the Assembly, a former member for Southern Metropolitan Region — what was his name — Evan something?

An honourable member interjected.

Mr GUY — Thornley apparently. He had a Kevin07 sticker on his car. The absence of Kevin07 stickers on government members' cars nowadays is funny. Funny that! Having said that, I conclude my remarks on the Building Amendment Bill 2010.

Mr BARBER (Northern Metropolitan) — Mr Guy spent quite a bit of time talking about the penalties in the bill. At first I thought he was against the increase in penalties, although, as he did mention, in most other areas of law enforcement he is very much for more penalties and truth in sentencing, as he might call it. I do not know whether any circus tents have fallen on people, but I would hope that it would never happen.

These penalties were set back in 1993, and they are now going up fivefold. In our view they were selected because they involve important occupational health and safety principles or would potentially involve high public impact if they were breached. Mr Guy might be particularly concerned about bkie gangs, and I did actually have a run-in with Ball Bearing myself one time as part of a university prank — Ball Bearing being one of the leaders of the Hells Angels.

Mr Jennings — Thanks for the clarification.

Mr BARBER — No worries. That part of my contribution was much more relevant to the bill than was Mr Guy's denouement on bumper stickers. I was trying to make the point that these day-to-day issues of safety in buildings could in fact have much more of an

impact on the ordinary citizen than the nightmare bikies-have-taken-over-the-roads scenario that seems to worry Mr Guy, and for that reason we are certainly supporting the increased penalties.

The bill also streamlines the specialist areas of plumbing and, most interestingly, allows for the Victorian Managed Insurance Authority, over 12 months, to become the insurer of last resort. Originally there were five insurers; they have now been whittled down to just two. As Mr Guy said, we have established an inquiry into the issue of the perhaps incorrectly named builders warranty insurance. That insurance does not provide a warranty in the same way as when I get a warranty on my video recorder — that is, a warranty that it will work as intended. It is in fact insurance that provides for, or at least hopefully would provide for, completion and rectification in the instance where a builder dies, goes broke or simply disappears.

Most states have had to set up inquiries into this matter. There has been a Tasmanian inquiry, there has been a New South Wales inquiry and there has been a commonwealth inquiry. Generally speaking in all those inquiries, in which the Greens participated, the conclusion was the same: that the insurance as it exists provides little value; that in the instance of the collapse of a major builder another mechanism generally comes into play and therefore that insurance should not be compulsory and the state of play should be a Queensland-style model. After the Senate inquiry concluded and reported, Greens Senator Christine Milne recommended a national approach to the issue to rapidly move to a system based on the Queensland model. The commonwealth took the lead in designing the scheme, putting it as quickly as possible through the Council of Australian Governments process, and ensuring that the states delivered through mirror legislation.

Unfortunately we are not going to get that today. We are simply going to get the state government stepping in as the last-resort provider of a type of insurance that seems to have little support in the community. That will be an area of work that will obviously have to continue beyond the exercise that the state government is willing to participate in.

Ms MIKAKOS (Northern Metropolitan) — I am pleased to rise today to speak in support of the Building Amendment Bill. We all know that the domestic building industry contributes billions of dollars to the Victorian economy every year and is an important driver of Victoria's jobs growth. I know in the Northern Metropolitan Region a significant number of people are employed in the construction industry.

The Brumby Labor government has helped to protect Victoria's economy from the worst of the global financial crisis by encouraging the construction industry. It is fortunate that for the last 24 months Victoria has recorded the highest number of dwellings approved of all the states, with the value of building approvals in the past 12 months totalling \$23.4 billion. In drafting this legislation the government consulted with many major stakeholders, including the Building Commission, the Plumbing Industry Commission and the Building Regulations Advisory Committee.

This bill seeks to increase the maximum penalties for a wide range of building and plumbing offences contained in the Building Act 1993. It also makes some minor amendments to enable specialised licensing in certain classes of plumbing and clearly identifies the Victorian Managed Insurance Authority as a designated insurer under the Building Act.

I now come to the increases in penalties. The offences under the Building Act have been designed to ensure the effective operation of the building and plumbing industries and to protect consumers and the public generally from non-compliance. The penalties associated with these offences have not been reviewed since the act came into operation in 1993, so it is only logical to expect that over time the deterrent effect has reduced greatly. By increasing the penalties for certain building and plumbing offences we are sending a clear message to those who are engaged in unprofessional behaviour or misconduct. This will ensure that Victorian consumers have every confidence that those engaging in such behaviour will be appropriately penalised and, if caught, will pay a hefty fine.

As we know, for most Victorians the biggest outlay of expenditure that any of them will make in their lifetime will be the purchase of their own home. For many, that will mean they will have to engage a good, reputable builder to undertake the building work for them. For most, building or renovating a home is an exciting and satisfying process, but for a small minority it can bring a great deal of stress and in some circumstances even end in disappointment.

In this sector there is only a small minority of building practitioners who do the wrong thing. I acknowledge that the overwhelming majority perform diligently and professionally in helping to build our state. As with all consumer protection legislation, there needs to be a strong framework to protect the rights of homeowners and home builders who might have limited expertise in building legislation or building standards against the behaviour or an unscrupulous few.

The bill seeks to increase the penalties for the most serious offences. The maximum penalty will now be 500 penalty units, which equates to \$58 410, for a natural person. This is up from 100 penalty units, which is equivalent to \$11 682, for a natural person. In relation to bodies corporate, the penalties are being increased to 2500 penalty units, which is equivalent to \$292 050. That is up from 500 penalty units, or equivalent to \$58 410. These are quite significant increases in the maximum penalties to act as a deterrent to practitioners engaging in unprofessional behaviour or misconduct. These changes are expected to raise building standards and improve the reputation of and consumer confidence in the building and plumbing industries and convey a strong message to the community that the government considers these types of breaches to be a serious matter.

In relation to the amendments in the bill that relate to specialised plumbing, I note that plumbing practitioners play an integral role in our building sector. Plumbing work is associated with a high level of public risk, given that it can involve flammable substances such as gas, and for this reason it might be necessary to require practitioners to demonstrate that they have specific competency in addition to that obtained in their initial registration or licensing.

The specialised areas of plumbing are set out in the plumbing regulations 2008 and deal with six classes of plumbing work — namely, type A appliance servicing, type A appliance conversion, type B gasfitting, type B gasfitting (advanced), refrigerated air conditioning and backflow prevention. Work of this nature is considered to be specialised plumbing work and requires a more specialised or higher degree of qualifications and experience. It is important that only people with the correct expertise undertake this work as there can be significant consequences for public safety if the work is not completed properly.

The amendments will enable a specific class or classes of plumbing work or specialised plumbing work to be prescribed as a prerequisite for registration or licensing in a specialised class of plumbing. These amendments will clarify the prerequisite registration or licensing class in specialised classes of plumbing work. In relation to the amendments relating to the designated insurer, the bill clarifies that domestic building insurance will be funded by builder premiums and operated by the Victorian Managed Insurance Authority, and this will be fully implemented by the end of 2011.

Currently a building practitioner who is required to obtain insurance must obtain insurance from a

designated insurer, as defined under section 137AA of the Building Act. In the past this insurance has been covered by the private insurance market. However, the recent departure of several major insurers from the domestic building insurance market and the announcement that Vero would also withdraw from the market from 1 July would effectively leave only two insurers in our state. The impact this would have had would have been to reduce competition in the insurance market and make it more difficult for builders to obtain insurance, leading to higher premiums, supply problems and delays for builders and consumers.

The volatility in recent times of insurers entering and leaving the market has led to the state government decision to intervene and provide builders and consumers with an affordable insurance scheme. The government will now underwrite homeowner warranty policies across Victoria through the VMIA (Victorian Managed Insurance Agency), with an uninterrupted transition to the new arrangements for builders. The bill amends section 137AA to remove any doubt about whether the VMIA is a designated insurer under the act.

In conclusion, this is an important piece of legislation that seeks to support the important construction industry in our state, to give that sector greater confidence and to protect Victorian consumers. I commend the bill.

Mr HALL (Eastern Victoria) — I am pleased to have the opportunity to make a few comments about the Building Amendment Bill of 2010. While it is a small bill in size, it addresses a number of significant issues within the building and plumbing industries, on which I wish to make some comments.

Firstly, the focus of the bill is basically to increase a range of penalties prescribed in the Building Act, and the government would claim that part of the purpose of increasing those penalties is to improve consumer protection. The first point I want to make is that increasing penalties alone gives no guarantee that consumers will be better protected.

Indeed, consumer protection is a much broader issue, and if people want to have confidence in the industry in relation to some of their issues with builders or tradespeople working on domestic or commercial buildings, there needs to be a holistic approach to consumer protection. In particular, there needs to be a focus on how matters in dispute between the owner and the builder are resolved. Currently the responsibility to provide that dispute resolution mechanism falls largely with Consumer Affairs Victoria. That system is not working all that well. Over the years many constituents

have approached me expressing frustration and saying that resolving disputes between owners and builders becomes a protracted process. There need to be greater efficiencies in the way that is handled.

All this is related to builders warranty insurance, and that is a component of this legislation as well. A particular component of builders warranty insurance that this bill provides for is the facilitation of the Victorian Managed Insurance Authority (VMIA) to underwrite insurance products for builders warranty insurance. As a previous government speaker said, the government intends to move to a system of underwriting builders warranty insurance, and expects that to be completed by the end of 2011. In the meantime that uncertainty about builders warranty insurance continues.

As my colleagues Mr Guy and Mr Barber have both mentioned, this is currently the subject of consideration by one of the select committees of the upper house. Committee members are hearing firsthand some of the serious frustrations experienced by builders in the state with respect to the current system. While I acknowledge the government is suggesting that this move to enable VMIA to underwrite BWI (builders warranty insurance) may assist, we are not sure exactly how it will work and how effective it will be. I suggest that there is still a great deal of uncertainty out there in the industry as to the role VMIA will play in practice, and how the change will work in practice.

The matter is far from resolved. BWI has been somewhat of a fiasco in recent years. Many insurance companies have dropped out of that market, leaving it to be dominated by the two privately owned companies that offer the product in Victoria. There is a need for a change. I do not think that the change suggested here, having government underwrite all BWI, will be the best outcome. The work of the committee may provide some guidance to the Parliament, the government and the people of Victoria about better ways of doing that.

I want, though, to comment particularly on matters relating to plumbing regulations. Clause 47 is headed 'Minister may specify work to be specialised plumbing work' and sets out provisions whereby the minister can declare certain plumbing work to be specialised. I agree with what Ms Mikakos said about specialisation in the plumbing industry; it is a complex trade, there are many aspects of it, and plumbers need to be well qualified to do what is required in some aspects of it.

To the currently specified work — the fitting of appliances and the other work that has been mentioned — I would add some other areas, even roof

plumbing. Special certification is needed now to actually fix iron roofs on houses. The installation of greywater systems requires a qualified plumber and some special training in that area proves helpful. Even the fitting of water tanks for particular household uses — toilets, washing et cetera — is not a task that all plumbers readily undertake. Some of them have specialised what is commonly called 'green' accreditation to undertake that work. I acknowledge that plumbing is a complex trade.

I do not disagree that there needs to be some specialisation. In that regard it would be appropriate for plumbers to go back and get accreditation to prove they have undertaken additional training in those areas to ensure that they have the competencies to carry out that work. I want to make this point in respect of that: if a plumber goes back to a TAFE institute or a registered training provider to gain a specific new accreditation, then under the current proposal of the government relating to skills reform, because they are going back and picking up an extra qualification that is not higher than the current qualification that they hold, they will be required to pay the full cost of that course. It is not like a TAFE course where people go in and pay a minimal fee and get a government-supported position; for a qualified plumber to go back and undertake the training to gain qualifications to be able to perform these specialist functions they will need to pay significant amounts of money.

Frankly, this is an area where the government needs to have a rethink about whether those people would or should be required to pay the full cost of those courses. They are gaining those qualifications for the purpose of a community benefit — that is, so they are able to carry out the work in the manner in which the government would want them to, with the expertise and the safety knowledge to be able to do the job properly. In that regard they should be supported in their endeavours to gain those additional qualifications. That is where the government has got skills reform totally wrong. If a tradesperson wants to go back and broaden their skills for the purpose of doing something in a safe, informed and educated manner, then they should be able to do it with government support through our training institutions. I make that particular point by way of contributing to this debate with sincerity and for the purpose of achieving the best outcome which we all desire — that is, to have good qualified tradespeople undertaking the complex tasks that we ask of them in the building industry.

As my colleague Mr Guy has said, the coalition is not opposing this piece of legislation. However, we make the point that we do not see that the changes to enable

the VMIA to underwrite building warranty insurance is the total answer to the problems that still exist in the building industry. Also there are some serious issues, and thought needs to be put towards the way in which the government can promote, contribute to and assist in plumbers in particular obtaining the qualifications to enable them to safely and expertly do the specialised work being asked of them.

Ms HUPPERT (Southern Metropolitan) — I am also pleased to rise to make a few brief comments regarding the Building Amendment Bill 2010. The purchase of a home is one of the most important decisions made by many Victorians and is also often the biggest financial commitment that many Victorians will undertake during their lifetime. Even those who do not purchase their own home but instead rent are interested in making sure that the home they rent is of good quality.

The domestic building industry is also an important sector of Victoria's economy, accounting for about 3 per cent of the annual gross state product. In 2008–09 over 80 000 domestic building permits were issued to a total value over \$10 billion. It is important that such an important sector of the economy is properly regulated, but no matter how good regulation is, there will sometimes be occasions when things go wrong, in which case it is equally as important to have a safety net to protect homeowners and residents.

This bill aims to provide better safeguards for consumers, not only those who build homes but also, as I mentioned, those who rent homes and those who purchase a home within a few years of construction. It does this by increasing the maximum penalties applicable for offences under the Building Act. One way in which the Building Act protects members of the public from the relatively small number of participants in the industry who do not comply with the regulatory framework is by deterrence through penalties for failure to comply.

As mentioned previously, the current penalties in the act have not been reviewed since 1993 and therefore they no longer serve their purpose as an adequate deterrent. The aim of the changes is to ensure that the benefits of non-compliance are outweighed by the maximum penalty available under the act. Ms Mikakos has described the increase in the penalties which apply to offences such as carrying out work without a building permit or occupying a building without a occupancy permit. In particular, the increase in the penalty for the offence of occupation of a building without an occupancy permit will provide greater protection for members of the public visiting buildings

or community facilities which require occupancy permits and will ensure that matters such as fire protection are adequately dealt with.

Generally an increase in the penalties will raise standards and improve the reputation of and consumer confidence in the industry, which is such an important part of the Victorian economy. Anyone who has been involved in the building industry knows that things do not always go smoothly and sometimes problems arise with new homes, sometimes a number of years after they have been constructed.

In the first instance the homeowner will have a remedy against the builder, but sometimes that is not sufficient, which is why every builder undertaking domestic building work with a value of over \$12 000 is required to take out domestic building insurance to provide cover if a builder dies, disappears or becomes insolvent within six years of the completion of a dwelling. Currently a builder is required to obtain that insurance from a private insurer, but this is becoming more difficult as several major insurance companies are no longer providing this insurance. The small number of insurers in the market has led to uncertainty for both consumers and builders, which is affecting the industry. In order to overcome this problem this bill provides for the government to take over and underwrite domestic building insurance.

The new scheme will be funded from premiums paid by builders and will be operated by the Victorian Managed Insurance Authority (VMIA). The new scheme will be fully implemented by the end of 2011. This new scheme will provide certainty that builders are insured and that consumers will have the benefit of this insurance in the event of a claim. It is not expected that the new scheme will increase costs. There have been increases in premiums paid by builders in recent years because of a number of factors, including the reduction in competition. In particular, the Essential Services Commission, which has a role in the community in overseeing monopolies generally, will be charged with the task of monitoring the pricing of insurance offered by the VMIA, providing further protection to consumers. This bill will improve the building industry and provide greater protection to consumers, and I commend it to the house.

Mr SOMYUREK (South Eastern Metropolitan) — I have pleasure in supporting the Building Amendment Bill 2010. This bill amends several acts of the Victorian Parliament such as the Building Act 1993. While the amendments are of a technical nature they are nevertheless important because of the protection they will provide to

consumers and householders. The main objectives of the bill are to increase penalties for plumbing and building offences and to designate the Victorian Managed Insurance Authority as an insurer to support the introduction of the government-underwritten domestic building insurance scheme, which will be funded by builder premiums and operated by the VMIA. The bill also makes technical amendments to the Building Act.

The minister in his second-reading speech canvassed the issues around registered and licensed plumbers. As he pointed out, consumers would not be aware of the requirements of plumbers to hold licences to undertake specific work. Most consumers simply assume that if a plumber is undertaking certain work, then that plumber is competent and qualified to do so. There are important reasons for plumbers needing to hold licences to do certain work. The reasons go to the technical nature of the work involved, health and safety, the issuing of compliance certificates and potential insurance issues.

I am aware of one case where a licensed plumber did not have the additional licence to convert a stove from natural gas to liquefied petroleum gas and was responsible for substantial damage to the stove because he converted the cooktop jets but failed to convert the oven. The consumer did not even know the plumber, because he had been engaged by the builder and not directly by the consumer himself to do the general plumbing work on the new home. The owner of the new home purchased a new stove which he handed over to the builder to be installed. The owner was totally reliant on the plumber not to do work for which he was not qualified.

When something appeared to be very wrong with the stove the new homeowner called the Plumbing Industry Commission. The commission sent an inspector who pointed out to the consumer that the consequences could have been much more dramatic because the oven was still set for natural gas when it was receiving liquefied petroleum gas, which runs at a much greater pressure.

This is an example of the reasons we have rules. Rules exist, not for the sake of bureaucracy, but to protect the public, not only from damage to property but also from any physical harm to themselves.

In this case the Plumbing Industry Commission was very much on the ball. It commenced disciplinary action against the plumber and, at its instigation, the consumer had his stove replaced. This needs to be supported by legislation with effective and appropriate regulations and penalties.

This bill increases the maximum penalties for certain building and plumbing offences in the Building Act to reintroduce a deterrent effect which has been lost through the passage of time. The bill makes minor technical amendments to the Building Act to enable specialised classes of plumbing to be prescribed by regulation as a prerequisite to the registration and licensing of a class or classes of plumbers. I commend the bill to the house.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

PARKS AND CROWN LAND LEGISLATION (MOUNT BUFFALO) BILL

Second reading

**Debate resumed from 27 May; motion of
Hon. J. M. MADDEN (Minister for Planning).**

Ms LOVELL (Northern Victoria) — It gives me great pleasure to speak on this bill today because it will provide some certainty to the Mount Buffalo Chalet, which is in my electorate. It is also an area for which I have a great amount of feeling.

The main purpose of this bill is to amend the National Parks Act 1975 and the Crown Land (Reserves) Act 1978, to extend the maximum lease term for the Mount Buffalo Chalet and the Dingo Dell and Cresta Valley areas in Mount Buffalo National Park from 21 years to 50 years. The bill also amends certain offences and enforcement provisions in the National Parks Act 1975 relating to marine national parks and marine sanctuaries. It will add approximately 820 hectares to several existing parks and reserves, and revoke parts of four permanent Crown land reservations.

The coalition supports and welcomes the bill, which will finally provide some long-needed certainty for the future of the Mount Buffalo Chalet and the Cresta Valley and Dingo Dell areas in the Mount Buffalo National Park.

The government has also taken the opportunity provided by this legislation to correct a number of the drafting errors and omissions from previous bills. I will

look at a number of other changes provided by this bill before addressing the main provision of the bill, which is the Mount Buffalo Chalet lease extension.

This bill amends the offence and enforcement provisions for marine national parks and marine sanctuaries to allow boats operating under a rock lobster fishery access licence to anchor overnight in a marine national park or marine sanctuary. Boats will be able to do this only if they do not have any rock lobster pots on board overnight. To enforce this, an offence will be created to prevent boats with pots on board from anchoring or mooring in a marine national park or marine sanctuary. This provision will assist commercial rock lobster fishing boat operators as they will no longer have to travel vast distances back to shore each night after working their pots out at sea.

For the further protection of marine national parks and sanctuaries, an offence will be created to prevent the use of commercial fishing equipment in a marine national park or sanctuary. This amendment has come about because of difficulties in prosecuting the existing offences which relate to fish for sale, and it will also bring the National Parks Act into line with the Fisheries Act.

Further provisions in the bill involve additions and alterations to existing parks and reserves. This legislation will add around 820 hectares to parks and reserves across the state. Significant additions of land will be brought into parks in my own electorate, including the Terrick Terrick National Park and the Greater Bendigo National Park. These two parks will have approximately 468 hectares of land added to their boundaries. In addition, 4.7 hectares of land will be removed from four permanent Crown land reservations in Geelong, Swan Hill and Shepparton.

In my own home town of Shepparton the Crown land reservation affected is the Shepparton Showgrounds Reserve. The reason for these two small alterations to the showgrounds boundaries is for better traffic management around the showgrounds. I was in that area of town last Saturday and I noticed that work is well under way for the widening of Archer Street on the eastern boundary of the showgrounds, which is one of the amendments being made in this bill.

The bill also includes a number of amendments to correct errors, oversights and drafting errors due to poor decision making by the government. These amendments will be made to the Sustainable Forests (Timber) Act, the Forests Act and the Crown Lands Acts Amendment (Lease and Licence Terms) Act. It is disappointing that we continue to see legislation

brought back to this chamber to correct errors and oversights because of sloppy government drafting, but we see it time and again.

I would like to touch on the history of the Mount Buffalo National Park and the chalet itself. Mount Buffalo National Park was established in 1898 when 1166 hectares of land around Eurobin Falls were temporarily reserved as a national park. Ten years later this area was enlarged by 9240 hectares and at the same time made a permanent national park. Mount Buffalo is one of Victoria's oldest national parks.

Mount Buffalo was first visited by local Aboriginal tribes who gathered each summer to feast on bogong moths. Apparently when roasted the moths provide a rich, high-protein diet, but not one that I want to experience.

Mount Buffalo was first sighted by European explorers in 1824. When Hume and Hovell crossed the plains to the west of the plateau they gave it the name Mount Buffalo because it resembled a giant sleeping buffalo. Anyone driving along the Hume Freeway today can see a sign that directs you to look across at that same view, and you can see why it was named Mount Buffalo.

Major Sir Thomas Mitchell passed through the district in 1836. Unaware that Hume and Hovell had already named the mountain, he called it Mount Aberdeen. I guess he was not as creative as Hume and Hovell in naming new mountains and streams during his adventures!

Thomas Buckland, one of the first settlers, arrived in the 1840s to take up the Junction Run near Porepunkah, at the foot of Mount Buffalo. He appointed a manager, Thomas Goldie, who reputedly cut the first track up to the plateau from the Buckland Valley. Goldie's Track was thereafter used to bring cattle to the plateau each spring. Each year for the next 100 years over 300 head of cattle grazed on the alpine pastures at the foot of the Horn. Mount Buffalo played a part in the great cultural heritage of this state — alpine cattle grazing.

In 1853 gold was discovered in the Buckland Valley at the foot of Mount Buffalo. At the height of the gold rush over 5000 miners were on the diggings. It was likely that there might have been some gold on Mount Buffalo as well, so in 1856 brothers James and John Manfield escorted the first parties of miners up to the plateau. Although no gold was discovered on Mount Buffalo, the miners became the first tourists because they continued to visit the plateau, tempted by the cooler summer climate, the scenery and the magnificent views.

The Manfield brothers, together with Buffalo Bill Weston and Ted Carlile, pioneered early tourism to Mount Buffalo. Bill Weston built the first permanent building on the plateau in 1879. For several years he had brought tourist parties to the mountain. Several more early accommodation facilities were built on the mountain, including a log cabin called the Doctors Hut, which was built at Echo Point. Ted Carlile built Carlile's Hospice and Hotel near the monolith in 1891. James Manfield also constructed the Manfield Chalet near Bent's Lookout.

Around 1898 the then state government geologist, E. J. Dunn, made a geological survey of the mountain. Dunn called Mount Buffalo the garden of the gods and described feelings of awe at the way nature had shaped the granite boulders on the plateau. Tourists still flock to Mount Buffalo during the summer period to look at the wonderful scenery.

By 1910 overnight visitors were accommodated not only at the crude huts that had been established earlier on the mountain but also at the newly opened government chalet, which is the Mount Buffalo Chalet that we know today. Despite its grand proportions, the chalet offered very basic accommodation. The building was unlined at first and had no heating, probably because the chalet was originally intended to be built of granite, but a temporary building was established, and that is the weatherboard chalet that still exists today, 100 years later.

In 1910 the chalet was leased to Mr J. Newton. Its popularity was immediate, and by 1912 it was described as the epitome of luxury, with large sitting rooms, ample fireplaces, well-ventilated bedrooms and hot and cold baths. Improvements were made soon after construction, including a golf links that was added in 1911, a north wing addition in 1912 and a south wing and billiard room in 1914.

In 1919 a new lessee was appointed, Miss Hilda Samsing, who lobbied the government to make improvements to such amenities as heating and lighting, while in 1921–22 an addition to the south wing increased bedroom and bathroom facilities. The billiard room was moved to the front of the house and a terraced garden, with rubble granite retaining walls, was laid out at the front of the chalet.

In 1924 the management of the chalet was transferred to the Railways Department and the facility was operated in a formal manner, including the issuing of standard railway tickets for all activities and the wearing of railway uniform by the porters. A service providing motor coach transport for guests from

Porepunkah railway station to the chalet commenced in 1925. This was maintained until the passenger train service on the Bright line was discontinued in 1952; guests were then transported by motor coach from Wangaratta. Most Victorians remember the period when the chalet was managed by the railways. It was always a tourist icon and was interestingly managed by the railways.

Further improvements were made to the chalet in 1925–26, and in 1937–38 major alterations were made with the extension of the south wing and a second storey added to the central wing of the building. At this time the provision for 200 guests at the chalet was noted as more than equalling the best city hotels.

After the war many migrants and displaced persons from Europe, many of them Jewish, found the chalet to be a comforting reminder of their homelands. The Railways Department managed the chalet until 1985 when the government took over its running under the auspices of the Tourist Commission. In 1993 the chalet was leased privately again, and it continued to provide accommodation until 2007 when unfortunately it was forced to close.

With the opening of the chalet snow sports were pursued seriously for the first time on Mount Buffalo, which became the most accessible ski field in Victoria. Miss Hilda Samsing, the lessee of the chalet from 1919 to 1924, fostered the growth of skiing by importing hickory skis from Norway. In 1924 the lease of the chalet was transferred to the Victorian Railways. Harold Clapp, the then chairman of commissioners of the Victorian Railways, vowed that he would make Mount Buffalo the finest all-year-round playground, and he refurbished the chalet and greatly improved transport to the plateau. Clapp also promoted Mount Buffalo as a ski field. The first ski tow in Australia was built at Dingo Dell in 1937. In 1936 Franz Skardarasy was brought to Mount Buffalo from Austria by the Victorian Railways to run the first ski school in Australia. The Mount Buffalo resort pioneered skiing in Victoria.

In 1956 the committee of management was persuaded to exclude cattle from Mount Buffalo, which was the end of an era, and in 1960 legislation was enacted to allow development leases in national parks. Leases were subsequently granted in the Wilsons Promontory and Mount Buffalo national parks, and while the lease at Wilsons Promontory was later abandoned, the Mount Buffalo lease resulted in the construction of what was then known as Tatra Inn, which later became Cresta Lodge. Mount Buffalo hosted the first professional downhill ski race in Australia in 1964.

In 1980 the park was extended to include most of the foothill country adjoining the plateau, and this addition brought the park to its present 31 000 hectares. Today approximately 200 000 people visit Mount Buffalo National Park annually. It is a much-loved area of the state and the chalet is an important part of the national park.

In the lead-up to the 2006 state election the future of the chalet became an issue of great concern for the Victorian community. At the time I was the shadow Minister for Tourism so I was not just receiving representation from my local constituents but also from people in all areas of Victoria and interstate. Everyone who spoke to me was horrified that the future of the chalet was under threat. Everyone had their own special connection to the chalet and their special memories of visits there. Generations of families had visited the chalet. This was true of the then lessees, the Burbank Group. Stepbrothers and co-founders of the Burbank Group, Eddie Sanfilippo and Eddie Puhar, had been taken to the chalet when they were children. They had grown to love the chalet and wanted to preserve it for future generations.

I received many phone calls and letters from hundreds of Victorians who all had their tales to tell and special memories of the chalet to share. Many of them had visited the chalet for their honeymoon; in some cases generations of families had gone there for their honeymoon. I remember speaking at a rally in Bright where I said that perhaps I owed my existence to the chalet because my parents had spent part of their honeymoon at the chalet and if the honeymoon had not gone successfully, my brother and sister and I might not be here today. Many people had visited the chalet for holidays and taken their children back for family holidays. Others had learnt to ski on Mount Buffalo; it has one of the easiest ski runs.

It is also a great mountain for snow play and tobogganing, and it is a safe family mountain. People were concerned that without accommodation on Mount Buffalo other facilities might also be lost and that the opportunity to holiday on the family mountain may not exist any longer. Most people wanted to be sure that their children would also experience the chalet's magic, something they had learnt to love.

The chalet is old, with its 100th year being celebrated last month, and it is in much need of refurbishment. In 2006, when its closure appeared imminent, I was meeting regularly with the chalet's managers, Suzi and Brendan Cadigan, a young couple with a lot of passion for the chalet. Suzi and Brendan had the passion, Burbank had the passion, but what they did not have

was a lease that gave them the security of tenure needed for Burbank to invest the many millions of dollars required to bring the chalet up to scratch.

Before returning to the ownership of private leaseholders in 1993 the chalet passed through three lessees, largely because it had not been profitable in its existing state. It was tired and in much need of refurbishment. It also needed to have the right infrastructure and product mix to attract tourists and conferences. When Burbank took over, the chalet did not even meet building and safety standards, and I suppose questions could be asked about the negligence of the government as a landlord in not ensuring that it met these standards — for example, only 10 per cent of the hardwire smoke detectors in the building were compliant with safety regulations, and sprinkler systems which should have had 15 millimetre heads only had 10 millimetre heads fitted.

Heating in the building has always been an issue. Originally the building was not heated and attempts to install it had not been entirely successful. In fact one of its wings was known as Siberia. The chalet was costing an average of about \$70 000 per month to run and Suzi and Brendan told me that in the winter the diesel fuel bill to run the power generators alone was as much as \$50 000 to \$60 000 per month. Maintenance was a never-ending issue; there were four to five staff working full time on upkeep and they still could not keep up with the work that needed to be done. The fire escapes were dangerous and falling down and there was asbestos in many of the walls. Suzi and Brendan were concerned at that time that if the chalet was not refurbished it may not have reached its 100th birthday. Fortunately it did.

Power is one of the major issues that still needs to be addressed at the chalet. Power needs to be brought up the mountain and sewerage needs to be connected to remove waste from the mountain. Suzi and Brendan estimated that the cost of doing this was between \$10 million and \$15 million. In 2002 Suzi and Brendan informed me that the Burbank Group was prepared to invest between \$20 million and \$30 million on the chalet, but in order to do that they needed a lease that gave them security of tenure beyond the 10 years they had left and beyond the 21 years allowed for in the National Parks Act. Burbank was keen to not only refurbish the existing facilities but also build 100 new accommodation rooms for conference and family accommodation, a day spa and conference facilities. It also wanted to install snow-making facilities. The leaseholders, the Burbank Group, had been trying to get a meeting with Parks Victoria and the government for

at least two years to discuss its requirements for investing in these works, but without success.

Cresta Lodge, which, as I have already said, was formerly the Tatra Inn, was also run by the Burbank Group and managed by the Cadigans. Cresta consisted of 28 rooms, a day centre and a restaurant — I think the name of the restaurant was Brumby's. Unfortunately Cresta Lodge and the ski lift were lost in the great alpine fires in December 2006. Cresta has never been rebuilt.

The government collected around \$6.4 million in insurance compensation and has since committed to use that money to improve infrastructure at the chalet, such as water, heating and sewerage systems. During a meeting that Mary Wooldridge, the shadow Minister for Environment and Climate Change and member for Doncaster in the Assembly, had with the chief executive officer of Parks Victoria it was revealed that the government intended to commit \$10 million for this infrastructure work. However, that figure was denied at the bill briefing, indicating that the additional \$4 million has not yet been committed.

The loss of Cresta made it extremely difficult for the Burbank Group and for the Cadigans to continue on; it was almost impossible for them to continue to run the chalet on their own, and unfortunately the chalet closed on 30 January 2007. For the past three and a half years the chalet has remained closed. In its statement of government intentions in 2009 the government flagged that it would increase the length of the lease period, but as with so many of the commitments in that document it failed to deliver the legislation in 2009. So far there have been two unsuccessful calls for expressions of interest in the management of the chalet. Currently there is a third call, and I believe there are around three interested parties.

This legislation will guarantee a new lessee a longer lease period, making the chalet lease more commercially attractive to and hopefully viable for potential investors. The bill extends the maximum period of the lease from 21 years to 50 years. This brings the lease period into line with the 50-year lease that was introduced for Point Nepean National Park. However, 50 years may still not be enough to attract a lessee who will properly restore the chalet. As I said, to invest the \$20 million or \$30 million needed to refurbish the chalet a lessee would need a tenure long enough to enable them to recoup that investment.

The Alpine shire has stated that it believes the lease period should be up to 99 years, which would be in line with the leases offered under the Alpine Resorts

(Management) Act. It is interesting that we are now seeing several differences in the lengths of leases included in legislation that governs Crown land and parks. The National Parks Act will now offer leases from 21 years to 50 years. The Crown Land (Reserves) Act and the Forests Act were amended last year to extend the term of the leases from 21 years to 65 years, and the Alpine Resorts (Management) Act offers 99-year leases.

It is interesting that although the chalet is in close proximity to major alpine resorts the lessees of the chalet will not be offered the same security of tenure by this government as some of their nearby neighbours. The Liberal-Nationals coalition recognises the importance of the chalet as a tourism icon in Victoria, and I am pleased that our shadow minister, the member for Doncaster in the other place, has indicated that in government we would be prepared to extend the lease period for the chalet if that was what was required to facilitate the investment needed to restore the chalet.

The chalet is unique in Victoria because it is the only accommodation facility within a national park in this state. Unfortunately this government has mismanaged the process for the chalet, which has meant that this important tourism icon has remained closed for the past three and a half years and will remain closed until a new lessee can be found and much-needed renovations undertaken. As I have said before, often visitors to the chalet are generational, as parents take their children to experience the magic they found there in their own childhood. The chalet has been closed long enough to cause this chain to be broken for many families, and that is a sad indictment of this government.

As a local member, and as someone who was taught to love the magic of the Mount Buffalo Chalet by her parents, I look forward to the day when it will reopen. The Liberal-Nationals coalition will support this legislation today in the interest of allowing a lease period that will be more attractive to investors, and I am pleased to say we would be prepared to extend that period in the interests of seeing the chalet refurbished for future generations to enjoy.

Mr BARBER (Northern Metropolitan) — I will go through the main purposes of the bill and make some brief comments about each. The bill increases the maximum lease period from 21 years to 50 years in Mount Buffalo National Park. This has been done so Parks Victoria can attract investment for redevelopment, and potentially some new development, of sites within that park. Hopefully it will allow investors to have a commercial return. The proposed procedure is that the National Parks Advisory Council

must be consulted before a lease is granted. The council also had to be consulted before there could be exploration for natural gas in the Bay of Islands Coastal Park; apparently it got past the council. We have not seen what it said about it, but that mechanism will also apply in this case.

Construction can occur in the park, provided it is not detrimental to the park's natural and cultural features. Proposed new section 31AA(5), which is contained in clause 4 of the bill, states that for a lease to be granted for longer than 21 years the minister must be convinced that the use, works or development 'justifies a longer lease' and is in the 'public interest'. The minister has to be satisfied about that. I imagine it will all depend on the minister and how easily he or she is satisfied.

On that point I note that in the other place the coalition stated it wants to ensure that the discretionary power of the minister to extend leases on Crown land is held to account. There are no publicly listed criteria to which a minister would refer when granting an extended lease. Whether the department has one it has been using for years is a bit of a mystery to me, but there is no current mechanism for ensuring due diligence around these extended leases. I think we all know many stories of leases on Crown land that have attracted some controversy, and that in itself is a concern from the point of view of public land management.

The bill inserts an offence for using commercial fishing equipment in a marine park or sanctuary. In criminal law terminology you would describe this as an inchoate offence; meaning the thing we do not like was not completed — in this case, the taking of fish or bait for sale — but in order to prevent the damage that could arise, prosecuting authorities have an easier burden of proof. If you are there and you have the equipment, it seems you are going to do it. The offence will attract 200 penalty units or 12 months imprisonment.

Under proposed section 45A(5A) in clause 6 a person licensed to catch rock lobsters will now be able carry rock lobsters in marine parks or sanctuaries. That is so fishers can move through marine parks or sanctuaries carrying the lobsters, but if they use their pots to catch them in the park, they will be prosecuted. Under a new section rock lobster fishers will be able to set up anchor overnight in a marine park or sanctuary so long as they do not have one or more lobster pots there. We are assuming this provision was inserted because of the temptation for fishers to use the pots overnight. However, it will still allow commercial fishing equipment to be on board overnight and that same temptation may come into play. I presume Parks Victoria does not have the budget to have night boat

patrols in addition to its day patrols in order to check compliance, and therefore it would be possible to bring up your equipment when you saw the light on a boat coming towards you.

To be even more legally cautious, the department should consider that there could be a flaw in the wording of this clause because it defines the prohibited quantity of rock lobsters as 'one or more lobster pots'. If the pots are essential to any prosecution, as this wording suggests, then the authorities may have real problems securing a penalty if other containers are used to store the lobsters overnight.

The remainder of the bill provides for about 820 hectares being added to eight parks and 70 hectares being excised from three parks. I have spoken to my next-door neighbour, the Victorian National Parks Association, which says it is fine with those adjustments.

The largest addition is to Terrick Terrick National Park, and that is certainly an incredibly valuable park, because it is such an isolated remnant of what used to be a massive ecosystem rolling across the whole northern part of Victoria. An extra 468 hectares is being added in there, mainly of high-value remnant native grasslands of the northern plains.

There is also an addition to the Greater Bendigo National Park of 252 hectares, which was donated, or perhaps you might say surrendered, by Villawood Investments for inclusion in the park as biodiversity compensation for residential developments elsewhere — an exchange of native vegetation credits if you like. The additions are in the Kamarooka section of the park where there is some important grassy woodland and mallee vegetation.

Another 25 hectares is being added to Castlemaine Diggings National Heritage Park.

Mr Hall — Castlemaine.

Mr BARBER — Mr Hall says 'Castlemaine'; I say 'Castlemaine'. I can assure him it appears exactly the same in *Hansard*. This contains some high-quality box-ironbark forest, which I am sure Mr Hall is also very concerned about. It was purchased by the local council with the assistance of the Ross Trust and is now being donated to the state.

The bill will also make some small additions to the Great Otway National Park, the Kinglake National Park, the Gippsland Lakes Coastal Park, the Numurkah Natural Features Reserve and the Otway Forest Park. I am amazed that The Nationals are voting for this bill,

because its members said they wanted no more areas added to national parks without some land being taken away. I guess there is an exception to every policy! There are a few excisions being made, which may gladden the hearts of members of The Nationals, but they will be perturbed that I am supporting them on this one.

A small section of 71 hectares at the Mallacoota Aerodrome is being excised from Croajingolong National Park. That is in order to meet the safety standards of the Civil Aviation Safety Authority; however, it is consistent with a recommendation of the former Land Conservation Council. The Nationals would be happy about that, even though I think they want to abolish the Land Conservation Council, or the Victorian Environmental Assessment Council as it is now called. They might find some support from the government for that. There is also 1 hectare being excised from the Kinglake National Park and the Beechworth Historic Park for freehold land access.

The bill will revoke some parts of Crown land reservations. This will affect the reserve at Corio Bay, Geelong, and the Shepparton Showgrounds Reserve. I am sure the local member in Shepparton in the Assembly would have told me if there were any concerns associated with that. Ditto for the member for Swan Hill in the other place, because people in his electorate and the local council are supporting the excision of 1.8 hectares from the Swan Hill North Park recreation reserve in order to enable the land to be sold to the local council for a commercial development as part of the Swan Hill central commercial precinct. With those comments, the Greens will support the bill.

Mr HALL (Eastern Victoria) — I want to talk about three areas of land which are affected by the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010. They are the additions to the Greater Bendigo National Park and the Castlemaine Diggings National Heritage Park, and I will also make mention of the excision of 71 hectares to facilitate development at the Mallacoota Aerodrome.

Firstly, I want to talk about the additions to the Greater Bendigo National Park and the Castlemaine Diggings National Heritage Park. This arose out of the study undertaken by the Victorian Environmental Assessment Council called the box-ironbark study. Out of that study arose a recommendation to establish the Greater Bendigo National Park and the Castlemaine Diggings National Heritage Park. I spoke in this chamber on the legislation by which those parks were created. I moved an amendment to secure the possibility of prospecting being an allowable activity subject to management

plans within those park areas. I did that because of the rich gold heritage associated with both of those areas and the popularity of prospecting in those areas. We had that debate here in the Parliament and the government agreed to support that amendment, which allowed, subject to management plans, prospecting in certain parts of both the Greater Bendigo National Park and the Castlemaine Diggings National Heritage Park.

With respect to the addition of 252 hectares in the case of the Greater Bendigo National Park and 25 hectares in the case of the Castlemaine Diggings National Heritage Park, the Prospectors and Miners Association of Victoria, on behalf of its members and prospectors generally, is seeking an assurance from the government that prospecting will also be allowed in those areas being added to the parks. My colleague Michael O'Brien, the shadow Minister for Energy and Resources and member for Malvern in the other place, raised the matter during the course of debate in the Assembly. It has also been raised in a briefing. To his credit, the Minister for Environment and Climate Change responded in writing to Mr O'Brien. I cannot read the date of the response, but in it the minister said:

... Parks Victoria will liaise with Prospectors and Miners Association of Victoria over whether the additions should be designated for prospecting.

I want some feedback from the minister on this matter. I have already given him notice of the question I intend to ask during this debate. Perhaps he could provide the answer in his summing up of this debate; otherwise we can go to a committee stage of the bill and have some dialogue or discussion about this. But for the operation of the house it would be convenient if the minister could give some sort of response when summing up the second-reading debate on this legislation.

I am seeking from the minister further comment in respect of this matter, and if possible, an assurance that prospecting will have the support of the minister when it is considered by Parks Victoria as an allowable activity subject to a management plan. If the minister could add his support to this, it would go a long way to satisfying the needs of the members of the Prospectors and Miners Association of Victoria who are involved in prospecting in these areas.

Finally, I want to make some comments about the excision from the Croajingolong National Park of 71 hectares for Mallacoota Aerodrome to facilitate better access to and from that aerodrome. Mallacoota Aerodrome is an important piece of infrastructure for the people in far east Gippsland. If you have the privilege of flying into Mallacoota and using that aerodrome, you have no better view of the scenery

around the Mallacoota area; it is absolutely beautiful from the air. I recommend that anybody who has the opportunity should take a flight into and out of Mallacoota.

As I have said, the aerodrome provides an important piece of infrastructure. It is still in its developmental stage and this excision of 71 hectares will provide safer access into and out of the aerodrome. Therefore this is an important amendment to the Croajingolong National Park, and I totally support it.

I hope that when he is summing up the minister is able to respond to my request in the manner in which I have raised it during the course of this debate. That will save us going to a committee stage. Apart from my great interest in those three areas of parks that I have mentioned, I endorse the remarks made by the Wendy Lovell when she clearly enunciated the coalition's view on this piece of legislation. As she said, we will not be opposing it, but I seek some comfort in the matter I have raised in my comments today.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Economy: government claims

Mr D. DAVIS (Southern Metropolitan) — My question is for the Treasurer. I refer to Terry McCrann's column in today's *Herald Sun*, which says the Treasurer has 'incorrectly' claimed 'that growth in state final demand is the same as growth in the Victorian economy'. Would the Treasurer advise the house of the definition of 'state final demand' and how this is different from 'gross state product' (GSP), and while he is there remind the house what the annual increase was in Victoria's state final demand in 2008–09 as against the annual growth in GSP?

Mr LENDERS (Treasurer) — I thank Mr David Davis for his question, but I do find it interesting, after Mr Atkinson berated me last night because we do not talk about health in this place and the biggest health issue in the history of this country since Medicare, that the shadow Minister for Health has yet to ask a question about health, but I will let that pass.

Mr D. Davis — It's not true!

Mr LENDERS — He asks a question and does not listen; it is the story of his life. For Mr David Davis's benefit, if he wishes to download the ABS (Australian Bureau of Statistics) stats — and that would involve some work — he would find:

State final demand is the estimate obtained by summing government final consumption expenditure, household final consumption expenditure, private gross fixed capital formation and the gross fixed capital formation of public corporations and general government.

I guess for the benefit of Mr Davis and Mr Wells — —

Honourable members interjecting.

Mr LENDERS — Thank you, Mr Davis, for quietening Mr Guy down; that does help. He may learn something also.

For the benefit of those opposite, it is essentially the economy, less trade and inventories. The reason we use this figure of state final demand is that the bureau of statistics produces it four times a year, whereas it produces gross state product only once a year.

Mr Davis referred to Terry McCrann's article. He failed to refer to the fact that Mr Wells, the shadow Treasurer and member for Scoresby in the Assembly, on two occasions in the last two and a half years has actually referred to state final demand as an indication of economic growth. Mr David Davis needs to educate himself or remind Mr Wells. He should perhaps refer to Mr Wells's press release of 4 June 2008, where Mr Wells says it is evidence of growth of the Victorian economy, and Mr Wells's press release of 4 September 2007.

To cut to the chase — and this really sums it all up — we have a measure by the ABS which shows that Victoria had stronger growth than any other state or territory, and what does the opposition do? It ignores that and tries to get into an esoteric argument over definitions. What state final demand shows is that if we take out inventories and trade, Victoria had stronger growth — which means jobs, which means better opportunities for people — than any other state or territory in Australia. It had stronger growth, including, I might add, a fairly strong growth in the health sector, which David Davis does not ask about and has not asked about since the Council of Australian Governments meeting. Opposition members spend all their time focusing on talking down the state rather than acknowledging that state final demand in this state as a sign of growth in every area other than trade and inventories was stronger than in any other state or territory.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I note that the Treasurer, when asked health questions, does not want to release business cases. Yes, state final demand and gross state product are very different, as

indicated by the 2 per cent rise in state final demand in 2008–09 — 143 per cent above economic growth in the year of 0.8 per cent. I therefore ask: will the Treasurer now withdraw his misleading statements made about the last two quarterly national accounts releases equating the increase in state final demand with economic growth, or is he going to stick to his Keating moment and continue to deceive?

The PRESIDENT — Order! ‘Keating moment’, ‘deceive’ et cetera are not appropriate, and I ask Mr Davis to rephrase that supplementary question.

Mr D. DAVIS — I ask: will the Treasurer withdraw his misleading statements through which he has intended to mislead the Victorian people?

Mr LENDERS (Treasurer) — I would invite Mr David Davis to spend the entire next parliamentary Wednesday discussing economic statistics with me in this house. I commit to him that I will devote the entire day, from start to finish, to having a discussion with him on economic statistics. I am quite happy to have that discussion with him.

What I will say to Mr David Davis, who even misread the lines given to him by Kim Wells, is that this state has grown, as measured by gross state product, as measured by state final demand, as measured by employment figures, as measured by housing starts, as measured by growth in the health system or as measured by any measure he chooses to use. I will have a debate with him on any of those.

What Mr Davis does, as he always does when Kim Wells puts him up to it, is talk down the state of Victoria. They not only start a run on Members Equity Bank, they are now talking down the state of Victoria. I welcome a discussion with Mr Davis on economic statistics any day of the week because these things make this state a better place. These jobs, this growth and this construction make this state a better place to live, work and raise a family.

Manufacturing sector: government initiatives

Mr MURPHY (Northern Metropolitan) — My question is to the Treasurer, John Lenders. Can the Treasurer update the house on the recent performance of Victoria’s manufacturing sector in the context of the recovery from the effects of the global financial crisis?

Mr Finn interjected.

The PRESIDENT — Order! Mr Finn’s constant reference in this house to electorate office staff has now worn a bit thin. He needs to be cognisant of that fact. I

do not think it is appropriate for any member in this chamber to constantly refer, particularly in a detrimental way, to any staff member.

Mr Finn — On a point of order, President — —

The PRESIDENT — Order! What is the point of order?

Honourable members interjecting.

Mr LENDERS (Treasurer) — I thank Mr Murphy for his interest in jobs and his question about manufacturing in Victoria. The Australian Industry Group’s performance of manufacturing index survey for May was released on 1 June. What it shows is that for two months in a row now there has been a net positive in manufacturing growth. I say to Mr Murphy that they are very positive statistics.

If we look at manufacturing growth and Victoria, we see that the opposition does not talk about the 300 Boeing jobs in manufacturing that just came to Victoria; it is mute on that. In fact the opposition leader just spoke in the Assembly on an appropriation bill and yet again did not mention the word ‘jobs’.

What I would also say to Mr Murphy is that it is not just in manufacturing but across the board. Today the Australian Bureau of Statistics released its job figures for the period ending 31 May. What have we seen in Victoria in the last year? I informed the house earlier this week that we had 109 700 jobs created. I inadvertently misinformed the house, because the new figures from the ABS now show that we have had 113 900 jobs created in Victoria in the last year, of which 70 per cent were full time.

In the month of May 27 000 new jobs were created in Australia, of which 12 800 were created in the state of Victoria. Victoria remains the engine room of the nation in job generation. I am delighted that we have that engine room of the nation and this growth in the economy, reflected by economic measures. These jobs — for individual Victorians, for individual families — are what helps make this state a better place to live, work and raise a family. It is something that we as a Labor government are extremely proud about — more jobs for more Victorian families.

Department of Sustainability and Environment: planning permits

Mr BARBER (Northern Metropolitan) — My question is for the Minister for Environment and Climate Change, Mr Jennings. I am not sure if the minister is aware of a recent Victorian Civil and

Administrative Tribunal ruling where a proposal for subdivision of a bush block on Buttermans Track behind St Andrews was refused. The block of land is very close to but not actually sharing a border with the Kinglake National Park. One of the findings of the VCAT decision was that the provisions of the environmental significance overlay actually contradict the provisions of the wildfire management overlay. The VCAT members also noted that the Department of Sustainability and Environment, while being the referral authority for native vegetation protection, did not provide input to the council's original decision. Can the minister tell me what the policy is for DSE's participation in such planning permit applications?

Mr JENNINGS (Minister for Environment and Climate Change) — In fact I have not received specific advice on the example that Mr Barber has referred to. I will be pretty keen to get a briefing on that matter and share the general principles that relate to the appropriate consideration of DSE officers in planning and referral matters in making sure that we acquit our responsibilities in terms of understanding what the values might be which we are obliged to if not protect then certainly comment on to ensure that there are balanced planning decisions.

Within the general framing of the question, it is a matter the department would under normal circumstances have a view on. The department quite often exercises its view in planning considerations. On this occasion, in relation to the referral Mr Barber refers to, I cannot speculate on that particular case and those particular proceedings without receiving some advice. I am very happy to receive that advice and to share what I know about that particular case and also more broadly on the general issue of what might be the appropriate role for DSE considerations in any subsequent matters that might arise.

Supplementary question

Mr BARBER (Northern Metropolitan) — I thank the minister. I would appreciate it if he were able to give me that information and tell me what proportion of the matters referred to it DSE does in fact end up commenting on in relation to planning permits. But given that the minister raised the fact that DSE needs to form a view on each individual proposal, and also in relation to the environmental significance overlay and how it operates, can the minister tell me if any work is being done to develop what might be an alternative view, given that we know the royal commission is going to address this matter specifically? At the current time is the minister seeking any advice or is DSE doing

any work on how it might reinterpret — or indeed re-imagine — the environmental significance overlay?

Mr JENNINGS (Minister for Environment and Climate Change) — A great degree of work actually took place within DSE and other relevant departmental agencies following the February 2009 fires, and indeed not only was there a lot of consideration about the coincidence of overlays, the effectiveness of overlays and their effective implementation in terms of planning decisions, there was also a lot of reflection and consideration at that time that actually underpinned some of the planning decisions my colleague the Minister for Planning, Mr Madden, was responsible for announcing, and some of those matters have already been shared with the general community.

As Mr Barber has indicated, the royal commission has taken some evidence on these matters. I am not certain about either the total breadth of the commission's considerations or the recommendations that it may have wanted to pursue from that evidence, but I would anticipate that at least some commentary, if not recommendations, will come out of the royal commission. Because of the fact that the government is particularly mindful of the scope of the ultimate considerations of the royal commission, it does not want to pre-empt it.

Mr Barber — You pre-empted it with 10/30, but you won't pre-empt it now.

Mr JENNINGS — The issue is that in terms of ongoing planning considerations we are happy to take the commission's recommendations into account before any further planning amendments would be made — which is the approach we have adopted in relation to the 10/30 rule. Indeed, we have actually said we will reflect on the recommendations and considerations of the commission in the review of effectiveness of that interim measure, which was identified as an interim measure.

Maritime heritage: preservation

Mr LEANE (Eastern Metropolitan) — My question is to the Minister for Planning, Justin Madden, and it relates to something that is obviously very important, and that is the protection of Victoria's heritage assets. I ask the minister to update the house on recent initiatives undertaken by the Brumby Labor government to record the preservation of our maritime heritage.

Hon. J. M. MADDEN (Minister for Planning) — This matter is of interest not only to Mr Leane; I am sure it will interest you, President, given your history

and maritime experience as well. I expect everyone in the chamber here would respect the fact that you have a great interest in maritime heritage, President.

Can I just reinforce that we as a government have made a significant investment in protecting Victoria's very important heritage assets, and particularly its maritime heritage. Victorian maritime heritage assets are not necessarily something that people can readily view in the water. I had the great pleasure last week of launching a new website that contains a historic catalogue of more than 2000 slides of Victoria's great maritime heritage — that is, Victoria's famous protected shipwrecks. But I note that among all those slides of shipwrecks there was not one slide of the Liberal and National parties in coalition! The website contains a very important record of the state's underwater heritage. These shipwrecks are buried beneath the sea, and what people may not fully realise is that — like the opposition parties — they are no-go zones. They are no-go zones due to their location and the need to ensure public safety and heritage preservation.

There is now a chance for people to go online and take a virtual tour of the underwater maritime heritage. An enormous amount of work has been done by volunteers, particularly by volunteers from the diving fraternity, who have catalogued and done all the necessary work. These slides contain over 30 years of documentation and reflect the changing conditions that these maritime relics — not unlike the opposition! — have had to undergo. People may not be aware that over 600 ships are known to have foundered in Victorian waters, and the earliest of those dates back to 1835, but only 239 have been found and surveyed through the increased scuba diving activity since the 1960s and 1970s.

The great thing is that these photographs not only recognise the heritage but actually give the community a greater chance to view images of these shipwrecks, particularly the *City of Launceston*, the *Clarence* and the *Clonmell*, which are wrecks that people may not readily or necessarily get a chance to view.

Another great example of technology being used to assist in this heritage preservation work is the *City of Launceston*, which is the first shipwreck in the country to have been fully fitted with anodes to help halt corrosion. Over the past three years these anodes have decreased the rate of corrosion of the *City of Launceston* by nearly 80 per cent. It is just a shame that we cannot put similar anodes on the opposition from time to time!

This is a proud moment in maritime history. It is a great example of where the state is protecting its heritage and also of the enormous work of volunteers, particularly those from the diving fraternity, who have been and continue to be very active in not only documenting but also preserving these wrecks. It is important that people in the broader Victorian community get a chance not only to recognise the state's maritime heritage and history but also to be actively involved in the continued heritage protection of these wrecks.

Economy: performance

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I address my question to the Treasurer. I refer to the Treasurer's response to Mr David Davis earlier in question time in which he indicated that Victoria recorded the strongest growth in state final demand in the year to March 2010 of any state and territory. I ask: will the Treasurer confirm that, notwithstanding the one-year figure he referred to, over the 10-year life of this government Victoria has recorded the weakest growth in state final demand of any state and territory except New South Wales?

Mr LENDERS (Treasurer) — It is like watching the gymnastics. You have a figure today from the Australian Bureau of Statistics showing job growth — —

Mr D. Davis — Simple.

Mr LENDERS — Simple questioner! I do not mean Mr Rich-Phillips, who actually has some economic literacy. You have today the profound figure that shows that a further 27 000 jobs were created in the month of May, 12 800 in the state of Victoria, which has 24.9 per cent of the population. So we have a figure that shows that real families in real communities are having members getting real jobs, 70 per cent of which are full time. We have come through a global financial crisis where this state's employment, this state's state final demand and this state's economic growth have been stronger than those of other states. Victoria has been stronger than the rest of the country because of the actions of this government taking it through a global financial crisis. And Mr Rich-Phillips seeks to do gymnastics and to again talk down the state.

It is interesting to listen to what he is saying. He asked, 'Are your figures the worst of anywhere other than New South Wales over a 10-year period?'. We all know that economies are like aircraft carriers — it takes a while to undo the work of your predecessor when it is moving forward. It takes a while to undo the work of the predecessor.

Honourable members interjecting.

Mr LENDERS — It is interesting; those opposite laugh and make orangutans look modest by the chattering they do — —

Honourable members interjecting.

The PRESIDENT — Order! I am sure Hansard is struggling as much as I am.

Mr LENDERS — Just pause for one moment on what is one of the strongest parts of our job growth, which is financial services. We have rolled up our sleeves, we have done the hard work, we have seen growth in this sector until it is now the largest part of our economy. Mr Rich-Phillips talked about figures for the last decade. In 1998 what did Jeff Kennett say about financial services? ‘It is all a bit hard; let it go to Sydney.’ I will focus on the now, on the reality that today the Australian Bureau of Statistics showed record job growth in Victoria compared to the rest of the country — 13 000 jobs, 70 per cent of them full time. Mr Rich-Phillips is dwelling in the last millennium.

Supplementary question

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I thank the Treasurer for his answer. Given that the Treasurer wants to focus on today and wants to focus on the job statistics released by the Australian Bureau of Statistics today, can the Treasurer confirm that today’s ABS figures show the unemployment rate in Victoria increased for May?

Mr LENDERS (Treasurer) — Yet again the Nadia Comaneci score! So what does Mr Rich-Phillips do? We have a figure of 12 800 more Victorians, net, with jobs this month than last month. Does Mr Rich-Phillips celebrate that 12 800 more Victorians have jobs? Can he celebrate? Does he celebrate? No. All he can do is try to talk down the state of Victoria. He knows that workforce participation is based on confidence, as he knows a range of other issues are, but he cannot bring himself to acknowledge that 12 800 Victorians who did not have jobs last month have them now. That is higher than anywhere else in the country, and it is a good outcome for Victoria. I say to Mr Rich-Phillips: shame!

Film industry: government initiatives

Mr VINEY (Eastern Victoria) — My question is to the Minister for Innovation, Gavin Jennings. Can the minister outline — —

Honourable members interjecting.

Mr VINEY — Mr Guy is obviously obsessed about Kevin07 stickers. Maybe he’d like to explain giving this sticker to me — ‘Joh for PM’. That’s what he gave me!

The PRESIDENT — Order! Mr Viney knows it is inappropriate to display stickers or advertisements or whatever. I do not appreciate it coming from him. Especially as whip, he should know better.

Mr VINEY — My question is to the Minister for Innovation, Gavin Jennings. Can the minister outline to the house how the Brumby Labor government’s support for the Victorian screen industry is resulting in great film projects that audiences are embracing and that also contribute to the strength of our economy?

Mr JENNINGS (Minister for Innovation) — It is almost a struggle to get through the morass on display here in question time today, but I am happy to try to work my way to the microphone to assume my responsibility of reporting some great new stories from the Victorian film industry. It is not just because last Saturday night I took my son to the pictures, because in fact that is not necessarily newsworthy, but we did actually see a great Victorian film, *Animal Kingdom*, which was directed by David Michôd, who is a graduate of the Melbourne film school. This is a local film production that has won an award at the Sundance Film Festival. In fact it has already had market openings in the United States, in the UK, in France and in Italy.

Mrs Coote — We can watch the movie show on the ABC; we don’t need to listen to you.

Mr JENNINGS — I’m pleased, Margaret, that in fact you actually draw attention to your own show. All your side is lacking is a David Stratton; there is no doubt about that. I am glad they are trying to make themselves part of this story, because the film we are talking about is *Animal Kingdom*. The good news is that that film, which has only been open for a week, has already taken \$720 000. The session I attended was full. It is part of a trilogy of Victorian-based films that are currently on display in our cinemas. We have quite a trifecta of Victorian-based films at cinemas at the moment. *Animal Kingdom* has taken \$720 000, *I Love You Too* has taken \$2.3 million and *Wog Boy 2* has actually taken \$4.1 million and is close to getting into the Australian top 50 grossing films of all time. They are three films running concurrently. They had taken \$7.1 million at the box office up until Monday of this week, with more to come.

We have got great film activity taking place in Melbourne at the moment: *The Killer Elite* is being made and *The Cup* is being made by Simon Wincer — that is a great Melbourne story being told that will find an audience around the world. And *The Eye of the Storm*, which is a very famous Australian story, is also actually being made in Melbourne at this moment.

In the last financial year we had more than \$172 million worth of activity in the film industry in Victoria. It is very important for job growth, for opportunities, for economic activity and to tell Victorian stories to the world. These films are extremely successful. They are finding audiences here and around the world. We can be very proud of the capability of our film sector and of the support that has been provided by Film Victoria to the projects I have mentioned to make them happen in Victoria.

Rail: new stations

Mr O'DONOHUE (Eastern Victoria) — My question is to the Minister for Public Transport, Minister Pakula. The government's 2006 transport document *Meeting Our Transport Challenges* promised \$60 million for three new railway stations at an average cost of \$20 million each. On Sunday Premier Brumby said the Coolaroo station was built at a cost of \$36 million and was constructed within 12 months. The government's 2008 transport plan identified the same three stations as *Meeting Our Transport Challenges* plus one additional station as costing \$220 million, or \$55 million each. The cost has blown out from an average of \$20 million in 2006 to \$36 million today to an extraordinary \$55 million per station for those listed in the transport plan. I therefore ask the minister to explain this massive and extraordinary cost blow-out.

Hon. M. P. PAKULA (Minister for Public Transport) — It would be good if Mr O'Donohue had gotten his facts and figures right for starters. The fact is that the Coolaroo station was costed at \$36 million and came in on time and under budget, so there was no blow-out at all. In regard to the four stations in growth areas, there has been funding allocated between two budgets — last year's budget and this year's budget — of \$188 million or so, not \$220 million.

Mr O'Donohue interjected.

Hon. M. P. PAKULA — I am telling you what is in the budget, Mr O'Donohue. In the two budgets, last year's and this year's, there is \$188 million for the four stations.

The party opposite is the party that, in the transport document it took to the last election, costed the South Morang extension at \$12 million — \$12 million for an extension to South Morang including new stations, grade separations and the extended railway line.

As the new stations in growth areas are designed, you go through issues about their scope and about what you are going to provide. You go through all the facilities you provide for the public, which I outlined in the house the other day — disability access, new platforms, closed-circuit television, lighting and all the amenities you would expect at a modern station. Only the Liberal Party would imagine that new train stations to serve the communities of Caroline Springs, Pakenham, Lynbrook and Williams Landing — stations that are fully budgeted for over two successive state budgets — could possibly be bad news.

Supplementary question

Mr O'DONOHUE (Eastern Victoria) — Construction of the Williams Landing, Lyndhurst, Cardinia Road and Caroline Springs stations is due to commence this year but will take until 2012–13 to be completed.

Mr Lenders — A great supplementary, isn't it?

Mr O'DONOHUE — It is a great supplementary question, Treasurer; thank you for the compliment. Given that it took 12 months to construct the Coolaroo station, why will it take so long to complete these four stations?

Hon. M. P. PAKULA (Minister for Public Transport) — This is an extraordinary question from Mr O'Donohue. His is the party that comes in here and cries foul whenever Mr Madden, Mr Jennings or any other minister intervenes to fast-track programs. It cries foul about local communities not being consulted and about environment effects statements (EES) not being carried out. Mr O'Donohue should know that when you are constructing new stations a range of processes need to be gone through. Sometimes they are land acquisition processes and sometimes they are EES processes, and then there is the process of construction itself. All those things need to be taken into consideration, and they are part of the timetable. There is a difference between building one station at one time and building four new stations in growth areas. The timetable is a very rational, very reasonable and very appropriate one. These stations will be built on time and on budget, just like Coolaroo.

Rail: freight initiatives

Ms DARVENIZA (Northern Victoria) — My question is to the Minister for Public Transport, Martin Pakula. I ask the minister to update the house on what the Brumby Labor government is doing to support the Victorian rail freight industry.

Hon. M. P. PAKULA (Minister for Public Transport) — I thank Ms Darveniza for the question. As a government, unlike those opposite, we have consistently demonstrated our commitment to the Victorian rail freight industry.

Mr Guy interjected.

Hon. M. P. PAKULA — I would have thought that members opposite would be interested to hear this, particularly those members who represent Northern Victoria Region and members of The Nationals. In recent months I have had a range of representations from organisations such as the Victorian Farmers Federation and the Rail Freight Alliance, including Cr Vernon Knight, and intermodal operators like Ken Wakefield at Merbein, all of whom have encouraged the government to continue the rail freight support that we introduced in 2008.

It is with pleasure that I inform the house that a couple of days ago I announced that we would be extending the rebate for container freight and providing additional support for grain freight movements for another 12 months from 1 July this year.

Ms Lovell interjected.

Hon. M. P. PAKULA — I would not be interjecting if I were you, Ms Lovell, given what the previous government did to almost single-handedly destroy the rail freight sector in this state, particularly through its ill-conceived contract when it privatised the network.

As members might know, in 2008 we introduced a \$21.4 million rail freight support package. That provided a temporary rebate for bulk grain and container freight being carried on rail services from Warrnambool, Shepparton-Tocumwal, Horsham and Mildura. That rebate will again be offered to the multi-user intermodal terminals at those locations at Warrnambool, Horsham, Shepparton and Mildura. That is to encourage further rail freight growth to provide a boost to export container freight. The new pricing arrangements will simplify administration for bulk grain trains and extend the current favourable arrangements for low rail access fees.

The price for grain access to the V/Line network will be reduced by the amount of the rebate and the rebate will be discountable, so the overall cost for use of the network will remain the same. The access price for non-grain trains will not be reduced, but the rebate system will be extended for another 12 months.

We have shown our commitment to helping the rail freight sector remain competitive with road freight. We want to help keep trucks off local roads. We want to minimise the environmental impact of freight movement. The grain harvest will be around 6 million tonnes — a 60 per cent increase on last year and the highest since 2003–04. Around 70 per cent of the export grain harvest is going to be transported by rail this year, and that will be possible because of the upgrades we have made to the gold and silver freight lines in particular.

Thanks to the rebate packages and the upgrade of those lines, the grain industry has committed to investing in the construction of rolling stock, there are contractual commitments to the use of rail and intermodal terminals will be allowed to keep operating. The extension of the package is designed to help secure the future of the rail freight industry to maintain local amenity and minimise the impact of freight on the environment.

Royal Children’s Hospital: industrial dispute

Mr DALLA-RIVA (Eastern Metropolitan) — My question without notice is to the Minister for Industrial Relations. The ongoing industrial dispute at the Royal Children’s Hospital is another in a long list of disputes at state government project sites, which includes disputes at the West Gate Bridge and the Epping fruit and vegetable market site. Can the minister confirm whether he personally or his staff have contacted either the CFMEU (Construction, Forestry, Mining and Energy Union) or Bovis Lend Lease in an effort to assist in the reconciliation of the parties’ differences on the hospital work site, and if so, what was the outcome of that contact?

Hon. M. P. PAKULA (Minister for Industrial Relations) — I think what Mr Dalla-Riva was referring to is a newspaper article last week reporting that there had been an allegation made by an official or officials and some members of the CFMEU in regard to what they described as bullying by their employer. That was the assertion that was made. There was an industrial disruption, which, as I understand it, continued for some time less than 24 hours. The parties to the dispute, the CFMEU and Bovis Lend Lease, came together quickly to discuss those issues and resolved them, as I understand it. We, of course, kept ourselves informed

of that. They came together and had constructive discussions, and I am advised that that matter was resolved in less than 24 hours.

Supplementary question

Mr DALLA-RIVA (Eastern Metropolitan) — The minister was informed of it, and I gather he had some contact with the relevant parties, so can he perhaps explain to the house what that contact was, what the discussions involved and exactly what were the outcomes that he was informed of, as he referred to in his previous response?

Hon. M. P. PAKULA (Minister for Industrial Relations) — As I have indicated, it would be an extraordinary proposition if, in an industrial disagreement between an organisation and a private sector employer such as Bovis Lend Lease, the minister were to become involved at either the state or federal level in the first 24 hours of any dispute between a private sector union and a private sector employer.

Mr Dalla-Riva — What do you do?

Hon. M. P. PAKULA — Mr Dalla-Riva asked me what I do. Let me remind the house that Mr Dalla-Riva is the shadow minister for industry and state development in a party room that includes a shadow minister for manufacturing, a shadow minister for exports and trade and a shadow minister for aviation industry. What does Mr Dalla-Riva do?

Mr D. Davis — On a point of order, President, the minister well knows that his task is to answer the question, not to attack the opposition as a cover for his lack of activity as a minister.

The PRESIDENT — Order! The minister is, unfortunately, responding to the interjection from Mr Dalla-Riva. It is bit rich to say that he ought not be criticising the opposition when he was simply replying to the interjection by Mr Dalla-Riva. Maybe we ought to consider how much we interject. But I remind the minister that he ought to be answering the question and that his answer ought to be relevant to that question.

Hon. M. P. PAKULA — There was an industrial disagreement between a private employer and the union representing the workers on that site. I am advised that the parties, as is appropriate, came together and resolved that disagreement in less than 24 hours.

Education: international students

Mr HALL (Eastern Victoria) — My question without notice today is directed to the Treasurer.

International education contributes \$4 billion to the Victorian economy and is Victoria's biggest export income earner. Recent changes by the Rudd federal government to the skilled occupation list are set to compound declining enrolments of overseas students, and, according to modelling by Access Economics, could cost the Victorian economy over \$1 billion in exports and in excess of 10 000 jobs. I ask the Treasurer: what action is the Brumby government taking in response to this matter?

Mr LENDERS (Treasurer) — I thank Mr Hall for his question. I will in good faith answer it in macro terms as Treasurer, even though in many ways it is actually a question for my colleague Mr Pakula representing the Minister for Skills and Workforce Participation.

In terms of overseas students let us consider firstly that there was a strong community debate about the appropriateness of some of the courses, and there were calls from the opposition and the community for stronger regulation of some of those parts of the industry which are colloquially referred to as the 'dodgy providers'. Whether it be in the Victorian sphere or in the national sphere, there was a fairly structured and systemic approach to checking on registration and the bona fides of these organisations. If those non-bona fide organisations are being cleaned up, there will be consequences. Let us put that clearly on the record. This government does not shy away, nor does the national government shy away — not that I am its spokesperson — from cleaning up the unsavoury parts of an industry.

We are obviously concerned about what that will do for jobs. Educational exports are clearly an extraordinarily large part of the success story of this state and a large part of the figures I was quoting before — many of the 113 000 jobs are in the educational export sector.

What I can certainly say to Mr Hall is that from the data I have seen, while the number of students has declined over the last year and the source of the students has moved, partly from India to China — in a number of places the numbers have declined — part of the story on India is the fact that our dollar has appreciated against the rupee by 31 per cent over the last several years. That is a significant part of what this is about. But the value to the economy, which I expect will ultimately be reflected in jobs in Victoria — and I am drawing a conclusion here that the value to the economy has gone up because there is growth in the higher education sector whether it be in undergraduate degrees or postgraduate degrees — is that it continues to grow strongly for Victoria.

It is interesting to note from the data that the decline in students from India has been equal across the country; it has not been centred in Victoria. That is my analysis of the data I have seen. I say to Mr Hall: we have acted on dodgy providers. There are economic consequences from that action, but the government does not in any way resilie from making the industry more efficient, more properly run and more responsive to genuine community concerns of the sort we were responding to.

Supplementary question

Mr HALL (Eastern Victoria) — In response to the minister's answer, I point out to the minister that enrolments in higher education by overseas students have fallen by 12 per cent this year and enrolments in vocational education have fallen by 15 per cent this year, so there will be a significant impact on the Victorian economy, about which the Treasurer should be concerned. I therefore ask the Treasurer whether he will at least acknowledge that there is an issue and commit the government to work with the industry to try to resolve any negative impact this may have on the Victorian economy and jobs.

Mr LENDERS (Treasurer) — Unequivocally. But what I also say to Mr Hall — and I ask for his support on this — is that in February I went to India for five days and met with 72 Indian businesses, and it was all about maintaining jobs. In a week's time my colleague Ms Allan, the Minister Regional and Rural Development, will put on the Department of Innovation, Industry and Regional Development website the fact that I travelled to India and it cost money. My colleague Ms Pike, the Minister for Education, was in India on a similar mission just last week. I say to Mr Hall: if the coalition has any bona fides on this — and I see Mr Hall as an honourable man — it ought to reflect that this government is acting on this. I in February and Ms Pike in June have been on missions to do exactly that — to build bridges and to build on the strength of the industry in a place where we are most vulnerable.

I say to the opposition that if it is serious about this, it should back us up and not score cheap political points and say that ministers should not travel. We have the mealy-mouthed response from Mr David Davis of 'Travel is good if it is a good thing, but', so that is a challenge for the opposition. If Mr Hall can constrain Mr David Davis to be constructive, I will say he has been the most effective member of the shadow cabinet in 10 years.

The PRESIDENT — Order! Now is an appropriate time for us to break for lunch.

Mr Finn — On a point of order, President, I refer to your directive to me during question time not to refer to a certain individual. By way of clarification, could the Chair explain to me and to the house where it may be found in standing orders, sessional orders, *May's Parliamentary Practice* or any other reference there may be that the presiding officer has the authority to direct a member not to refer to a certain individual?

The PRESIDENT — Order! On the point of order, Mr Finn is correct in saying that there is nothing in the standing orders that prevents Mr Finn from attacking a worker at any time he sees fit. If Mr Finn chooses to attack a worker from the office of any member of this chamber, it is on his head. My natural inclination, with my background, is to defend workers whenever and wherever. Mr Finn is entitled, as he said, to do just as he says. That individual is not protected by privilege, and she has the right, as does any worker, to respond by way of application to the Clerk for a right of reply.

As I said at the start, it is my view and not my ruling. I did not use standing orders and I did not ask Mr Finn to withdraw, but my view is, particularly having heard the comments from members on his side this very morning about the standards and dignity we expect from members of this house, that Mr Finn's comments were inconsistent. Mr Finn made his comment by way of interjection. If Mr Finn wants to do it, he should do it formally on the record. If Mr Finn does it by interjection, I will use standing orders to deal with it. However, in terms of Mr Finn's point of order, he is correct. If Mr Finn wants to attack workers in any form or manner, he should go right ahead.

We will now break for lunch.

Honourable members interjecting.

The PRESIDENT — Order! I have finished my ruling.

Mr Finn — On the point of order, President — —

The PRESIDENT — Order! There is nothing further. It has been dealt with. We will now break for lunch. I will resume the chair at 2.00 p.m.

Sitting suspended 12.52 p.m. until 2.04 p.m.

Mr D. Davis — On a point of order, President, at the end of question time you made what appeared to be a ruling. I stand corrected if that was not what you did, but as I understood it at that point you made a ruling about references to staffers, perhaps by way of interjection. It seems to me that this is a new or novel ruling. Perhaps my understanding of these positions

over the long term is somewhat different, and I ask if you might over time reflect on that with the benefit of *May's Parliamentary Practice* and other authorities to see whether we are in the right territory or whether some further clarification may be required.

The PRESIDENT — Order! In response to Mr Davis's point of order, I did not make a ruling; I simply offered a view and an opinion. I do not have anything to reflect on. Given that, I do not suspect that Mr Davis asking for a point of order to be upheld or not upheld. For clarification, I think I made it very clear that members are entitled to attack, for want of a better term, staff members, workers or anyone else outside this chamber other than the judiciary or those who are protected, but they do so in the context of a speech, a 90-second statement or by way of a substantive motion. I will not accept anyone being attacked by way of interjection. I will rule that as disorderly and inconsistent with the rules of this house.

Mr Finn — On a point of order, President, twice now — once during question time, and once in response to my point of order prior to the luncheon break — you have accused me of attacking an employee of this Parliament via interjection. That accusation, allegation — call it what you will — is false, in that at no time during the course of debate today did I attack a member of the staff of any member of Parliament via interjection or any other way.

The PRESIDENT — Order! What is Mr Finn's point of order?

Mr Finn — The comments that you made to me I find personally offensive. I regard them as a slur on my name, and I ask you to withdraw.

The PRESIDENT — Order! Mr Finn does not have the capacity via a point of order to ask me to withdraw. I accept the fact that he may well be offended, but it is my view that he did attack. It is subjective, but it is my view that he did, and I stand by what I said earlier.

Mr Finn — On a point of order, President — —

The PRESIDENT — Order! I am not going to enter into a debate with Mr Finn.

Mr Finn — On a point of order, President, my comments were, 'How's Nat? Has she got your jacket?', in reference to the fact that Mr Murphy did not have his jacket on. Is that an attack? How can that be an attack on anybody? It is a nonsense.

The PRESIDENT — Order! As I said at the start of this, before question time or this morning, Mr Finn has

consistently referred to Mr Murphy's electorate officer with varying degrees of derision.

Mr Guy interjected.

Honourable members interjecting.

The PRESIDENT — Order! I remind Mr Guy that I am on my feet. I will be consistent in this.

Mr Dalla-Riva interjected.

Business interrupted.

SUSPENSION OF MEMBER

Mr Dalla-Riva

The PRESIDENT — Order! I advise Mr Dalla-Riva that talking whilst I am on my feet is totally unacceptable. I ask him to remove himself from the chamber for 30 minutes.

Mr Dalla-Riva interjected.

The PRESIDENT — Order! Mr Dalla-Riva, please resume your seat! Mr Dalla-Riva, it is totally disrespectful for you to make snide remarks or comments when exiting the chamber in such circumstances. I ask you to withdraw them.

Mr Dalla-Riva — I withdraw.

The PRESIDENT — Order! Thank you.

Mr Dalla-Riva withdrew from chamber.

Business resumed.

The PRESIDENT — Order! Mr Finn may want to defend himself now, and he is entitled to do that, as is Ms Suleyman by way of seeking a right of reply. I see no reason to withdraw anything I have said, and I do not.

Mr Finn — On a point of order, President, we have in this house a certain standard. I accept that and I think every member of this house accepts that. Are you suggesting that comments such as 'How's Nat?' and 'Did she pinch your jacket?' are unparliamentary? Is that an unparliamentary question or an unparliamentary comment? Is that your new ruling? Is that the new standard that we must now abide by in this chamber?

The PRESIDENT — Order! I am no longer going to entertain discussion on this matter.

Honourable members interjecting.

PARKS AND CROWN LAND LEGISLATION (MOUNT BUFFALO) BILL

Second reading

Debate resumed.

Ms BROAD (Northern Victoria) — I rise to speak in support of the Parks and Crown Land Legislation (Mount Buffalo) Bill. This is a bill to amend the National Parks Act 1975 to extend the maximum lease term for land in the Mount Buffalo National Park, including extending the maximum lease term for the Mount Buffalo Chalet, Cresta Valley and Dingo Dell sites within the park. It is also a bill to amend the National Parks Act and the Crown Land (Reserves) Act to make further provision for certain parks and reserves and for fishing offences in marine national parks and marine sanctuaries. It revokes certain permanent reservations and makes minor amendments to other acts. I note that this bill adds approximately 820 hectares to several existing parks and reserves, which is a substantial amount of land.

As we know, the centenary of the Mount Buffalo Chalet, which is very prominent in this bill and in the contributions that have been made to the house to date, was celebrated this year, and as one of the members in this chamber for the Northern Victorian Region I thought it was tremendous to see so many people involved in celebrating that centenary, ranging from former staff and employees to people who have visited the chalet over a long period of time. They have included not only my constituents in northern Victoria but also people from across Victoria and Australia as well as international visitors who hold this icon in great esteem.

There is no doubt that there are many people who have very fond memories of their time staying at the chalet. How do I know this? I am one of those people; I have spent time in the past at the chalet, and in my capacity as a member for the Northern Victorian Region many people have raised with me issues around securing a sustainable future for the chalet, given its unique context in terms of its location within a national park. Of course it is on the Victorian Heritage Register and is also one of the features identified in the listing of Mount Buffalo National Park on the commonwealth National Heritage List as part of the Australian Alps National Parks.

There has been a very lengthy consultation process in order to identify and secure a sustainable future for the chalet. That process has involved a range of advisory groups and committees as well as experts from within

Parks Victoria, Department of Sustainability and Environment and across government with the aim of securing the chalet's future. This has been a very difficult process, as we know, following the fires in December 2006.

The chalet ceased trading in early 2007. That came after an earlier period in 1993 when, after a long period of being managed by a whole range of government agencies and departments, the chalet was privatised by the former government and private arrangements were put in place for its management. Clearly those arrangements did not work out for a whole range of reasons and it was then incumbent on this government, in consultation with a great many people, to design a way through those very difficult circumstances to try to ensure that in that process the people of Victoria, the taxpayers, were not landed with a very large bill in terms of the lease, which was in private hands. It was a very good outcome when the lease, after a long period of discussion, was finally handed back and the government was then able to proceed with a process which was not overshadowed by the question of the lease being held in private hands.

There has been a further process since the lease was relinquished, and we are now awaiting the assessment of a range of proposals that have been put forward as part of a tender process.

Through that period it became very clear that in order to attract suitable expressions of interest and tenders it was necessary to consider what length of time investors would need to be able to secure their investment and to expect a reasonable return on that investment. I am pleased to say that the responsible minister and the government listened very carefully to those issues throughout the very difficult circumstances and consultations, and indicated to potential investors it was willing to consider that question. That is how we have in the bill before the chamber today provisions which will allow in future, if the bill is passed, a lease term of up to 50 years, which is believed to be necessary in order to resolve the matter of a sustainable set of arrangements for the chalet.

Of course that is what the Brumby government wants to see, and as a member for Northern Victorian Region it is certainly something I want to see. I think all Victorians want to see a successful outcome that secures the future of the chalet within the context of what is a magnificent national park that is accessible to a great many people. The park has been well used over a long period. It is a very affordable place for families to visit. They can undertake a whole range of activities which generate tourism, local economic and employment benefits as

well as, hopefully in the future, wider benefits for the whole state.

In addition to those remarks about the Mount Buffalo Chalet and the national park I should indicate that there are a number of very substantial additions to parks, including a number in northern Victoria. They include the Terrick Terrick and Greater Bendigo national parks as well as additions to the Castlemaine Diggings National Heritage Park and the Kinglake National Park. I believe my colleague in the Northern Victoria Region, Kaye Darveniza, is keen to make a contribution about those additions to the parks in the region so I will leave them for her to talk about. I should note also that in addition to Northern Victoria Region other parts of Victoria also benefit through this bill. They include the Great Otway National Park, the Gippsland Lakes Coastal Park and the Otway Forest Park, all of which benefit from inclusions.

There are three areas to be excised from three existing parks under the National Parks Act: part of a runway approach path at Mallacoota aerodrome, from the Croajingolong National Park, and two areas associated with legal access to freehold land from Kinglake National Park and Beechworth Historic Park. Importantly the National Parks Advisory Council has examined and supports these small proposed excisions. In accordance with section 11 of the National Parks Act, that advice has been tabled in Parliament.

There is also a section of the bill which deals with refinements to the offence and enforcement provisions relating to marine national parks and sanctuaries. I experienced a certain sense of *deja vu* in terms of dealing with offence and enforcement provisions in marine national parks and marine sanctuaries. I think in summary perhaps the most important thing to say about these amendments is that the legislative scheme will ensure that various enforcement, legal proceedings and evidentiary provisions of the Fisheries Act also apply to fishing offences in the parks and sanctuaries committed under the National Parks Act. With that harmonisation these provisions aim to ensure that there is a common enforcement regime applying to similar offences committed under the two acts, which will make the regime even clearer than it is already to anyone who might be contemplating committing these offences.

The bill also provides for the revocation of parts of four permanent Crown land reservations, which are small areas in all instances. Again, two of these areas are in Northern Victoria Region. They involve the Shepparton Showgrounds Reserve and the Swan Hill North Park Recreation Reserve, and I will leave my colleague Kaye Darveniza to make some remarks about those.

In addition there is a small area of the permanent public purposes reserve on the shore of Corio Bay at Geelong that will be revoked to help rationalise and consolidate the status of Crown land that forms part of the proposed Geelong marine industry project. Those are the main areas of the bill I wish to draw attention to. I commend the bill to the house.

Mrs COOTE (Southern Metropolitan) — The Parks and Crown Land Legislation (Mount Buffalo) Bill 2010 has two major aspects to it: to amend the National Parks Act 1975 to extend the maximum lease term for Mount Buffalo National Park, which is actually the part of the bill I would like to speak to, and also, as other speakers have said, to amend the National Parks Act 1975 and the Crown Land (Reserves) Act 1978 to make further provision for certain parks and reserves and for fishing offences in marine national parks and marine sanctuaries.

Members have previously spoken at length about the marine parks and other aspects of parks and reserves, particularly those in and around Shepparton and the Northern Victoria Region, but I would just like to talk about the Terrick Terrick National Park. As this chamber has been told on so many occasions I was an inaugural board member of Parks Victoria, and I can remember the establishment of the Terrick Terrick National Park. It was protected grassland. There was an enormous hue and cry about why we were putting aside land so it could be used for grassland. The reality is now, all these years on, we can see just how important it is for Victoria to make certain we keep elements not only of our original forests and parks but also our grasslands for study and reflection in perpetuity.

Today I want to speak about the Mount Buffalo Chalet. The second-reading speech states:

The bill will insert new leasing (and associated licensing) provisions in the National Parks Act which will apply to the chalet, Cresta Valley and Dingo Dell. The provisions are similar to those enacted in 2009 for the quarantine station in Point Nepean National Park, another very significant heritage asset.

It goes on to say:

A lease may be granted for a term of more than 21 years and up to 50 years if, in addition to meeting the other specified requirements, the minister is satisfied that the proposed use, development, improvements or works are of a substantial nature and of a value which justifies the longer term, and the granting of the longer term lease is in the public interest.

I had a look at the Parks Victoria website, and I was interested to read about the search for a new operator. The speech continues:

The chalet was previously held under lease to Mount Buffalo Chalet Pty Ltd until 2015; however, an agreement was reached on 25 May 2009 to hand back the chalet lease to Parks Victoria. Parks Victoria has now commenced the search for a new operator with the vision and commitment required to be able to operate this unique site. This is a significant opportunity to redevelop the chalet into a world-class tourism accommodation facility. In addition to the chalet, both Cresta Valley and Dingo Dell lease sites will be made available to interested parties through a public tender process, with an expectation that year-round sustainable recreation uses will be proposed for the Cresta lease site. Parks Victoria does not consider that a viable business could operate relying solely on snow cover at Cresta Valley and this view is based on the predictions in recent CSIRO reports ...

We have listened to the speakers here today and there have been some emotive terms about what its past has been, what an icon it is and all those issues, but one of the things that jumps out about Mount Buffalo Chalet is that it is very hard to know what it actually is. Is it a guesthouse? Is it a heritage building? Is it a cultural thing? Where does it lie now and where should it go into the future? The difficulty is that it has lost its identity. I think this is why it is so difficult for us to know where it should go into the future.

Should we be looking at the chalet in light of other successful lodges around the world? For an example we have to look no further than Tasmania, where they have the excellent Cradle Mountain Lodge. It is in a worldwide heritage spot for people wanting to consider walking, trekking and understanding the local environment. Should the chalet be like the excellent lodges and facilities in New Zealand? New Zealand has become a worldwide tourist attraction for people who come to known facilities; they know the quality of the accommodation and the surrounding activities. The lodges system in New Zealand is absolutely first rate; it has a quality recognised throughout the world and people are specifically attracted to it.

What we have at Mount Buffalo is the relic of a guesthouse. There have been attempts to put in ensuite bathrooms, to modernise the heating and to do a whole range of things. It is still essentially a barn-like guesthouse, which was very suitable for the time when it was put up. It was suitable for use by the railways as well. In the 21st century we have a much more sophisticated clientele. People are expecting far more sophisticated activities, and they have an expectation of accommodation which the current building does not have.

However, if someone were intending to look at renovating this particular property, how would they go about it? They would need to do what this bill is attempting to do today. If there is to be a long-term investment, people need the surety that they have

50 years to build a business that can be viable for today, has a future and will be profitable, that they can build upon the heritage and the icon already there — but they need that time.

When I was a member of the board of Parks Victoria we had a similar issue with a number of heritage-listed properties that came under the umbrella of Parks Victoria. Point Cook Homestead was one. At that time it had been leased to one particular family. It was built by the Chirnsides while they were building Werribee Park mansion, and to my way of thinking it is a nicer building. It is very charming and it is in an excellent location, but there was a problem: what on earth could you do with something like that? Werribee Park mansion presented a major problem. It was too expensive for Parks Victoria to run and maintain as an empty museum; it needed to be a more value-added proposition, but what could be done with it? People were trying to value-add to that site. There is a farm experience at Werribee Park. Now there is what I am led to believe is a quite successful vineyard on that site as well. There is also a zoo in close proximity, and a rose garden. The mansion is very close to Melbourne.

Mr Drum interjected.

Mrs COOTE — I beg your pardon. Thank you, Mr Drum. There is also the equestrian centre. Werribee Park had a number of attractions, but there was no proper accommodation. The issue was: what to do with it? Once again, the lease had to be considered so that it could be viable for commercial operators. It was very difficult to know what to do. A consortium was put together — I believe a former Prime Minister of this country, Bob Hawke, was a member of that consortium — and its members considered converting it into a small luxury hotel, which in fact it now is. The difficulty was how to deal with the building. It was a heritage building, just like Mount Buffalo Chalet. It needed to be modernised. Consideration had to be given to what needed to happen. Was it to be completely like the Victorian mansion built by the Chirnsides at Werribee Park, or was it to be like the former seminary? When the building was owned by the Catholic church, large education blocks were put in. The windows were quite high because they did not want any of the trainee priests looking out while they were supposed to be concentrating on God. Should that seminary part be knocked down or should it be kept very pure, like the former house itself? Was the seminary part of the fabric of Werribee Park?

A specialist group of members of the board was set up to consider the best possible way to develop this site. After a lot of consultation it was decided to keep the

seminary part. Part of the charter for the development of the site as a hotel was to keep some of the cells for the priests so that people could see what it was like when it was run as a seminary. Then consideration had to be given to how the building was to be developed. Was it to be developed in a Victorian-era style, as something very modern and new, or reflective of what was currently there?

As I have said to the Minister for Environment and Climate Change once before in this chamber, an international treaty called the Burra Charter provides guidelines for heritage buildings. There are three main aspects of this charter, and you can do several things. One is that you can have a building that is totally representative of what the building is. In the case of Werribee Park, do you go back to the 1930s seminary or do you go right back to the 1850s Werribee Mansion style? Do you go to something that is sympathetic but not exactly identical? Or do you do something that is totally different? A very good example of something that is totally different is the perspex and glass triangle outside the Louvre, the Paris art gallery and museum. That is totally different. It was built by I. M. Pei and is a totally different type and style altogether from the Louvre building. The architect could not copy the building and so decided to do something that was quite different. It was extremely controversial at the time, but it does work.

When I look at what is going to happen to the Mount Buffalo Chalet, I think there needs to be an opportunity for whoever is going to be the developer to work constructively with Parks Victoria to decide and discover what is going to be the best way forward. Should it be completely renovated with a modern look? Should parts of it be kept to reflect its heritage and culture? How can it provide the best possible opportunity to attract international and interstate visitors and people from throughout Victoria to come enjoy this wonderful place?

It is important that we get it right, because we have heard a litany of examples that have failed. We need to get this right, and I think everyone who has spoken today would like to see this building renovated and given a long-term healthy opportunity to be successful so that once again it can be the icon that it once was.

I conclude by saying that I hope this bill has a speedy passage today. I understand everybody is supportive of this bill, but I hope that the next step is also responsible. I hope that proper investors can be attracted and that the government can work closely with those investors to make quite certain that this will be a success into the future and that it will regain its identity.

Ms DARVENIZA (Northern Victoria) — I am pleased to rise to make a contribution to the debate on the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010.

I will start by saying that I support the sentiments of the last opposition speaker about her hopes and aspirations for Mount Buffalo. I did not hear the early part of her contribution, so I will not say that I support all of what she said, but I share the points she made about the heritage value and iconic status of the Mount Buffalo Chalet and her desire to see it restored to something of its former glory, possibly in a new operation.

Most members of this chamber, when they have spoken about Mount Buffalo, have talked about their own experiences, or that of their families, of going up there. They may have been involved in the community in that area and understood just how important it is to the community. I learnt to ski up there, and I have to support what Ms Lovell said in that it was a terrific place to learn to ski. It had one of the smallest ski runs, which was very easy and not at all intimidating. It was great to be able to stay at the chalet and enjoy all the facilities the chalet had to offer. I know that many people who grew up in that region, like me, have a lot of good memories of bus trips up to Mount Buffalo and times in the snow. This bill is important because it is all about ensuring the necessary legislative framework is in place to make those desires for a future for the Mount Buffalo Chalet actually happen.

The Parks and Crown Land Legislation (Mount Buffalo) Bill will principally amend the National Parks Act 1975 and the Crown Land (Reserves) Act 1978 to extend the minimum lease term for the Mount Buffalo Chalet, Cresta Valley and Dingo Dell sites in the Mount Buffalo National Park from 21 years to 50 years. By doing that we hope that we will be able to attract people to take on the chalet, and it will make it a better financial proposition if they have that longer term lease.

The bill will also refine the offences and enforcement provisions applying to the marine national parks and marine sanctuaries. It will also add approximately 820 hectares to eight parks and excise approximately 70 hectares from three parks. It will also revoke four areas of permanent Crown land reservation, totalling approximately 4.7 hectares, to help facilitate projects in Geelong, Shepparton and Swan Hill. As a member for Northern Victoria Region, as well as having Shepparton as my home, I am most familiar with the Shepparton and Swan Hill projects. I know that showgrounds area very well. The bill also makes several miscellaneous amendments to land-related acts, including repealing

spent provisions and statute law revisions. It deals with a range of important issues.

As I said, the Mount Buffalo Chalet is a very significant heritage site. It has icon status; it is a real tourist asset in the Mount Buffalo National Park. It is listed on the commonwealth National Heritage List, and the chalet itself is included on the heritage register here in Victoria.

The chalet has been closed since January 2007. The most recent lease also applied to Cresta Valley and Dingo Dell; it reverted to the state in 2008–09. There is now an urgent need to find a suitable lessee that can put in some money and invest in the future of the chalet so that we are able to maintain that heritage value and keep this fantastic asset in this beautiful setting not only for Victorians to be able to enjoy but also for interstate and even overseas visitors.

The National Parks Act currently provides for a 21-year lease. Regarding potential investors, as I have already said, the 21-year term is making it difficult to find people who are prepared to invest in the chalet for that short a period of time. We think a maximum lease term of more than 21 years is going to provide much greater security for any investor and will accordingly encourage long-term investment in the chalet. That will ensure that the chalet has a real future as a significant tourist asset.

The extension of the maximum lease term is expected to deliver very significant economic as well as employment benefits for the region and the local community. The bill will provide for a 50-year maximum lease, and this is consistent with a number of other lease terms for other national parks in Victoria.

Parks Victoria is currently running a public tendering process. We are looking for suitable potential investors who are interested in leasing the site on the basis that the lease term would be up to 50 years. We are seeking people to express an interest and letting them know that the lease could be available for up to 50 years.

Along with the government and the local community we have been keen to ensure that there is a very sound future for the chalet. I know that members opposite are also keen to see that happen. We want to see a future that recognises the chalet's significant cultural heritage as well as its location in one of Victoria's oldest and best-loved national parks, together with a future that brings some of the economic development and employment benefits that come with an injection of finance into a development like this one that brings the

tourists. It will be of real benefit to those in the north-east of my electorate.

I want to talk about the additions and extensions to parks and reserves. This bill will add approximately 820 hectares to eight existing parks and reserves and excise, as I said, approximately 70 hectares from three existing parks. Approximately 790 hectares of land has been acquired through purchase, donation and surrender which will be added to the Greater Bendigo, Terrick Terrick and Kinglake national parks; the Gippsland Lakes Coastal Park; the Castlemaine Diggings National Heritage Park; and the Numurkah Natural Features Reserve. Many of those are in my electorate of Northern Victoria.

These additions include areas of high environmental significance as well as native vegetation, and they are contiguous with existing parks. We see areas of grassy woodlands and mallee vegetation being added to the Greater Bendigo National Park, high-quality box-ironbark vegetation being added to the Castlemaine Diggings National Heritage Park and remnant woodlands and vegetation to the Numurkah Natural Features Reserve. These additions will all add to the parks that already exist. The addition of nearly 30 hectares of other Crown land to the Great Otway National Park, the Otway Forest Park and the Gippsland Lakes Coastal Park will also help to consolidate those parks.

I particularly want to talk about the revocation of permanent Crown land reservations at Shepparton because they are in my electorate. That revocation of permanent reservations is of two land parcels within the Shepparton Showgrounds Reserve.

Many members who have visited Shepparton will have noticed that significant works have been done to what was a large parcel of land that was the Shepparton showgrounds. It is now very modern, although it still has the old grandstand, which has been preserved. It is used for a whole range of activities — everything from weddings to shows and exhibitions is held there. It is a great space both inside and outside. Those major renovations were undertaken by the government in partnership with the City of Greater Shepparton and the Shepparton Agricultural Society.

As well as this, SPC Ardmona has constructed a new national distribution centre at the showgrounds to centralise fruit distribution by suppliers right across the Goulburn Valley. It wants to see improvements to traffic access to the redeveloped showgrounds facility and the SPC distribution centre. The council has proposed a number of upgrades to roads which require

the use of two small areas of Crown land within the showgrounds. Currently the two areas are permanently reserved and therefore cannot be used for those roadworks and upgrades. The areas are currently reserved as permanent show yards of the pastoral society reserve and for use as show yards. This bill will remove the permanent reservations over those two areas. That will enable those areas of land to be proclaimed as road reserves and thus to be developed and used by the Greater Shepparton City Council as roads.

As I said, the government has worked in partnership with the Greater Shepparton City Council and with the agricultural society to bring about these changes to the showgrounds site. The redeveloped showgrounds were officially opened in 2007 by the then Minister for Regional and Rural Development, now the Premier, John Brumby. Business Victoria contributed \$3 million to that redevelopment through the Regional Infrastructure Development Fund. In addition to this, Minister Allan, the current Minister for Regional and Rural Development, recently announced a further RIDF grant of \$500 000 towards a new cattle pavilion at the showgrounds which will be capable of hosting exhibitions as well as world-class events.

Great things are happening at the Shepparton showgrounds. As I said, the heritage grandstand and the old gates have been preserved. It is a great-looking place, as can be seen whether you are just driving by or whether you are attending a function either inside the pavilions or outside in the grounds.

In regard to the North Park recreation reserve at Swan Hill, I was in Swan Hill recently and the mayor of Swan Hill and I took a bit of a drive by this parcel of land. He had a chat to me about some of the plans the council has for the redevelopment of this land once this bill is passed. The bill will remove the permanent public land and recreation reservation over part of that North Park recreation reserve. As I said, the Swan Hill City Council has plans. It wishes to purchase an area of Crown land within the North Park reserve and redevelop it as part of a program of rejuvenation of the Swan Hill CBD. There is a lot happening in Swan Hill and within its CBD to rejuvenate the area. I suggest if members are up that way, they should take time to swing by and have a look at some of the changes that are occurring around Swan Hill.

The sale of the site has been approved by the Department of Sustainability and Environment and is being facilitated by the Department of Treasury and Finance. The site cannot currently be sold as it is permanently reserved as a public park for recreational

purposes. The purpose of this part of the bill is to remove the permanent reservation over that section of land that is required by the council for the redevelopment and enable the negotiations for the sale of the land.

This is a good bill. It is aimed at improving our national parks. It is also looking at important redevelopment that needs to happen in a number of our regional cities and towns. It will also add to and extend some of the national parks we already have in northern Victoria and that we enjoy so much. Hopefully it will set in place a legislative framework that will allow for necessary investment in the Mount Buffalo chalet, which is something that we all want to see. It is a good bill. It deserves the support of all members of this chamber, and I wish it a speedy passage.

Mr P. DAVIS (Eastern Victoria) — I have pleasure in making a very brief contribution to this debate. Firstly, let me indicate that I think the principal proposition in this bill, which is about attracting private investment in our national parks, is a good principle. It is a policy principle which I have supported the entire time that I have been a member of Parliament. Indeed as a member of the Kennett government I supported a proposal to attract private sector investment to Tidal River at Wilsons Promontory, but notably there were some significant objections to that.

Mr Barber — Green ratbags?

Mr P. DAVIS — No. In fact I think the ratbags to whom Mr Barber refers are now sitting on the other side of the house. The Kennett government was persuaded by the weight of the opposition to that proposal, which was a collaboration between the ALP and the Victorian National Parks Association, not to proceed with what was then a very sensible policy. It was a policy which I note the Minister for Environment and Climate Change, Mr Jennings, has effectively replicated or emulated in an attempt to attract private sector capital to develop appropriate community, visitor and experience facilities in our national parks.

I have no problem with the policy proposition, but I do note the policy hypocrisy that exists. The very nature of incrementalism in public policy is that opinions change over time. Bearing in mind of course that the current minister was not a member of Parliament at that time, it would be hard for me to attribute to him personally this act of gross hypocrisy, but I can reflect upon the nature of the party he represents.

Mr Jennings — It is a collective thing.

Mr P. DAVIS — Yes, a collective responsibility, Minister, indeed. The minister can shoulder the responsibility singularly if he chooses, but I would rather share it around.

My view is that any measure that improves access to our national parks for the people of Victoria and interstate and international visitors is a very positive thing. I believe substantially in the concept and notion that public land is for the public. There are others, perhaps including some in this chamber, who do not subscribe to that view and who think public land is better preserved without the public. That is reflected, in my view, in the capacity of Parks Victoria to discharge its duty to the public, which is to provide access. I will not recite my stump speech about my view of Parks Victoria's performance or lack thereof, because I think there are other things to do this afternoon than just beat up on Parks Victoria.

I do want to congratulate the minister further; I am in a magnanimous mood today. It is unusual for me to be complimentary about a minister twice in the same speech — and there are no brickbats coming later — but this is in relation to the excise of a small portion of the Croajingalong National Park to allow for aviation safety standards to be met. It is a very necessary excision, and I welcome it. I might say that the redevelopment of the Mallacoota Aerodrome has been supported financially by both the state government and the East Gippsland Shire Council, to the tune of \$1.1 million. The state government has contributed \$791 000 of that.

It is an important development because the objective is to effectively provide a 24-hour access aerodrome. At the moment because of vegetation restrictions it is not possible for aircraft to land safely at night, and indeed it is imposing restrictions on the nature of the aircraft that can use that airport. It is an important development for both commercial and community purposes. Commercially Mallacoota is the hub of the Victorian abalone industry, and it would better facilitate moving abalone to market if abalone could be moved by aircraft from that site. It will also be of great benefit in terms of community access, particularly from an emergency and safety perspective. So I welcome that excision and I note the minister's attention to it.

However, it does beg a question to which I would like a response from the minister. I have been advised by the shire that there is a reluctance to deal with the reality that the excision is insufficient and what needs to be done is some vegetation removal. It will require some facilitation by the minister, I suspect, to actually make ready the land that will be excised by this bill so that

aircraft can in fact use that airstrip. That is a flag — one red flag. It is not a criticism of the minister; it is just a flag that there is an outstanding issue he will need to wrestle with; I am sure there will be some views about the fact that a tree might have to be lopped so that people can take off and land at an airstrip safely. I would encourage Mr Barber to think of community safety ahead of all of his other priorities. I welcome this bill and I congratulate the minister for adopting the Kennett government's policy of investing private equity in public land.

Mr SOMYUREK (South Eastern Metropolitan) — I welcome the opportunity to speak in support of the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010. My contribution today will be fairly brief. This bill secures the future of the Mount Buffalo Chalet. This heritage building, in a magnificent location, has been much loved by generations of Victorians. Parks Victoria describes the chalet in the following terms:

Uniquely situated at the top of Mount Buffalo, within the Mount Buffalo National Park, the chalet offers spectacular panoramic views across the alps, Mount Hotham and the surrounding valleys. Originally opened in 1910, this distinct heritage building comprises 96 guest rooms, grand dining room, bar, lounges and recreation areas. The property also enjoys the benefit of extensive supporting facilities, including staff accommodation, work sheds and other amenities.

The chalet is owned by the state but had been leased to a private operator. This lease was handed back early. The issues for the future viability of the chalet include updating the amenities, many of which are now outdated, securing a lease, and having the chalet operate all year round. Indeed the future of the chalet is probably dependent on all three conditions being met.

The government is supporting the future of the chalet, directing \$6.4 million of insurance money towards infrastructure; however, to draw in a decent private operator with the commitment to upgrade the amenities it may well be necessary to extend the duration of the lease. This bill actually extends the maximum duration of the lease from 21 years to 50 years.

When one thinks of Mount Buffalo Chalet, winter, snow and activities such as skiing immediately come to mind. Mount Buffalo National Park is also known for being a place of natural beauty, particularly its flora in spring and summer. Activities range from the more active rockclimbing and all-day hiking to passive recreation, such as picnics and short strolls. It will be important that a private operator is committed to operating year round and promotes these activities as well.

In addition to provisions relating to the chalet this bill also contains provisions to refine the enforcement regime associated with marine national parks and marine sanctuaries, adds approximately 820 hectares to eight parks and excises approximately 17 hectares from three parks, and also revokes four areas of permanent Crown land reservations totalling approximately 4.7 hectares to help facilitate projects at Geelong, Shepparton and Swan Hill. I look forward to future generations enjoying the use of the chalet and appreciating the beauty of the national park. I commend the bill to the house.

Mr DRUM (Northern Victoria) — I, too, will be brief in my contribution to debate on the Parks and Crown Land Legislation (Mount Buffalo) Bill. There is some concern about the amount of money that is being put into the restoration of the chalet. We understand that the government has committed to putting over \$6 million into its restoration and hopefully that will be enough to return it to its former glory. Hopefully the restoration will be done in a manner that is going to make it a very attractive proposition for a new lessee to come in and run the chalet into the future. There have been reports that a figure more like \$10 million was going to be needed — one report even said \$20 million — to actually fix up the chalet and restore it to its former glory.

In relation to the tenure of the lease, it is true that it is now going to be extended from 21 years to a maximum of 50 years, although the actual length of tenure is going to be at the discretion of the minister. None of us is quite sure where that will leave prospective lessees, given that the length of their tenure is set solely at the discretion of the minister.

We also know that in that region of Victoria there is a whole range of other lessee arrangements that have up to 99 years tenure. It will make it more attractive for people in private enterprise to become involved and invest in our alpine areas. The government has moved part of the way, but it is yet to be proven whether the government has moved in the right direction.

This bill also revokes reservations on small parcels of land in Victoria. The revocation of the reservation on an area of the foreshore of Corio Bay near Geelong will facilitate a marine industry program, and the revocation of the reservations on two small parcels of land near the Shepparton showgrounds will facilitate some roadworks to assist with the traffic flow around the showgrounds. Ms Darveniza is right; over the past 15 years an awful lot of work has been going on around the Shepparton showgrounds, with the moving of the showgrounds and the change in the traffic flow in and

around the SPC Ardmona factory and showgrounds precinct. A reservation on a small area around the North Park Recreation Reserve at Swan Hill North is revoked so that the area can be included in the development of the Swan Hill central commercial precinct.

Another aspect of the bill is the addition of more than 800 hectares of land to eight different parks and reserves around the state. The most significant are around the Terrick Terrick National Park in northern Victoria. There are also significant additions to the Greater Bendigo National Park. The concept of Villawood Properties developing its residential expansion program around the state and then surrendering land to the Kamarook section of the Greater Bendigo National Park is something that we will see a lot more of in the future. It will be a good outcome all round.

A 25-acre lot has been purchased and it will be added to the Castlemaine diggings area. That will be appreciated. It will be done in conjunction with the R. E. Ross Trust and the local Mount Alexander council.

Some areas are added to the Great Otway National Park, the Kinglake National Park, the Gippsland Lakes Coastal Park, the Numurkah Natural Features Reserve and the Otway Forest Park. Two small areas from parks at Beechworth and Kinglake will be excised, as will a substantial parcel of land at Mallacoota to assist Mr Rich-Phillips to fly into and out of Mallacoota whenever he gets the opportunity to get to that part of the state.

The main part of the bill revolves around Mount Buffalo Chalet, which is in the electorate of Dr Bill Sykes, the member for Benalla in the other place. He has spoken extensively with the local people up there, with the previous lessees and the locals. Whilst the tenure could have been longer and there are some concerns that the length of tenure will be set at the discretion of the minister, he hopes the renovation and restoration works will be attractive enough to attract the best lessee possible and that the length of tenure will make it attractive for a lessee going forward.

Mr JENNINGS (Minister for Environment and Climate Change) — In the spirit of the last couple of contributions to this debate, I will be brief in reply. Most speakers have gone through a range of additions to the national park estate across Victoria. There are some swings and roundabouts with some variations, and they have generally been supported and applauded in the members' contributions to the second-reading debate.

A couple of items in particular have drawn attention. Mr Hall raised a matter that he had previously discussed with me. He noted in his contribution that I have corresponded with Mr O'Brien, the member for Malvern in the other place, about the additions to the Greater Bendigo National Park and the Castlemaine Diggings National Heritage Park and whether members of our community, particularly those in the Prospectors and Miners Association of Victoria, will be able to get access to those additional parcels of land for prospecting purposes. As Mr Hall indicated, in correspondence with Mr O'Brien I said that we as a government are open to investigating the relative merits of that proposal and I outlined the relevant provisions of the act under which we could undertake that review. I note that of the parcels in question, two abut areas that have been previously available for prospecting purposes. There is a bit of continuity in the landscape about that level of activity within the area.

I understand the importance of this vicinity to the history of the diggings and prospecting as a heritage feature of the human engagement with the landscape. I certainly come from the perspective of being able to assess these issues on their merits. I certainly do not have a negative predisposition to it. Beyond that, I encourage all stakeholders in the community to be involved in a transparent process to assess those values and make a subsequent decision. I am happy to do that.

The other matter that I have been asked to reply to specifically was raised by Mr Philip Davis. He talked about the 71 hectares that will be excised from the Croajingolong National Park near Mallacoota to enable greater safety at the local airstrip. This decision was certainly not taken lightly in terms of ignoring the safety provisions of the airstrip and the interests of the local community more broadly in relation to that activity. I for one would be most reluctant to make it a normal practice to excise areas of national parks. I am particularly mindful of our community obligation in that matter. Consistent with the decision that has already been made and that will be enacted with the passage of this bill, I will be mindful of what may be required to give appropriate effect to the safety provisions required at the airstrip. It would not be wise to make decisions about changing the land tenure and not make some corresponding land-use decisions to enable that safety to be accounted for. That makes sense to me.

With that contribution, I thank members for their contributions to the debate. I am pleased that it will receive the support of the chamber.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

STATE TAXATION ACTS AMENDMENT BILL

Second reading

Debate resumed from 27 May; motion of Hon. J. M. MADDEN (Minister for Planning).

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I am pleased to make a few brief remarks on the State Taxation Acts Amendment Bill this afternoon. This bill gives effect to the taxation-related announcements in the budget introduced by the government last month as well as making some other housekeeping amendments to the suite of taxation legislation in the state.

I will refer to the particular initiatives in turn. The first amends the Duties Act 2000 to provide for the capacity to pay transfer duty online. It is our view that it is a sensible initiative for the development of the capacity to make online payment for land transfer duty. The provisions which amend the Duties Act to facilitate that are a worthwhile progression in the operation of the state taxation system.

The second amendment to the Duties Act relates to setting the threshold for the higher level of motor vehicle transfer duty at the same level as that which applies to the federal luxury car tax threshold. Currently there is a small discrepancy. It is less than a couple of hundred dollars between the current threshold at which the higher level of state duty applies and that at which the commonwealth luxury car tax applies. It makes sense that they be brought together and harmonised in the future if we are to have the luxury car tax in its current form.

I note that is one of the matters that was considered by the Henry tax review. It was one of the 130-odd recommendations that was ignored by the commonwealth. It recommended the abolition of the luxury car tax on the basis that it served no policy purpose other than as an envy tax. It is interesting that Ken Henry in his review noted how ineffective that tax was in the distribution of wealth, which notionally was its purpose. It is regrettable that it survived the shift to

the goods and services tax a decade ago, given that it had no policy basis. Given that it exists, it makes sense that the state's higher rate of motor car transfer duty apply at the same threshold.

Moving on to the first home owner regime under the First Home Owner Grant Act 2000, the couple of changes that are being made were the subject of budget announcements. The first extends the existing first home bonus for a further 12 months to 2011, increases that bonus for newly constructed property and additionally preserves the existing first home owner grant, which was one of the provisions under the federal-state agreement on taxation that arose when the GST was introduced.

It is interesting to see that the focus of the first home owner support payments, under their various guises, is shifting from existing dwellings to new dwellings. If those grants are to be continued, it is probably a good step, a good policy decision, that the focus be on new construction rather than existing construction. Those provisions will not be opposed by the coalition.

Some changes are made to the Land Tax Act 2005, with exemptions being introduced for a two-year period in relation to land being developed for retirement villages, residential care facilities or supported residential services facilities as a measure to promote the development of those types of facilities.

The amendments to the Payroll Tax Act are probably the headline initiative in taxation that the government announced in the budget. As I indicated with respect to the budget speech earlier in the week, it is the view of this side of the house that this government has not had a strong record on tax reform. This bill reduces the payroll tax rate by only five basis points, from 4.95 per cent to 4.9 per cent. As I indicated earlier in the week, the previous coalition government had a much stronger record in reform of the payroll tax area, cutting the rate over a seven-year period from 7 per cent to 5.75 per cent, which is a cut of 125 basis points, whereas, even with the cut that this bill facilitates, this Labor government will have reduced payroll tax by only 85 basis points in an 11-year period.

Mr Lenders — You put it up by 9 per cent when you put it onto super, by stealth.

Mr RICH-PHILLIPS — If the Treasurer wants to talk about broadening the base of payroll tax, we can talk about apprentices and a whole lot of other things that have happened to the base of payroll tax under this government. The fact is that the previous coalition

government cut the rate by a far greater margin than the current government has.

The other issue that this government has not addressed is the thresholds. Under the previous coalition government the threshold in 1999 was \$515 000; it has only been increased to \$550 000. As a consequence, in 1999 a small business could employ slightly fewer than 14 full-time-equivalent employees at the ordinary average weekly earnings as assessed by the Australian Bureau of Statistics before payroll tax was triggered. Now under the regime in place with this government, the same small business can employ only a little under 9 employees at average earnings before payroll tax is triggered. We are happy to stand on our record on payroll tax versus what this government has delivered.

The bill also makes some minor amendments to the Taxation Administration Act 1997 with respect to the commissioner's powers to release personal information. This arises from concerns expressed by the Victorian Privacy Commissioner.

The bill repeals a number of redundant acts, the Business Franchise (Tobacco) Act 1974, the Debits Tax Act 1990 and the Financial Institutions Duty Act 1982.

In all, this is merely to facilitate the initiatives announced in the budget. While the taxation measures with respect to payroll tax are not substantial and do not come up to the level achieved by the previous government, nonetheless they are an improvement and the bill will not be opposed by the coalition.

Mr BARBER (Northern Metropolitan) — I am excited that Mr Rich-Phillips has read the Henry review and has brought that issue into the debate, because I will get to respond to that in a moment. Right now I indicate that this bill does a number of things: it reduces the payroll tax by a whopping 0.05 per cent to 4.9 per cent, extends the duration and quantity of first home owner bonuses for those purchasing newly constructed properties, offers more money through a bonus grant to regional aspiring first home owners and allows the state first home owners bonus of \$2000 for existing homes to lapse on 30 June. There are a number of other small matters that I will deal with in turn.

This must be the fourth time we have been asked to vote on aspects of the first home owners bonus, and on each occasion I have said what we now all know and is becoming clearer by the day — that is, that the first home owners bonus is a discredited bit of populism from the former Howard federal government which, like so much else, this Labor government cannot wean itself off. Quite simply the first home owners bonus

pumps up demand for housing without addressing supply. As an affordability measure it is a joke, because those in the worst situation cannot even afford to buy a house. We already know — go back to my first speech on this issue — as the Productivity Commission has told us that the top two quintiles are getting the lion's share of the money devoted to this measure. You only need to imagine a first home owner bidding at auction against another first home owner. They both have their first home owners bonus in their pockets. Who gets it? The guy flogging the property. I suppose there is some slight succour in the fact that at least one category of first home owner is being removed, but in other areas it is being extended and continued.

Since we have two very astute watchers of economic statistics and economic issues in the chamber — the Treasurer and one of his shadows — we would know that the Reserve Bank of Australia would not use a term as unscientific as 'bubble' to talk about the current state of the housing market. We three would also know that reserve banks are loath to target asset prices when, as we know, their job is to fight inflation first and occasionally tinker around with what the currency is doing. That is not to say that reserve banks do not observe keenly these asset bubbles and occasionally, as in the case of the Federal Reserve in the United States, lament afterwards what it was that went wrong. You can see those same comments coming from the Reserve Bank, which takes a hands-off approach, but unfortunately once a policy like this is put in place it is not easy to adjust it to deal with something like the current housing bubble.

The bill provides an exemption from land tax for supported residential care facilities. The bill continues the ability for eligible pensioners to receive a concession or exemption on stamp duty or an extra first home owners bonus, but not both. The bill allows for land transfer duty to be paid online. Mr Rich-Phillips will be particularly gratified by a provision in the bill which lifts the dutiable threshold for luxury cars. The bill also removes the state revenue commissioner's power to designate through regulations a prescribed person who is capable of receiving personal information for the purpose of tax administration. This measure was proposed by the privacy commissioner.

The Minister for Finance, WorkCover and the Transport Accident Commission stated in the second-reading speech for this bill in the Assembly that 30 000 businesses will collectively save \$19 million in tax from this payroll tax adjustment, yet the budget papers indicate an extra \$236 million will be collected in spite of that.

On the first home owners bonus, the cap of \$600 000 for a property is retained. The \$7000 first home owner grant will continue to apply but people purchasing existing dwellings will only receive that amount from 1 July onwards. The government makes a mint when people buy a house with their first home owners bonus and use the first home owners bonus to pay the stamp duty.

That brings us back to the Henry tax review, which Mr Rich-Phillips fleetingly quoted in relation to luxury cars. Since there is absolutely zero chance that anybody else will, I would like to put on the record some other recommendations of the Henry tax review — some of the 155 other recommendations that Mr Rich-Phillips referred to — because they relate to payroll tax and stamp duty and the extent to which there is a connection to the first home owners bonus.

Recommendation 55 of the Henry review is about taxing consumption. It states:

Over time, a broadbased cash flow tax — applied on a destination basis — could be used to finance the abolition of other taxes, including payroll tax and inefficient state consumption taxes, such as insurance taxes. Such a tax would also provide a sustainable revenue base to finance future spending needs.

Does this sound good to Mr Rich-Phillips so far? I think I have piqued his interest. It is starting to sound quite interesting.

Recommendation 57 of the Henry review states:

State payroll taxes should eventually be replaced with revenue from more efficient broadbased taxes that capture the value-add of labour.

I wonder what those taxes could be.

Let us go back up the list a bit to recommendation 51, which states:

Ideally, there would be no role for any stamp duties, including conveyancing stamp duties, in a modern Australian tax system.

Now I have got Mr Rich-Phillips well and truly swimming along with the bait in his mouth, but I have not yet set the hook. Will I reel him in or not?

Recommendation 52 states:

Given the efficiency benefits of a broad land tax, it should be levied on as broad a base as possible. In order to tax more valuable land at higher rates, consideration should be given to levying land tax using an increasing marginal rate schedule, with the lowest rate being zero, with thresholds determined by the per-square-metre value.

What does Mr Rich-Phillips reckon? I am not getting a rise out of the Treasurer either.

Ms Lovell interjected.

Mr BARBER — Ms Lovell is quite keen on the Henry tax review, and she is about to get up and speak in a minute, so she will be keen on recommendation 53, which states:

In the long run, the land tax base should be broadened to eventually include all land.

Ms Lovell — Not in your wildest dreams!

Mr Koch — Not in your wildest dreams!

Mr BARBER — Not in Ken Henry's wildest dreams! In fact that is not what we are doing here. We are actually exempting aged-care facilities from land tax, so there is that question that if we have this broadbased land tax that Ken Henry is so keen on, would we exempt certain classes of asset that were considered to be worthy?

Recommendation 53 of the Henry review states:

In the long run, the land tax base should be broadened to eventually include all land. If this occurs, low-value land, such as most agricultural land, would not face a land tax liability where its value per square metre is below the lowest rate threshold.

I may have opened up a bit of a wedge here between The Nationals and the more city-based Liberals. It is a pity I do not have a couple of Nationals MPs in the chamber to hear what they think of the idea of a broadbased and growing tax on land that for the most part would exempt almost all farming land.

If the members present cannot go with me all the way, let us just look at recommendation 54, which states:

There are a number of incremental reforms that could potentially improve the operation of land tax, including:

- a. ensuring that land tax applies per land-holding, not on an entity's total holding, in order to promote investment in land development;
- b. eliminating stamp duties on commercial and industrial properties in return for a broad land tax on those properties ...

What do they reckon? Any chance? No chance! It goes on:

- c. investigating various transitional arrangements necessary to achieve a broader land tax.

I would be pretty dark if I had just paid stamp duty on a piece of land and, having forked over that slice, I find

out the day after that they are changing the system and I will now be paying land tax on the land I have recently been levied stamp duty on. Transitional arrangements would indeed be an interesting question, but I am not going to get any interest out of the remaining members in this chamber at 3.30 p.m. on a Thursday when we are debating what will probably be the last bill we will deal with this week. For now at least I think I will just sit down.

Ms HUPPERT (Southern Metropolitan) — I am pleased to make a contribution in support of the State Taxation Acts Amendment Bill. This is an important bill, as it delivers a number of budget measures. Part 3 of the bill extends the first home owners bonus, in particular the regional bonus, to cover contracts entered into between 1 July 2010 and 30 June 2011 in respect of new homes. It increases the bonus from \$11 000 to \$13 000 and the additional regional bonus from \$4500 to \$6000. This is in addition to the first home owners grant of \$7000. This means that people purchasing land for new homes in Melbourne will be entitled to a \$20 000 grant, with the purchase of new homes in regional areas attracting a grant of \$26 500.

We have heard Mr Barber describe this legislation as a farce, but what it will do is increase the supply of land for housing and in doing so increase housing affordability, which is a very important thing today. In commenting on this budget measure in the *Age*, economics editor Tim Colebatch described it as a sensible way of dealing with the problem of housing affordability. As well as improving housing affordability, this measure supports the domestic building industry, which, as I said earlier today, is an important sector of the Victorian economy, comprising 3 per cent of our annual gross state product for 2008–09 as well as providing an important source of jobs.

Another measure provided for in this bill is the extension of the existing land tax exemption for retirement villages and other residential care facilities to cover the period of construction of such facilities. We have an ageing population and there is a growing demand for accommodation which provides various levels of support, from retirement village to high-dependency care facilities. As someone with some experience as a lawyer in this sector of the economy, I know that the land tax exemption is an important factor in determining whether or not a new project is feasible, and extending the exemption to the construction period will further encourage new projects by reducing holding costs during construction. As a safeguard, the exemption will only apply when a building permit has been issued and will only last for two years, preventing

those who are land banking from exploiting the exemption.

Another budget measure I wanted to mention is the reduction in payroll tax. In this year's budget the Brumby Labor government has continued its record of tax reform, helping Victorian businesses remain competitive and supporting job creation. The budget provides for \$461 million in cuts to taxes and business costs, and this bill in particular provides for the rate of payroll tax to be reduced from 4.95 per cent to 4.9 per cent. This \$193 million worth of payroll tax cuts will benefit 31 000 Victorian businesses.

The bill also introduces a number of other measures. As we have heard, it aligns the duty threshold for charging a higher rate of duty for new cars with the commonwealth luxury car tax threshold, which is indexed annually in line with increases in the consumer price index. This will reduce complexity for consumers. It also provides for the option of online electronic payment of duty on land transfers, modernising the way in which this duty is paid but allowing people to continue to pay in the traditional manner, if required.

The bill also repeals a number of pieces of old and redundant legislation providing for taxes and fees which have been abolished. They are the Financial Institutions Duty Act 1982, the Debits Tax Act 1995 and the Business Franchise (Tobacco) Act 1974. In addition the bill amends the Taxation Administration Act 1997 to remove the power to disclose taxation information to a person who is prescribed by the regulations. This follows the advice of the Office of the Victorian Privacy Commissioner. As I mentioned, this bill introduces a number of important measures that were announced in the budget and I commend it to the house.

Motion agreed to.

Read second time.

Third reading

Mr LENDERS (Treasurer) — By leave, I move:

That the bill be now read a third time.

In doing so, I thank contributors to the debate.

Motion agreed to.

Read third time.

TRANSPORT LEGISLATION AMENDMENT (PORTS INTEGRATION) BILL

Second reading

**Debate resumed from 27 May; motion of
Hon. J. M. MADDEN (Minister for Planning).**

Mr RICH-PHILLIPS (South Eastern Metropolitan) — The coalition parties will be opposing the Transport Legislation Amendment (Ports Integration) Bill. The purpose of the bill is to abolish the Port of Hastings Corporation (PHC) and transfer its functions to the Port of Melbourne Corporation (PMC). It brings the Port of Melbourne Corporation and the Victorian Regional Channels Authority under the Transport Integration Act and makes a number of corrections to the Transport Integration Act which the Parliament passed earlier this year.

More specifically the bill requires that all transport corporations, transport safety agencies, transport systems agencies and prescribed transport bodies develop a strategy and implementation plan in accordance with the provisions of the Transport Integration Act 2010. It moves governance and function provisions for the Port of Melbourne Corporation from the Port Services Act 1985 into the Transport Integration Act; moves governance and function provisions for the Victorian Regional Channels Authority from the Port Services Act into the Transport Integration Act; abolishes the Port of Hastings Corporation, as indicated previously, and transfers all its responsibilities and functions to the Port of Melbourne Corporation, including the transfer of staff employed under the Port of Hastings Corporation; and renames the Port Services Act as the Port Management Act.

The matter on which I wish to focus my contribution to the debate this afternoon relates to the decision to abolish the Port of Hastings Corporation, which is something that the coalition strongly opposes; and that is the basis on which it will be opposing this bill.

The Port of Hastings Corporation was established in its current form in 2002 following a review by Bill Russell of the governance arrangements for ports in Victoria, so it has only been in operation for a short period. In fact the most recently published annual report of the Port of Hastings Corporation, the 2008–09 report, states:

The establishment of PHC is a result of the government's response to Professor Russell's review of the port system of Victoria released in July 2002.

The creation of the Port of Hastings Corporation and the appointment of the board are intended to ensure the port is equipped to meet future challenges and capitalise on its potential.

It is clear from the annual report, released only 12 months ago, that the corporation saw its function as developing the port of Hastings independently of the port of Melbourne. Our view is that it is important the port be developed independently from the port of Melbourne and that there be competitive tension between the two port facilities. This is a challenge we see in a range of large infrastructure which services our major cities throughout Australia, because increasingly, in relation to significant infrastructure, many cities are dependent upon a monopoly provider of services. Airports are a frequent example, with most capital cities in Australia served by a single primary airport, which gives rise to concerns about monopoly power. It is an issue that is gaining increasing currency in Sydney with respect to Sydney airport, which is controlled by Macquarie Airports.

Fortunately to a large extent it is an issue we have avoided in Victoria by virtue of growing competition between Melbourne Airport and Avalon Airport, which are operated by two separate private operators. It is one of the reasons why the coalition is very supportive of Avalon increasing its status to that of an international airport in competition with Melbourne Airport. It will ensure that there is that competitive tension, not only with respect to pricing, because certainly with airports and with other infrastructure there is some scope for the control of pricing, but also in terms of innovation and service delivery. If you have a single supplier of a service, a monopoly — and an airport is a good example — you may have regulation of pricing, but you will have no incentive for that monopoly operator to improve service and the innovative development of the facility.

It is our view there should be competition in the ports infrastructure area, as we have with Melbourne and Avalon airports, and for that reason we oppose the integration of the Port of Hastings Corporation with the Port of Melbourne Corporation.

The explanatory memorandum to the bill makes some comments about the development of the port of Hastings, and at page 9 it states:

Integrating the management of the port of Melbourne and the port of Hastings under the Port of Melbourne Corporation is a key measure included in the bill. This initiative provides an effective way of directing and driving future development of the port of Hastings, which will become increasingly important for commercial shipping over the next two to three decades.

Ironically it goes on to say:

The Victorian transport plan provides that the development of the port of Hastings is a state prioritised project ...

If the Victorian transport plan's version of a priority project is one that will be developed over a 20-year or 30-year time frame, it does not say much about the value of the plan. The explanatory memorandum states further:

As trade volumes —

with respect to Hastings —

continue to grow in the medium term through the port of Melbourne, there is the potential to move non-containerised bulk and break bulk trades through the port of Hastings whilst growth in container trade continues in the port of Melbourne.

It is clear from the statement in the explanatory memorandum that the government envisages the integration of the port of Melbourne and the port of Hastings to involve the separation of container traffic from non-containerised freight. All containerised freight will go through the port of Melbourne, where we recognise there are significant logistical constraints, particularly with respect to vehicular access to the site, and the non-containerised freight will go through the port of Hastings. It is the view of this side of the chamber that containerised freight should not be excluded from growth in Hastings.

Since 2007 the coalition has had on the public record its position in support of the development of the port of Hastings. Subject to appropriate environmental and community consultation and constraints, development within that site and development to the north of the site will be served by new road and rail corridors associated with the Western Port Highway — not through Frankston as is proposed by the current government. We see that as an important secondary facility for Melbourne in terms of containerised freight, but also for creating and maintaining the competitive tension between the port of Melbourne and the port of Hastings, which will not exist if those two facilities are integrated under the one Port of Melbourne Corporation.

The shadow Minister for Roads and Ports in the other place, who is the member for South-West Coast, Denis Napthine, has consulted widely with respect to the bill, and he has passed on some of those consultations for public comment. They include a comment from Mr John Lines, the managing director of ANL Container Line, who said in an email to Dr Napthine in mid-May:

The proposal to merge the ports of Melbourne and Hastings will create an even bigger monopoly. To be truly efficient and cost competitive, the ports and stevedores need real competition, not enhanced monopolistic protection dictated by government legislation.

That is the fundamental concern. You will not have genuine competition and genuine innovation between the two facilities if they are under the one operator. The reality is that having the one parent, in the Victorian government, for the existing port of Hastings and the port of Melbourne is in itself a disincentive to innovation and competition, but to have them operating under the one corporate entity further lessens the incentive for competition.

A further comment by way of consultation is from Rose Elphick from the Victorian Freight and Logistics Council, again in an email to Dr Napthine. With respect to competition concerns it states:

Given this increases market share to PMC —

being the merger —

government will need to be vigilant in terms of monitoring price and regulating behaviour of this corporation.

That reinforces our concern that there will need to be stringent price controls. Notwithstanding you can have price controls in place, it will undermine the incentive for both ports to compete with one another and to be innovative, and that will be to the detriment of the development of freight traffic through Victoria. As we know, Victoria has some of the greatest volumes of sea freight traffic of anywhere in Australia, and it would be disappointing if its lead position was lost as a consequence of a lack of competition and a lack of innovation by the ports in Melbourne due to the integration of the port of Hastings and the port of Melbourne under the one corporation.

The coalition believes this is a sufficiently important issue — that those two port corporations be kept separate and continue to operate as separate corporate entities with separate boards acting in the interests of the individual facilities and not as a combined statutory body operating both facilities — to oppose the legislation on its second and third readings.

Debate adjourned on motion of Ms PENNICUIK (Southern Metropolitan).

Debate adjourned until next day.

APPROPRIATION (2010/2011) BILL

Introduction and first reading

Received from Assembly.

Read first time on motion of Mr LENDERS (Treasurer).

Statement of compatibility

Mr LENDERS (Treasurer) tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Appropriation (2010/2011) Bill 2010.

In my opinion, the Appropriation (2010/2011) Bill 2010, as introduced to the Legislative Council, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The Appropriation (2010/2011) Bill 2010 will provide appropriation 'authority' for payments from the Consolidated Fund for the ordinary annual services of government for the 2010–11 financial year.

The amounts contained in schedule 1 to the Appropriation (2010/2011) Bill 2010 provide for the ongoing operations of departments, including new output and asset investment funded through annual appropriation.

Schedules 2 and 3 of the bill contain details concerning payments from advances pursuant to section 35 of the Financial Management Act 1994 and payments from the advance to Treasurer in 2008–09 respectively.

Human rights issues

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

The bill does not raise any human rights issues.

2. *Consideration of reasonable limitation — section 7(2)*

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

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities Act 2006 because it does not raise a human rights issue.

John Lenders, MP
Treasurer

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Mr LENDERS (Treasurer).

Mr LENDERS (Treasurer) — I move:

That the bill be now read a second time.

Incorporated speech as follows:

Introduction

President, last May I stood in this Parliament and told the people of Victoria that the 2009 state budget was about jobs.

I said that the budget was about securing jobs for Victorians in the middle of the world's worst economic downturn in many decades — and that it aimed to deliver up to 35 000 jobs over the coming year by investing in infrastructure and stimulating economic activity.

Standing here again, one year later, I am proud and pleased to say that there is absolutely no doubt that the Brumby Labor government has well and truly delivered on that commitment.

Over the past 12 months almost 100 000 new jobs have been created in Victoria.

We have recorded the highest full-time jobs growth of any state and accounted for almost half of all new jobs created nationwide.

Victoria is now undeniably the engine room of Australia's jobs growth. No other state comes close.

And this is not just another dry statistic.

It is 100 000 real jobs created here in Victoria — jobs that did not exist at this time last year. It is income and security for Victorian families. It is new opportunities for Victorian workers. It is local businesses with the confidence and capacity to employ more people.

President, those 100 000 new Victorian jobs have not happened by accident.

From day one, this government has pursued an active reform agenda aimed at building a more diverse and competitive economy — attributes that have seen Victoria through the worst of the global financial crisis, while generating new business opportunities and jobs.

From day one, this government made the call to invest in job securing, productive infrastructure for the benefit of all Victorians, and we have sustained that investment during the global downturn.

From day one, this government has kept Victoria's budget in the black, while cutting taxes and improving services for Victorian families.

These actions have underpinned Victoria's resilience and strong jobs growth during some of the toughest economic conditions in many years.

The outlook is still uncertain, but Victorians can be very confident that our state is well placed and well prepared to take advantage of a global economic recovery.

Our economy is in good shape. Our financial position is sound.

A resilient economy in uncertain times

President, last year's state budget was framed in very difficult circumstances: in the middle of the global financial crisis and in the aftermath of the devastating 2009 bushfires.

As well as the terrible loss of lives in the fires, more than 2000 buildings were destroyed and 430 000 hectares burnt. While recovery from the fires will take many years, Victoria has invested more than \$1.1 billion in the massive clean-up and reconstruction task; in supporting people, businesses and communities affected by the fires, and in preparing for future fires.

The global financial crisis also continues to have an impact on Victoria's budget position. Economic activity and GST and taxation revenue have still not recovered to the levels forecast prior to the crisis, and therefore this revenue remains over \$3 billion lower than forecast in the 2008–09 budget.

The uncertainty and unevenness of the global recovery also creates ongoing challenges for managing the state's finances.

Despite this, Victoria's economy is forecast to grow by 3.25 per cent in 2010–11, although growth is expected to remain below trend in 2009–10 due to the lingering effects of the global financial crisis.

Our budget position also remains sound and the government continues to deliver substantial budget operating surpluses: \$872 million in 2010–11 and averaging \$1.2 billion over the following three years.

Today's surpluses are tomorrow's infrastructure. That is why — with so much uncertainty and some big challenges ahead — the Brumby Labor government continues to budget for and deliver surpluses, making sure that we can directly fund the projects Victoria needs for the future.

Net debt, both as a percentage of our economy and in actual dollar terms, will be lower than forecast in last year's budget.

This sound budget position, combined with the resilience of our economy, means that Victoria has been able to avoid substantial tax increases during the global financial crisis — giving our businesses a competitive edge at a time when they needed all the help they could get.

During the global financial crisis, the government believed it was more responsible to invest in infrastructure and jobs than to cut taxes. With the global outlook improving, we have brought tax reform back to the table, delivering a \$223 million cut to taxes over the next four years.

We are cutting the payroll tax rate to 4.9 per cent, effective from 1 July 2010 — the seventh payroll tax cut delivered by this government, and taking Victoria's payroll tax rate to the lowest it has been since 1975.

We are extending the current land tax exemption to include the construction phase of residential aged-care facilities and

retirement villages developed by the private sector — offering a strong incentive to the sector to develop new facilities.

Much improved management of the WorkCover scheme has also enabled us to cut premiums in six out of the last seven years. This year, we will cut WorkCover premiums by a further 3.5 per cent, bringing the total accumulated cut to nearly 40 per cent and saving employers around \$240 million over four years.

The government also continues to take action to reduce red tape. For three successive years, we have exceeded our goal of reducing the regulatory burden on businesses, cutting costs for Victorian businesses by around \$250 million a year. Last September we adopted an even more ambitious target for the future.

Past cuts to business taxes and costs — and other actions taken by the Brumby Labor government to build a more competitive business environment — are key reasons why Victoria has come through the global financial crisis in good shape.

These actions have helped to sustain business activity at a time when it was falling away. Shoring up that activity has helped to keep Victoria's budget in the black.

Keeping the budget in the black is not only prudent; it also gives Victoria the capacity to reinvest in the high quality infrastructure and services that have made our state one of the best places in the world to live, work and raise a family.

Infrastructure for the future

Nowhere is that more evident than in this government's substantial infrastructure investment program.

This year's budget invests \$9.5 billion in 2010–11 to deliver capital projects across Victoria — projects that are vital to Victoria's future and that will secure around 30 000 jobs in the next financial year.

The government is actively planning for the future: for a larger population, for climate change and for the challenges and opportunities coming our way as the world shifts to a low-carbon economy.

We are also planning for an ageing population. That raises many issues — positive and negative — but what is clear is that we will need to generate higher levels of productivity and innovation to protect our lifestyles and living standards.

This government is not afraid to back new ideas and explore fresh options to meet these challenges. We are not afraid to make the tough decisions about the big ticket projects that will benefit Victoria.

We do not just plan for the future. We deliver for the future.

In this budget the Brumby Labor government continues to deliver the big water projects that are part of the Victorian water plan.

In April the Wimmera–Mallee pipeline was turned on six years ahead of schedule — marking the end of decades of water supply uncertainty for the Wimmera.

In February water from the Sugarloaf pipeline started flowing into Melbourne's reservoirs five months ahead of schedule —

the biggest single boost to the city's water supply system in 25 years.

The massive food bowl modernisation project continues — delivering the biggest investment in irrigation upgrades in 100 years — and we have started work on the pipeline that will deliver desalinated water from the end of next year.

We took the tough decision to build a desalination plant and upgrade the state's water grid not because it was the easy thing to do, but because it was the right thing to do. Whatever the future holds, it makes good sense to diversify Victoria's water sources. It makes sense to have insurance against possible droughts or declines in rainfall — and that is what the desalination plant is: it is Victoria's insurance policy against a drier future.

This year's budget also invests \$5.8 billion to continue to deliver the \$38 billion Victorian transport plan, including funding for 50 new low-floor trams, new train stations in growing suburbs and major upgrades to key suburban and regional roads.

Back in 2008, when the government announced the Victorian transport plan, there was no shortage of people claiming that it could not be delivered and would never happen. They were wrong.

We have now delivered dozens of projects under the plan ahead of schedule, and this year's budget includes \$4.3 billion in cooperation with the commonwealth for the new regional rail link.

This link is a great example of how well-planned infrastructure can deliver benefits to both Melbourne and regional Victoria.

The new link will create around 50 kilometres of new track between West Werribee and Southern Cross station, allowing an extra 9000 regional and suburban passengers on our trains every hour.

It will allow services from Bendigo, Ballarat and Geelong to run express into Melbourne, opening up new work and lifestyle options in those centres and their hinterlands. At the same time, it will increase capacity on Melbourne's northern and western suburban lines.

It will deliver major economic benefits as well as many other benefits for Victorians living in the fastest growing parts of our state.

President, the 2010 budget also completes the first tranche of the Victorian schools plan.

In 2006, the Labor government went to the state election with a commitment to rebuild or refurbish 500 government schools over the next four years to give Victorian children the benefits of learning in high quality classrooms with modern facilities and equipment.

In this budget, we not only meet that commitment, we exceed it.

With this budget, the government has now funded the modernising or rebuilding of 553 government schools across Victoria, and that does not include the many more schools being upgraded in partnership with the commonwealth through the Building the Education Revolution program.

I am very proud that we have met and exceeded such an important election commitment and one with such clear and long-lasting benefits for Victorians.

In fact the 2010 budget completes funding for each and every one of the financial commitments given by this Labor government to Victorians at the 2006 election.

That is not something many governments can say.

In each budget over this past term, we have ticked off our commitments one by one. We did not make those commitments lightly. We have been very determined to meet every single one of them. And we are proud to be a government that does not just say we are going to do something — we do it.

A record health and hospitals budget

President, one of the Brumby Labor government's strongest commitments has been to invest in a high quality health system that gives Victorians the best and latest in health care and treatment.

It is another commitment we have met. We have funded new hospitals, such as the new iconic Royal Children's Hospital, the Royal Women's Hospital and Casey Hospital. We have undertaken major redevelopments at the Austin Hospital and Sunshine Hospital, and at Warrnambool, Ballarat and Geelong hospitals.

We have replaced and renewed emergency departments, aged-care facilities, community health centres and vital medical equipment right across the state.

In the past three years alone, the government's funding of extra doctors and nurses means that our public hospitals can carry out an additional 89 000 treatments this year.

We have also done the hard work of hospital reform to get better value from our health dollar.

As doctors and nurses will tell you, and as the recent COAG (Council of Australian Governments) agreement on national health and hospital reform very clearly shows, Victoria's public hospitals are seen by many as a model for the country.

This budget builds on these achievements and provides a record \$4 billion boost to our health system, including delivering historic national health reform in partnership with the commonwealth.

In this budget, we make the biggest investment in regional hospitals in a generation.

We will build the new Bendigo hospital at a cost of \$473 million — the biggest regional hospital project ever undertaken in Victoria.

We will start planning and purchasing land for a new community hospital in Geelong's southern suburbs.

We will redevelop and upgrade hospitals in Geelong, Coleraine, Leongatha and Healesville.

This year's budget also funds the \$408 million redevelopment of Box Hill Hospital, the single largest suburban health project undertaken in Victoria.

We will also complete the \$184 million redevelopment of Sunshine Hospital, meeting another election commitment and significantly expanding health services in Melbourne's growing west.

As part of the Brumby Labor government's plan to make Victoria a world leader in cancer research and treatment, we are funding stage 2A of the Olivia Newton-John Cancer and Wellness Centre.

We are also partnering with the commonwealth to build the \$1 billion Parkville Comprehensive Cancer Centre, Victoria's first fully integrated, purpose-built centre for cancer research and treatment, and to redevelop the Ballarat integrated cancer care centre, giving more people in regional Victoria the option of receiving treatment closer to home.

Alongside the \$935 million Victoria negotiated through the COAG agreement on health and hospital reform, the budget also provides \$610 million to meet the growing demand for hospital services, including an expansion in services such as chemotherapy and radiotherapy, renal dialysis and palliative care.

Working with the commonwealth, we will reduce waiting times in our hospital emergency departments, cut elective surgery waiting lists and provide rehabilitation and longer term support to more patients each year, and we will continue to build a hospital system that is the envy of the rest of Australia and where the very best doctors and nurses want to work.

A safer community

Victoria has long been seen as a safe and friendly place.

Our crime rate is declining and is now the lowest since computerised crime recording began in 1993.

But street violence and drunken behaviour threaten the reputation of our state, make us feel less safe in our communities and contribute to a breakdown in the tolerance and respect that we have come to see as part and parcel of being a Victorian.

The Brumby Labor government has taken tough action on street crime.

We have given our police more powers. We have set up a special police unit to target street violence. We have introduced anti-hoon laws and tough new fines and penalties. We have strengthened our sentencing laws to make it clear that judges can take into account an offender's prejudice against a particular group.

We have also significantly increased police numbers. By November this year we will meet our target of having a force of more than 11 400 police officers, an increase in police numbers of 20 per cent.

But it is clear that we need even more police out there on the front line.

That is why this budget delivers the biggest front-line police boost in Victoria's history, providing for 1966 more front-line police over five years.

It is a big boost in police numbers and it will make a big difference.

But, at the same time, we have to tackle the underlying issues that are fuelling street crime. Some of those issues are very difficult for governments to address on their own. But we have to try, and that is what the government's respect agenda aims to do. It aims to promote respect for ourselves, others and our community as the cornerstones of a healthy, safe and successful Victoria.

This year, as part of the respect agenda, we are funding 55 extra youth workers to tackle the knife culture among young people and steer them away from potentially risky or violent behaviour.

We are delivering the Right to Respect initiative to tackle violence against women, and we are starting a new Respect on the Streets campaign to promote greater respect and tolerance across our community, and to raise awareness about the tough new laws and penalties dealing with street crime.

Services for all Victorians

President, another way to tackle these types of problems is to make sure that all Victorian children get the best possible start in life.

The evidence is very clear that giving children a good start in their early years means they are more likely to finish school, fulfil their potential and make a positive contribution to society.

We are funding an extra 3590 kindergarten places, upgrading children's centres and community-based children's services and expanding paediatric services at Monash Medical Centre.

We are delivering a \$109 million package of support for children with a disability or developmental delay, including a \$38 million boost to early childhood intervention services and a new Victorian Deaf Education Institute.

I am particularly pleased to announce that the budget provides an extra \$30 million for people with autism, including new programs in schools, more direct support for people with autism and their families, and major upgrades to the Northern School for Autism and the Eastern Autistic School.

We also continue to deliver the biggest improvement to child protection — including the out-of-home care system — in more than a decade, providing an additional \$66 million in this budget.

Since 2005 the government has invested around \$5 billion to deliver the A Fairer Victoria social policy statement — and this year's budget provides a further major boost in support and services for the most vulnerable Victorians and our most disadvantaged communities.

We are providing additional support for people with a disability, indigenous Victorians and senior Victorians.

This budget also reinforces the government's strong commitment to improving Victoria's mental health services, providing an extra \$73 million to support the implementation of a new Mental Health Act, create more inpatient beds and deliver new services to assist young people experiencing or at risk of mental illness.

The government also recognises that some Victorian households are struggling with rising living expenses and is providing \$56 million to help these households meet the

rising cost of water by increasing the water and sewerage concessions cap. We are also funding water audits and retrofits for 9380 low-income households over the next two years.

A sustained commitment to regional Victoria

President, in opposition, as Treasurer and now as Premier, John Brumby has been a great champion of regional Victoria. No-one has worked harder to turn around the decline regional Victoria experienced over past decades. And the results are undeniable.

Investment and support from this government — along with the relocation of public sector jobs to regional centres — has been instrumental in building much stronger regional economies, creating more jobs in regional areas and attracting more people to our regions.

Today our major regional centres are becoming economic and jobs powerhouses in their own right, taking advantage of better connections with each other and Melbourne, and reaping the benefits of unprecedented investment in regional infrastructure.

That remarkable turnaround can be seen very clearly in the figures for building approvals. In 1999, when the Labor government came to office, building approvals in regional Victoria were \$2 billion. In 2009, approvals reached a record \$4.9 billion — a massive 145 per cent increase.

The government will release a new blueprint for regional Victoria by 30 June.

The blueprint will continue our investment in regional infrastructure and small towns. Since we created the Regional Infrastructure Development Fund and Regional Development Victoria — which I remind you took two attempts to get through this Parliament — the fund has contributed more than \$550 million to nearly 350 projects across regional Victoria, with a total value of \$1.4 billion.

That is \$1.4 billion worth of infrastructure — from airports to arts centres — that would not exist if not for this government.

Ahead of the new blueprint, this budget continues to deliver high levels of investment in regional Victoria. From rail and roads to hospitals and schools; from irrigation infrastructure to agricultural research, the Brumby Labor government's investment has been — and continues to be — unprecedented.

President, two years ago the government refocused our first home bonus towards new homes — aiming not only to get more people into their first home but also to create construction jobs and take some pressure off the rental housing market.

That refocusing has been very successful — last year, housing starts in Victoria increased by 10 per cent, compared to a 7 per cent fall for Australia overall, and the Housing Industry Association has estimated that it created 19 000 jobs over the year.

Further refocusing in this budget will take total assistance from the Victorian government for first home owners building a new home to \$20 000 in metropolitan Melbourne and \$26 500 in regional Victoria — the most generous package of all Australian states and making regional Victoria one of the most affordable places in the country.

Maintaining Victoria’s livability

Getting people into their first homes, keeping housing affordable and making sure that housing supply keeps up with a larger population is one of the most important elements in maintaining Victoria’s livability.

But we have to be very careful about how we manage housing supply and residential developments in Melbourne and our regional cities if we want to protect the lifestyles of Victorian families and build a state that is the most productive, livable and sustainable in Australia.

This year’s budget adopts a strong focus on measures to manage a larger population and maintain the livability of our cities, suburbs and towns.

In addition to providing funding to facilitate development in central activity districts and employment corridors, the 2010 budget includes substantial new investment in arts, cultural and sports facilities, recognising that these facilities play a vital role in Victoria’s livability and are much valued by Victorians.

In particular, the budget funds the redevelopment of Melbourne Park to keep the Australian Tennis Open here in Victoria until at least 2036. Along with the opening of the Rectangular Sports Stadium this week, this investment will ensure that our state continues to be home to the best sporting precinct in the world.

Recognising the potential impact of climate change and carbon pricing on Victoria, the budget invests \$175 million to deliver the recently released Jobs for the Future Economy statement, which includes new initiatives to skill up our workforce and secure jobs in a low carbon economy, while delivering significant environmental benefits at the same time.

The budget also provides \$105 million to implement the government’s land and biodiversity white paper — which aims to secure the health of our natural landscapes, waterways and biodiversity in the face of climate change, development pressures and land use changes.

Appropriation bill

President, the Appropriation (2010/2011) Bill provides authority to enable government departments to meet their agreed service delivery responsibilities in 2010–11.

The bill supports a financial management system that recognises the full cost of service delivery in Victoria and is based on an accrual framework.

Schedule 1 of the bill contains estimates for 2010–11 and provides a comparison with the 2009–10 figures. In line with established practice, the estimates included in schedule 1 are provided on a net appropriation basis.

The 2010 budget financial statements are reported in accordance with Australian Accounting Standards. The budget has once again been reviewed by the Auditor-General, as required by the standards of financial reporting and transparency established by this government in 2000.

Conclusion

President, in last year’s budget the Brumby Labor government aimed to deliver more jobs for Victorians, while

shoring up the resilience of the state’s economy in uncertain times. Plenty of people said it could not be done.

They, too, were wrong — and the results over the past year are proof that our approach has worked.

We made the right decisions. We put this state on the right track to survive the crisis. And we now have the right plans in place for Victoria’s future.

And — as this year’s budget shows yet again — the Brumby Labor government has the capacity and the determination to deliver our plans and meet our commitments.

The global financial crisis might be receding, but some big challenges still remain.

The Brumby Labor government has shown that we understand these challenges and what needs to be done to meet them.

While we cannot declare the global financial crisis officially over, we can declare that we did the right thing when we responded quickly, acted decisively and drew a line in the sand in relation to securing jobs.

We understand that nothing is more important to Victorian families than job security. That is why we made the call to put Victorian jobs and families first. It was the right call, a call that has benefited many thousands of Victorians and one that not only demonstrates the Brumby Labor government’s ability to steer Victoria safely through tough economic times, but also to plan for and secure Victoria’s prosperity and livability into the future.

President, I commend the bill to the house.

Debate adjourned on motion of Mr SCHEFFER (Eastern Victoria).

Debate adjourned until later this day.

APPROPRIATION (2010/2011) BILL and BUDGET PAPERS 2010–11

Concurrent debate

Mr LENDERS (Treasurer) — By leave, I move:

That this house authorises the President to permit the second-reading debate on the Appropriation (2010/2011) Bill to be taken concurrently with further debate on the motion to take note of the budget papers 2010–11.

Motion agreed to.

Second reading

Debate resumed from earlier this day and 9 June; motion of Mr LENDERS (Treasurer) and Mr LENDERS’s motion:

That the Council take note of the budget papers 2010–11.

Mr SCHEFFER (Eastern Victoria) — This year's Victorian budget has been delivered following what may in the end turn out to be only the first phase of the global financial crisis that began in 2008–09. Australia and Victoria have emerged better than most commentators expected. For anyone who has followed the international debate, it is clear the events that culminated in the 2008 global financial crisis will continue to resonate and impact on the world economy for many years to come. It is clear we are in a process of unprecedented global economic and political realignments.

The fiscal situation in the eurozone countries and the reverberations of this across the world are a clear indication that this crisis has some way to go. British Prime Minister, David Cameron, has foreshadowed deep cuts in public spending and it is probably only the fact that he is newly elected that has prevented in the United Kingdom the protests we have seen in Greece and yesterday in Spain.

The debt levels across developed economies are predicted to rise to above 100 per cent of gross domestic product (GDP) over the next decade.

Deutsche Bank Research (DBR) reports a scenario where it expects the public debt to GDP ratio to soar to 133 per cent in 2020, from just over 100 per cent in 2010. The DBR contrasts this with major emerging economies such as China which appear to be well positioned to stabilise or even grow their current debt ratios without the need for drastic fiscal adjustment.

We have seen stark evidence in Greece that working people are not prepared to wear a severe decline in their living standards, which they believe is the result of the irresponsible policies of successive governments and the corporations. I deplore the violence and deaths that resulted from the demonstrations in Athens. There can be arguments about whether the protests are a reasonable reaction, but we need to understand the reaction of working people in Greece not in the context of them having had more than they deserve by way of benefits and living standards, which is how it has been characterised, but in the context of the productivity increases exceeding changes in real wages over the last two decades. This is the case for all western European Union countries. I suspect that before very long we may well see similar public demonstrations in the United Kingdom and other developed economies in the eurozone as austerity measures are implemented.

While we may have the impression that working people have never had it so good, with the abundance of affordable Chinese-made products and the rising level of homeownership, we also need to recognise that we

have had to work harder and longer and go into considerable personal debt to obtain these commodities. This has resulted in huge earnings for executives of the banks and the corporations, who in many cases have paid themselves astronomical wages. Put simply, the Greeks and the Spanish are reacting because they see that working people are called to pay while large corporations resist tax increases.

Australia has the good fortune to possess great natural wealth and to be a beneficiary of China's phenomenal growth and purchasing power. Australia and Victoria have also been active and intelligent in maximising this good fortune over the life of successive governments. It is generally agreed that the decisions made by both the Rudd and Brumby governments to stimulate economic activity have worked and have kept people in jobs and the economy moving. In the face of the global challenges I have referred to, the federal and state governments have performed well. The Victorian government was right to put the emphasis it did on job creation through infrastructure investment in our schools, health services, transport and environmental projects.

The Treasurer in his budget speech reminded us that last year's budget was about jobs and that the government committed to delivering 35 000 jobs in 2009–10. A year later we know that Victoria has delivered three times that many jobs. In fact the April figures show that over the last 12 months 109 700 jobs have been created and 57 100 of these are full-time jobs. Since April last year more than 70 per cent of all jobs created in Australia were Victorian jobs. There is very little that is more important to people than having a job, because from a job we derive our income, self-respect and so much that is valuable in our social relations.

Overall the Brumby government's strategy has been consistent and clear throughout the decade it has been in office. This is not to say that no mistakes have been made or that there were no changes in direction — for example, Mr Atkinson drew attention yesterday to the level of the stimulus. He agreed that the stimulus was necessary, but with the benefit of hindsight he said he thought the level was too high. The fact is that it fell to the Victorian government at the beginning of the crisis, when no-one knew where the collapse of Lehman Brothers would lead, to make a call. In the end I think the government made the right call. The government's first imperative is investment in services and in securing jobs that support Victorian families because nothing, as I said, is more important than job security. That is why the government is investing in infrastructure projects that ensure jobs right across

Victoria. Building hospitals and hiring and training new nurses builds infrastructure, creates jobs, delivers health services and invests in future assets.

At the 2006 election we committed to building a water grid across the state so that water resources could be moved to where they were needed. I have just recently left a meeting with one of the water authorities. It was interesting because completely unsolicited the chair of the water authority said, 'If there is one thing that this government will be remembered for, it is the fact that it had the foresight and the determination to implement the water grid in Victoria'. It was high praise and it was deserved praise.

When new data in 2006 showed the potentially catastrophic impacts that the collapse of water inflows would have on the state, this government made the hard decision to build the desalination plant in Wonthaggi. This was a responsible change of policy in the face of new and alarming facts. John Maynard Keynes famously remarked, 'When the facts change, I change my mind. What do you do, Sir?'. Interestingly there is not one word of criticism of the substantive value and importance of the desalination project itself. I think there is bipartisan support for the plant and that is a good thing because this project, in the end, is in the interests of Victorians. Despite some of the criticisms contained in the opposition's budget reply, it is clear that fundamentally opposition members know that the community supports the many infrastructure projects that this government is investing in. This is why opposition MPs make a point of turning up to as many of the government's announcements as they can so that they can associate themselves with the good news that is welcomed by local communities.

The fact is that the Victorian economic outlook has improved since the 2009–10 budget — and the budget papers attest to this — and the economy has been more resilient than many observers expected. To keep up the momentum the government is investing in skills and education, health, transport as well as in the infrastructure I have already mentioned so as to build productive capacity, promote economic reform and reduce the costs to business to the tune of some \$500 million by July 2012. Despite the fall in revenue resulting from the global downturn, services have been maintained and the budget shows a strong operating surplus for the year ahead and into the couple of years following. Again, I think the opposition's budget reply has paid very little attention to this considerable achievement which undermines the critique it wants to level at the government's performance.

An issue of major community concern in Victoria is population growth. The issues and how government manages it are addressed in chapter 5 of budget paper 2, which sets out the economic reform agenda. The budget paper states that in the longer term Victoria faces significant challenges arising from population growth together with an ageing population, the effects of climate change and the associated issues of industry composition. The key strategy to effectively meet this group of interrelated challenges is to improve our underlying productivity through what the budget paper calls 'far-reaching productivity-enhancing microeconomic reforms'. The challenge is to extend the reform agenda so as to encourage the development of a skilled workforce, ensure high-quality infrastructure, the development of a best practice regulatory structure, well-structured markets and sound financial management.

This budget represents a further instalment of this wider, future-looking program to develop this state with the commonwealth so as to take care of all Victorians. The budget, as with previous Victorian Labor government budgets, is unashamedly directed at Victorian families through job creation, health services, education, housing and community safety, with an emphasis on regional Victoria.

The Treasurer announced in his speech that this budget makes the biggest investment in regional hospitals in a generation. This has been very welcome news for the people of South Gippsland who have been very keen to have their hospital at Leongatha rebuilt. In 2006 we committed to provide \$10 million to rebuild the aged-care facility as part of the redevelopment of the Leongatha hospital. From the beginning the opposition attempted to undermine community confidence that this promise would ever be delivered, but it has been delivered in full. No sooner was this commitment acquitted than the opposition started saying we would never carry out our promise to redevelop the hospital. Of course we have, and it is in this budget.

New home buyers in regional Victoria will also directly benefit from the first home owner bonus that will provide them with an additional \$2000 towards the purchase or construction of a new home in regional Victoria, bringing the total assistance available to them to \$26 500.

This budget builds on previous budgets, and it is a further step in improving the services and wellbeing of Victorians. I believe it is well grounded in the global, regional and local economic context. It contains initiatives that will provide immediate and

much-needed benefits to Victorians now and into the long term.

I will conclude by returning briefly to what is happening in the United Kingdom. I refer particularly to the announcement that the British government will reduce public expenditure by a massive 15 to 20 per cent.

Last night on *Lateline Business* members may have seen Professor David Blanchflower of Dartmouth College. He appeared on that program on the ABC, and he warned the British government that its policy of these massive public expenditure reductions risked driving the UK economy back into recession. He said that the spending cuts could result in 240 000 public servants losing their jobs and that private firms that supply the public sector will be hit, potentially taking unemployment in the UK to over 3 million people. Professor Blanchflower said the cuts were based on dogma and ignored the lessons from the Great Depression. It is no accident that UK Prime Minister David Cameron was yesterday photographed with the Iron Lady herself, Margaret Thatcher.

While yesterday Mr Atkinson compellingly argued the case that the Liberal Party had changed because circumstances had changed, we all thought — and the British public mistakenly thought — the Conservative Party had changed and David Cameron was a different kind of Conservative leader. My point is, and John Lenders in previous contributions has warned all Victorians, that the Victorian Liberals would take the line of Otto Niemeyer, a director of the Bank of England during the Great Depression whose policy was to administer savage budget cuts and wage reductions that dramatically worsened the situation. When or if Australia feels the pressure of the international downturn, I believe the Liberals, if they were in government, would do exactly what the Conservative UK government is doing: they would revert back to form with bad consequences for the Australian and Victorian economies and for people. The present Victorian government steers a balanced course, and I commend the Treasurer on a sound Victorian budget.

Ms MIKAKOS (Northern Metropolitan) — I am pleased and proud to be a member of this government and to make a contribution to the budget debate. As Mr Scheffer so capably outlined in his contribution, the prudent and responsible economic management of this government has helped Victoria weather the storm of the global financial crisis and is the reason Victoria is doing so well in comparison to other Australian jurisdictions. State final demand has grown to 6.4 per cent over the past year, which is better than the

Australian average of a 4.4 per cent increase. Victoria has the highest growth in private capital investment of any state over the past 12 months, with a 14.7 per cent increase in business investment compared to a 1 per cent increase for the whole of Australia.

I will now look at other important economic data, in particular jobs growth. In the past 12 months 109 700 new Victorian jobs have been created, and more than half of these were full-time jobs. Since April of last year more than 70 per cent of all full-time jobs created in Australia were Victorian jobs. In this time Victoria's unemployment rate has fallen from 5.7 per cent to 5.3 per cent. In fact since the government was elected in October 1999 Victorian employment has risen by 559 800 jobs or 25.5 per cent. This is a very strong record when it comes to job creation. The government had a strong emphasis on infrastructure spending in both last year's state budget and this year's state budget to keep our economy going strongly and to encourage and promote jobs growth.

In relation to other important economic data, in particular the construction sector, which is a very good indicator of how well the economy is progressing, I am pleased to say that Victorian dwelling commencements rose strongly in the December quarter. In fact we have experienced the strongest growth over the year. Victoria has accounted for more than 32 per cent of national dwelling commencements in the quarter. According to Housing Industry Association forecasts that were released in March 2010, Victoria will have the most housing starts of all states in the current year and the following two years. Dwelling investment in Victoria grew 4.5 per cent in 2009, in contrast to a 4.4 per cent fall nationally.

In relation to first home buyers, in March Victoria accounted for 26.4 per cent of all owner-occupier housing finance, excluding refinancing above the national average of 22.4 per cent. Victoria has recorded the highest value of building approvals in the 12 months to April 2010, with a total of \$23.4 billion. For the last 24 consecutive months Victoria has had the highest number of dwellings approved of all states.

The Brumby Labor government has a very strong track record when it comes to responsible economic management. As we have seen, as a result of last year's budget our economy is doing very well, and I am sure that will be the case as a result of this year's budget.

This is in contrast to the opposition, which has been a policy-free environment when it comes to treasury policies. In fact the shadow Treasurer and member for Scoresby in the other place, Mr Wells, claimed there

was going to be a recession last year, that Victoria was going to be hit with a recession. Yet Victoria has weathered the global financial crisis very well. Victoria's AAA credit rating has been reinforced time and again, including on the day in May of this year that the state budget was handed down.

I will quickly touch upon some of the particular initiatives as they relate to the Northern Metropolitan Region. I believe my electorate has done extremely well from the budget this year; in fact that has been the case throughout the whole time Labor has been in government.

The school building program is a very key component of our infrastructure building program. In keeping with our having education as our no. 1 priority, the Brumby government has delivered a \$271.3 million school building and equipment boost that will result in 553 projects being funded in this term of government, surpassing our original commitment of 500.

The new Victorian schools plan that is funded in this year's state budget includes a very long list of schools in my electorate. It includes, for example, \$10 million for the modernisation of the Northern School for Autism, which will include its relocation and new facilities such as classrooms, a library, gymnasium and multipurpose science and ICT centres; \$5 million for the Charles La Trobe P-12 college as part of the Heidelberg regeneration project; \$5 million towards stage 2 of the Thomastown regeneration project that will see the refurbishment and extension of school buildings at the Thomastown Secondary College site; \$5 million towards the Thomastown West Primary School regeneration; \$4 million in further funding to build a replacement school for Glenroy Specialist School, which will include administration works and a bus drop-off area; \$1.2 million for the modernisation of Flemington Primary School; \$670 000 for the Lakeside-Merrilands regeneration project; \$539 000 for a replacement school for Strathewen Primary School; \$500 000 for the modernisation project at Collingwood College; \$500 000 for the Spensley Street Primary School at Clifton Hill; \$500 000 for Norris Bank Primary School; \$400 000 for Thomastown East Primary School; \$300 000 for the Austin Hospital School; \$300 000 for the Christmas Hills Primary School; and there is a share of \$1 million in planning funding to consider the future redevelopment of Thornbury High School. All of those redevelopments will assist in rebuilding schools so that our young people can get the best start in life.

I am also very pleased to note that the state budget has allocated \$14 million to continue the building and

expansion of our kindergartens and children's centres. In fact \$61.1 million has been provided over five years for an additional 3590 kindergarten places across Victoria.

There is also some additional funding for Victorian children with a disability or developmental delay, who will now have increased access to services such as speech therapy and physiotherapy. There is more funding for schools to meet students' individual learning needs. There is a \$108.6 million package to provide children and young people with a disability with every opportunity to achieve their full potential.

In relation to the health budget, the Brumby government has delivered a record \$4 billion health boost to build on the historic health investment and reform agreed to by the Council of Australian Governments. Under this 2010 health investment an extra 9000 Victorian patients will receive their elective surgery sooner, the number of outpatient treatments will increase by 32 000 and there will be capacity to treat an extra 50 000 patients in emergency departments.

The state budget has promised \$10 million to expand surgery capacity at the Royal Melbourne Hospital and \$5 million to support increased surgical capacity and deliver new intensive care unit beds across a number of Melbourne hospitals including the Austin, St Vincent's and Northern hospitals. In addition to this, the Northern Hospital will receive \$7.4 million for two additional catheterisation laboratories.

The budget also provides \$14.2 million for the development of a new 22-bed mental health Austin community care unit on the Heidelberg Repatriation Hospital site, providing clinical care and rehabilitation in a home-like environment where people can learn or re-learn the everyday skills necessary for successful community living. In addition, the budget makes available \$45.9 million to open new beds that are nearing completion at three sites, including 25 adult mental health beds at the Northern Hospital.

There is a \$6.5 million investment to maintain a professional ambulance service in Kinglake. There is also support there for a peak-period paramedic at the Whittlesea branch service. The Brumby government has allocated \$426.1 million towards the \$1.1 billion world-class Parkville comprehensive centre, which will drive the next generation of improvements in research, prevention, detection and treatment of cancer.

I am very pleased to note that the budget has provided \$40 million for stage 2A of the Olivia Newton-John

Cancer and Wellness Centre at the Austin Hospital. There is also further funding of \$28.9 million to provide for the construction and fit-out of additional cancer research floors; that totals \$68.9 million for that centre.

In relation to our investment in skills and jobs, the budget has allocated \$24 million over three years to support the Northern Melbourne Institute of TAFE's Preston campus redevelopment, which will include a three-level teaching and learning centre located on the existing student car park with connections to the existing campus buildings.

There is also a great deal in the budget that relates to our transport system and which will benefit my constituents. The 2010 budget continues to deliver on the \$38 billion Victorian transport plan, with a record \$6.4 billion for better roads and public transport, including new trams, more stations and road projects to reduce congestion, increase capacity and secure Victorian jobs.

Apart from the establishment of a new tram maintenance and storage depot at Preston, a number of stations in my electorate will be upgraded to premium status. These include the Lalor, East Richmond and Northcote stations. In addition, Metro Trains Melbourne has indicated it will staff another 22 stations during the morning peak period, including the Regent, Kensington, Dennis and Rosanna stations.

In relation to the important justice portfolio, I am very pleased that the budget includes the single biggest boost to police numbers in Victorian history, with 1966 additional front-line police over five years to make our streets and communities even safer. The budget allocates \$561.3 million over five years to recruit, train and employ 1700 additional front-line police, a further \$73.9 million over four years to redeploy 200 police to the front line and \$38.4 million to release 66 police officers from telephone answering services into front-line policing roles.

The budget also delivers \$129.4 million to speed up our courts and improve access to justice services. There is also additional funding for Victoria Legal Aid, which will help the most underprivileged members of our community.

There is also additional funding for our fire prevention services, with \$136.6 million to boost fire prevention initiatives, including \$41.8 million over two years for the Country Fire Authority, which will help the most northern part of my electorate.

In relation to the planning portfolio, the Brumby government has allocated \$72.1 million towards key

projects to manage population growth, protect the lifestyles of Victorian families and build for the future. The budget provides \$10.4 million over four years for central activities districts and employment corridors, such as in Broadmeadows, to direct commercial and residential development to the appropriate areas.

There is a further \$88.3 million over four years to accelerate development in these activity centres and infill sites in Melbourne. The package will deliver projects to encourage housing development close to job opportunities and in already built-up areas of Melbourne and regional Victoria. It will deliver the right planning strategy that will preserve the character of our existing communities and help build new communities to support families with jobs, services and transport links. There is also an additional \$22.8 million being invested in the transport connections project to provide reliable transport links into services and employment and to other members of the community to ensure that all Victorians have opportunities to access services and to feel part of the community.

One other aspect of the budget that I want to touch upon is the Victorian Action Plan for Green Jobs. I think this is a very important initiative of the \$175 million Jobs for the Future Economy action plan to help build a sustainable and prosperous future for Victoria. It is very pleasing to see that this is an 18-point action plan that will develop industries for the future and promote new skills and new jobs. Victoria was the first state to introduce mandatory renewable energy targets, and we led the way with 5-star standards for new homes. This action plan will build on that record and in particular focus on new jobs and economic activity in the construction and design of efficient buildings and homes, renewable energy and alternative fuels, recycling and developing new technologies in water, waste and manufacturing.

Finally, I am very pleased that the budget includes a further instalment in the A Fairer Victoria package and that there is a large range of initiatives that relate to supporting the most disadvantaged members of our community — further support for public housing, disability services, support for our indigenous community and a range of other initiatives. I believe this is a very good budget, it is a very financially responsible budget, it provides the services that the Victorian community needs and expects, and I commend it to the house.

Mr EIDEH (Western Metropolitan) — Whenever I see a budget such as the one handed down by John Lenders, the Treasurer, I must confess a certain degree of envy at just how well he can produce such a detailed

plan for all Victorians. A good budget it is indeed, showing yet again that the Brumby Labor government is committed to honest and efficient government on behalf of the people of Victoria, protecting the very fabric of that which we love in Victoria.

This positive view of Victoria has been expressed within the conservative media. In the *Australian Financial Review* of Wednesday, 5 May, the economics editor, Mr Alan Mitchell, wrote glowingly of the economic health of our state, the growth in jobs, the solid financial position and the outlook for the future. Add to that the recent success in Melbourne again being declared the no. 1 sporting capital of the world, the high ranking of Melbourne as a livable city by world standards and the recent declaration that Victoria is one of the two best places to raise children. That is why Victoria is growing so fast and is expected to overtake Sydney as Australia's premier city. It is thanks to the economic and political leadership of our Premier and the Treasurer, who have guided our state's successes for over a decade.

However, this budget delivers even more, offering more hope to families, to youth, to the elderly, to the sick and the needy, to business and indeed to all sectors of the diverse Victorian community. That is why time after time we are the leading state in the nation and why we have the fastest-growing population of any state.

Let us not forget the annual statement of intentions initiated by our Premier and the solid targets that the government sets to achieve on behalf of the people of Victoria. Let us not ignore the hard work the Premier and his ministers put into leading our state to deliver a better lifestyle, to deliver better outcomes, and to lift the standards even higher. I take this opportunity to highlight just some of the key initiatives of this well-shaped budget, which truly stands up for families and job security.

Building on this government's existing achievements in health, this budget further injects a record \$4 billion into our health and hospital system — \$2.3 billion for the hospital building program, of which \$90.5 million has been allocated to complete the final stages of the expansion and redevelopment of the Sunshine Hospital, which is located in my electorate of Western Metropolitan Region — and \$1.7 billion to improve equipment and services in our improving health care system. This budget does not leave out regional Victoria, paving the way for a new hospital for Bendigo, the biggest regional hospital project announced for regional Victoria and another success story of this government's commitment to growing provincial Victoria. Together, these record investments

in the Victorian health and hospital system mean new hospitals, more hospital staff and extra hospital beds, and will ensure that Victoria's public hospitals continue to be seen by many as a model for this country.

When it comes to building and maintaining a strong economy and securing jobs, this budget delivers. With taxes and borrowings coming down, the budget forecasts 3.25 per cent growth for our economy and expects to create and secure 30 000 Victorian jobs, noting that 92 per cent of all full-time jobs created in Australia in the last year were created in Victoria.

In terms of community safety, the safety of the people living in my electorate and indeed throughout Victoria must be a priority. Whilst it saddens me to hear of street violence and drunken behaviour, I am proud that Victorians can be confident that the Brumby Labor government will continue to take tough action on street crime. With an additional \$2 billion to ensure that we are the safest state in Australia, with almost 2000 extra police to be put on the streets, plus money for a number of additional supports for our police — the best in the nation — under this budget our communities will be safer.

This budget also delivers on services and on maintaining Victoria's livability. There is an additional \$2000 for new homeowners in provincial areas, and there is over \$500 million to start building the new regional rail link project, extending 50 kilometres of new tracks from Southern Cross station to Werribee, with more to come in coming years.

Our emergency services will receive \$254 million over the next five years to better prepare them for fighting bushfires.

The budget contains a record \$6.4 billion commitment to public transport and roads; almost \$109 million to assist children and young people with disabilities; and \$500 000 towards the Victorian Promoting Harmony initiative, which supports events such as Diversity Week, Viva Victoria and the Premier's Multicultural Forum, all of which are well celebrated in my multicultural electorate.

Business will also win from this budget as a further example of the sound economic management of this government and of the Treasurer, with over \$460 million in tax cuts including reductions in payroll tax and WorkCover premiums.

The Brumby Labor government will continue to invest in our education system. A \$271.3 million school building and equipment boost will mean that the Brumby Labor government will exceed its promise to

rebuild, renovate or extend 500 government schools by 2011. Many schools in my electorate have benefited from this funding program and will continue to benefit under this budget.

In addition, the budget funds an extra 3590 kindergarten places. I wish to acknowledge the contributions of both the Brumby Labor government and the federal Rudd Labor government to the new family and children's centre at Avondale Heights, which is in my electorate.

In conclusion, I feel secure in the knowledge that this budget will further strengthen our state across all areas and that we will become the envy not only of other states but of nations. I congratulate the Treasurer and thank him on behalf of all thinking Victorians.

Mr TEE (Eastern Metropolitan) — This is an important budget. It was 12 months ago, with the previous budget, that we were really in the eye of the financial storm. That budget was a great budget for the times. It was a budget that provided the stimulus that the economy needed, that the community needed and that our schools needed. It committed the government to an infrastructure spend that not only saved the economy and jobs but also provided an infrastructure legacy that will serve us for generations to come. The budget we are debating today builds on the foundations that were laid by the previous budget by continuing the infrastructure spend, although at a reduced rate, and ensuring that the Victorian economy continues to grow and provide employment opportunities. This is a great budget that keeps Victoria at the forefront of state and territory jurisdictions, and indeed the commonwealth jurisdiction.

An important part of the budget is that it continues to develop and invest in core government activities, whether they be the provision of health care, education or community safety. It continues the excellent economic management which is the hallmark of this government, ensuring that Victoria's AAA rating will stay in place. Notwithstanding the challenges of the worldwide financial crisis, our AAA rating is secure, and it is cemented by this budget.

The centrepiece of the budget is a \$4 billion boost to Victorian hospitals and the health system, which continues the important expansion and delivery of health services in the communities where they are most needed. It continues the decentralisation of community health facilities that has become the hallmark of this government.

The budget is also very much about supporting a safer state. The 1966 extra police will be on the front line ensuring community safety. This is the biggest one-off boost in the state's history.

I am particularly pleased to see the budget's contribution to and investment in public transport. In particular we will have an additional 20 staffed premium train stations. There is an investment in the fleet of 50 new low-floor trams and four new railway stations in Melbourne's growth areas. This \$5.2 billion public transport investment is a cornerstone of the budget. The creation of 20 new premium stations is an important feature of the budget. It is not only about improving the information that is available and the service that train commuters receive but also about the safety of members of the community who use our train services. These stations will be staffed from first train to last train, seven days a week. That is an important commitment of some \$83.7 million. Those stations, together with some 22 stations that Metro will staff, means that nearly half of Victorian railway stations will be staffed. That is a great fillip. It is a great way of ensuring community safety on our train network.

In terms of the 50 new low-floor trams, two companies are already tendering for the design and manufacture. Work is well and truly under way to deliver those 50 new low-floor trams, which will be able to move around 10 000 people at any one time — that is, an additional 10 000 people will be able to use our tram network. It is worth noting that the feature of this government, and indeed of the Bracks government, is the fact that there has never been any discrimination in the delivery of services. This government has always delivered services where they are needed, regardless of postcode and regardless of political inclinations, and that continues. This government continues to deliver in every suburb, in every seat where it is needed.

In the eastern suburbs, in my electorate, I am particularly pleased to see again a significant investment in schools. A number of schools are receiving funding as part of a number of regenerations that are taking place. Burwood Heights Primary School, Parkmore Primary School, Eltham East Primary School, Montmorency South Primary School, Bayswater Secondary College, Wantirna College and Wantirna Heights College are just some of the schools where there have been large investments to ensure that our students receive the education that they need to develop and gain opportunities in employment and further study so that they can make their contribution to the community.

I welcome the budget as a continuation of the great economic management and the great social infrastructure that has been developed by the government.

Mr GUY (Northern Metropolitan) — I rise to make a couple of comments on the state budget. In doing so I acknowledge that this is the 10th budget of a government that has been in office for about a decade, and by the time we come to the next state election it will be 11 years. Victorians are entitled to ask what they have to show for 11 years of this government.

The first thing that stuck me, as someone who joined the Liberal Party in 1990 as a high school student in the north-eastern suburbs, was the economic legacy that the previous Labor government was leaving Victorians. The legacy that the Labor Party had left us in the early 1990s was one of immense financial difficulty and debt, which would have to be paid off by future generations. Indeed that is the legacy that Labor left in 1992, and subsequently a lot of difficult measures had to be taken by the incoming government to address the situation that had arisen in Victoria.

In 1992 the incoming Kennett government was faced with debt levels exceeding \$30 billion for a population of little more than 4 million people. It was an immensely difficult period for Victoria and one that spurred me into politics, having seen the mess that the Labor Party had left our state in. Should we be surprised that the budget that we look at today is again going to leave a debt legacy of over \$30 billion by 2014? The Labor Party uses all sorts of measures and all sorts of spin to justify the fact that we are back to \$30 billion — —

Mr Tee — Or fact!

Mr GUY — Mr Tee is absolutely, 100 per cent, right. It is called fact. The fact is that there is around \$30 billion — \$31.7 billion actually — that the state of Victoria owes on behalf of every single one of us in this state, thanks to the Labor Party, and it will have to be repaid by future generations. In terms of infrastructure, after the Labor Party's 11 years in office, what does the state of Victoria have to show for the debt that is going to be accumulated by this government? The Labor Party is now running around trying to say to the community — and we hear this repeatedly in question — 'Please forget the last 10 or 11 years. Please forget the last 11 years of underperformance — —

Mr Drum — Trust us, we have a plan.

Mr GUY — Trust us! Mr Drum is absolutely right. Labor is saying, 'Please forget the last 11 years. We have a plan for the next four years. We have got a transport plan, albeit it is unfunded. We have plans for water, albeit they are being canned by our own experts and unfunded. We have all these ideas and all these plans, but not one of them is funded and not one of them is going to materialise at any time in reality. Forget the last decade in office, please trust us for the next four years'.

This is the kind of spin that Victorians and indeed Australians are used to getting from the Australian Labor Party. It is the kind of spin that Paul Keating tried to use in 1996. It is the kind of spin that Joan Kirner tried to use in 1992, that Barrie Unsworth tried to use in 1998, that Lynn Arnold tried to use in 1993 and that Alan Carpenter tried to use as recently as 2008. It is the spin that Labor is built on; there is no substance to it.

Why should we be surprised that this budget, with huge debt and little to show for it, is the centrepiece of another Labor administration? We stand on this side of the house, look opposite and see the Leader of the Government in this house, who was an adviser to the Cain and Kirner governments and learnt his skills, his trade and his mannerisms from the Cain and Kirner years. The Kirner government was the most disastrous government in Victoria's history. The Deputy Leader of the Government in this chamber has exactly the same background. He was also an adviser in the Kirner government and learnt his skills from the most disastrous government in Victoria's history. Fallen ministers like Ms Broad and others on the other side of the chamber also learnt their skills from the Kirner government.

It is not just about money and finances; it is about the fact that to service the \$31.7 billion debt we will have by 2014 it is now paying over \$3.25 billion annually. That is \$3.25 billion in recurrent annual serviceable money that is going in to pay a debt level when it should be going back into services and infrastructure construction and back into improving the competitive advantages of the Victorian economy. Can you imagine what \$3.25 billion each and every year could build in terms of new government infrastructure and services?

The Labor Party runs into this chamber and says, 'If we didn't have that \$31 billion of debt, what would we cut out for it?'. The point is that it is incumbent on the government of the day to justify where all that money has gone over the nearly 11 years of its administration. It will be the longest serving Labor government in Victorian history by the time we get to November. It is

no longer good enough to say to Victorians, 'We are going to build you a new railway line'. The government has had 10 years. The government says, 'We are going to improve the transport system in this state', but it has had 10 years to do that. It says, 'We are going to get a water plan up and running in this state if you give us another four years', but it has had 11 years. It says it is going to do things. It is a government of gonnas.

Keating was a gonna, but he got whipped by 50 seats; members opposite all still idolise him. All these gonna governments form the Labor brand so we should not be surprised that those students of the Cain and Kirner governments who learnt their skills, their stock in trade, how to operate as a government are now the people in charge of our economy today. That is why Victorian debt will slide back to \$32 billion by 2014.

As Mr Tee quite correctly said, it is fact, so I will talk about facts. It is a fact that \$32 billion has to be paid off by Victorians; by my children, by the children of everyone in this chamber or by relatives or future generations. This is money, as it says there, it is \$3.25 billion annually that could be going back into delivering better services and infrastructure. What could we do with \$3.25 billion annually? Think of the number of level crossings that could be eliminated across the Melbourne metropolitan area and regional cities across Victoria, bottlenecks that could be eliminated, hospital services and new beds, new aged-care facilities, new education facilities, new schools, and new teachers — all that could be provided for with the \$3.2 billion annually that now goes to service the debt.

I looked at the online edition of a United Kingdom newspaper the other day which said how the previous UK Labour government has left a legacy so that servicing the debt levels in the United Kingdom will cost something like £70 billion.

Mr Murphy interjected.

Mr GUY — Mr Murphy can talk about the Republicans, but actually Barack Obama, who promised to cut the debt level left by the Republican administration, has in fact doubled it. This is the legacy: you promise to do something, but then you go and double it. Kevin Rudd's administration says, 'We will run a surplus budget' but again, we are now running the greatest deficits in Australian history of \$70 billion and it took 2.5 years to get back to \$260 billion in debt. What have we got for it?

The government gave people like my old Ukrainian grandmother a cheque for about \$1000 to buy a plasma

TV. She does not want to buy a plasma TV, she is 90 years old, but that is Labor's way of stimulating the Australian economy. This is the kind of maladministration we have seen perfected as an art form; members opposite simply cannot get it through their heads that Labor cannot be trusted with money, and that is the end of the story.

It started in the 1960s and 1970s, and it is no different today. If you study every government in Australian history, when did a change of government occur in Australia when a Labor Party administration left office but left the economy in a better state than the way it found it? I ask any member opposite to give me an example. Give me an example where a Labor Party government left its economy in a state better than it was when it was inherited by the government. There is not one!

Why? I come back to where I started, because the people who are in charge of the government today, who have left a \$32 billion debt legacy for Victorians, a \$3.25 billion debt servicing for all of us today, recurrent, learnt their stock in trade from the Whitlam administration, from the Cain and Kirner governments, from the Bannon and Arnold administrations, from the Wran and Unsworth administrations, from the disastrous Beattie and Bligh administrations — and it continues today — from the Brian Burke, Peter Dowding, Carmen Lawrence administrations of Western Australia, the people in Tasmania — —

An honourable member interjected.

Mr GUY — Yes, Michael Field and company destroyed a Tasmanian economy in 2.5 years, just like Mr Rudd is doing federally now. The Hawke and Keating administrations took our national debt levels to something like \$11 billion. It took 90 years to get Australia's national debt from zero to \$11 billion, yet it took the Hawke and Keating governments only about six years — their final years in office — to send the national debt from \$10 billion to \$100 billion. There has been a \$90 billion increase in debt. It comes back to what I said before: that is why Labor cannot be trusted with money.

Today in question time we witnessed the Treasurer unable to answer simple questions about unemployment figures in Victoria. He was unwilling to answer a simple question. As Mr Koch said earlier today, that made the point that Labor is good at raising money and it is good at spending money, but it is no good at managing money.

It is the old story from people on that side of politics, that it is all good to spend money. ‘Look how much we’re putting into something’, the government says. But when the output is less and your input is greater, it is like someone running off to the supermarket — Mr Atkinson made this apt analogy today — and then coming back and saying, ‘I bought 15 goods for \$29.95’, only to have the Labor Party say, ‘I bought 12 goods for \$35.95, and because I spent more, therefore I have done better’. It makes no sense, yet members opposite do not seem to understand that.

It is all about government output measures. It is about running a government efficiently and properly. That is why in the recent health agreement we see that the reforms put in place by this side of politics, which were utterly scorned and opposed outright by members opposite, are now being adopted in principle by the federal government, Labor’s own Rudd government. Mr Rudd is running around Australia trying to implement reforms and a style of funding that was put in place 15 years ago by this side of the house when we were in government in Victoria, but then they were utterly opposed. You can argue it all you like but, as Mr Tee said, talk about facts. That is an unmistakable fact.

I want to briefly talk about my own shadow portfolio area of planning. What I find astounding is that Labor has had so much opportunity in its 11 years in government coming up to the November election and so much opportunity has been wasted. Wasted opportunity will be the legacy of this government. It has had so much time, so much opportunity to achieve, to do things, to build things, to start things, and its members have just sat there in government with a lethargic attitude — lethargy has been enveloping just about all the cabinet.

We have nothing in the way of logical inclusions for urban growth in this budget — no processes put in place, no funding to get logical inclusions back onto the agenda of planning in Victoria. We have been talking about housing affordability. The government constantly says, ‘We need to bring land to market to assist with housing affordability’. I understand that is an issue and one of the solutions to housing affordability. It is by no means the only or the greatest measure, but it is certainly one measure.

On numerous occasions we have put forward in-principle support to look at a process to bring forward logical inclusions. They are parcels of land that abut major infrastructure — whether it be a railway station, a freeway or a bus route — to get people away from their car-dependent lifestyles, and this government

has steadfastly refused to do even that. It comes back with excuses like, ‘It would take us two years to put a process in place’. Where has this government been? It leads the public service; the public services does not lead it. I find it astounding that in such a critical time in Victoria’s history, as it grows by 115 000 people per annum, the best we can get out of the Minister for Planning is, ‘Oh, well, we are going to look at a process to establish a process’. Do something! You have had the time, you have had the initiative.

That is one of the reasons this government is starting to be openly derided. I was on the train from Preston coming into work this morning and the number of people throughout the carriage who were openly critical of the performance of this government in transport was astounding. I do not know how you can be 5 minutes late on a train when you are only seven stops from the end of the line, but the train arrived 5 minutes late. By the time we got to Jolimont we were 7 minutes late. Once people have been sardined into a train, they are not very happy by the end of the journey, so there was open hostility towards a government that has had so much opportunity but has failed so miserably in meeting key performance output measures for its administration.

I understand that government members will have their little speaking notes about how good they are, their rose-coloured-glasses view of the world and how everyone supposedly loves John Brumby. The Labor Party thinks everyone should ‘pay homage’, as I think one of their own members in the lower house said. That was the term used in the lower house — to ‘pay homage’ to the Labor government.

Mr Murphy — Hear, hear!

Mr GUY — ‘Hear, hear!’, says Mr Murphy. He thinks people should pay homage. All I would say is that that notice of motion, given by a Labor member in the lower house, that the people of Victoria should pay homage to the Premier of Victoria is the absolute manifestation of arrogance and self-indulgence. That is precisely why I guarantee that, come November this year, the people of Victoria will say, ‘Enough is enough. You guys have had your time; get out of government’.

Ms BROAD (Northern Victoria) — I rise to speak in support of the 2010–11 Victorian budget papers. I will respond to the performance that we have just been subjected to from the other side by saying it is strange that the international rating agencies have such an overwhelmingly different assessment of Victoria’s economic management by the Brumby Labor

government. Either Mr Guy or the rating agencies are on a different planet from the one we are on, and I venture to suggest it is Mr Guy.

To come back to the 2010–11 budget papers, this is a budget that stands up for families and secures jobs. At the outset I congratulate the Treasurer, John Lenders, on bringing down another Labor budget. This budget invests in vital services, protects the lifestyle of Victorian families and allocates funding for Labor's plans for Victoria's future. It is a strong health budget that delivers a record \$4 billion boost to Victoria's health system, and that boost will provide new hospitals, more hospital staff and more ambulance services, and it will deliver extra hospital beds.

Community safety is an important matter for Victoria's families and communities. Through this budget communities will be safer, with 1966 more police on the front line — the biggest one-off boost to front-line policing in the state's history. This comes on top of a huge investment in facilities to make it easier for Victoria's front-line police officers to do the job they want to do of making Victoria's communities safer. Two examples of this from the Northern Victoria Region, the region I represent, are the brand-new, recently opened Swan Hill police station and the magnificent new police station in Mildura.

This government is not just investing in extra police numbers but also making sure that police have the facilities and equipment they need to do the best possible job to help keep our community safe. Community safety is a responsibility that we all share, and we all have to play our part — it is not just a job for the police. We all want to see safer communities. Regional communities and disadvantaged communities want to see this happen every bit as much as communities in metropolitan areas.

The Brumby government is also building for the future, with a \$9.5 billion infrastructure program. This infrastructure program includes such projects as the \$1.4 billion regional rail link, the largest project funded through the federal contribution in the last budget. This project will deliver benefits not only to metropolitan rail travellers but also to regional rail travellers by delivering more services and more reliable services.

That \$9.5 billion infrastructure program also includes a very important rail project in the form of the electrification of the rail line to Sunbury, which will mean that Sunbury will be connected to the metropolitan network as well as being part of the regional rail network. As a result there will be more services and more reliable services for residents of

Sunbury, so this is a welcome project for just one community in the more than 100 000 square kilometres of communities that I represent in almost half of Victoria.

The Brumby government is also investing in the right projects for growth in regional Victoria, including the largest ever regional hospital project in regional Victoria — that is, of course, the redevelopment of the Bendigo hospital, a new \$473 million hospital, as well as the redevelopment of facilities that have a decent life left in them. In order to ensure value for money for Victorian taxpayers those facilities should and will continue to be used, with suitable upgrades, as part of the redevelopment and the new facilities that are being delivered. This is a project that the opposition still has not brought itself to support or to propose some alternative to. If it does not support the government's project and funding commitments, it is free to put forward alternatives, but to date we have not heard anything, despite many opportunities for the opposition to do so.

All this investment by the Brumby government means securing more jobs for Victorian families and will be a further boost to business in Victoria, including in regional Victoria. The budget is expected to create and secure some 30 000 Victorian jobs on top of the more than 99 000 Victorian jobs that have already been created, and they represent 92 per cent of the full-time jobs created in Australia over the past year. Labor is determined to continue to deliver jobs for Victorian families. We know that the threat of the global financial crisis, which is continuing to upset economies all around the world, is not something that we can simply put out of mind and put behind us; it is something that we need to continue to be ever vigilant about. That is a big part of the reason for this massive investment by the Brumby government in a whole range of projects which are delivering jobs for Victorians in the light of less investment from the private sector.

Fortunately, due to the very prudent financial management of the budget, the Brumby government is in a position to make these very large record investments in infrastructure. These are not short-term projects; these are projects that will continue to deliver benefits to all Victorians for generations to come, as well as the immediate benefits of the jobs they are generating and the business they are stimulating.

I would like to turn to some specific examples of the investments in our towns and regions that are being made through this year's budget. I will do so because when you listen to some of the contributions, both in and outside the Parliament, from the opposition you

would not think that any of the projects were being funded through this budget.

I turn to the north-west and will take one set of examples. The budget includes a whole lot of investment in schools in Victoria's north-west. Just a few examples of those are included in the budget. There is \$4.5 million for the Ouyen P-12 College regeneration; \$2 million in this budget for the Merbein P-10 College regeneration project; over \$1.5 million for the Robinvale P-12 College regeneration; and over \$2.5 million for the Boort primary and secondary school regeneration. In this budget there is a further \$574 000 for Chaffey College in Mildura. That is in addition to estimated spending of over \$5.6 million on this project by 30 June this year. There is \$191 000 in this budget for Lake Boga Primary School. That is in addition, again, to estimated spending of over \$500 000 on this project by 30 June this year.

I would like to emphasise that the Brumby government is providing this funding for schools in northern Victoria. It is doing so not only because the building projects provide jobs, stimulate the local economies and provide better school facilities for students, teachers and parents, but also because they provide better opportunities for school students in these schools. We know that in regional and rural Victoria school participation and completion rates are lower than they are in the metropolitan area and this affects the life chances of young people in regional and rural areas. One of the ways we can improve their life chances is to provide more modern technology and better facilities that make it possible for teachers to provide better opportunities for students in these schools and the best possible chances for them to shine and do better.

There are three very important reasons why the Brumby government is continuing to make this massive investment in our schools, including across my electorate of Northern Victoria Region. In addition to those school investments, I can assure members that there is a very long list of schools in my region alone that the Brumby government is investing in through this budget. I could provide members with a very long list, but I might spare them. In many cases these investments add to existing investments. In other cases the allocations in this year's budget are the start of projects which will go over a number of budgets, so there will be further funding to these schools to complete their projects.

In addition to this investment in schools in northern Victoria, this budget also includes an investment of more than \$19 million to open new dental training clinics in Mildura and Melton and to provide

12 000 extra public dental visits. The fact is that there is a great need for further access to public dental services. If we go back to the disgraceful decision by the former Howard federal government to slash the commonwealth public dental program, we can see the legacy of having people who do not have enough money to provide for private dental care. A lot of people on low incomes need better access to public dental care. I am very proud of the fact that the Brumby Labor government is making this investment to make it more possible for people who simply cannot afford private dental care to get access to the dental care they need through public dental clinic visits.

The budget also includes funding for new fire stations, including a long list of stations across northern Victoria, on top of the fire stations that have already been funded. There is also, of course, a \$2000 increase in the regional first home buyers grant 2000, making it \$26 500, which benefits homebuyers in northern Victoria as well as right across regional Victoria.

I noted the critical comments of this program earlier by one of the Greens members, but I can assure members in this place that this is an incredibly popular program which is making a huge difference to homebuyers in regional Victoria, including in northern Victoria. The fact is that the further you get away from the metropolitan area, the more the costs of building increase. This is of great assistance to first home buyers building a new home in regional Victoria. It is a great boost to the building industry. It generates jobs, and it makes the purchase of a home much more possible for regional Victorians on moderate incomes.

As well as that there is an \$8.8 million boost over four years to strengthen the ability of the Department of Primary Industries to plan, mobilise and coordinate resources when confronted with natural disasters and emergencies. We have had more than our fair share of those in regional Victoria in recent times. This boost to DPI's budget will improve its capacity to deal with those circumstances.

The budget also includes a \$41.8 million boost over two years for the Country Fire Authority (CFA) to help communities and householders better prepare themselves for the next bushfire season. There is always a next bushfire season, and we also expect that with the delivery of the final report of the Victorian Bushfires Royal Commission we will be required to take further actions. However, in the meantime this funding, coming on top of more than \$1 billion in funding which has already been committed by the Brumby government in its response to last year's bushfires, is an important boost to the CFA.

I also want to draw attention to funding in this year's budget of more than \$32 million over four years for the apprentice and trainee support package to boost the number of people starting and finishing apprenticeships and traineeships, with the apprentice and trainee completion bonus as well as the provision of accommodation support for apprentices and trainees. This is an important program in regional Victoria which makes apprenticeships and traineeships much more accessible, particularly to young Victorians living in regional areas. People in regional Victoria are very pleased to see this increase for this important program.

As a result of the federal-state health agreement negotiated by the Brumby government, we will see more elective outpatients and emergency patients being treated across Victoria, including in our regional hospitals in northern Victoria.

I might sum up my remarks on the boost to schools in Victoria by pointing out that the \$271 million allocated in this budget will exceed by 53 schools the pledge to fund the rebuild, renovation or extension of 500 government schools by 2011. That was an important election commitment the Brumby government took to the 2006 election, and not only has that election commitment been delivered on in full but the government is delivering the upgrade of an extra 53 schools through the funding that has been allocated in this budget.

There is further good news to come for regional Victoria in the form of a blueprint which will be delivered shortly by the Brumby government and the Minister for Regional and Rural Development, Jacinta Allan, who has been hard at work consulting with regional communities and regional shires and councils across the length and breadth of regional Victoria, including in northern Victoria. On top of the very substantial commitments and funding and projects that have been delivered, including many in partnership with councils and shires across regional Victoria, there is further to come with the Brumby government's blueprint.

I might point out that in the last four years the Brumby Labor government has committed more than \$1.6 billion to regional health, education and job-creating infrastructure. I point this out because the Liberal-Nationals coalition recently announced a supposed regional growth fund. In fact that fund will result in a reduction of some \$1.1 billion in comparison with the funding that has been delivered by the Brumby Labor government. This is a huge hoax that is being perpetrated on regional Victorians — it is less than one-third of what has actually been delivered by the

government. It is very important that regional Victorians understand the hoax that is being perpetrated here. Of course this comes on top of a history which includes the opposition of the Liberal-Nationals coalition — although they were separate parties at the time Labor came to office in 1999 — to the Regional Infrastructure Development Fund, which has delivered a great deal of the more than \$1.6 billion from the government in the last four years alone for regional health, education and infrastructure. It was opposed by the Liberal Party and The Nationals —

Mr Drum — That is a lie.

Ms BROAD — There was an interjection from Mr Drum that that is a lie. As it happens, in 1999 I was the minister in this place representing the Treasurer and I had responsibility for carriage of the bill to establish the Regional Infrastructure Development Fund. I recall very clearly that Liberal and Nationals members, who formed the majority in this place at that time, voted down that bill and sent it back to the lower house. That happened a number of times, until they finally worked out they had made a huge mistake — a massive mistake — and they had to back down and allow the bill to pass.

The Regional Infrastructure Development Fund has been an outstanding success in regional Victoria. I say that not because it is just my opinion; I say it because the shires and the councils I meet with across the length and breadth of regional Victoria constantly say what a great thing it is because it provides a partnership with councils and shires where they get to put to the state government what they believe the priorities are for investing in regional Victoria. After all, we respect local government. We recognise it is close to regional communities and is in a good position to put forward what the priorities should be for state investment in infrastructure funding. We listen carefully to local governments. We do not sack them across the board as the Liberal and National parties did when they were last in government. We listen to their priorities, and we invest in those priorities in partnership with them to deliver a very long list of improvements for families and business in regional Victoria, improvements which also generate large numbers of jobs across regional Victoria.

I conclude by reminding the house that in contrast to the Brumby Labor government's investment in schools, which I referred to earlier, the number of schools closed by the coalition the last time it was in government was — in regional Victoria alone — between 93 and 99, depending on how you want to nitpick in counting the numbers. That is an extraordinary contrast in terms

of the commitment that the Brumby Labor government is backing up through funding in this budget and through our Victorian schools plan, now and for the future. I commend the 2010–11 budget to the house.

Mr MURPHY (Northern Metropolitan) — I would like to back up some comments by a previous speaker, Matt Guy, who endorsed and supported the Republican administration’s malpractice and incompetence in economic management! That administration took it to a whole new level. Its members roamed the earth as the death star stalked the galaxy, blowing up communities and economies along the way. Fortunately the Victorian government invoked chapter 4 of the *Star Wars* trilogy, and we had Luke Skywalker and Obi-Wan Kenobi come down and protect us from this global financial crisis that was forced upon us by the Bush administration.

The Victorian budget 2010–11 is yet another example of this government’s commitment to delivering progressive responsible government that makes Victoria the best place to live, work, invest and raise a family. As the Treasurer has outlined previously, over the past 12 months almost 100 000 new jobs have been created in Victoria. Victoria is the engine room of the Australian economy, recording the highest full-time jobs growth of any state and accounting for almost half of all new jobs created nationwide. Victoria recorded 6.4 per cent growth over the past year, clearly better than the average across Australia — 4.4 per cent.

The Australian Bureau of Statistics reported on 27 May that Victoria has had the highest growth in capital investment of any state over the past 12 months. This year’s budget commitments to invest \$9.5 billion in job-creating infrastructure is being felt right across the state, helping to grow our economy, create thousands of jobs and keep confidence high.

This year’s budget was once again met with accolades by various sections of our community. Standard and Poor’s stated that:

... the budget announced today for the state of Victoria is consistent with the ‘AAA’ issuer rating and the stable outlook already assigned to the state.

It said the budget was:

consistent with the government’s demonstrated fiscal prudence ...

The Brotherhood of St Laurence said it is:

... encouraged by the emphasis of today’s Victorian state budget on ensuring that all Victorians can share in the more prosperous times it forecasts.

This demonstrates that while we have been able to deliver a well-balanced, fiscally responsible budget, we have also been able to deliver on services such as increased numbers of police, increased funding to health and education and multiple other areas of social policy.

Kindergarten Parents Victoria said:

Kindergarten Parents Victoria applauds the state government’s decision to invest \$82.6 million to support early years services in Victoria ...

‘This comprehensive package will help ensure that all Victorian children have access to a quality kindergarten program ...’

The Victorian Employers Chamber of Commerce and Industry said:

... the 2010–11 state budget has delivered business a short-odds trifecta via modest cuts in business taxation and WorkCover premiums, selected infrastructure boosts and a strong surplus.

...

The 3.5 per cent WorkCover premium cut will benefit nearly all Victorian businesses ...

As we can clearly see, the Brumby Labor government has delivered a budget that carefully balances the many interests and priorities amongst our community.

The economic outlook for Victoria continues to be positive, with the 2010–11 budget revising the prospects for the state economy with growth expected to reach 2.25 per cent in 2009–10 and 3.25 per cent in 2010–11.

Mrs Peulich interjected.

Mr MURPHY — This is broadly consistent with the *Access Economics Business Outlook* report which puts Victorian economic growth in 2009–10 at 2.3 per cent, Mrs Peulich, the highest growth among the non-resource states.

As I mentioned earlier, the positive impact of this budget is being felt right across Victoria. Over the past year employment in country Victoria rose by a strong 16 755 persons, or 2.5 per cent, exceeding the national average growth of 0.8 per cent. In the quarter ending April 2010 the unemployment rate in country Victoria was 5.9 per cent, below the average for regional Australia of 6.2 per cent. Since the quarter ending October 1999 employment in country Victoria has increased by 122 250 persons, and the unemployment rate has fallen by 1.8 percentage points.

It is worth noting that since the ALP came to office in October 1999 employment in Victoria has increased by 559 800 persons, or 25.5 per cent, and the unemployment rate has fallen by 1.3 percentage points. Over the year to April 2010 Victorian employment has increased by 109 700 persons, or 4.2 per cent. This growth in employment is the largest increase of any state and well above the national average. This is the third largest annual increase in employment in Victoria since the monthly labour force surveys commenced in 1978.

Business confidence has been strong over the term of this government, with figures demonstrating that private business investment in Victoria recorded a sharp rise of 14.7 per cent over the past 12 months — the largest increase of all the states. Over the past 10 years Victorian investment has grown at an average annual rate of 8.1 per cent. Importantly, the Brumby Labor government has recognised the importance of skilling up our workforce. Victoria had 41 500 apprentice and trainee completions in the year to September 2009 — 26.1 per cent of the national total.

There has been a significant increase in funding for early childhood intervention services, including provision for physiotherapy, speech therapy and special education. I am positive this will go a long way towards improving the lives of young children and school students across Victoria, especially those students with disabilities.

One in five Victorians are living with a mental illness in our community. The impact on individuals dealing with mental illness cannot be underestimated. Rates of employment are lower and unemployment is therefore higher. People feel more isolated and have less contact with family and friends. A major study of 980 Australians with schizophrenia or bipolar disorder found that only 5.8 per cent of males and 6.1 per cent of females were in full-time employment.

In this year's budget it was pleasing to see the Brumby government build on the \$300 million invested in the nation-leading mental health reform strategy, *Because Mental Health Matters*, by announcing a major youth mental health package. Funding is targeted towards rural youth, mental health teams and support programs to identify young Victorians at risk of self-harm, with a focus on gay, lesbian and young indigenous people. This will help make a real difference to Victorians living with a mental illness and a difference to their families. This is part of the government's commitment to a strong health system that will see a record \$4 billion boost to our health system, including the

delivery of historic national health reforms in partnership with the commonwealth.

Victoria will be a healthier state, and it will be a safer community thanks to the biggest front-line police boost in Victoria's history: 1966 more front-line police over five years. By November this year we will meet our target of having a force of more than 11 400 police officers.

In 2006 Labor went to the election committing to rebuild or refurbish 500 government schools. The budget will see this target met — and exceeded. Some 553 government schools across Victoria have benefited from funding that enabled modernising or rebuilding — —

Mrs Peulich interjected.

Mr MURPHY — Mrs Peulich interjected that it is pinched from the Building the Education Revolution program. These figures do not include funding provided by the BER. This morning the Parliament was fortunate to have a briefing by Climate Scientists Australia, hosted by the Environment and Natural Resources Committee. This briefing highlighted the significant challenges we face as a community when dealing with climate change.

This budget invests \$175 million to deliver the provisions in the recently released *Securing Jobs for Your Future — Skills for Victoria* economy statement. It also provides \$105 million to implement the government's land and biodiversity white paper.

I commend the budget to the house. This well-balanced family-friendly budget will continue to make Victoria the best place to live, work, invest and raise a family.

Mr ELASMAR (Northern Metropolitan) — I rise to congratulate the Victorian Treasurer, John Lenders, and the Brumby Labor government on bringing down a state budget that continues to provide improved services and increased job opportunities for the people of Victoria, particularly in this recent time of global recession.

As a member of the parliamentary Education and Training Committee I always look first at the education allocation in the budget. As with previous Brumby Labor government budgets I was not disappointed. There is \$231 million overall for education. These funds will continue the works already begun under the last budget. There will be more employment, more jobs and better facilities for our students, creating a better learning environment for our future leaders of industry and government.

There is an allocation of \$175 million to secure thousands of green jobs across Victoria. I am happy to see that money has been set aside for that purpose. Our planet's ecological system is important to us all. It has always been a major concern of the Brumby Labor government because we all need to ensure that our children's children have a safe and clean planet to live on.

Recognising the recent baby boom, the Brumby Labor government has a five-year plan and has allocated \$63 million to increase kindergarten placements by 3590. This is essential for working parents who want to give their children the opportunity to learn, grow and experience early childhood services prior to starting prep.

The amount of \$7 million has been allocated to provide 7000 new computers in schools, in addition to the \$28 million in last year's budget that has already been spent. This continues to give young students the tools they need to succeed in any career of their choice.

I will speak about some of the highlights of this year's budget for all Victorians. Overall \$4 billion has been injected into the health industry to enable the construction of more hospitals and improve the overall delivery of health services. The budget provides new regional health facilities in Bendigo and Geelong, thereby ensuring that regional Victorians have access to top-quality medical services. Ballarat will house a new cancer centre which will be world class and ready to treat country Victorian cancer sufferers for many years to come.

Hospitals in Coleraine, Wonthaggi, Healesville and Leongatha will receive upgrades, and their existing facilities will be expanded in a statewide infrastructure program designed to produce timely and effective treatment for all Victorians.

I will highlight some of the budget allocation to transport. A total of \$6.4 billion — which is another record amount — has been allocated for more trains, more trams and more railway stations, together with better roads for our motoring public. We know it is critical for our economy to provide safe and reliable commuter services to enable our travelling public and workforce to get to their places of business or employment.

The amount of \$807.6 million will be spent on providing 50 new low-floor trams. A new tram maintenance and storage depot will be built in Preston, which is located in my electorate of Northern Metropolitan Region. This means more jobs and a

viable future for the unemployed. There will be an additional 50 transit police to make public transport users safer.

I will now speak about government strategy for dealing with the future threat of bushfires. There is \$136 million that has been allocated to boost the state's fire prevention strategies before we head into the next fire season. The tragedies that occurred on Black Saturday will remain in our hearts and memories forever. The investment in bushfire prevention is timely and necessary. Our community expects an appropriate fire prevention plan and an effective emergency response system which has the paramount goal of saving the lives of our citizens.

There are many positive aspects to this budget. I congratulate the Treasurer, John Lenders, because he has ensured the economic viability of Victoria but at the same time provided initiatives that will further stimulate our economy and provide much-needed jobs and further improvements in the delivery of services to the people of Victoria.

I am especially proud of the Treasurer and the Premier today because they have taken bold and positive steps to make Victoria the best place to live and raise a family. I commend the government's 2010–11 budget to this house.

Mr LEANE (Eastern Metropolitan) — In speaking on the budget tonight I mention that one of my colleagues said that considering the time of the day something unparliamentary could come my way if I spoke too long, so I will keep it very concise.

I want to speak about a few items in the electorate I represent, especially around education. There is funding for some new capital works projects under the Building Futures program for two particular schools in the Knox area: Wantirna College and Bayswater Secondary College. It is great to see that they have been funded. I had spoken with those principals and the school community in recent times before the funding announcement, and I have spoken to them after the funding announcement, and they were very pleased that those projects are going ahead. I know at Bayswater Secondary College they had been lobbying long and hard for their school to be modernised, and they did a great job in lobbying for this particular announcement.

There was a strange occurrence after the budget was handed down. The member for Bayswater in the Assembly contacted both these schools and told them they would only be getting a small portion of the announced funding. The member quoted \$1 million for

one school, which is actually going to receive \$10 million, and \$1 million for the other school, which is going to receive around \$4 million. I am not too sure why she would do that. The budget papers show that the finances are delivered over a period of two financial years. Budget papers have to do that. I would have thought, as the member who represents that particular electorate, the usual form would be to claim those announcements as a victory for yourself rather than talking the announcements down.

There was another announcement that Wantirna Heights School is to be relocated to the now vacant Ferntree Gully secondary school site and become a P–12 autistic-specific school. I have worked long and hard with the parents action group that has been pushing for this announcement, and I want to congratulate them. I understand the angst these parents had about whether this would be delivered. I know that you, Acting President, have a very personal interest in these schools. Probably more than anyone, you would appreciate how happy this lobby group would be about that announcement. It is great to see it go ahead, and hopefully some capital works can start early next year to make that school a reality.

In closing, I know a number of the big announcements have probably been mentioned during other members' budget contributions; I just want to touch on important ongoing funding in certain areas. In particular, the Department of Planning and Community Development has ongoing funding, sometimes around \$5000, to non-government organisations to help them continue doing the very good work they do with the community.

I have been dealing with a group called the Dining Room that helps feed homeless people every Tuesday night out the back of a church in Croydon. It is currently going through the department seeking some funding around that, and another group I spoke with recently has been in contact with the department to see if it can access some funding to go towards training or volunteer grants, and the volunteer grants are very important to these groups.

We concentrate on the big money announcements, but these small amounts of money that the Brumby Labor government makes available to these groups are very important to them and very important to the people they service. In saying that, I will conclude.

Ms DARVENIZA (Northern Victoria) — I am very pleased to rise and make a contribution to the budget debate. In doing so, I first of all congratulate the

Treasurer on bringing down this very impressive budget in May 2010.

I know Ms Broad has already spoken at length about some of the gains in northern Victoria, so I will try not to go over that ground too much.

One of the biggest things delivered for rural and regional Victoria, not only northern Victoria, is the biggest first home owner payment in Australia, which has been very significant. There has also been investment in agriculture and infrastructure, more front-line police, the investment in our schools, which is building on work that we have already done, and in fact I think we are ahead of schedule in renovating and redeveloping our schools, and of course the commitment that we have made in health funding.

The centrepiece has been very much the multibillion-dollar investment in regional Victoria with the additional \$2000 from 1 July 2010 for every Victorian purchasing a newly constructed home in regional Victoria. That brings the amount of money available to someone who is purchasing for the first time a new home in regional Victoria to \$26 500, which means there are going to be more younger people being able to take advantage of this injection of funds to assist them in owning their own home. This is unavailable in other states, so it is a very attractive and very generous option for first home buyers and is going to help many thousands of young families achieve that great Australian dream of owning their own home.

Some of the highlights of the 2010 state budget in the Goulburn and Murray valleys include funding for new State Emergency Service vehicles for Tatura, Numurkah and Kyabram. The railway crossing improvements at Hayes Street and Knight Street and Wheeler Street and New Dookie Road in Shepparton and the Katamatite-Shepparton Road, Congupna, are going to make a very big difference to the movement of not only rail but also road traffic. There is \$1 million to rebuild the Toolamba Primary School which was destroyed by fire in February, and I note that the kindergarten there is already up and running and open again. There is \$4.3 million to acquire land for a new police station at Echuca and funding to strengthen indigenous communities leadership along with capacity through the Shepparton Koori resources and information centre, and I know that is something that has been welcomed by the Aboriginal community within Shepparton.

There is also some good news for primary producers in Victoria. There is a commitment of a \$26.8 million package for agriculture in the 2010 budget. This

investment will really assist the farming sector to become more productive, more competitive and more sustainable. That is at a time when we have been experiencing one of the worst droughts in living memory. Whilst we have been getting some much-needed rain and some areas are not as drought affected now as they once were, we still have drought and we know that our farming communities have been experiencing very challenging and difficult times, so the budget allocation is most welcome.

Part of the \$26.8 million agricultural package over four years will go to enhancing the ability of the Department of Primary Industries to plan and mobilise as well as coordinate resources when confronted with emergencies; \$8.8 million has been allocated for that purpose. A further \$5.4 million is being made available over four years to continue to protect Victorian primary production from the threat of weeds and pest animals. That is an ongoing problem that we encounter all the time in rural and regional Victoria. There is an allocation of \$1 million to build on the government's management of weeds and pests in Victorian parks, which is another matter that is continually raised with me as I travel around regional Victoria.

Some of the other highlights I would like to mention are to do with health and hospitals, particularly the record boost to our health and hospital system, including a new \$473 million hospital in Bendigo, which will be the biggest regional hospital project ever announced for regional Victoria. That will ensure people living in central Victoria have access to the very best health care for generations to come. An amount of \$55 million was also allocated in last year's budget to the redevelopment of the Bendigo hospital.

There is \$33.6 million towards a second hospital in Geelong, which is classed as a growth area. It has an increased and growing population, so that funding will ensure that Geelong is in a much better position to be able to deal with that growth.

Ballarat, another one of our big regional centres, will become home to one of two of our world-class cancer centres being built in Victoria, with a \$13 million investment towards a \$55 million Ballarat regional integrated health centre. This is a terrific initiative. It means there will be facilities available under the one roof for not only people in Ballarat but also the whole area that Ballarat services. We will see four new radiotherapy bunkers and two linear accelerators. It will bring, as I said, a range of services together in one spot. That means the services will be more accessible to people where they live and they will not have to travel

such long distances to Melbourne to be able to receive the treatment they need.

Also the Healesville hospital is one that I know well, having lived in Toolangi for many years. Having had my children while I lived there, we were regular visitors to the Healesville hospital — most parents would relate to this — as we went through the falls, tumbles, breaks and scrapes, bangs on the head, and the rest of it. The budget allocates \$3 million for the upgrade of the Healesville hospital, including an expansion of services to meet some of the community health demands. It provides \$35 million for a medical equipment replacement program. This is a continuation of a fantastic program that allows hospitals and health services to be able to buy the very latest equipment and acquire the latest technology.

That is particularly important not only so that people can have access to this diagnostic equipment, which is close to their homes, but it also means they are going to be able to get a diagnosis quickly. When you get a quick diagnosis it means you can move to quick treatment and better outcomes.

Before I conclude there are a couple of other things I want to mention. There is so much to talk about in this budget that it is difficult to hone it down to the things that other members have not already talked about — and the things that are the most important.

The government hopes to create a safer state. There will be 1966 more police on the front line. This is the biggest one-off boost to front-line police in the state's history. The Brumby Labor government is investing \$561.3 million for 1700 additional front-line police, as well as \$112.3 million to redeploy 266 desk-bound and call-taking police to the front line. That is strengthening our front-line police.

Tax reform is certainly worth a mention. I know this has been widely accepted right across my electorate as well as throughout Victoria. There is \$461 million worth of tax cuts, cuts to WorkCover premiums, and tax incentives to create aged care and disability facilities.

The government aims to lead the recovery from the global financial crisis. There are revised forecasts over the forward estimates revealing tens of thousands of jobs saved, borrowings coming down and economic outputs growing. This is a very strong financial position for our state, particularly given that we have been through the global financial crisis. We have certainly come through that well.

The government is building for the future: there is a \$9.5 billion infrastructure program that will secure an additional 30 000 Victorian jobs in the next financial year, with key projects brought to book, such as the \$4.3 billion regional rail link, which is something that is most welcome in regional Victoria.

There is a \$2 million legal services master plan that is going to report back in 2011–12 on Victoria’s legal needs for the future. The plan will provide for the future, including the future of existing court complexes in Wangaratta, Shepparton and Bendigo.

As part of the Closing the Gap strategy to improve outcomes for indigenous Victorians, the Brumby Labor government is contributing \$1.7 million towards the development of eight new academies for indigenous students. The \$4.2 million initiative in partnership with the commonwealth government and philanthropic organisations will establish five football academies and three dance academies for indigenous students at government schools in Mildura, Robinvale, Swan Hill, Mooroopna, Eaglehawk — five places in my electorate — Bairnsdale, Warrnambool and Ballarat.

There certainly is a lot in the budget for rural and regional Victoria, whether you are in a regional city or a rural town. It is a very good budget. It is a budget that the Treasurer should be congratulated on. It builds on the work that the government has already done in previous years.

Debate adjourned on motion of Ms LOVELL (Northern Victoria).

Debate adjourned until Thursday, 17 June.

APPROPRIATION (PARLIAMENT 2010/2011) BILL

Introduction and first reading

Received from Assembly.

Read first time for Mr LENDERS (Treasurer) on motion of Hon. J. M. Madden.

Statement of compatibility

For Mr LENDERS (Treasurer), Hon. J. M. Madden tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Appropriation (Parliament 2010/2011) Bill 2010.

In my opinion, the Appropriation (Parliament 2010/2011) Bill 2010, as introduced to the Legislative Council, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The purpose of the Appropriation (Parliament 2010/2011) Bill 2010 is to provide appropriation authority for payments from the Consolidated Fund to the Parliament in respect of the 2010–11 financial year.

Human rights issues

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

The bill does not raise any human rights issues.

2. Consideration of reasonable limitations — section 7(2)

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

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities Act 2006 because it does not raise a human rights issue.

John Lenders, MP
Treasurer

Second reading

Ordered that second-reading speech be incorporated into Hansard on motion of Hon. J. M. MADDEN (Minister for Planning).

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

That the bill be now read a second time.

Incorporated speech as follows:

The bill provides appropriation authority for payments from the Consolidated Fund to the Parliament in respect of the 2010–11 financial year including ongoing liabilities incurred by the Parliament such as employee entitlements that may be realised in the future.

Honourable members will be aware that other funds are appropriated for parliamentary purposes by way of special appropriations contained in other legislation. In addition, unapplied appropriations under the Appropriation (Parliament 2009/2010) Act 2009 have been estimated and included in the budget papers. Prior to 30 June actual unapplied appropriation will be finalised and the 2010–11 appropriations adjusted by the approved carryover amounts pursuant to the provisions of section 32 of the Financial Management Act 1994.

In line with the wishes of the presiding officers, appropriations in the bill are made to the departments of the Parliament.

The total appropriation authority sought in this bill is \$101.4 million (clause 3 of the bill) for Parliament in respect of the 2010–11 financial year.

I commend the bill to the house.

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

Debate adjourned until Thursday, 17 June.

PHARMACY REGULATION BILL

Introduction and first reading

Received from Assembly.

Read first time for Mr JENNINGS (Minister for Environment and Climate Change) on motion of Hon. J. M. Madden.

Statement of compatibility

For Mr JENNINGS (Minister for Environment and Climate Change), Hon. J. M. Madden tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities, I make this statement of compatibility with respect to the Pharmacy Regulation Bill 2010.

In my opinion the Pharmacy Regulation Bill 2010, as introduced to the Legislative Council, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of the bill

The bill regulates the ownership and operation of pharmacy businesses, pharmacy departments and pharmacy depots in Victoria.

The bill has been prepared as a result of recent changes to introduce a national registration scheme of health professionals in Australia. While the national scheme will regulate the registration of pharmacists, it will not regulate pharmacies.

Currently, pharmacies are regulated by part 6 of the Health Professions Registration Act 2005. A significant part of this bill is modelled on the current legislation.

Of noteworthy significance, the bill establishes a new Victorian Pharmacy Authority, which will be the responsible body for registering the premises of a pharmacy business, pharmacy departments and pharmacy depots. The authority will also license persons to carry on a pharmacy business or pharmacy department.

Human rights issues

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

Section 13(1): right to privacy

Section 13(a) of the charter provides that a person has the right not to have his or her privacy, family, home or correspondence unlawfully or arbitrarily interfered with. The right to privacy is engaged by a number of clauses of the bill.

Public register

I consider that clause 63 of the bill engages but does not limit the right to privacy. Clause 63(1) gives the Victorian Pharmacy Authority (the authority) the power to keep a public register of all licensees and registered premises of a pharmacy business, pharmacy department or pharmacy depot.

The bill enables the authority, pursuant to clauses 63(2)(a) to (d), to include on the public register:

- (a) the name of each licensee of a pharmacy business or pharmacy department; and
- (b) the number of pharmacies owned by a person; and
- (c) the registration status of the premises of a pharmacy business, pharmacy department or pharmacy depot; and
- (d) any conditions on a licence or registration.

The bill also establishes a power pursuant to clause 63(4) for the information contained in clauses 63(2)(a) to (d) to be published on the internet. Clause 63(3) further enables an additional category of information, being a list of persons who have had a licence or registration revoked by the authority, to also be published on the internet.

While the bill engages the right to privacy, it does not limit this right. This is because the interference with privacy is not unlawful or arbitrary. The interference with privacy is not unlawful because the bill enables the authority to lawfully collect and publish information about people who are licensees and have registered premises connected with a pharmacy business, pharmacy department or pharmacy depot.

The interference with privacy is not arbitrary because of the safeguards, both provided in the bill, which operate to limit the information that is published, and in the Information Privacy Act 2000, which will apply to this bill. The bill limits the information that can be published to:

- (a) the name of each licensee of a pharmacy business or pharmacy department; and
- (b) the number of pharmacies owned by the person; and
- (c) the registration status of the premises of a pharmacy business, pharmacy department or pharmacy depot; and
- (d) any conditions on the licence or registration; and
- (e) information about whether a person has had a licence or registration revoked by the authority.

Provision of information 'to' and 'by' the authority

I consider that further provisions in the bill, being clauses 8, 32, 67, 68 and 107, also engage, but do not limit, the right to privacy.

Clause 8 of the bill enables the authority to require a person referred to in clause 5(1) of the bill, to give the authority any information or produce any documents relating to the person's ownership or proprietary interest in a pharmacy business.

Clause 32 of the bill deals with dispensing and recording of prescriptions. In particular, clause 32(2) provides that a registered pharmacist must keep a record of every prescription supplied, compounded or dispensed by the pharmacist which contains the information set out in clause 32(3). The information contained in clause 32(3) includes the name and address of the person to whom the medicine is dispensed as well as the name and dose of the medicine.

Clause 67 gives the authority power to require a registered pharmacist or person licensed under clause 38 to submit for examination at its offices, any documents kept by the pharmacist or person in connection with the carrying on of a pharmacy business.

Clause 68 gives a person authorised by the authority, power to enter the premises of a pharmacy business, pharmacy department or pharmacy depot and examine any room or part of the premises for the purpose of inspecting certain things including prescriptions or other documents in the premises. The authorised person may also make copies of documents or extracts of documents.

Clause 107 gives the authority power to disclose information relating to registered pharmacists, applicants under the scheme for licences and registration of premises, licensees and registration holders that is collected or given under the bill or its regulations to a number of entities. These entities are outlined in clause 107(1)(a) to (d) and include the Pharmacy Board of Australia.

While clauses 8, 32, 67, 68 and 107 engage the right to privacy, these clauses do not limit this right. This is because the interference with privacy is not unlawful or arbitrary.

The interference with privacy is not unlawful because the bill in clause 8 gives the authority the power to require persons to provide any information or produce any documents relating to the person's ownership or proprietary interest in a pharmacy business. Clause 32 of the bill requires a registered pharmacist to keep records with specific information which is set out in the bill, in relation to prescriptions which have been dispensed. The bill also, in clause 67, provides for a power for the Victorian Pharmacy Authority to examine the documents of a registered pharmacist or a person licensed under section 38. Clause 68 of the bill enables a person authorised by the authority to examine the premises of any pharmacy business, pharmacy department or pharmacy depot for certain things including prescriptions or other documents in the premises, and clause 107 establishes the power for the authority to lawfully disclose information to other agencies.

The interferences with privacy in clauses 8, 32, 67, 68 and 107 are not arbitrary. There are safeguards provided for in the bill, which operate to limit the information that is required to be given to the authority, that can be obtained by the authority

and which limit the information which the authority may disclose. The Information Privacy Act 2000 will also apply to this bill and will act to safeguard a person's information privacy rights.

Clause 8 limits the information required to be given to the authority to any information or documents related to the person's ownership or proprietary interest in a pharmacy business. The provision of information to the authority in this instance is limited as well as necessary in order to be able to appropriately administer the regulatory scheme.

Clause 32 is not an arbitrary interference with privacy rights because the provision sets out the information which is to be contained in the record of prescription. Clause 32(4)(a) also provides that the record is to be retained in a secure place at a pharmacy or pharmacy department for a period of three years. Further, the recording of this information is also necessary to ensure the safe supply of medicines.

Further, the provision of information under clause 67 of the bill is not arbitrary as the information under this provision is limited to documents kept by the pharmacists or person in connection with the carrying on of a pharmacy business, which again is necessary for the appropriate administration of the regulatory scheme.

Clause 68 is not an arbitrary interference with privacy rights because although this clause permits a person authorised by the authority to enter the premises of any pharmacy business, pharmacy department or pharmacy depot where that person has power to examine prescriptions or other documents in the premises, this is for the limited purpose of ascertaining whether provisions of the act or regulations are being complied with. Further, it is not an arbitrary interference with privacy rights because only a person authorised by the authority under section 65(2) of the act has the power to inspect such documents.

Clause 107 deals with what disclosures the authority itself can make to other agencies. The disclosure of this information may only occur for a limited range of purposes set out in section 107(2)(a), (b) and (c). These purposes include that the disclosure is necessary for the authority to be able to fulfil its functions under the act. Further, it is important to note that the disclosure of information is limited to those bodies outlined in 107(1)(a) to (d).

The clauses in the bill that engage privacy rights are considered to be reasonable because they appropriately balance the need to effectively and efficiently regulate pharmacies in Victoria with individual privacy rights.

For those reasons outlined above, I consider the bill to engage but not limit the rights protected in section 13(1) of the charter.

Section 24(1): right to fair hearing

The bill raises the issue of the right to a fair hearing provided for in section 24 of the charter. Section 24(1) of the charter provides that a person charged with a criminal offence or a party to a civil proceeding has the right to have the charge or proceeding decided by a competent, independent and impartial court or tribunal after a fair and public hearing.

The decision of *Kracke v. Mental Health Board* [2009] VCAT 646 (Kracke) clarified the meaning of 'civil proceedings' in section 24. Justice Bell held that the

expression should be construed broadly and that it covered administrative proceedings that determine private rights and interests. His Honour noted, however, that the entire decision-making process, including the right to judicial review, is to be considered in order to decide whether the right to a fair hearing is limited.

Justice Bell explained in *Kracke* that the context in which the decision is made is a relevant consideration, as some decisions affect fundamental rights, however others are considered executive, policy decisions, which may not be subject to the same rigorous review.

This bill provides for a licensing and registration scheme to regulate the ownership and operation of pharmacy businesses, pharmacy departments and pharmacy depots in Victoria and it establishes the Victorian Pharmacy Authority and grants the authority powers to make decisions in relation to administering that scheme. Pursuant to clauses 38 and 39 the authority may make a decision to grant or refuse an application for a licence. Clause 40 enables the authority to place conditions on that licence. Further, pursuant to clauses 45, 46 and 48 the authority may make a decision to grant or refuse the registration of premises of a pharmacy business, pharmacy department or pharmacy depot. Additionally, the authority may place conditions on registration pursuant to clause 49. Clauses 55 and 56 of the bill give power to the authority to make a decision to revoke a person's licence or registration.

Clause 57 of the bill will enable the authority to convene a panel in order to make its most significant decisions, in particular, to hear a matter which has been the subject of an investigation pursuant to division 3 of part 3 of the bill. Clause 58 sets out the procedures to be followed at a panel hearing and clause 59 sets out the decisions that the panel may make as a result of that hearing. Importantly, clause 62 provides for a right of review of a decision of the authority to VCAT where the private rights and interests of a person are affected.

To the extent that the right to a fair hearing is engaged by this bill, I consider that the bill protects this right. I note clause 58(e) requires the panel to be bound by the rules of natural justice and clause 62 allows for a decision of the authority to be reviewed by VCAT. The decisions that may be reviewed by VCAT are the significant decisions that the authority may make under divisions 1, 2 and 4 of part 3 of the bill, which concern whether the authority will grant, refuse or revoke a licence and/or registration of premises and/or impose conditions on a person's registration or licence. Therefore the right to judicial review is preserved in relation to the most important decisions in the licensing and registration scheme that this bill establishes.

2. Consideration of reasonable limitation in accordance with section 7(2)

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

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities.

Gavin Jennings, MLC
Minister for Environment and Climate Change
Minister for Innovation

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Hon. J. M. MADDEN (Minister for Planning).

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

That the bill be now read a second time.

Incorporated speech as follows:

The Pharmacy Regulation Bill 2010 seeks to create an act to regulate the ownership and operation of pharmacy businesses, pharmacy departments and pharmacy depots, to establish the Victorian Pharmacy Authority (VPA), and to make consequential amendments to other acts and for other purposes.

On 26 March 2008, the Council of Australian Governments (COAG) signed an intergovernmental agreement (IGA) to establish a national registration and accreditation scheme for health professionals (the national scheme). The national scheme will commence on 1 July 2010 for 10 health professions, including pharmacists.

The IGA does not, however, cover the licensing of pharmacy premises and pharmacy ownership restrictions. The IGA states that these matters will continue to be the responsibility of the states and territories.

The Pharmacy Board of Victoria currently performs this regulatory role under the Health Professions Registration Act 2005 (the HPR act).

A public consultation exercise was conducted with the pharmacy stakeholders last year with the release of a consultation paper and a call for submissions. A total of 10 written submissions were received from a range of stakeholders within the pharmacy sector including:

- Pharmacy Guild of Victoria;
- Pharmacists Division — Association of Professional Engineers, Scientists and Managers, Australia;
- Medicare Australia;
- Pharmaceutical Society of Australia (Victorian Branch);
- Australian Friendly Societies Pharmacies Association;
- Victorian Health Services Commissioner;
- Pharmaceutical Defence Limited;
- Consumer Affairs Victoria.

All stakeholders were supportive of the establishment of the VPA.

The consultation paper and this bill do not include changes to who may own pharmacies or to the current limits on the number of pharmacies a person may own.

The VPA will consist of a five-member board nominated by the Minister for Health and appointed by the Governor in

Council which will comprise three registered pharmacists, a lawyer and a community member. Of the five members of the VPA it is intended that the chair be a registered pharmacist. However, the bill provides flexibility for the Minister for Health to recommend a member who is not a registered pharmacist to be appointed as chair if considered necessary.

The VPA will be able to employ the staff necessary to carry out its functions as set out in the proposed legislation and report on an annual basis in accordance with the provisions of the Financial Management Act 1994.

The VPA will have the same functions as the current Pharmacy Board of Victoria in respect of pharmacy premises, including in relation to the operation of pharmacies, pharmacy departments and pharmacy depots. It is intended that the VPA will be able to convene committees as necessary to manage its functions. The VPA, like the current Pharmacy Board of Victoria, will issue standards for pharmacy owners in relation to registration and licensing matters.

There are limited additional functions proposed for the VPA compared to the current Pharmacy Board of Victoria. These include the power to grant registration of premises on an annual basis with the payment of an annual fee and the ability to grant a person a pharmacy licence (to carry on a pharmacy business) on an annual basis with the payment of an annual fee.

It is proposed that the Victorian Civil and Administrative Tribunal will continue to be the review jurisdiction for review of decisions made by the VPA, similar to the role it plays under the HPR act in relation to decisions of the Pharmacy Board of Victoria.

It is intended that the VPA will work closely with the Pharmacy Board of Australia and, if necessary, provide notifications regarding the conduct of pharmacists where the conduct identified by the VPA also relates to the professional registration of a pharmacist. Equally, it is expected that there will be occasions where the Pharmacy Board of Australia, in carrying out its functions, may also need to notify the VPA of actions of an individual that may call into question their ability to hold a licence or the continued registration of the premises.

In relation to establishment costs for the VPA, the funds obtained by the Pharmacy Board of Victoria for premises regulation will be set aside prior to commencement of the national scheme and transferred to the VPA.

It is my expectation that going forward, the fees set by the VPA will continue to be set on a cost-recovery basis whilst ensuring the VPA has appropriate resources to fulfil its obligations under this scheme.

The Pharmacy Regulation Bill 2010 is an important piece of legislation that will continue to protect the public as the Pharmacy Board of Victoria has done for many years under the HPR act.

I commend the bill to the house.

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

Debate adjourned until Thursday, 17 June.

SUPERANNUATION LEGISLATION AMENDMENT BILL

Introduction and first reading

Received from Assembly.

Read first time for Mr LENDERS (Treasurer) on motion of Hon. J. M. Madden.

Statement of compatibility

For Mr LENDERS (Treasurer), Hon. J. M. Madden tabled following statement in accordance with Charter of Human Rights and Responsibilities Act:

In accordance with section 28 of the Charter of Human Rights and Responsibilities (the charter), I make this statement of compatibility with respect to the Superannuation Legislation Amendment Bill 2010.

In my opinion, the Superannuation Legislation Amendment Bill 2010, as introduced to the Legislative Council, is compatible with the human rights protected by the charter. I base my opinion on the reasons outlined in this statement.

Overview of bill

The bill will amend the following seven acts (the superannuation acts) to ensure their compatibility with the charter:

- (a) Emergency Services Superannuation Act 1986 (ESSA);
- (b) State Superannuation Act 1988 (SSA);
- (c) State Employees Retirement Benefits Act 1979 (SERB);
- (d) Transport Superannuation Act 1988 (TSA);
- (e) Superannuation Portability Act 1988 (SPA);
- (f) Parliamentary Salaries and Superannuation Act 1968 (part 3) (PSSA); and
- (g) Police Regulation Act 1958 (part 3 and schedule 4) (PRA).

These acts contain provisions that are potentially incompatible with the human rights contained in the charter. The primary objective of the bill is to ensure that each of these acts can be read compatibly with the human rights contained in the charter. The bill promotes the right to equality before the law (section 8 of the charter); right to privacy (section 13 of the charter); and the protection of property rights (section 20 of the charter).

In addition to the above amendments that relate to the review of the superannuation acts for compatibility with the charter, the bill amends the acts governing the judicial pension schemes. These amendments make same-sex partners eligible for a reversionary pension with consistent provisions to the amendments to the superannuation acts. The acts amending include: the Constitution Act 1975, the Supreme Court

Act 1986, the County Court Act 1958, the Magistrates' Court Act 1989, and the Attorney-General and Solicitor-General Act 1972 (the judicial acts). The bill also amends the ESSA to allow members of Ambulance Victoria who transfer to the Emergency Services Telecommunications Authority to retain their membership of the Emergency Services Superannuation Scheme.

Human rights issues

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

Section 8 of the charter — recognition and equality before the law

Section 8(3) of the charter recognises that every person is entitled to the equal protection of the law without discrimination and to equal and effective protection against discrimination. Section 8(3) operates to prohibit discrimination in law or in fact in any field regulated by public authorities and, as a consequence, legislation should not have a discriminatory effect on any person.

Discrimination under the charter means direct or indirect discrimination as defined in the Equal Opportunity Act 1995 on the basis of an attribute set out in section 6 of that act, which includes discrimination on the basis of 'sexual orientation', 'marital status', 'age', 'pregnancy' and 'impairment'.

Superannuation, being a method of providing retirement income, inherently discriminates on the basis of age. As such the superannuation acts contain a number of provisions that are not compliant with the charter due to age-based discrimination. The bill amends the superannuation acts to either remove the age-based discrimination or amend the provisions such that any potential incompatibility with the charter is minimised. The amendments contained in the bill include:

Amendments to the superannuation acts to extend contributory service in defined benefit schemes beyond age 65 (and as permitted by commonwealth superannuation law).

An amendment to the PSSA to ensure that orphan children of former members are entitled to an orphan pension regardless of the age of the member when the child was born.

An amendment to section 40 of the SSA to require the board to use a formula that is based on an actuarial assessment when converting a partner's pension to a lump sum. This provision currently gives the board the discretion to establish what commutation rates will be for a pensioner over the age of 60. Having different rates as a person ages is justified on the grounds that a person's life expectancy reduces as they age and therefore the present value of their pension reduces. By inserting a formula it ensures that the commutation rate is actuarially justified on the basis of life expectancy.

An amendment to PRA, SERB and the SSA to provide that the partner of a pensioner is entitled to reversionary benefits regardless of the age of the pensioner when they commence their relationship. The amendment applies to partners of living pensioners at the commencement of the bill. The prospective nature of the proposal is justified on the grounds that it is administratively

difficult and costly to provide a pension in circumstances where the member has died prior to the commencement of the bill.

The bill amends the superannuation acts to allow members to nominate their dependants (and, in very limited circumstances — in the PRA, SSA, SERB and PSSA, allow adult children to receive a pension on the death of the member).

All children as defined in these acts are entitled to a benefit (presumably as they are assumed to be dependants of the member). Typically, the definition of child includes all children under 18 and full-time students aged 18–25. This definition excludes from a benefit full-time students who are over age 25, and those who are over the age of 18 but are disabled or otherwise dependent upon the deceased. These provisions may constitute discrimination on the basis of age and impairment and may be incompatible with the right in section 8(3) of the charter. The amendment removes possible discrimination on the basis of impairment by allowing the member to nominate their dependants.

Incompatibility relating to discrimination on the basis of impairment is minimised with the provision of adult child pensions. These pensions may only be paid to adult children who satisfy the definition of disabled in section 8(1) of the Disability Services Act 1986 (consistent with commonwealth law) and are financially dependent on the member.

The limitations on the provision of adult child pensions are justified because pursuant to a heads of government agreement with the commonwealth government signed in 1996, state and territory governments undertook to ensure conformity to the commonwealth's retirement incomes policy. In return, public sector superannuation schemes are exempt from the commonwealth act but are nevertheless considered complying superannuation funds and enjoy concessional tax treatment.

The proposed provision of adult child pensions is based on the premise that some adult children who are disabled, and no longer fit the definition of child, are dependent on their parent or guardian for financial support. The financial dependency test in the adult child definition is to ensure that any adult child, while meeting the definition of disabled, is actually financially dependent on the member and thus entitled to a benefit. This limitation is justified by the social policy of wherever possible encouraging and recognising the financial independence of adult children.

If the bill were to allow adult children who do not meet the definition of disability in the commonwealth act to receive a pension, this could result in dire financial consequences for both the scheme and its members through the loss of valuable tax concessions. There remains potential discrimination on the basis of the age of the child. However, this is justified on recognising that the scheme needs to be economically viable by limiting the benefits under the scheme. To enable actuarial assessments of the cost of the scheme the class of beneficiaries needs to be limited and predictable. A further justification is that of social policy, encouraging financial independence of children over the age of 18, and recognising that the age of 18 is a recognised end point of financial family dependence at the same time recognising that there are social benefits associated with full-time tertiary education notwithstanding that this necessarily prolongs family financial dependence.

Two components of the death and disability insurance portion of the state's superannuation scheme were found to contain provisions which may discriminate on the grounds of disability due to the timing of disability payments in the SERB act and also the use of the medical classification system.

The bill amends section 55 of the SERB act, such that all members in receipt of a disability pension are entitled to receive their lump sum payment (the balance of their beneficiary account) at the age of 60. This proposal removes the differing treatment of a person who retires on the grounds of disability before or after age 60.

The bill repeals the medical classification facility in relation to death and disability benefits in the SERB and the SSA. Medical classification systems represent prima facie discrimination on the basis of impairment due to the fact that they will affect those who were determined to be in some way impaired differently to those who complete the same number of years of service but who were not classified as having an impairment.

Under section 28 of the SERB act, the amount of death and disability benefits payable under the scheme between the period of termination (if under age 65), and age 65, is determined, in part, by the medical classification of the employee. This medical classification is determined based upon medical and actuarial advice. Similarly, sections 62 and 64 of the SSA require medical classification relating to the anticipated ability of the member to continue as an employee until age 60.

By repealing the medical classification systems from the SERB and the SSA all current members will have access to a full benefit and this will remove any potential incompatibility with the charter. The proposal will only apply to current members who have a medical classification certificate. In this respect, it should be noted that currently all classification statuses revert to a full benefit after 20 years service.

The bill amends the ESSA and SERB to provide for up to 12 months unpaid parental leave per confinement to count as contributory service. Currently a member who is on parental leave has to pay a contribution in order for that period to count as service whereas a member on unpaid sick leave has that period count for service without any contributions being levied. This discriminates on the basis of pregnancy and is potentially incompatible with section 8 of the charter.

When designing this policy the cost of providing parental leave as service, regardless of how much leave was taken, was balanced against the discrimination in the differing treatment for superannuation purposes of parental leave and unpaid sick leave. Twelve months service per confinement balances these competing interests and is a justifiable limitation.

The other issue in relation to parental leave is the impact that parental leave has on a SSA member's death and disability insurance cover once they return from this leave. Currently sections 35(2) and (3) of the SSA provide that when a person returns from leave without pay (including parental leave) they will receive reduced benefits if they retire on grounds of disability or death within the period outlined in section 35(1).

This provision has potential to indirectly discriminate against women on the basis that women are more likely to have an

extended period of leave, to have or care for children. The bill amends section 35 of the SSA to remove the waiting period for a person to be covered by a death or disability benefit after they return from leave without pay. This proposal removes potential discrimination on the basis of pregnancy or caring for a child, or on the basis of impairment, bringing section 35(2) and (3) into line with section 8 of the charter.

Section 13 of the charter — privacy and reputation

Section 13 of the charter recognises that every person has a right not to have their privacy arbitrarily interfered with, including information and correspondence. This right overlaps with the obligations contained in the Information Privacy Act 2000 and the Health Records Act 2001 (the privacy acts). The right is broader than the privacy acts in that it goes beyond recorded information and medical examinations without consent. The following amendments contained in the bill ensure that the superannuation acts are compatible with section 13 of the charter:

An amendment to the ESSA that limits the provision allowing the board to require a member to undergo a medical examination or request other information to situations where it is necessary to determine the appropriate level and cost of disability and death insurance for the member. The ESSA currently allows the board to require a member to undergo a medical examination, or request other information, for any purpose.

Amendments to the superannuation acts to require the trustee/board to disclose the contents of medical reports to the member.

An amendment to the SERB act to require that the board only use or disclose information it receives from another party insofar as it is required for the purposes of the administration of the fund. Section 69 of SERB currently provides that the board may at any time require that information be provided, either by an employer or head of department or by a member, employee, pensioner, partner or child of any deceased member.

In addition the bill also contains amendments to ensure compatibility with the charter by limiting arbitrary interference with a member's family, specifically the nature of a member's personal relationships.

The bill amends the PSSA, the PRA, SERB, and SSA to provide that, where a member has more than one spouse, the trustee/board must follow a set of guidelines when determining how to apportion benefits. The relevant provision in each act currently gives the board/trustee absolute discretion in apportioning of benefits (in the absence of any direction from the member). By giving all partners the opportunity to make written representations and by requiring the board/trustee to follow guidelines, the possibility of arbitrary interference with one's family is removed.

The bill amends the superannuation acts to make same-sex partners eligible for a reversionary pension even if the superannuation fund pensioner was already receiving a superannuation pension when the Statute Law Amendment (Relationships) Act 2001 (SLAR) amendments came into effect on 23 August 2001. This amendment is prospective in nature and any applications will be from the date the bill becomes law. The bill also makes amendments to the judicial

acts in order for the criteria for obtaining a judicial pension to remain consistent to that of the superannuation acts.

There are several factors that justify the prospective rather than retrospective function of the amendment.

The prospective nature of the proposal is justified on the grounds that it is administratively difficult and costly to provide a pension in circumstances where the member has died prior to the commencement of the bill. By way of example, all potential claimants may need to be contacted and notified, and it would be difficult in advance to identify who those claimants might be, and the extent to which they would have claims. Prospectively, by contrast, it would be possible to establish a scheme of notification and identification which would enable assessment of likely cost, and advance identification of whether or not a particular couple would qualify. Therefore the prospective nature of the proposed amendment is a justifiable limitation on the charter right to equality before the law and privacy.

Section 20 — property rights

Section 20 of the charter establishes a right not to be deprived of property other than in accordance with the law. In the context of this right, property has a broader meaning than title or ownership to include entitlements to a future superannuation benefit as a member and as a beneficiary of superannuation death benefit. Where there is discretion involved in the deprivation of property such discretion should not be arbitrary but be confined and structured.

The bill amends the relevant superannuation acts to remove the adjustment to reversionary partner pensions for partners who are more than five years younger than the former member. Currently the superannuation acts require an adjustment to a reversionary partner pension where the surviving partner is more than five years younger than the former member and only became the partner of the former member after the former member had exited the scheme.

This amendment removes discrimination based upon age and as such removes potential incompatibilities with section 13 and section 20 of the charter as the benefit will no longer be determined on the age difference between the member and their partner. The prospective aspect of this proposal discriminates against people who have already had their pensions issued. This aspect is justified on the grounds that it is administratively difficult and costly to adjust pensions that have already been vested. In addition, the costs associated with applying this proposal retrospectively are unknown and have not been taken into account in the actuarial assessment when determining past employer contributions, but can be taken into account in the future.

The bill repeals the sections of the PRA and the SSA which allows for a reduction of the pension where the member brought on sickness as a result of his or her own fault and allows for a full pension to be reinstated on application. Currently this provision interferes with members right to privacy and property rights as the provision allows the board to make an assessment on an individual's behaviour and recommend a reduction in their benefit as a result of this assessment. Repealing this section removes the prima facie infringement of the charter rights relating to privacy and property.

The bill amends the ESSA, the PRA, the SSA, the TSA and SERB to require that any decision by the board to pay benefits to a guardian or administrator of a member be based on the member being incapable of managing his or her financial affairs. Currently, the relevant sections of the ESSA, the PRA, the SSA, the TSA and SERB allow the board to pay a benefit to a guardian or administrator in circumstances where the member may be capable of managing his or her financial affairs despite being mentally incapacitated. This situation is potentially incompatible with the privacy and property rights of the charter. The amendments in the bill limit the circumstances where a member's benefit may be paid to a guardian or administrator to where a member is deemed incapable of managing his or her financial affairs. This removes the potential incompatibility with the charter.

Conclusion

I consider that the bill is compatible with the Charter of Human Rights and Responsibilities.

John Lenders, MP
Treasurer

Second reading

Ordered that second-reading speech be incorporated into *Hansard* on motion of Hon. J. M. MADDEN (Minister for Planning).

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

That the bill be now read a second time.

Incorporated speech as follows:

In July 2006, Victoria became the first Australian state to introduce a legislative charter of human rights.

Since that time, this government has conducted a comprehensive review of Victoria's existing superannuation legislation to survey which areas may be incompatible with the Victorian Charter of Human Rights and Responsibilities Act 2006. This bill will amend all of Victoria's superannuation acts to address any provisions that were found to be potentially incompatible with the charter. The bill includes amendments to the following acts (referred to hereafter as the superannuation acts):

Emergency Services Superannuation Act 1986;

State Superannuation Act 1988;

State Employees Retirement Benefits Act 1979;

Transport Superannuation Act 1988;

Parliamentary Superannuation and Salaries Act 1968 (part 3);

Police Regulation Act 1958 (part 3 and schedule 4); and

Superannuation (Portability) Act 1989.

In addition, the bill includes amendments to superannuation or pension-related provisions in several other acts.

The Victorian government is committed to ensuring that the state's superannuation acts strike the right balance between the fundamental human rights of Victorians and the limitations upon those rights that can be justified in a free and democratic society.

The amendments contained in this bill represent this government's continuing pledge to protect and promote human rights.

I will now turn to the amendments in the bill.

The bill will amend the provisions of the superannuation acts relating to reversionary pensions to ensure consistency with the right to equality before the law and the right to privacy under sections 8 and 13 of the charter.

Currently same-sex partners are not eligible for reversionary pensions if their deceased partner began receiving a pension before the Statute Law Amendment (Relationships) Act 2001 (SLAR) came into effect on 23 August 2001. This bill will ensure that reversionary pensions will be prospectively paid to same-sex partners of pensioners regardless of when the pensioner began receiving their pension.

The bill will amend relevant provisions of the superannuation acts to allow members to nominate who their dependants are. The board or trustee will now be required to consider the member's right to privacy under section 13 of the charter, by taking the member's nominations into consideration when apportioning benefits.

In the area of unpaid leave, incompatibilities with the charter exist within the Emergency Services Superannuation Act 1986 and the State Employees Retirement Benefits Act 1979. Currently those on parental leave are treated less favourably than those on unpaid sick leave. These acts will now be amended such that parental leave of up to 12 months per confinement will now count as contributory service. As with unpaid sick leave, members will not be required to contribute during this period and will retain their death and disability insurance cover.

Several provisions exist across the superannuation acts which restrict benefits in a way that is inconsistent with section 8 of the charter relating to age-based discrimination.

The Police Regulation Act 1958, the State Employees Retirement Benefits Act 1979 and the State Superannuation Act 1988 contain provisions that in some circumstances restrict reversionary benefits with reference to the age when a pensioner commences a relationship. This section will be amended to provide reversionary benefits regardless of the age of a pensioner when they commence a relationship.

Currently under the Parliamentary Salaries and Superannuation Act 1968 orphan child pensions are restricted in some circumstances where a member is over a certain age. All eligible children of former members will now be eligible for an orphan pension regardless of the age of the pensioner when the child was born.

Some of the superannuation acts contain provisions which can reduce the reversionary pension payable in circumstances where a pensioner begins a relationship with a person who is more than five years their junior. Under the changes made by this bill, age difference between partners will no longer be a factor in the calculation of reversionary benefits.

The State Superannuation Act 1988, the Emergency Services Superannuation Act 1986, the Transport Superannuation Act 1988 and the State Employees Retirement Benefits Act 1979, will be amended to allow members to accrue benefits until age 75. Superannuation is by its nature an area where some age-based requirements are necessary. However, to ensure consistency with the principles of the charter, members who are under age 65 at the commencement of this bill will now be allowed to accrue benefits until age 75 or as permitted under commonwealth law.

The bill will repeal the sections of the Police Regulation Act 1958 and the State Superannuation Act 1988 which allow for a reduction of a disability pension where a member brought on sickness as a result of his or her own fault. This will codify existing practice and remove incompatibility with the privacy and property principles of the charter.

The State Employees Retirement Benefits Act 1979 and the State Superannuation Act 1988 will be amended to remove any reduction in a member's benefit due to medical classification. Any current member with a medical classification will now be entitled to full benefits, consistent with the charter principle of equality before the law. This amendment will not affect existing pensioners.

Under the State Superannuation Act 1988, members returning to work after a leave of absence currently have a waiting period before they regain their death and disability insurance. This provision has been identified as indirectly discriminating on the basis of pregnancy or caring for a child and impairment. This bill will remove any waiting period and ensure that insurance coverage begins from the resumption of work.

The bill will remove the requirement for State Employees Retirement Benefits Act 1979 disability pensioners to wait until age 65 to access their lump sum benefit. Access will now be from age 60, consistent with other members and the equality principles of the charter.

The bill will amend the Emergency Services Superannuation Act 1986 to restrict the circumstances where a member is required to undergo a medical examination for consistency with the charter right to privacy. The board's power to require a member to undergo a medical examination will be limited to situations where it is necessary to assess their incapacity or for insurance purposes.

Medical reports are often required by the board or trustee to make assessments of disability claims. For consistency with the charter's privacy principles this bill will amend the relevant superannuation acts to ensure members who are affected by a decision based on a medical report will have access to that report, subject to relevant sections of the Health Records Act 2001.

The allocation of benefits where more than one surviving partner exists is often a difficult task. Under the relevant superannuation acts the board will now be required to consider any submissions from surviving partners to ensure their right to privacy under the charter is protected. A set of criteria to be used by the board or trustee when considering any apportionment between partners will also be established.

Under certain circumstances, the board or trustee may make a decision to pay a member's benefit to a guardian or administrator. This bill stipulates that any such decision can

only be based on whether the member is capable of managing their financial affairs. This change ensures the relevant acts are compliant with the privacy and property principles set out in sections 13 and 20 of the charter.

The privacy principles of the charter are also the concern in relation to the disclosure of information provided to the board or trustee by a third party. This bill amends the State Employees Retirement Benefits Act 1979 to restrict the use or disclosure of such information to circumstances where it is required for the administration of the fund.

The bill will amend the State Superannuation Act 1988 to codify the existing practice of using an actuarially based formula to convert the partner pension of a recipient over age 60 to a lump sum.

This government is committed to the principles of the Victorian charter of human rights and responsibilities and will continue to actively review and amend legislation in the interest of protecting the human rights of all Victorians.

In addition to the amendments relating to the charter, the bill will also amend those acts which govern the payment of judicial pensions. These amendments are consistent with those made to the superannuation acts relating to reversionary pensions for same-sex couples.

The bill will also make a minor amendment to the Emergency Services Superannuation Act 1986 to ensure eligible Ambulance Victoria employees can retain membership of the defined benefit scheme if they transfer employment to the Emergency Services Telecommunications Authority.

I commend the bill to the house.

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

Debate adjourned until Thursday, 17 June.

BUSINESS OF THE HOUSE

Adjournment

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

That the Council, at its rising, adjourn until Tuesday, 22 June.

Motion agreed to.

ADJOURNMENT

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

That the house do now adjourn.

Scouts: Moira Park camp

Ms LOVELL (Northern Victoria) — The matter I wish to raise is for the attention of the Minister for Environment and Climate Change in regard to changes to the licence for Moira Park scout camp, which is situated on the banks of the Goulburn River approximately 10 kilometres south of Shepparton. The Victorian branch of Scouts Australia is the current licence-holder, and the 5.7 hectare site is used by hundreds of scouts from across Victoria and Australia. My request is for the minister to extend the licence to a more reasonable time frame, such as 20 to 30 years, to give the scouts the security and confidence to upgrade the camp's facilities and ensure that it is maintained to the highest possible standard.

Scouts Australia has been informed by the Department of Sustainability and Environment (DSE) that its licence, which was believed to be a 99-year licence, has changed to an annual licence. Due to recent changes much of the forest along the Goulburn River is being converted to national or regional park, and our local scouting district believes this has probably contributed to the change to the scouts licence. I was recently contacted by the district commissioner of the Goulburn Murray scout district, who manages Moira Park scout camp. The district has approximately 1000 scouts across the Goulburn-Murray region. The camp is used not only by these local scouts but also by scouts from across the state. The camp has about 64 beds, toilet and shower facilities, a barbecue, an indoor kitchen and an indoor recreation hall. It is within metres of the Goulburn River, which the scouts use for canoeing.

According to the district commissioner, Moira Park is used approximately three weeks out of every month and is a very important camp facility for scouts to hone their skills. The Moira Park scout camp is also a community facility used by a number of other groups, including dog sled clubs and the Rumbalara Aboriginal Cooperative. DSE's decision to change the licence for Moira Park scout camp to an annual licence has some major implications for Scouts Australia and the Goulburn Murray scout district. The district was hoping to paint the camp buildings and upgrade its facilities to make the camp look more presentable but is concerned its time and money will be wasted if the licence is not renewed at the end of the 12-month period.

The district only recently made the decision to install a security system to protect the camp site and deter vandals, who have previously caused damage in excess of \$2000. The decision was difficult, because it cost the branch a considerable amount of money to purchase and install the security system, and if its licence is not

renewed, it will have to be removed at its expense. A longer, more reasonable licence duration would give Scouts Australia and the Goulburn-Murray scout district the security and confidence to undertake works to ensure that the facility is maintained to a good standard and the community continues to have access to this valuable camp site. My request is for the minister to extend the licence to a more reasonable time frame, such as 20 to 30 years, to give the scouts the security and confidence to upgrade the camp's facilities and ensure that it is maintained to the highest possible standard.

Hospitals: Armstrong Creek

Mr KOCH (Western Victoria) — My issue is for the Minister for Health and relates to the provision of a hospital at Armstrong Creek. The government claims to have allocated \$34 million to investigate the possibility of establishing a new hospital at Armstrong Creek and the purchase of suitable land. However, the 2010 budget papers reveal most of this money will be used to fund improvements at Barwon Health's Geelong Hospital. One must wonder whether it is the government's intention to mislead the community during an election year or the error is an incompetent omission.

Through all the planning stages for the new urban development, which have taken place over many years, establishing a hospital at Armstrong Creek has never been on the agenda. That it is now being mentioned seems to suggest the government wants to give the community the impression it is doing something to correct the fragile health system in the Geelong region. It is disappointing that this is being done, as the budget papers reveal, with sleight of hand rather than genuine intent or concern for the community and the hospital facilities required. The decision to begin searching for land to buy at Armstrong Creek on which to build a hospital was made without community, local government or health management consultation. Barwon Health administration is confused by the recent state budget and unsure whether the new hospital will mean an expansion of its organisation or the establishment of a new stand-alone facility.

While there is no doubt that more hospitals are required in the greater Geelong region, this proposal has no substance and has been cast in spin and rhetoric rather than policy. The community remains at a loss as to what size hospital is proposed, what services will be offered, under whose management it will fall and, most importantly, if it will ever proceed.

It has come to my attention that this government compulsorily acquired privately owned, high-value land at Grovedale for an aged-care facility. The value of this land was determined by the valuer-general and did not reflect true market value. Current developers are wary that this may be repeated.

The actions I seek from the minister are: firstly, that he indicate what the government proposes; secondly, that he demonstrate the government's intentions to current landowners while at the same time entering into consultations with the community local government health provider as to what services are planned to be provided from the new site; and thirdly, that he confirm when this development is proposed to begin.

Mallacoota: airport access

Mr P. DAVIS (Eastern Victoria) — I raise an issue for the Minister for Environment and Climate Change concerning an access problem at Mallacoota Airport. This problem began in the area of regional development but unfortunately has now landed on him.

Through a roundabout arrangement via the Regional Infrastructure Development Fund and the Regional Aviation Fund, in April 2008 the government allocated \$791 000 to upgrade the runways at Mallacoota Airport and install pilot-activated lights to enable the airport's 24-hour operation. East Gippsland Shire Council initially agreed to meet the rest of the expenditure for the project, which is estimated to cost \$1.1 million.

However, the project is now running many months overdue. The delay results from protracted negotiations with government agencies — the Department of Sustainability and Environment (DSE) and Parks Victoria — for the removal of vegetation on the main runway approach to the airport to enable its use by larger aircraft and for instrument landings. East Gippsland Shire Council manages the airport site, but Parks Victoria has controlled the adjacent land that to date has fallen within the Croajingolong National Park.

The Parks and Crown Land Legislation (Mount Buffalo) Bill 2010, which was passed today, excises the 71 hectares of land in question from the national park and transfers it to the airport to enable the clearing to take place in line with the safety standards of the Civil Aviation Safety Authority. The minister acknowledged in the second-reading speech that there would need to be some modification of vegetation to facilitate this project.

However, DSE and Parks Victoria have so far obstinately refused to allow vegetation to be removed

from the airport approach to cater for larger aircraft, particularly planes making instrument landings and landing at night. They have insisted that the shire create a vegetation offset of 40 hectares of private land or 160 hectares of public land — an impossibility in the Mallacoota area, which is surrounded by the Croajingolong National Park. Accordingly the shire has recently submitted an application for permanent exemption from the offset requirement.

At the time the government funding was announced the Minister for Regional and Rural Development lauded the project as enabling swift access to South-East Asian markets of seafood from Mallacoota and providing improved access for tourists and visiting health and medical service providers, but this has been precluded for an extended period because of the agencies' intransigence in not approving the clearing.

I ask that the minister act to facilitate the shire's application for exemption from the vegetation offset requirement and ensure that his department promptly carries out the necessary clearing of the approach so that the airport can cater for larger aircraft day and night, as was clearly the intent of the upgrade works.

Montmorency Primary School: future

Mrs KRONBERG (Eastern Metropolitan) — My adjournment matter is for the Minister for Education. The matter arises from a fresh wave of concern currently being experienced by the school council of the Montmorency Primary School.

The background to this now very disturbing and somewhat complex matter is that the school is experiencing ongoing problems and uncertainties because of failed merger discussions between the school and its neighbouring school. The compressed time line for the merger discussions was very short, which distressed the school community.

Much has been said about the state government's real intentions for the Montmorency Primary School site and hence the pressure to merge. The intention is said to be to offer the land for medium-density housing projects or aged-care development, collect a windfall profit for the department and force the school community to collapse. This would take the heart out of Montmorency and detrimentally affect its plans as a transition town.

Consequently the long-term viability of Montmorency Primary School was challenged, and the clutter and consternation surrounding the merger talks caused enrolments to fall. Lower enrolments meant that

bridging finance was denied. The bridging finance was needed to fund an extra teacher and thus reduce class sizes — reduced class sizes being one of the strategies the school community felt would make attending the school a more attractive proposition.

The school has a keen eye on the increasing number of young families moving into the area. With forecasts of changing demographics in the area, the school expects enrolments to increase.

The school council was dismayed yesterday to read a notice from the Banyule City Council advising the community of its intentions to sell off land that currently falls within the immediate boundaries of the other school in the merger talks. I would prefer to describe this school as the 'neighbouring school'. I need to refer to the land in question — the land that the neighbouring school is built on that has just been put up for sale by the Banyule City Council to the Department of Education and Early Childhood Development — because it is relevant and central to the school community's current heightened consternation.

What this means is that the state government now has to spend an extra \$1.5 million to secure this land on top of \$2 million from the Building the Education Revolution funding and the \$2.5 million from state capital funds, a total of \$6 million for the post-merger position. In stark contrast, the Montmorency Primary School has received only \$850 000 of BER funding, and that will not go far towards providing an enhanced learning environment. It will provide just a few cosmetic changes. Humiliatingly, the school has had to beg local businesses to donate \$30 000 to fund the extra teacher.

In spite of this, with the recent launch of the Stephanie Alexander kitchen garden the school is increasingly becoming the locus of attention and stronger community support. On behalf of the school community, the school council and the current and future pupils I ask that the minister immediately review the funding regime previously deemed appropriate for the Montmorency Primary School with regard to its post-merger position. The school community is displaying an extraordinary degree of courage and resolve to build a flourishing school community. It deserves more consideration, better treatment, applause and recognition for the fine work it is doing in holding an entire community together as it travels through the wash-up of the forced merger discussions.

City of Casey: landfill compensation

Mrs PEULICH (South Eastern Metropolitan) — Today all members of Parliament would have received correspondence from the City of Casey entitled ‘Methane leak debacle — Setting the record straight’. We have heard a lot of debate and discussion since the tabling of the Ombudsman’s report into the Stevensons Road landfill methane gas leak. We have heard the Labor Party, the Labor government, ministers and local Labor representatives in the city of Casey — —

Hon. J. M. Madden — Who is this matter for?

Mrs PEULICH — I beg your pardon. It is for the Minister for Environment and Climate Change.

We have heard them constantly blaming the local council, even though the vast majority of the recommendations in the Ombudsman’s report were relevant to the Environment Protection Authority. Yesterday we also had another report, on hazardous waste material, tabled by the Auditor-General. It is scathing about the dysfunction within the EPA — its absence of record keeping and so forth. In fact I think, with all due respect, once the anticorruption commission comes into force this would be a perfect authority to go through with a fine toothcomb.

The summary refutes some of the misconceptions and myths that are being peddled by the Labor Party and especially by Mr Tee and the Minister for Housing from the other place — who on 3AW radio said that the City of Casey had not yet submitted a business case to the state government as a way of getting some financial commitment to offset the \$80 to \$100 million rectification costs and future costs of remedying the leak at the Stevensons Road landfill. In fact the City of Casey says clearly that four business cases have been submitted, the most recent being on 4 June 2010. Indeed it was submitted because in previous communications the state government had requested the depoliticisation of the business case in the documents and the removal of blame. This was in correspondence from Department of Sustainability and Environment deputy secretary Kevin Love dated 6 May 2010.

I would presume that this was in response to a ministerial direction, and I therefore call on the minister to ensure that there is no political intervention in the process of trying to establish dialogue and a resolution of these issues. We have had a political intervention before. These are two conflicting parties. The system that the government has put in place is clearly

inadequate. It continues to be inadequate, and that is absolutely proved by this letter.

I call on the minister to make sure that political intervention stops and that whatever the government does, that it does so with respect, with due deference to the outcomes of the Ombudsman’s report and as a partner in what is obviously a very serious problem that needs to be resolved. The government has to fess up and stop trying to duck and weave in relation to its political responsibility.

Energy: Gherang geothermal project

Mr KAVANAGH (Western Victoria) — My matter is for the Minister for Energy and Resources and relates to the development of geothermal power and greenhouse gas sequestration, particularly in and around Gherang in my electorate of Western Victoria Region. The majority of residents of Gherang and surrounding areas are not at all enthusiastic about the development of geothermal power around their houses, farms and businesses. Most of them are extremely concerned for the beauty, peacefulness and safety of their homes and neighbourhoods, which are located in some of Victoria’s prettiest countryside.

Gherang residents have, however, chosen not to simply oppose the geothermal development. Under the leadership of local resident Daniel Briggs and others, they have developed a series of proposed regulations and safeguards, which, if incorporated into the proposed development, would meet their minimum demands.

The professionally drafted policy briefing package that has been put together by and on behalf of local residents includes 35 policies — that is, restrictions and safeguards. Most of these suggested requirements seem to be extremely reasonable, such as buffer zones around homes.

I congratulate those involved in developing this policy briefing package and ask the government to seriously consider this document, which I will forward to the minister, and incorporate these suggested safeguards into the regulatory framework that deals with geothermal developments and greenhouse gas sequestration.

City of Brimbank: business permits

Mr FINN (Western Metropolitan) — I wish to raise a matter for the attention of the Minister for Local Government. This is a matter that concerns our old friends at the Brimbank council. It seems that the orchestra has been sent home but the melody lingers. I

promise you, Acting President, that nary a Suleyman will be mentioned in this contribution.

I have recently had a meeting with a constituent, Mr Peter Sangh, who operates a business in Brooklyn. Recently there have been concerns about dust on the site of his business in the Brooklyn area, but he assures me that that issue has been resolved and is no longer of concern, or certainly no longer of concern to the degree that it was.

Mr Sangh and the landowner — to give a perspective of the whole situation — sought out a permit for the business in 2006, and on 12 April of that year Mr Sangh received correspondence from the Brimbank City Council stating that he did not need to have his own permit as another permit given to the landowner covered his permit application.

He has been operating his recycling business successfully since that time. A couple of months ago he was told that he is operating with no permit and needs to shut down and relocate — that is, after four years. When Mr Sangh showed the council the letter regarding the permit it said a staff member had made a mistake and that he would have to shut down. The council denied that any permits at all existed for this particular business.

The council has said that if he reapplies for new permits, they will be issued with Environment Protection Authority conditions, such as requiring him to pave asphalt over an acre of the former tip site he operates on at a cost to Mr Sangh of over \$1 million. This would send him broke. He would be out of business, and it would mean the loss of employment to hundreds of people. It would be the end of his small business at this particular time. The council is now denying that permits ever existed, even though there is evidence to suggest that Mr Sangh and other people applied in good faith and were approved to operate in that area. Whilst I have raised this issue in respect of Mr Sangh, there are other businesses in this area which are facing the same problem. This is extraordinary, to say the least.

I ask Minister Wynne to institute a program of mediation between Brimbank council and Mr Sangh and any other business that faces a similar problem and, at the same time as instituting this mediation program, to remind the Brimbank council of the importance of small-to-medium-sized businesses, such as the one it seeks to send to the wall. I ask the minister to institute this mediation program as soon as possible.

Health: drug funding

Mr ATKINSON (Eastern Metropolitan) — I raise a matter for the Minister for Health and seek his action in taking up with his federal colleague the Minister for Health and Ageing, Nicola Roxon, the urgent re-funding of a drug called Soliris. Soliris is a drug produced by an American company which until recently was available to ease the suffering of 70 Australians with a very rare condition called paroxysmal nocturnal haemoglobinuria — it would be easier for all of us to say PNH.

It is an ultra-rare life-threatening condition that causes red blood cells to explode, leading to devastating consequences. I personally know one of the sufferers, a young girl named Jenny Sturrock, who went to school with one of my daughters and who was featured in the weekend papers. This young girl will face this very debilitating condition with a great deal of fear if this drug is not returned to the list of life-saving drugs that address rare health conditions. It was on that list until two days before the federal budget was handed down. At that time the American company that makes it was told that it had been dropped off that list and that there would be no funding for the drug going forward.

As with many of these very rare conditions, the treatments are expensive. In this case the treatments are around \$20 000 per month per person. Obviously the question is: what is the value of a life? Where it has been able to be accessed by people who are suffering from PNH, it has regularised their lives. These people now face very uncertain futures. Nicola Roxon has ordered a review of the drug, putting the pharmaceutical company through the hoops of having to submit to the Pharmaceutical Benefits Advisory Council twice. It has already done it once. It has already had approval and the drug has been issued. The drug is used successfully in 30 countries for the treatment of PNH, yet it was withdrawn two days before the federal budget. No funding is provided at this point in time, and Jenny Sturrock's parents are now looking at the prospect of selling their home just to fund the treatment for their daughter. It is not good enough. It will come back on our hospital system as well, and I urge the minister to chase up his federal colleague for funding.

Responses

Hon. J. M. MADDEN (Minister for Planning) — I have two written responses to adjournment debate matters raised by Mr Koch on 15 April and Mrs Peulich on 5 May.

Wendy Lovell raised the matter of the scout camp licence in Moira Park, and I will refer that matter to the Minister for Environment and Climate Change.

David Koch raised the matter of an Armstrong Creek hospital. I say to Mr Koch that his scaremongering on this issue is of major concern, because Mr Koch would appreciate that I recently announced the precinct structure plan for two areas. There are still a number of areas that require precinct structure planning to be finalised. No doubt community facilities will be incorporated right across the precinct, but for Mr Koch to scaremonger so early in the development process is uncalled for, and hence I believe that matter has been dealt with.

Philip Davis raised the matter of the Malla-coota Airport, and I will refer that matter to the Minister for Regional and Rural Development.

Jan Kronberg raised the matter of the Montmorency Primary School's merger, and I will refer that to the Minister for Education.

Inga Peulich raised the matter of the Environment Protection Authority and City of Casey issues, and I will refer that to the Minister for Environment and Climate Change.

Peter Kavanagh raised the matter of thermal power and geosequestration issues, and I will refer that matter to the Minister for Energy and Resources.

Bernie Finn raised the matter of specific small businesses in the Brooklyn region of the city of Brimbank and associated matters, including trying to reconcile those issues between all parties, and I will refer that to the Minister for Local Government.

Bruce Atkinson raised the very serious matter of a life-saving drug on the life-saving drug funding list in relation to a drug, Soliris, and I will refer that to the Minister for Health.

The ACTING PRESIDENT (Mr Somyurek) —
Order! The house is now adjourned.

House adjourned 6.29 p.m. until Tuesday, 22 June.

