

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-SIXTH PARLIAMENT

FIRST SESSION

Friday, 17 September 2010

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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.

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

Education and Training Committee — (*Council*): Mr Elasmarr and Mr Hall. (*Assembly*): Mr Dixon, Dr Harkness, Mr Herbert, Mr Howard and Mr Kotsiras.

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

Environment and Natural Resources Committee — (*Council*): Mr Murphy and Mrs Petrovich. (*Assembly*): Ms Duncan, Mrs Fyffe, Mr Ingram, Ms Lobato, Mr Pandazopoulos and Mr Walsh.

Family and Community Development Committee — (*Council*): Mr Finn and Mr Scheffer. (*Assembly*): Ms Kairouz, Mr Noonan, Mr Perera, Mrs Powell and Mrs Shardey.

House Committee — (*Council*): The President (*ex officio*), Mr Atkinson, Ms Darveniza, Mr Drum, Mr Eideh and Ms Hartland. (*Assembly*): The Speaker (*ex officio*), Ms Beattie, Mr Delahunty, Mr Howard, Mr Kotsiras, Mr Scott and Mr K. Smith.

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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Heads of parliamentary departments

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Parliamentary Services — Secretary: Mr P. Lochert

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FIFTY-SIXTH PARLIAMENT — FIRST SESSION

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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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Friday, 17 September 2010

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

SELECT COMMITTEE ON TRAIN SERVICES

Final report

Mr ATKINSON (Eastern Metropolitan) presented report, including appendix, together with transcripts of evidence.

Laid on table.

Ordered that report be printed.

Mr ATKINSON (Eastern Metropolitan) — I move:

That the Council take note of the report.

Bearing in mind the heavy workload for today I do not propose to dwell very long on the report. It is endorsed by all members of the committee; in other words there is no minority finding in regard to it. I think that is significant because the myki ticketing system has been the subject of extensive media coverage and commentary, and certainly it has caused some concern to the community. No doubt that has led to an issue of confidence for at least some sections of the community to this point.

The report is a fairly clear tracking of the introduction of the myki ticketing system, and the committee recognises that evidence was presented which it thought was relevant in terms of the life cycle of the Metcard system and its capacity to cope with the demands of the public transport ticketing requirements going forward. The myki ticketing system was the system selected by the government after a tender process. As far back as the tender process there was some controversy associated with the selection of the myki ticketing system, but the major concerns of the community have been in regard to the time line and the fact that the system is seen to be costing more than was originally projected — and indeed it is taking longer to implement. Explanations were provided to the committee for that.

One of the areas on which witnesses commented in their evidence to the committee was that perhaps the original time lines were too ambitious and that if you compare the implementation of the myki ticketing system with other ticketing systems on significant transport systems around the world, the implementation

period for myki is, if not favourable, certainly comparable. From that point of view, the people who introduced the myki ticketing system assert that some of the criticism of its implementation has not been as fair as they might have hoped, given the extent of the program.

Committee members explored the community's exasperation with the system taking longer than expected and longer than was forecast to members of the public in Victoria. We also explored some of the cost overruns. I place on record that the committee was supported in the work it did by information provided by the minister; Camco, the major contractor; the Transport Ticketing Authority; and the Department of Transport. They all provided valuable information to this inquiry, and they enabled the committee to present this report today. The report contains a series of findings which puts into context the introduction of the system.

I do not want to delay matters. I know there are a couple of other members who would like to comment on this report. I sum it up in this context: we trust that the timetable that has now been outlined to us and is encompassed in this report will be met and that there will be no further surprises in terms of budget changes and increases associated with the system. We hope the promise of this system — in terms of its features, benefits and the hoped-for and expected life term for delivering a good ticketing system to cover all the modes of our public transport system for many years to come, and that is a 10-year plan — will be met.

I thank the members of the committee along with the officers who supported the committee and who did some exceptional work in quite a short time frame. I commend the report to the house.

Mr LEANE (Eastern Metropolitan) — I would like to start where Mr Atkinson finished and thank the committee staff, including Mr Richard Willis, secretary of council committees, and the two research officers, Anthony Walsh and Sean Marshall, for their great support during the pretty tight time frame allowed for this committee to deliberate and produce this report. I appreciate Mr Atkinson for his work as chairperson and all the other members of the committee.

The interesting part of our report regarding train services was the introduction of the new myki ticketing system. There were a few interesting things in relation to this: the implementation of the system, the need to implement a new system, the way the system is an open architecture system, the way it is being implemented and the way it has now been introduced. As far as I am

concerned, as a member of the committee, I am quite convinced that myki will be a good ticketing system and a good product for this state going into the next decade.

It is a smartcard ticketing system that allows people to use the transport system with one smartcard for all three modes of public transport — that is, trains, trams and buses — right across the state. After you have touched on and touched off, the system will work out the cheapest fare for using all those modes of transport rather than you standing at the ticket office, like in the old days, trying to work out the cost and saying, ‘If I get a zone 2 ticket on the bus then I jump off the bus and get a zone 1 ticket to Spencer Street, and then I get a regional ticket that would take me to Mildura, how much would that cost at a certain time of the day — that is, peak hour or non-peak hour — and which day should I travel on and how do I work out the cheapest fare?’. That work is done for you in a real-time ticketing system which will serve the state for a long time. I think it is a good investment.

Mr Atkinson touched on the implementation time. The report concedes that the original estimation of the implementation was optimistic, but the time it has taken to introduce this system in the state bodes very well in comparison to other jurisdictions around the world which have introduced similar systems. People talk about the Oyster system in London a lot, and they compare it with the myki ticketing system. There was a similar implementation time for the Oyster system, but there needs to be an understanding that the Oyster system is only used on one mode of transport in the UK — that is, the metro loop. It cannot be used on other forms of public transport, whereas the myki system can. The software development and implementation of myki in Victoria is much more complex than the software development and implementation of the Oyster system.

Criticism has come from those in some quarters who say the state should have implemented an off-the-shelf ticketing system, which makes you think you could go to a Dick Smith electronics store and pick up a multimode ticketing system for a jurisdiction. That is far from the case. We did receive evidence that some existing equipment had been sourced that had been produced elsewhere in the world, but as far as the actual system and software are concerned, a whole new system had to be developed. We found there was no such thing as an off-the-shelf ticketing system which you can pick up from somewhere else in the world —

Ms Pennicuik — What is wrong with the one we’ve got?

Mr LEANE — Ms Pennicuik asked a very good question — that is, what is wrong with the one we’ve got? We received evidence that the system we have had has gone beyond its use-by date even though there has been an extension for a number of years. The evidence we received from some witnesses was that it was like a 10 or 12-year-old computer sitting on your desk. How would that be operating? Accessing spare parts for that computer would be just about impossible. Therefore the cost of maintaining and keeping bandaids on that system is absolutely impossible.

I am surprised we would have interjections as ignorant as to suggest that a 12-year-old electronic system that has not got all solid-state parts would actually operate at this stage. I think it is quite surprising that someone would bring that up and say, ‘What’s wrong with the existing system?’. I think that is a bit bizarre. All systems have a lifetime; all mechanical systems have a use-by date. All systems have a use-by date in terms of how long you can access spare parts and components. I think that is a bit bizarre.

Mr Barber — Mr Viney has called time.

Mr LEANE — He has actually extended my time, which I appreciate.

As far as the committee’s reference went, what we were looking into was whether the myki system affected the rail system in terms of failures of train services. We did not find that the implementation and the installation of the myki system actually delayed one train, caused one train to be cancelled, affected one bus service or affected one tram service. There was no evidence at all of that. Basically it is just a system for paying for a ticket to use the public transport system. As far as the reference was concerned we probably could have had a pretty brief report which said, ‘No, there were no effects on the rail system as far as the implementation of the myki went’, but we did delve into it a bit further, and in fairness I think we have produced a pretty good report.

Mr Finn — Even if you do say so yourself.

Mr LEANE — I would like to commend the deputy chair’s work on it. I thank Mr Finn for that lead-in.

In closing, we did need a new ticketing system. We have gone for one of the better state-of-the-art, solid-state systems, which will serve us well for a long time. It will take away the chore for people trying to work out the cheapest fare they can get to go from A to

B using different modes of transport. I commend this report to the house.

Mr BARBER (Northern Metropolitan) — The myki project was such a large project involving such a crucial system that it is quite appropriate that the Parliament would be interested in scrutinising it. In my view it should be routine for the Parliament to scrutinise major projects such as this one, the desalination plant, the EastLink freeway and many other major pieces of infrastructure. Projects with billion-dollar and upwards price tags of course attract a huge amount of public interest. That is why in my view the Parliament should routinely scrutinise them.

This project has been scrutinised through our various arms. The Auditor-General's office, an independent office of the Parliament, looked at it; the Public Accounts and Estimates Committee reviewed his report and had further hearings on it; and this committee, which was afoot, made its own reference to also have a look at this thing. In our case, though, we were doing a simple exercise in looking backwards. We have not been through the exercise of going back to the initial business case, if you like. Whether or not the public gets to see the business case for major government projects — either before or after the projects are committed — is a very controversial matter in the state of Victoria at the moment and will continue to be so.

Mr Leane in his contribution certainly had the opportunity to map out what he thought was the business case for this project. He is no better informed than I am on that matter unfortunately. We do not know what the government thought was the business case for myki, but we were able to have some dialogue with the government about it. Clearly the business case is that we need a system of collecting revenue. There is no doubt about that. Hundreds of millions of dollars of revenue needs to be collected, so the primary purpose of this thing is to collect revenue. Then we have to look at the cost of doing that. We still do not know whether this cost was the right cost. All we really know is that at some point the cost increased due to various reasons which have now been made abundantly clear.

Mr Leane also said that one of the benefits of the project was that you would not need to calculate your own fare. That is certainly a benefit; I do not think it is the core benefit of the project, and I do not know how much it is worth paying for such a service, but the point is we now have that service.

We have not really seen myki in full action yet. I got on a tram on Sunday, and the gentleman in front of me was attempting to touch on his myki while getting on the

tram. I was standing on the steps of the tram waiting for him to do so, and I asked him when we got on the tram how long he thought it had taken his myki to successfully touch on. His estimate was about 3 seconds, although my estimate was only 1 second. Nevertheless, anything shorter than a micro-second is going to add to the time taken to board trams, and boarding time is quite crucial. When trams go slowly it is generally because of passengers getting on and off. The trams would achieve quite good speeds if it were not for the passengers, but at certain times of the day there are large numbers of passengers getting on and off.

My observation was that it did take this gentleman a second or so to successfully touch on his myki. He told me that he in fact had myki money rather than a myki pass. The difference between the two is quite important. Myki money is communicating with a central server where there is an account with a certain amount of credit in it. It is ensuring that you have enough credit and calculating your fare, as Mr Leane said. The myki pass is different; it simply identifies that your pass is valid in the same way as when you swipe a security card to get into your building — there is no necessity for that card and that device to talk to a central computer.

Those issues will only be resolved when we see the full implementation of myki along with both the benefits and the costs of the project. I have an open mind about those. Regardless of what might have happened in the past and what has got us to this point, the fact is that we have sunk a large amount of capital into this, and the operating costs and the way the system operates — whether or not the forecast benefits actually arrive in the way that the people writing the business case anticipated — will of course be the final test, as they are for any major IT project or, for that matter, any major project. I am sure there will be a role for the Parliament to continue scrutinising that, just as it should continue to scrutinise a range of other important aspects of the public transport system.

Mr O'DONOHUE (Eastern Victoria) — I am pleased to join with other members of the committee in making a few comments about the final report of the Legislative Council's Select Committee on Train Services, with particular reference to the myki ticketing system. I too would like to thank the chair and deputy chair, other members of the committee and in particular the committee staff, Mr Richard Willis, Mr Anthony Walsh and Mr Sean Marshall, who have done an excellent job in helping the committee put this report together. I am cognisant of the fact that all those

gentlemen have significant responsibilities with other committees and their other work with the Parliament.

I will keep my comments brief this morning, given the program that is before us today. I want to make two general points. The Treasurer, John Lenders, loves to come into this chamber and say to it and to the media, 'The opposition wants this project funded, it wants that project funded, it wants to build this and it wants to build that. How is it going to pay for it?'. The Treasurer talks as if this government spends every dollar in an efficient and cost-effective fashion. Yet again we have before the Parliament today another example of absolute waste of precious taxpayer dollars by this government.

We have talked about the bungled auction of pokies licences, whereby the government has potentially foregone \$1 million to \$2 million over the next decade by its failure to extract proper value for those licences. Every time the state government engages with the private sector to deliver a new IT project the state of Victoria and Victorian taxpayers end up being the losers. Sadly, yet again, so it is with the myki ticketing system.

Despite all the talk by Mr Leane and some of the witnesses who appeared before the committee about the anticipated time for delivery of such a project, the undeniable fact is that the contract entered into by the state of Victoria to deliver the new myki ticketing system said that system was to be operational from March 2007. As the Minister for Public Transport, who is in the chamber this morning, has said to this house, the Metcard system will continue to operate until at least Easter next year. In other words, the project will be four years over time at a minimum. It is equally concerning that the project has required input from the state of Victoria of an additional \$352 million. I ask the Treasurer: what other investments could have been made with that \$352 million if the government had been able to have this system delivered on time and on budget, which it signed up to as part of the contractual terms?

It is too easy to say, 'The Oyster system took longer and every other project has taken longer, so therefore it does not matter. We have taken another four years — but, hey, the same thing happened in London when they did their system, or the same thing happened elsewhere. What is another \$352 million between friends?'. It is not good enough. That is my first point.

Mr Viney interjected.

Mr O'DONOHUE — My second point — very briefly, Mr Viney — flows from the revelations yesterday that the Transport Ticketing Authority has spent \$3.1 million in the last financial year trying to fix up the bungled myki ticketing system. My second question to the minister is: why do departments such as the Department of Transport have to go to such expensive external consultants? Why do they not have the capacity using their own resources to deal with these issues? Why does Clayton Utz need to be paid \$288 000 by the Department of Transport when DOT has its own legal division?

In summary, this is yet another example of the state of Victoria failing to get fair value and failing to make contractual arrangements for the project to be delivered on time and on budget. Yet again we see that departments are relying on external contractors, which adds significant costs for Victorian taxpayers.

Ms HUPPERT (Southern Metropolitan) — Listening to Mr O'Donohue speak I thought he was talking about the report he wanted to have rather than the report that has actually been tabled in the house this morning. Nothing he said was backed up by any of the findings set out in this final report of the Legislative Council's Select Committee on Train Services.

Yes, we heard that myki has taken longer to implement than was originally anticipated, but as Mr Atkinson has pointed out, the implementation time compares favourably with the implementation times of other systems around the world. Yes, we have heard that the original contract has been varied and we have increased the delivery price of myki, but we also heard substantial evidence about the improvements and the technical changes that have been made to the scope of works being carried out by the contractor since the original contract was entered into. We have also heard that because of the growth in the number of trams, buses and other rolling stock in our system the contract had to take into account orders for an increased number of devices, so there are a number of different reasons for the increase in costs as pointed out in the findings in the report.

The purpose of this expanded reference to the committee was to see whether or not myki and the implementation of it had made any contribution to the effectiveness of our train service, and it is quite clear from the evidence that was before the committee and the findings in the report that there has been no effect on the delivery of train services in Victoria with the implementation of the myki system. The inquiry found the answer in the negative, and I think Mr O'Donohue failed to comment on the fact that that was a key

finding, or lack of finding, in the committee's deliberations, and I commend the report to the house.

Motion agreed to.

PAPERS

Laid on table by Clerk:

Altona Memorial Park Trust — Report for the period ended 28 February 2010.

International Fibre Centre — Minister's report of receipt of 2009–10 report.

Terrorism (Community Protection) Act 2003 — Report under section 13 and section 13ZR of the Act, 2009–10.

EDUCATION AND TRAINING REFORM AMENDMENT (SKILLS) BILL

Committee

Resumed from 16 September.

Clause 61

Ms PENNICUIK (Southern Metropolitan) — Before I proceed with the amendment I will ask the minister a question. Clause 61 of the bill changes the relationship between the Adult Community and Further Education Board and the Victorian Skills Commission. Currently they act jointly, and this clause changes that relationship to read that the skills commission takes some precedence over the board, but the minister may want to comment on that. It also links in with the following clauses, in particular clause 63 which repeals the present requirement under the act for joint preparation of a plan and clause 64 which repeals the current provision for the implementation of that plan. I ask the minister to explain the thinking behind that. There is certainly not much information in the explanatory memorandum as to what policy is behind this provision.

Hon. M. P. PAKULA (Minister for Public Transport) — I will endeavour to provide Ms Pennicuik with an answer to her question. Currently the relevant section of the Education and Training Reform Act requires a formal adult, community and further education plan to be developed. That plan is what drives the provision and funding of adult education by government, but with the move to a more demand-driven and market-responsive system it is no longer necessary to retain a centrally driven plan model for the allocation of resources or for the setting of priorities.

We are about providing greater flexibility and better responsiveness in the provision of adult, community and further education. The idea behind clause 61 is to do away with the requirement for a formal adult, community and further education plan and replace it with a provision that requires the Victorian Skills Commission and the Adult Community and Further Education Board to cooperate with one another. The amendment proposed by Ms Pennicuik, if she proceeds with it, would reverse all that and leave in place the current system, which we would describe as more akin to central planning.

Mr HALL (Eastern Victoria) — The way I read this is clause 61 is almost a consequential provision to clause 63. It is clause 63 which repeals the requirement for the development of an adult, community and further education plan. The default position therefore, consequential to that, is clause 61 where the function of the board is altered. In terms of this amendment and its comparison with clause 63, because there is no proposal to remove clause 63 that would be a separate argument in itself. Given that clause 63 is going to remain part of the bill unless members vote against it, and we could do that, clause 61 is a worthwhile default provision. In terms of the coalition's response to the proposal to remove clause 61, I do not believe that is appropriate, particularly if clause 63 in the bill stands.

Ms PENNICUIK (Southern Metropolitan) — Could the minister enlighten me and the committee as to how much consultation has taken place with the sector about this move to completely change how it operates?

Hon. M. P. PAKULA (Minister for Public Transport) — I am advised that there was a wide-ranging process of consultation, not specifically with regard to clause 61 but with regard to the change to the funding model more generally. I am not sure how much more specific I can be for Ms Pennicuik than that.

Ms PENNICUIK (Southern Metropolitan) — Perhaps the minister could give the committee some idea of what opinions came from the sector as conveyed to the government in that wide-ranging consultation on this?

Hon. M. P. PAKULA (Minister for Public Transport) — I am advised that as part of the consultation some elements of the sector were opposed to the changes and some elements of the sector conceded the benefits because of the growth possibilities that would be provided, but as part of any consultation process leading up to the creation of legislation you would expect there would be a

divergence of views, and I am advised that this was the case.

Ms PENNICUIK (Southern Metropolitan) — I do not have any further comment on clause 61, but I foreshadow that I have another question regarding clause 63 given the debate we have just had.

Clause agreed to; clause 62 agreed to.

Clause 63

Ms PENNICUIK (Southern Metropolitan) — I indicate that I intend to vote against clause 63. The Greens do not support the general move to contestability and have made our views on the issue clear. I do not think the government has made any case for what it is proposing in terms of adult education, and what the minister has said has caused some consternation.

Clause agreed to; clauses 64 to 69 agreed to.

Clause 70

The DEPUTY PRESIDENT — Order! Clause 70 has a relationship to clauses 55 and 56, which have already been postponed and will be dealt with at the end of the committee stage. It is my intention to have clause 70 also postponed in order to first determine the outcome of clauses 55 and 56 and then determine clause 70.

Clause 70 postponed; clauses 71 to 73 agreed to.

Schedule

The DEPUTY PRESIDENT — Order! The proposed amendments to the schedule by Mr Pakula, Mr Hall and Ms Pennicuik will be shaped partly by what occurs in relation to postponed clauses 55, 56 and 70. Therefore I also believe it would be better to postpone consideration of the schedule until those earlier postponed clauses have been dealt with.

Schedule postponed.

Postponed clause 55

Hon. M. P. PAKULA (Minister for Public Transport) — I move:

1. Clause 55, lines 28 to 32 and page 77, lines 1 to 4, omit all words and expressions on these lines.

Given the amount of business the house has to deal with today I will not be unduly lengthy in speaking to this amendment. In debate on previous clauses I have already indicated why the government is moving this

amendment; it is to remove subclause (3). We support an enhanced role for TAFE, including commercial powers, but it is the government's belief that the omission of the proposed commercial powers has become unnecessary because of the amendment that has been carried to omit from the bill the provisions that in the government's view would have properly equipped TAFE institute boards to exercise their new commercial functions.

We think that exposure of the state government to potential trading losses and other liabilities arising from the trading activities of TAFE institutes will be significantly increased. We believe that the result of opposition amendments would be to retain largely self-selected stakeholder-dominated boards of TAFE institutes, and at the same time existing boards would receive powers to engage in commercial trading activity and potentially incur liabilities for the state.

We proposed conferring those commercial powers on the basis that the boards would consist of individuals with management, commercial, financial and other relevant expertise and skills. The state government's risk may be more than the capital or the current funding provided by the state. If an institute took on a contractual obligation or committed an actionable wrong which resulted in a liability greater than it could meet from its own funds, any claimant would look to government to make up the shortfall. Therefore, because there is a general perception that the government is responsible for its agencies and the view that TAFE institutes are unconditionally backed by government, it is the government's view that the commercial powers it proposed to confer were contingent on the proposed changes to the structure of the boards and that without those changes, given that the amendments have now been passed by this place, it is the government's intention to remove those commercial powers that it would have otherwise provided.

Mr HALL (Eastern Victoria) — The coalition will strongly oppose what I would label as an unnecessary and churlish response from the government with respect to the amendments the house has passed regarding the composition of TAFE boards. I will tell members why I believe it is churlish. First of all, TAFE boards now engage in significant commercial activity and raise significant funds. We have said this in the second-reading speech — for the vast majority of TAFE institutes more than half of their funds are raised by commercial activity now. They do it responsibly and they do it well.

The other reason I say the response is churlish is that the provisions in this particular subsection say the commercial activity is to be subject to any direction or guideline issued by the minister. The minister of the day can always issue guidelines and directions to control the level and type of commercial activity in which TAFE boards engage. It seems to me a churlish and over-the-top response to delete this particular provision when there are powers within the provision itself for the minister of the day to adequately have oversight and accountability with respect to commercial decisions undertaken by TAFE institute boards.

It is purely an amendment in retaliation to one that was accepted by the house with respect to the composition of TAFE boards. It is not necessary, and I see no valid reason why the government is embarking on this track except for its penchant to maintain total and central control of both the operations of public bodies and the operations of the Parliament itself. This is not necessary, and that is why we will be opposing it in the strongest possible terms.

Ms PENNICUIK (Southern Metropolitan) — I do not see the need for what the government is proposing to do here, but I do see a need to ensure that the commercial arrangements that TAFEs are involved in are to do with the primary functions of TAFE as outlined in the Education and Training Reform Act as it stands, and the functions as amended under clause 55 as it stands. Should the clause remain I am proposing to tighten up those functions so that the commercial activities TAFEs engage in are designed to facilitate and carry out the functions as outlined in the act and so we do not have a commercial activities free-for-all. It is about the functions of the TAFEs.

I am also proposing that revenue so raised be used to further the functions of TAFE. Given the competitive, demand-driven environment that the government wishes to create, a lot of pressure will be put on TAFEs, and as public providers they will be required to provide the sometimes resource-intensive training that is needed by students. I am concerned that all the revenue goes back into training, and that should be explicitly stated in the bill. If this clause remains in the bill, I propose to tighten it up by way of my following amendments to the clause.

Hon. M. P. PAKULA (Minister for Public Transport) — I will respond to Mr Hall’s assertion that the government is behaving churlishly. Let me put on the record that the current commercial activities of TAFEs are, by nature, limited. There are only a couple of TAFEs which would get the majority of their income in that manner. The deletion of this provision would not

prevent those TAFEs continuing to engage in the activities they engage in currently. What it would prevent is full trading, capital raising on the open market and behaviour of that nature. The government maintains very strongly that if TAFEs are going to engage in that kind of commercial activity, the TAFE boards need to have the requisite skills. We believe the amendments previously passed will ensure that that will not be the case.

Committee divided on amendment:

Ayes, 18

Broad, Ms	Murphy, Mr
Eideh, Mr	Pakula, Mr
Elasmar, Mr (<i>Teller</i>)	Pulford, Ms
Huppert, Ms	Scheffer, Mr
Jennings, Mr	Smith, Mr
Leane, Mr	Somyurek, Mr (<i>Teller</i>)
Lenders, Mr	Tee, Mr
Madden, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr

Noes, 20

Atkinson, Mr	Kavanagh, Mr
Barber, Mr	Koch, Mr
Dalla-Riva, Mr	Kronberg, Mrs
Davis, Mr D.	Lovell, Ms
Davis, Mr P.	O’Donohue, Mr
Drum, Mr	Pennicuk, Ms
Finn, Mr (<i>Teller</i>)	Petrovich, Mrs
Guy, Mr (<i>Teller</i>)	Peulich, Mrs
Hall, Mr	Rich-Phillips, Mr
Hartland, Ms	Vogels, Mr

Pair

Darveniza, Ms	Coote, Mrs
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Amendment negatived.

Ms PENNICUIK (Southern Metropolitan) — I move:

10. Clause 55, page 77, lines 1 to 4, after “consistent with,” omit all words and expressions on these lines and insert “and is designed to facilitate, the carrying out of the functions referred to in subsections (1) and (2).”

This amendment to clause 55 will ensure that the commercial activities are designed to facilitate the carrying out of the functions referred to in the earlier sections — that is, the functions of TAFE boards.

Hon. M. P. PAKULA (Minister for Public Transport) — There was a whole range of reasons why the government was planning to oppose this amendment. Given the previous vote, I now need to refer to only one of them. Given the composition of the boards that has now been imposed by the Council and that the government does not support the retention of these enhanced commercial activities in the bill in any case, we will be opposing the amendment.

Mr HALL (Eastern Victoria) — I just want to indicate that the coalition will be supporting this amendment. This amendment and the next provide for functions which almost go without saying. Again, these sorts of things could have been spelt out in ministerial directions to the TAFE council boards and therefore in effect they do not make a great deal of material difference. However, if exactly the sorts of additional measures which Ms Pennicuik is seeking are put into legislation, then I do not have any objections to those, and the coalition will support them.

Amendment agreed to.

Ms PENNICUIK (Southern Metropolitan) — I move:

11. Clause 55, page 77, after line 4 insert —

‘(4) The board of an institute must use any revenue generated by engaging in the type of commercial activity referred to in subsection (3) for the purposes of carrying out its functions under subsections (1) and (2).’.

This amendment is pretty self-explanatory. It tightens things up and will make sure that revenue generated is used for the furtherance of education and training as a primary purpose.

Amendment agreed to.

Committee divided on amended clause:

Ayes, 20

Atkinson, Mr	Kavanagh, Mr
Barber, Mr	Koch, Mr
Dalla-Riva, Mr	Kronberg, Mrs
Davis, Mr D.	Lovell, Ms
Davis, Mr P.	O’Donohue, Mr
Drum, Mr	Pennicuik, Ms
Finn, Mr	Petrovich, Mrs (<i>Teller</i>)
Guy, Mr	Peulich, Mrs
Hall, Mr	Rich-Phillips, Mr (<i>Teller</i>)
Hartland, Ms	Vogels, Mr

Noes, 18

Broad, Ms	Murphy, Mr
Eideh, Mr	Pakula, Mr
Elasmar, Mr	Pulford, Ms (<i>Teller</i>)
Huppert, Ms	Scheffer, Mr
Jennings, Mr	Smith, Mr
Leane, Mr (<i>Teller</i>)	Somyurek, Mr
Lenders, Mr	Tee, Mr
Madden, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr

Pair

Coote, Mrs	Darveniza, Ms
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Amended clause agreed to.

Postponed clause 56

The DEPUTY PRESIDENT — Order! Before members move from their places, can I get an indication from Mr Pakula of his intentions with regard to clause 56? This is the clause Mr Pakula was going to invite the committee to vote against. I think to some extent that has been tested by clause 55.

Hon. M. P. PAKULA (Minister for Public Transport) — I accept that it has been tested.

Postponed clause agreed to.

Postponed clause 70

The DEPUTY PRESIDENT — Order! Mr Pakula, Mr Hall and Ms Pennicuik have all proposed amendments in relation to clause 70. Mr Hall’s amendments 3 and 4 were to omit clauses 57 and 58. Those clauses were negatived. Therefore he has the first call in terms of the amendments on this occasion. That his amendments 5 to 9 in relation to clause 70 are all linked to those earlier amendments is the basis of the precedent I established, and as they are linked they can also be tested as a group. I would call on Mr Hall to move amendments 5 to 9 and make any remarks in support of those.

Mr HALL (Eastern Victoria) — I move:

5. Clause 70, lines 24 to 34 and page 89, lines 1 to 22, omit all words and expressions on these lines.
6. Clause 70, page 89, line 23, omit “(6)” and insert “(4)”.
7. Clause 70, page 89, line 23, omit “60” and insert “58”.
8. Clause 70, page 89, line 30, omit “60” and insert “58”.
9. Clause 70, page 89, line 32, omit “(7)” and insert “(5)”.

I agree that each of these is consequential on the success of amendments 1 and 2, so I believe these amendments have already been tested. I therefore do not think I need to elaborate further.

The DEPUTY PRESIDENT — Order! It ought to be understood that if Mr Hall’s amendments succeed, Ms Pennicuik’s would be unnecessary. The government amendments are effectively tested by this vote as well.

Amendments agreed to; amended clause agreed to.

Postponed schedule

The DEPUTY PRESIDENT — Order! Mr Pakula, Mr Hall and Ms Pennicuik have each proposed amendments in relation to the schedule relating to consequential renumbering. Again, because of the

committee's determinations in respect of Mr Hall's amendments, I believe Mr Hall's amendment 10 is the one that should be first tested in respect of the postponed schedule, because it has the link to the amendments the committee has agreed to. I consider that the success or failure of this amendment will test whether Mr Pakula's or Ms Pennicuik's amendments can proceed.

Mr HALL (Eastern Victoria) — I move:

10. Schedule, line 2, omit "71" and insert "69".

I note that this amendment is consequential, and so are the amendments to the schedule proposed by Ms Pennicuik and Mr Pakula.

I also want to say this to the government with respect to a way forward. Obviously we have had a committee debate in which there have been amendments from the government, the opposition and the Greens and some disagreement about them. There needs to be some agreement to get legislation through the Parliament. My door is always open; I make the offer formally and publicly to the government to negotiate on these matters. I hope it is a better negotiation than the negotiation we had with respect to government amendments last time around — because there was none. Those amendments came as a surprise.

If the government is serious about getting provisions of this bill through the Parliament, my door is open, and I am happy to talk through what might be acceptable to the government, to the coalition and to the Greens so that in our last week of sitting we can make things happen. We could try to work a way through so that we end up with a piece of legislation we can all be happy with. There is an offer on the table to work with the government in respect of a way forward.

As we have said, amendment 10 is consequential on the previous amendments.

Amendment agreed to; amended schedule agreed to.

Reported to house with amendments.

Report adopted.

Third reading

Motion agreed to.

Read third time.

MARINE SAFETY BILL

Second reading

Debate resumed from 2 September; motion of Hon. M. P. PAKULA (Minister for Public Transport).

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I am pleased to rise this morning to make a few remarks on the Marine Safety Bill 2010. The purpose of the bill is to replace the existing Marine Act 1988. The bill is a clean rewrite of the statute surrounding maritime matters in Victoria, and it follows a public discussion paper and consultation process which culminated in the presentation of this bill to the house in the last month or so.

As I said, the purpose of the bill is to replace the existing Marine Act 1988. The bill imposes safety duties on owners, managers, designers, manufacturers, suppliers of vessels, marine safety infrastructure and marine safety equipment, marine safety workers, masters and users of recreational vessels, and passengers on vessels. It provides for the registration of vessels; and the licensing of masters of recreational and hire-and-drive vessels.

The bill regulates and manages the use of and navigation on state waters; requires port management bodies to engage harbour masters and provides for the licensing of persons to act as harbour masters and the authorisation of persons to act as assistant harbour masters. It provides for the registration of pilotage service providers and the licensing of pilots; requires the use of pilots in declared parts of state waters; and requires compliance with nationally agreed standards for commercial vessels and commercial vessel operations and provides for the verification of compliance through certification.

Finally, the bill requires compliance with nationally agreed standards for masters and crew of commercial vessels and provides for the verification of compliance through certification.

The coalition parties will not be opposing the Marine Safety Bill 2010, though we will be proposing an amendment in the committee stage, which I am sure the minister is looking forward to. I ask that that amendment be circulated now.

Opposition amendment circulated by Mr RICH-PHILLIPS (South Eastern Metropolitan) pursuant to standing orders.

Mr RICH-PHILLIPS — On the whole the coalition parties will not be opposing the Marine Safety Bill, which is a clean rewrite of maritime law in Victoria. However, we have a couple of concerns with the way the bill has developed and a couple of concerns about certain aspects of the bill. The first concern relates to the relative lack of consultation that has taken place with the maritime sector as to the final composition of this bill. It is acknowledged that the bill has been developed following a discussion paper and public meeting process which has taken place over the course of the last 12 months with interested parties in the maritime sector.

However, the bill in its final form, which is a wide-ranging piece of legislation, has been in the public domain only since it was second read in the other place in mid-August. Consequently there has not been the opportunity for widespread consultation with affected parties on the actual contents of the bill. It is one thing to undertake a public consultation process by way of discussion paper; it is quite another thing to be undertaking a consultation process on the actual contents of the bill.

As we know in this place, and as we saw with the committee stage just concluded with respect to the Education and Training Reform Amendment (Skills) Bill, the contents of a bill can be vastly different from the intent expressed in a discussion paper and the understanding that arises through a discussion paper process. We have some concerns as to the very limited amount of consultation that has been able to be undertaken since the bill was second read in the Assembly a matter of weeks ago.

Notwithstanding that, I can report that Dr Denis Napthine, the shadow minister for ports and member for South-West Coast in the other place, has sought comment from a wide range of affected parties in relation to the bill, such as a large number of recreational fishing clubs, commercial fishing interests, boat charter operators, port corporations, local ports, various boating industry associations, including the Boating Industry Association of Victoria, other clubs, boat manufacturers and sales outlets and yacht clubs et cetera. The consensus message that has come back from that consultation is that these organisations, many of which are operated by volunteers on a part-time basis, have not had the opportunity to reach an informed view on a bill that runs to some 300-odd pages.

There is concern that the contents of the bill are not yet fully digested by the industry that will be affected by it, and accordingly, given that the industry is not able to

give it a tick off, we are in a position of not opposing, rather than supporting, this legislation in its passage through the house today. As I said, we have concerns that the consultation on the bill has not been as robust as it could have been.

With respect to other matters I note that the bill between its original second reading in the other place and its introduction here was the subject of some 19 amendments. I acknowledge that a number of those amendments arose as a consequence of matters that were raised with the government by the shadow minister for ports, Dr Napthine. To its credit the government has recognised the need for amendments with respect to matters that were raised during consultation with the shadow minister.

However, probably an equal number of the amendments that were made in the other place also relate to errors in the original bill. It reinforces the fact that both in relation to this bill and as a general practice Parliament should be given greater opportunity to subject bills to detailed scrutiny. The fact that the government identified a number of errors in its own bill between houses highlights that errors are made in the drafting of bills, and this is not the first bill presented this week to the Parliament that has had government amendments in order to correct errors — not to make policy changes but to correct simple errors in drafting. It suggests we are in a situation where legislation is being rushed through the Parliament without sufficient detailed consideration, even by the government before the legislation gets to Parliament.

There are a couple of other matters I would like to raise with respect to our concerns. One arises from statements that were made by the coroner in the recent coronial inquest into the deaths that occurred at Pier 35 following a refuelling incident. Coroner Peter White in his report of 5 August made a number of comments about the enforcement regime and the inadequate resourcing of water police with respect to their capacity to undertake maritime enforcement.

It is fine to have a new suite of legislation put in place in the form of the Marine Safety Bill, but if, as Coroner White found, there is understaffing and underresourcing that affects the capacity of the marine police to uphold and enforce the existing Marine Safety Act, then it would seem somewhat pointless to be putting new legislation in place. It has to be supported by appropriate resourcing for enforcement and indeed appropriate resourcing for education. We are yet to see any evidence from the government that the matters raised by Coroner White in his report will be addressed. Obviously that is not the purpose of this legislation, but

it is an outstanding matter that needs to be addressed if the legislation is to have effect.

With respect to specific provisions in the bill one matter we are concerned about is the way in which clause 93 has been drafted. This is a matter on which Dr Napthine commented in the other place. It relates to reportable incidents and the requirement under clause 93, 'Reporting requirements in relation to reportable incidents', that:

- (1) This section applies if a reportable incident occurs and a person is killed or injured or there is significant damage to property, or property is lost or destroyed, as a result of the incident.
- (2) The master of the vessel involved in the reportable incident, as the case requires —
 - (a) must immediately stop the vessel, drop anchor or otherwise secure the vessel ...

The clause goes on with a number of other requirements. From a practical point of view — and this is feedback we have received from industry — a blanket requirement with respect to a reportable incident that the vessel must stop and drop anchor is patently absurd. The types of incidents that are covered as reportable incidents — and they are defined by way of the definition of 'marine incident', which feeds into the definition of 'reportable incident' — include matters such as:

- ... the loss or presumed loss of a vessel ...
- ... a collision of vessels ...
- ...
- ... the structural failure of a vessel ...
- ... a close quarters situation ...

and it goes on. There are about a dozen events that are defined as marine incidents and consequently as reportable incidents. It is farcical to suggest that in a scenario where a vessel has suffered a structural failure it should be required to immediately stop and drop anchor when it could be in distant state waters. That example really has raised concerns as to how practical this legislation is when it comes to its application to maritime operations, particularly recreational small-scale operations, in Victoria. It has led to feedback that suggests this legislation has not been prepared with a particularly practical outlook by the Department of Transport.

The other area where the coalition has concerns — and it goes to the subject of our amendment — is the very broad regulation-making provisions which are

contained in clause 309 of the bill, which provides for the Governor in Council to make a very broad set of regulations, as defined in the bill. I will not go through them in detail, but the bill provides for the Governor in Council to make regulations with respect to what are defined as schedule 2 matters, which are listed in the schedule at the back of the bill.

That includes a very broad list of matters as to maritime operations on Victorian waters: carriage of goods, safe navigation, carriage of passengers, registration, crewing, harbour masters, pilotage services, certification of vessels, construction and equipment of vessels, tickets of competency, local knowledge, pilot and pilot-exempt masters, hire and drive vessels, licensing of masters of recreational and hire and drive vessels et cetera. The matters also relate to commercial vessels and impoundment, immobilisation, forfeiture of recreational vessels et cetera. Those are just the subheadings of the schedule 2 matters.

Then there are a dozen or more subcategories listed for regulation making, including the provision for the prohibition or regulation of recreational vessels in state waters based on the subject matter of the prevention of collisions convention; regulations with respect to waters in which a person has been engaged as a harbour master, including regulations as to the entry, departure or movement of any vessels in such waters, with a number of subclauses pertaining to that.

The regulation-making powers under this provision are extremely broad. There is currently no mechanism for disallowance. In the committee stage the coalition will move an amendment to clause 309, which will provide for disallowance by either house of Parliament of regulations made under this provision. The purpose of doing that is simply to provide a second set of eyes to ensure that the regulations made under this extremely broad power are appropriate for the scenario and the original intent of the legislation. Given the breadth of clause 309, it is appropriate that those regulations be subject to disallowance, and accordingly we will be seeking to make that amendment in the committee stage of the bill.

In summary, the coalition would have liked to have been in a position to support this legislation, but due to the short time frame that has been available and the lack of consultation with the affected industry and community groups that are impacted by this legislation and given its potential to have widespread impact and at this stage unintended consequences, we are not in a position to do more than not oppose the bill.

Mr BARBER (Northern Metropolitan) — It appears there is consensus among parties that this bill is a good exercise in modernisation of legislation and that that has been necessary for a very long time, so I do not propose to go much further into the content of the bill itself. I will specifically address Mr Rich-Phillips's amendment, which he has circulated and now spoken to. Mr Rich-Phillips said that the purpose of the disallowance provision is to provide a second set of eyes to an instrument of the government which it believes it needs to carry out the administration of this legislation. In fact it is more than that. A disallowable instrument is a very clear statement by the Parliament that there are certain powers we are willing to give to the government and other powers that we want to reserve the right to block if we decide it is important to do so.

The first thing we need to understand is that this bill is about the administration of a whole range of aspects of marine safety. It is a bill to enable certain arms of government to administer an absolute multitude of functions. In the past many of those functions were not disallowable. That has all been tidied up, and this bill includes certain aspects in a section that is about the regulation making.

It is not the first time we have had to ask ourselves the question: which aspects of the bill should be disallowable? Even the previous bill we debated a minute ago had that same question asked about it. We have certainly had some big debates in the house on this very question, not to mention the exercise we went through in changing the Subordinate Legislation Act.

The Greens view is that, first of all, if regulation-making power would empower the government to do something where it would have a very broad degree of freedom as to how it does it, that is of interest to us. For example, a planning scheme amendment is a regulation to the Planning and Environment Act. Using that power, for a given acre block the government could decide whether it wants to have sheep grazing only or a 30-storey apartment block. In that instance the government has an enormous degree of freedom over what it might permit.

The second issue is that some regulation-making powers affect things that by their very nature have a high level of public interest and importance. For example, bulk entitlement regulations created under the Water Act are about how the whole of the water in a given basin will be allocated. That is again of great interest not just to those who might consume the water but also to those who have a more passive interest in how that water is managed. So there is a high level of

public import and a wide degree of freedom for the government.

The third factor the Greens have looked at in each case where this question has come before us is: what is the government's record, or at least the history of how that power has been used through this bill? In some other legislation we have looked at we have seen that certain instruments were not disallowable and had not been for a long time, but in general terms that had not been a problem. There has been no representation to me that the way the government has used its powers in marine safety in the past has been in any way capricious.

Putting those three factors together and looking at this case I would generally not be supportive of Mr Rich-Phillips's amendment because it goes to most of the regulation-making powers to do the things that this bill envisages the government doing. For example, under clause 309, which Mr Rich-Phillips's amendment addresses, we have a large number of different heads of power designed to allow the government to do some quite mundane things. At 309(1)(i) the bill provides for the government to make regulations 'providing for the issue of duplicate or replacement copies of a record of a permission'. Somehow I cannot see the Parliament ever getting interested in exactly that particular governmental function.

In clause 309(1)(a) we find that the government can make regulations for the 'matters and things specified in Schedule 2'. If we go to schedule 2, that in itself is absolutely massive. It goes on for pages and pages about regulations on the inspection of vessels, the survey and register of all vessels, and really we get at least four or five pages of different things that are often, I would say, administrivia.

Paragraphs (j) and (k) of the regulation-making power do go a bit wider. They relate to the actual prohibition or regulation of vessels based on, though, the subject matter of the prevention of collisions convention, which itself is a higher-level instrument. Paragraph (k) relates to the whole management of waters where there are harbourmasters in place. We understand how those operations occur.

If Mr Rich-Phillips's amendment had been simply limited to perhaps (j) and (k) and also the final all-encompassing provision of (r), we would certainly have supported it, but despite the Greens jealously guarding the power of this Parliament over the executive in pretty much every case, in this case the proposition is much more limited and on balance, given the bill and the amendment in front of me, we will not support the amendment.

Ms BROAD (Northern Victoria) — I rise to speak in support of the Marine Safety Bill 2010. This bill provides for improved marine safety outcomes by replacing the current Marine Act 1988 with a more contemporary form of safety regulation that strikes an appropriate and effective balance between performance-based regulation and prescription.

Not surprisingly after more than 20 years the current Marine Act is in need of some updating to reflect contemporary approaches to safety regulation and to take account of a range of environmental changes over that time period. Some of those changes which have occurred since the Marine Act 1988 was introduced under a former Labor government include sustained growth in international shipping, commercial interstate and intrastate vessel activity and recreational boating, and sustained drought, which has made inland waters more dangerous, reduced the size of many water bodies and forced some inland boating activity into bays and coastal waters. Just now many of those water bodies are full to the brim and overflowing, and indeed some of those overflows have caused a good deal of flooding damage. However, as surely as night follows day we can expect in the future to see dry conditions again, and there are provisions in this bill to deal with circumstances around drought in the future and the impact that has on inland waters in particular.

Other changes include developments in technology leading to the construction of vessels capable of ever higher speeds and rapid manoeuvrability, a changing profile of vessel operators from those used to safe operating practices based on experience to a new generation of operators who expect to be able to jump into a high-speed watercraft, get on the water and instantly operate that vessel with little or no experience. As well as that we have also seen, unfortunately, increased evidence of dangerous hoon behaviour in the recreational sector on our waterways, reflecting some of the behaviour we see on our roads.

While marine safety outcomes are generally good at present, safety risks and incidents are increasing and so are injuries and hospitalisations. This bill represents a proportionate response to changes in risk. It does not represent a radical reform of safety regulations but instead incorporates an incremental package of reforms that are well supported by stakeholder groups. It also builds on earlier actions by the Victorian Labor government to improve marine safety. Those include, in the first term of the Labor government, the introduction of boat operator licensing for recreational boating operators. That was introduced for the first time ever by the current Labor government in its first term. More recently, just last year, we also saw changes to the

Crimes Act, which established the offence of culpable operation of a vessel, and the Marine Act established seizure and empowerment powers to deal with hoon behaviour. The provisions in this bill build on those and further actions by the Victorian Labor government to ensure safety on our waterways.

The bill is the product of a comprehensive review of the Marine Act conducted as part of the transport legislation review program last year. There were extensive statewide consultations following the release by the government of a major discussion paper, the summary papers on commercial vessel operations and recreational boating issues, as well as the paper on the issue of hoon behaviour. I am pleased to say that more than 800 Victorians attended 26 briefing sessions held at many locations across the state and more than 400 submissions were received, so there was extensive engagement in the review process by many interested Victorians and this was not a one-way process.

The minister reported back to stakeholders at two forums earlier this year, completing one of the most extensive and comprehensive consultation programs for a review of transport legislation in Victoria's history. I place on the record that the government believes it has listened carefully and responded positively to the views expressed through those submissions and consultations, and it thanks all Victorians who took the time to participate in those processes to ensure that it has the very best regulatory regime it can possibly put in place to ensure marine safety.

Key changes in the bill for recreational boating include providing for more effective enforcement by increasing fines to achieve parity with penalties imposed in other transport modes, particularly where the offences are of a serious nature, and by enabling infringement notices to be issued to the owner of a vessel where there is evidence the vessel has been operated in breach of speed or zoning limits. Under these provisions the onus is then on the owner to pay the fine, or use a statutory declaration to refer authorities to the person who committed the offence. Many motorists will be familiar with this procedure in relation to the way in which these matters are dealt with for motorists who are in breach of speeding limits.

Other key changes include providing for more effective enforcement by introducing infringement notices to enable general rules of navigation to be enforced. At present that can only be done through the courts, and that is a cost-prohibitive process in the recreational boating context. The bill also has more effective enforcement provisions in relation to drug and alcohol prohibitions and limitations to enable the testing of

masters and operators of a vessel when the vessel is at anchor. The purpose of that is to ensure that at all times a licensed vessel master must be not under the influence of drugs or alcohol and must be capable of bringing the vessel to shore at short notice. There are some further matters that will be dealt with over the next 12 months as part of the development of marine safety regulations, and I will shortly come back to the matter of marine safety regulations in that important arena, which an earlier speaker referred to as 'trivia'.

I also indicate to the Council that key changes for the commercial sector include modifying vessel certification to transparently highlight the importance of operational safety and to enable enforcement measures to manage operational safety, reducing the regulatory burden; and organising periodical vessel surveys on the basis of risk, which will be an improvement certainly in the eyes of the commercial vessel sector. The bill also introduces some changes that impact on port management bodies and waterways managers.

It is important that the Parliament passes this bill in the current session in order to ensure that there is sufficient and adequate time for consultation to take place on proposed regulations that will flow from the passage of the bill and for the regulations to be in place before the commencement of the 2011–12 boating season. This will ensure that we have the very best and most up-to-date, effective and efficient regulatory regime in place in time for the next boating season. We can avoid injuries and possible fatalities by putting in place these improvements to our safety regulatory regime.

There is only one further matter I intend to refer to briefly, and that is in relation to the amendment Mr Rich-Phillips has referred to. I indicate that whilst there is no question that the Brumby Labor government fully supports parliamentary scrutiny of regulations, it is a fact that regulations made under this bill or any other act of Parliament are subject to scrutiny and subject to parliamentary disallowance.

This is guaranteed through the Subordinate Legislation Act 1994, and to provide otherwise would require the inclusion of a clause that specifically excluded the operation of the Subordinate Legislation Act. Any careful reading of the bill before the house will reveal that there is no clause in the bill to exclude the operation of the Subordinate Legislation Act, and therefore the government does not support the proposed amendment — on the grounds that it is simply unnecessary. I commend the bill to the house.

Mr SOMYUREK (South Eastern Metropolitan) — I join the debate in support of the Marine Safety Bill

2010, the purpose of which is to provide Public Transport Safety Victoria and other enforcement agencies with the modern and flexible regulatory settings they need to respond to challenges associated with increasing congestion due to sustained growth in marine activities; reduced availability of inland waters due to ongoing drought; widespread non-compliance with waterway rules and marine safety requirements; and irresponsible and hoon behaviour by a minority of recreational waterway users, often associated with new forms of high-powered equipment.

Due to a combination of the factors I have just outlined, the number and severity of injuries have increased exponentially in recent years. There has been a 70-plus per cent increase in the number of hospital-treated injuries associated with recreational boating since 2003–04. In addition there has been a significant increase in the number of precursor incidents — that is, incidents which could easily have resulted in death or injury.

The reforms in the bill are needed to address these negative trends and improve safety on our waterways. My remarks will be brief. I probably would have wrapped up my contribution right here and now, since there is consensus on the bill, but Mr Rich-Phillips touched on one matter I want to follow up. He was slightly critical, I think, of our consultation process, so I will just go through the consultation process that was undertaken.

Extensive statewide consultation was conducted following the government's release of a major discussion paper, summary papers on commercial vessels, vessel operations and recreational boating issues, and a paper on the issue of hoon behaviour. More than 800 people attended 26 briefing sessions held at locations across the state, and more than 400 written submissions were received. The minister reported back to stakeholders at two forums, one of which was in March 2010. This completed one of the most extensive and comprehensive consultation programs for review of transport legislation in Victoria's history.

I also have in front of me a number of quotes from various industry stakeholders, but I will not go through all of those now. With those remarks, I commend the bill to the house.

Motion agreed to.

Read second time.

Mr JENNINGS (Minister for Environment and Climate Change) — By leave, I move:

That the bill be now read a third time.

Leave refused.

Committed.

Committee

Clauses 1 to 308 agreed to.

Clause 309

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I move:

Clause 309, page 274, after line 22 insert —

“() The regulations may be disallowed in whole or in part by resolution of either House of Parliament in accordance with the requirements of section 23 of the **Subordinate Legislation Act 1994**.”.

In doing so I would like to ask the minister about the disallowance of regulations, mainly pursuant to clause 309. In her contribution to the second-reading debate Ms Broad said it was the government’s position that, as with all regulations created under legislation, the regulations that would be created under clause 309 would be subject to disallowance under the current bill. I would like to ask the minister: by what mechanism would the Legislative Council disallow regulations that could be made under clause 309?

Hon. M. P. PAKULA (Minister for Public Transport) — I am advised that section 23 of the Subordinate Legislation Act gives the Scrutiny of Acts and Regulations Committee (SARC) the power to make a report recommending disallowance, and it can then be disallowed by either house.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I thank the minister for that. Could the minister clarify that in order for the council to disallow regulations SARC, which I recollect is controlled by the government, would have to recommend that the government’s own regulations be disallowed in order for either house of Parliament to subsequently disallow them?

Hon. M. P. PAKULA (Minister for Public Transport) — It would be upon a recommendation from SARC.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I wonder if the minister could help the committee. Is he aware of any occasion in the last three

years where the government-controlled SARC had recommended the disallowance of regulations made by the government?

Hon. M. P. PAKULA (Minister for Public Transport) — I am afraid that given that I am not a member of SARC I do not have that information at my disposal.

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I thank the minister for that response. I will not pursue that further. I will speak to the amendment that I have moved this morning. The intent of the amendment we are discussing is to allow, pursuant to the Subordinate Legislation Act, either house of Parliament to disallow the regulations directly. The purpose of doing that is to avoid the mechanism which would require SARC to make a report and a recommendation to Parliament that regulations be disallowed.

I have spoken in this place previously about my personal view on disallowance. That view is simply that I believe all subordinate instruments — regulations — should be subject to parliamentary disallowance, and not through the SARC mechanism but directly by either house. This amendment the coalition is seeking to insert in the bill would give effect to that, in that it would allow either house of Parliament, notwithstanding whether SARC had recommended disallowance or not, to give effect to a disallowance motion.

The weakness with the current mechanism under the Subordinate Legislation Act is that in most cases — unless a bill or act explicitly states otherwise, as the minister said — it requires a recommendation from SARC. It has been the longstanding practice that SARC has a government majority and is controlled by the government of the day. I am not aware of any instance where SARC has subsequently recommended that regulations made by the government, whose members comprise the majority of SARC, be disallowed. Effectively it is a redundant provision because it never makes such recommendations. The purpose of the amendment would be to allow either house of Parliament to directly disallow regulations.

Turning to the matters raised by Mr Barber — and I had the opportunity to discuss this amendment with Mr Barber prior to its formal consideration in the house — one of the issues raised was whether this provision would require the tabling of all regulations before the house. In respect of that matter I can inform the house that under section 15 of the Subordinate Legislation Act all statutory rules are required in any case to be tabled in the house within six days of their

being gazetted, so inserting this amendment to give effect to disallowance would not impose any further burden with respect to statutory rules being made available to the house.

With respect to the point Mr Barber made in his contribution to the second-reading debate to the effect that it was his view, or the Greens view, that regulations should be subject to disallowance where they provide broad discretion to the government and they are materially significant, I draw the committee's attention to schedule 2 of the bill, which outlines a number of matters about which regulations can be made. In particular, clause 19 of the schedule states:

The construction of vessels, including prescribing the materials to be used in the construction of vessels, the handling of those materials and the standards for them.

Likewise, clause 36 simply states:

The safe operation and navigation of vessels.

I would submit to the committee that those are extremely broad-ranging items about which regulations can be made. I take Mr Barber's point that there are other matters — about the development of forms and so forth and the setting of tests — which are relatively narrow, but equally there are elements within schedule 2 which give the government enormous scope to set regulation. As such, it is the coalition's view that all the matters covered by clause 309 should be subject to disallowance pursuant to this amendment, notwithstanding that a number of them are technical and administrative in nature and would in practice, of course, not be subject to such disallowance. I would urge the committee to give consideration and support to this amendment, which would provide for the disallowance of all regulations made under clause 309.

Mr BARBER (Northern Metropolitan) — If what Mr Rich-Phillips is saying is that the Scrutiny of Acts and Regulations Committee should in all cases be independent of government, then I am with him. That could require legislation, and I do not know if the coalition is committing to make that legislation. But there is actually another way we could do it — that is, that the Legislative Council, if not controlled by the government, could simply refuse to provide its members to SARC, and then SARC would be unable to operate until such time as the government came to the party and said, 'Right, we're willing to reform SARC' in the way that I am putting forward.

Personally I think human rights, as embodied in the human rights charter, are too important to leave in the hands of a government; there has to be an independent

watchdog in that respect. All the comments I just made apply to the Public Accounts and Estimates Committee as well; I think it should be legislated to be independent of government. I do not know if that is something that the Liberal-National coalition is committing to, but last time I moved an amendment to achieve exactly that, back in the early days, the Liberals voted for it and the coalition did not.

Mr Rich-Phillips further argued that some of the provisions in the schedules and the body of the bill would give the government enormous scope. A particular line of text could be read up as providing that the government could do whatever it wants. However, that text always has to be looked at in light of the words around it and also its place in the act. It might read as if the government could make a regulation requiring all pilots of vessels to stand on their heads, but in reality that would not work.

I have just a couple of questions for the minister about proposed sections 309(1)(j) and (k). Section 309(1)(j) provides that the Governor in Council can make regulations:

... providing for the prohibition or regulation of recreational vessels in State waters based on the subject matter of the Prevention of Collisions Convention within the meaning of Division 5 of Part 3.5.

I ask the minister to confirm that what that means in effect is that the government can make regulations to prohibit recreational vessels, but only within the terms envisaged by the prevention of collisions convention; correct?

Hon. M. P. PAKULA (Minister for Public Transport) — Correct.

Mr BARBER (Northern Metropolitan) — So the government could not just use this to go in and ban jet skis if it wanted to, unless the prevention of collisions convention envisaged that matter?

Hon. M. P. PAKULA (Minister for Public Transport) — Correct.

Mr BARBER (Northern Metropolitan) — Likewise with section 309(1)(k), the Governor in Council can make regulations for 'any waters in respect of which a person has been engaged as a harbour master', particularly around the things listed in paragraphs (i) to (v) that a harbour master does. Can the minister indicate where we have harbour masters in Victoria and what the nature of the operations are inside the areas where we have a harbour master?

Hon. M. P. PAKULA (Minister for Public Transport) — The locations where harbour masters operate are the port of Melbourne, the port of Hastings, the port of Portland, the port of Geelong and at Anderson Inlet and Corner Inlet. In regard to the first four, the operations are those of commercial ports. At the other two locations, I am advised that the necessity for harbour masters is caused by the shallow draft.

Mr BARBER (Northern Metropolitan) — So the minister would be reasonably comfortable and willing to assure the recreational boating fraternity, for example, that there is neither an intention nor a strong power for the government to take wide scope in the matters under paragraphs (i), (ii), (iii), (iv) and (v) but simply a desire to do what is necessary in order to keep those ports functioning?

Hon. M. P. PAKULA (Minister for Public Transport) — I can provide my assurance. I indicate that the government will be opposing the amendment moved by Mr Rich-Phillips, for the reasons submitted by Ms Broad during her contribution. I note for the benefit of the house that the bill actually subjects more details of marine safety regulatory arrangements to direct parliamentary scrutiny than the current act does.

Committee divided on amendment:

Ayes, 16

Atkinson, Mr	Koch, Mr (<i>Teller</i>)
Coote, Mrs	Kronberg, Mrs
Dalla-Riva, Mr	Lovell, Ms
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Petrovich, Mrs
Drum, Mr (<i>Teller</i>)	Peulich, Mrs
Finn, Mr	Rich-Phillips, Mr
Guy, Mr	Vogels, Mr

Noes, 21

Barber, Mr	Murphy, Mr
Broad, Ms	Pakula, Mr
Eideh, Mr	Pennicuik, Ms
Elasmar, Mr	Pulford, Ms
Hartland, Ms (<i>Teller</i>)	Scheffer, Mr
Huppert, Ms	Smith, Mr
Jennings, Mr	Somyurek, Mr
Leane, Mr	Tee, Mr (<i>Teller</i>)
Lenders, Mr	Tierney, Ms
Madden, Mr	Viney, Mr
Mikakos, Ms	

Pair

Hall, Mr	Darveniza, Ms
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Amendment negatived.

Clause agreed to; clauses 310 to 421 agreed to; schedules 1 to 3 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Hon. M. P. PAKULA (Minister for Public Transport) — I move:

That the bill be now read a third time.

I thank members for their contribution to the debate.

Motion agreed to.

Read third time.

OCCUPATIONAL LICENSING NATIONAL LAW BILL

Second reading

Debate resumed from 2 September; motion of Hon. M. P. PAKULA (Minister for Public Transport).

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I rise to make some brief remarks on the Occupational Licensing National Law Bill 2010 and say that the coalition parties will be supporting this bill.

The purpose of the bill is to give effect to a Council of Australian Governments (COAG) intergovernmental agreement of April last year for the establishment of a national licensing system for a range of specified occupational areas, initially covering building and building-related occupations; electrical; land transport — passenger vehicle and dangerous goods; maritime; plumbing and gasfitting; property; and refrigeration and air conditioning.

The bill arises from an earlier 2008 COAG agreement to work towards a seamless national economy, national licensing harmonisation for economically significant occupational areas being deemed to be important for delivering national economic efficiency and productivity. The seven occupational areas which will be the initial subject of these reforms were identified as the seven key areas for which licensing harmonisation would most benefit the economy following a 2006 study by the Productivity Commission's chairman Gary Banks. Victoria is undertaking the initial stage of the rollout of the harmonised legislation, and I understand the other states and territories will follow the Victorian model by the end of 2010.

The bill is not a referral to the commonwealth. It provides for the creation of template legislation to be

enacted in each state and territory. The intent is to reduce red tape, increase labour mobility and productivity and improve business efficiency. I have to say it is an area where the coalition parties are very supportive. We believe it has long been overdue in order to achieve harmonisation and mutual recognition across state borders.

One of the great challenges for the Australian economy, operating across six states and two territories, has been regulatory difference across jurisdictions, particularly where small populations in individual states and territories pertain. In a nation of 22 million people it makes no sense to have different regimes across state borders. We see this particularly on the Victoria-New South Wales border with Mildura and in Echuca-Moama and Albury-Wodonga where cross-jurisdictional issues frequently come into play.

It is the belief of the coalition parties that the introduction of this scheme and its rollout initially for refrigeration, air conditioning, electrical, plumbing, gasfitting and property agent occupations in the 2012 tranche, to be followed by the other occupational areas — building and building-related occupations, land transport and maritime — in 2013 is a good step towards improving cross-border recognition and harmonisation, which is essential with such a small population.

One of the challenges for the Victorian economy has been low productivity growth over the life of this government. It is a matter of record that for the duration of the previous government, when a coalition government was in office, the Victorian economy achieved productivity growth in the order of 2.5 per cent per annum over the seven years of that government. For the period that the current government has been in office productivity growth has averaged 0.6 of 1 per cent per annum, and indeed in the latter part of this government — 2007–08 — productivity growth has been zero.

We need to continue a reform agenda in the Victorian economy. One of the limitations of this particular legislation is it is template legislation and the benefits of it will accrue to all states and territories that implement it. What that means is that it will be beneficial to all states and territories so there will be no relative benefit to Victoria, which highlights the ongoing failure of the current government to implement its own reform agenda. We see a lot of reform initiatives come through which are driven by the COAG process, and as I said earlier, this is an example of that, but it does not give Victoria a relative edge compared to the other states and territories when all states and territories are implementing it.

That said, it will be to the benefit of the Victorian economy in absolute, if not in relative, terms. It is a step forward, and we support it. However, we believe that after 11 years the current government should be driving its own reform agenda and not merely relying on COAG initiatives to bring about economic reform.

Ms HARTLAND (Western Metropolitan) — I will be very brief, as Mr Rich-Phillips has already outlined the technical details of the bill. It is one of those bills that is quite good. It provides consistency for licensing regulation, especially around the portability of licences, so that one licence fee paid in a place of residence can be used nationally. Obviously this is a good thing, especially for the occupations listed, because someone who is registered in Victoria can go to work, possibly in mines et cetera, in other parts of the country.

It has been interesting to look at the submissions that were done for this process. I find that generally the unions and businesses are supportive of the bill. We read through all of the submissions, and the thing that struck me was that we felt that quite a good consultation process had been undertaken. One of the common themes in the submissions from unions was that they wanted to make sure the legislation could be used to maintain high standards for training, public safety and workplace safety, especially because some states will have much higher standards than others. This will become nationally consistent. The plumbing division of the Communications, Electrical and Plumbing Union expressly said in its submission that it felt it would provide portability without extra complexity while at the same time maintaining the integrity of the Victorian system, and it would remove delays in obtaining interstate licences.

Some issues were raised in terms of privacy and the amount of detail that would be on someone's licence. It has been clarified with the department that in fact the state and commonwealth privacy laws would come into effect for this registration. I appreciate the assistance we had from the department in answering a number of questions, so I am able to come here today fully informed about exactly what this legislation will mean. For those reasons the Greens will support the bill.

Motion agreed to.

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

Third reading

Motion agreed to.

Read third time.

Business interrupted pursuant to sessional orders.

QUESTIONS WITHOUT NOTICE

Desalination plant: security payment

Mr D. DAVIS (Southern Metropolitan) — My question is for the Treasurer. Will he confirm that Victorians will pay an average of \$570 million per year over the next three decades to prop up the desalination plant as well as paying massively increased water bills and that this money will be paid to a consortium backed by Labor mates?

The PRESIDENT — Order! I am of the view that Mr Davis's reference to 'Labor mates' is argumentative, and I ask him to withdraw that part of his question.

Mr D. DAVIS — I withdraw.

Mr LENDERS (Treasurer) — The Victorian government has put in place a desalination plant that the community called for to convert salt water into freshwater as insurance. In terms of the desalination plant's business statement, the reports were put on the website last year. It was reported in the annual financial report, it was reported in the Department of Sustainability and Environment's reports and it was reported in the reports of the water authorities. The value-for-money proposition, as Mr David Davis knows, is 14 per cent better off under this model than it would have been under any other model. As Mr David Davis also knows — or one would hope he knows, given that his leader said in February we had 60 days of water left in the Thomson Reservoir and we needed to act urgently — the government has acted urgently.

I reject his uninformed assertions. It is a value-for-money proposition. He knows it, but he is just playing all things to all people, as is typical.

Supplementary question

Mr D. DAVIS (Southern Metropolitan) — I ask the Treasurer to simply confirm the annual security payment to the AquaSure consortium for the desalination plant over the 28-year life of the contract.

Mr LENDERS (Treasurer) — I have answered Mr David Davis's question.

Rail: V/Line services

Mr VINEY (Eastern Victoria) — My question is to the Minister for Public Transport, Martin Pakula. How much did patronage increase on the V/Line rail and coach network in the 2009–10 financial year?

Hon. M. P. PAKULA (Minister for Public Transport) — I am pleased to advise Mr Viney and the house that in the 2009–10 financial year patronage on V/Line rail and coach services increased by 4.1 per cent to 13.7 million trips.

Securing Jobs for Your Future: costs

Mr HALL (Eastern Victoria) — My question without notice is directed to the Treasurer. It follows on from the debate we had in this chamber on 24 June during the committee stage of the appropriation bill. When I asked for details of the expenditure under Securing Jobs for Your Future — Skills for Victoria, a \$316 million project, the Treasurer took the matter on notice. A few days later he provided me with written advice that the actual costs would be in the 2009–10 annual financial report. That report was tabled in the house on Tuesday. I spent some time ploughing through the report, but I could not find the actuals. Will the Treasurer assist me by identifying exactly where I will find the actuals in the annual financial report?

Mr LENDERS (Treasurer) — I will take the question on notice. I will sit down with Mr Hall, if he chooses, this afternoon.

Supplementary question

Mr HALL (Eastern Victoria) — I welcome the Treasurer's preparedness to do that. To assist me in this regard and given that this matter was funded through — and the Treasurer advised me of this — the Treasurer's advance account, is the first place I should be looking for these actuals in the expenditure under the Treasurer's advance account?

Mr LENDERS (Treasurer) — I could give a long dissertation about where the Treasurer's advances are in the schedules to the appropriation bill, where they are in the annual financial report and where they are in the media report, but in terms of all of these, every matter of expenditure is reported to the Parliament. I am happy to sit down with Mr Hall with the five volumes of the annual financial report and go through them. I do not think it assists the house for me to do that now, but I am happy to do that with him. I am sure he will hold me to account in the next sitting week if he is not satisfied with that.

Rail: X'trapolis trains

Mr LEANE (Eastern Metropolitan) — My question is to the Minister for Public Transport, Martin Pakula. Can the minister inform the house how many of the 38 new X'trapolis trains on order are now in service?

Hon. M. P. PAKULA (Minister for Public Transport) — There are 11 new X'trapolis trains now in service. The 12th and 13th trains are going through commissioning as we speak.

Taxes and charges: increases

Mr DALLA-RIVA (Eastern Metropolitan) — My question is to the Treasurer. Does he stand by his comments made to Neil Mitchell yesterday when he said, 'You tell me a tax that we are not addicted to'?

Mr LENDERS (Treasurer) — Mr Dalla-Riva gets very excited. Given the spendthrift nature of Mr Wells, the member for Scoresby in the other place, and the whole shadow cabinet, I suspect the only people addicted to debt are those in the opposition. As Mr Dalla-Riva knows, government requires expenditure to deliver its important programs. Every single member of this house seems to wish to spend revenue. I am not quite sure what Mr Dalla-Riva is looking for.

Supplementary question

Mr DALLA-RIVA (Eastern Metropolitan) — I gather the Treasurer is addicted to taxes. What taxes is he proposing to increase over the next 12 months that are going to penalise Victorians, including homebuyers?

Mr LENDERS (Treasurer) — If Mr Dalla-Riva wants to suggest who is saying that taxes should go up, perhaps he should look at the joint parliamentary committee report that his leader, Mr David Davis, and Mr Atkinson signed up to yesterday that called for extensions of taxation in a whole range of areas. Perhaps Mr David Davis could explain why he thinks we should be taxing motor vehicles.

Ordered that answer be considered next day on motion of Mr ATKINSON (Eastern Metropolitan).

Rail: Parkiteer bike cages

Mr TEE (Eastern Metropolitan) — My question is for the Minister for Public Transport, and I ask: how many Parkiteer bike cages were installed in the past financial year?

Hon. M. P. PAKULA (Minister for Public Transport) — As Mr Tee well knows, the Parkiteer bike cage program is an excellent one. I am happy to inform the house that in the last financial year 21 Parkiteer bike cages were installed across metropolitan and regional Victoria, with enough room for more than 540 bikes.

Timber industry: water catchment logging

Mr O'DONOHUE (Eastern Victoria) — My question is to the Minister for Environment and Climate Change, Mr Jennings. Has the government received advice on the economic impact on small towns like Millgrove, Powelltown and Yarra Junction of the introduction of a policy to ban logging in Melbourne's water catchments?

Mr JENNINGS (Minister for Environment and Climate Change) — If such an analysis has been undertaken, I have not seen it. I have not undertaken any such analysis. If other parts of government have undertaken that analysis, it has not been shared across government.

Supplementary question

Mr O'DONOHUE (Eastern Victoria) — As a supplementary question, I ask: is the minister aware that Labor MPs have said they are 'working for a ban on logging in Melbourne's water catchments'? Is this government policy, and does he endorse this position?

Mr JENNINGS (Minister for Environment and Climate Change) — I can understand why Mr O'Donohue might want to get ahead of the election campaign and get into some speculation about what policies the Labor Party might pursue and what policies the Liberal Party might pursue. I can understand that there is a bit of prepositioning and a bit of jockeying, but I think we should actually wait for the policy mix of all parties in Victoria into the future and we should not get too far ahead of ourselves in relation to speculation.

Rail: infrastructure

Mr ELASMAR (Northern Metropolitan) — My question is for the Minister for Public Transport, Martin Pakula. Minister, how many kilometres of rail grinding was conducted on the Metro rail network last financial year?

Hon. M. P. PAKULA (Minister for Public Transport) — I thank Mr Elasmар for his question because, as he knows, rail grinding is a very important process in terms of maintaining the reliability of the network. Last financial year 79 kilometres of rail grinding was carried out on the Metro rail network.

Buses: services

Mr BARBER (Northern Metropolitan) — My question without notice is to the Minister for Public Transport, Mr Pakula. Being the obsessive twitterer that I know he is, it is not really a question without notice; it

is kind of on notice, if you are out there. According to analysis by the bus association which was reported in the *Age*, from the 16 bus reviews the government has completed, there are 711 recommendations, of which 153 have been completed. Can the minister tell me whether there has been a costing associated with those recommendations? Is that something the consultants did as part of their work, or is it something that the government has done subsequently to give us a global figure for the cost if all those recommendations were to be implemented?

Hon. M. P. PAKULA (Minister for Public Transport) — I thank Mr Barber for his question. Let me just clarify one thing: I am not a compulsive twitterer. I read tweets; I do not tweet. I have read Mr Barber's tweets, so I did have some knowledge of this question.

The Department of Transport has estimated that it would cost in the vicinity of \$200 million per annum to deliver all the recommendations arising from the 16 metropolitan bus reviews. That is inclusive of the recommendations that have been announced and delivered. To refine that estimate is difficult because a detailed costing can only be developed as part of negotiations with the relevant bus operators when a decision is made to commence a particular route, but the high-level estimate is it would be in the vicinity of \$200 million per annum to deliver all the recommendations arising from all the bus reviews.

Supplementary question

Mr BARBER (Northern Metropolitan) — I thank the minister for that very useful figure. Can he tell me though, how many of the 711 recommendations, or the ones that have not been implemented, more or less come out as zero cost measures if they were to be implemented?

Hon. M. P. PAKULA (Minister for Public Transport) — I cannot go through each and every recommendation. I think it would be fair to say that in general it would be highly unlikely for a recommendation to be zero cost. Most recommendations require either extensions of routes or extensions in hours and they may require additional wage payments to drivers, and if not additional wage payments would require additional buses and/or the creation of additional bus stops. So it would be unusual for any recommendation to have a zero cost applied to it.

VicTrack: ethernet service

Mr SCHEFFER (Eastern Victoria) — My question is also to the Minister for Public Transport, Martin Pakula. How many TAFE colleges are now connected to a 1 gigabyte-per-second ethernet service delivered by VicTrack?

Hon. M. P. PAKULA (Minister for Public Transport) — I thank Mr Scheffer for the question and the opportunity to provide the house with some information on some of the very important work that VicTrack does. There are in fact nine TAFE campuses across metro and regional Victoria that are now connected to a 1 gigabyte-per-second ethernet service delivered by VicTrack.

RESIDENTIAL TENANCIES AMENDMENT BILL

Second reading

Debate resumed from 2 September; motion of Hon. M. P. PAKULA (Minister for Public Transport).

Mr GUY (Northern Metropolitan) — It is a pleasure to rise to speak on the Residential Tenancies Amendment Bill 2010, and it is a pleasure to see that around 40 members of this chamber have come to hear my presentation on the bill. As a consequence I look forward to outlining the Liberal-Nationals coalition position on this bill, which of course is that it will not oppose it. In the interest of brevity I will make a few remarks that will outline the reasons we have for that.

Members may be aware that the amendments to the Residential Tenancies Act made by the bill we are now looking at number five. The first of those provides for the regulation of agreements between park owners and tenants in respect of movable dwellings, particularly where the movable dwelling is owned by the resident but the site on which it is situated is leased from the park operator.

The second amendment provides for the regulation of residential tenancy databases in line with national model legislation.

The third amendment will enable improved minimum standards to be introduced for rooming houses and enhance identification of and enforcement against unregistered rooming houses. The fourth amendment is to improve fire safety and emergency management planning in caravan parks. The last amendment is to

increase penalties for offences under the Residential Tenancies Act.

I want to begin by making some comments about rooming houses, which are dealt with in part 5 of the bill. In doing so I give a fair bit of credit to the member for Ferntree Gully in the other place, Nick Wakeling, who has taken up this issue with some gusto in his local area where rooming houses have become a significant problem. The reason they have become a problem is the unregulated nature of rooming houses and the housing shortage which has been brought about by the incredibly poor planning policies of this government in limiting supply in the middle of a population boom and a time of large population demand. This restricted land supply means residential growth has been limited in terms of dwelling supply numbers. You just have to do economics 1A, which the people opposite seem to forget: if you constrict supply at a time of great demand, you will have a major price impact —

Mr O'Donohue interjected.

Mr GUY — We will come to that, Mr O'Donohue; it is a good point. That will have an impact on those people being able to purchase a home or investors being able to get into the market, which will force up rental demand and people will then move to secondary options such as rooming houses and boarding houses, which are an unsatisfactory means of accommodation in the long term. That is something that my colleague Nick Wakeling has been advancing in his area of Ferntree Gully for some time with much frustration because of the government's inaction.

Mr O'Donohue made a comment earlier which is worthwhile picking up again, and that is that this Parliament recently debated a piece of legislation which increased the deposit on off-the-plan purchases from 10 per cent to 20 per cent. The Treasurer pointed out at the time that 20 per cent is the maximum, not the average. But as anyone who lives in the real world knows — those who know the world is round and not flat, as our colleagues on the other side think it is when it comes to planning policy — the 20 per cent figure will be one that will be adhered to by most people who are trying to make off-the-plan sales, and therefore the 20 per cent figure will become the deposit figure for those trying to get into a higher density apartment. That will make it increasingly difficult. It will price people out of higher density accommodation at a time when we are trying to get people into higher density accommodation or get people who are investors to purchase those products to increase supply in the rental market across Melbourne to deal with the issue I have

been talking about in relation to rooming houses and boarding houses, which part 5 of this bill deals with.

The bill reflects the recommendations of the government's task force on standards for rooming houses. It gives the director of Consumer Affairs Victoria power to investigate, without the need for a complaint, rooming house rent increases, whether their owner is in breach of a duty to maintain a room or rooming house in good repair or whether the owner is in breach of the standards prescribed under the bill. I understand breaches of standards can be subject to fines of 60 penalty units for individuals or 300 penalty units for corporate bodies. While it should be noted that the director cannot vary an individual's rent, the director's investigation reports can be submitted to the Victorian Civil and Administrative Tribunal as evidence at a relevant hearing.

There are also provisions in the bill in relation to fire safety and emergency management. There is also some residential tenancy database material in part 7 and increases to penalties for offences in part 8.

Ms Lovell interjected.

Mr GUY — My colleague Ms Lovell made a good point, which I was remiss not to mention — the task force on rooming houses handed down its recommendations in November last year, which means it has taken 10 months to bring the recommendations to this Parliament to act on them.

We on this side of the chamber see rooming houses and boarding houses as an important issue and one that needs to be regulated. We need a greater level of regulation for those who see them as their choice of accommodation due to the supply shortage as a result of this government's poor planning policies and a decade of neglect of a booming population, given what needs to be done to increase housing stock in a population boom.

We will not be opposing this bill. We do, however, believe it is poorly drafted in parts. It imposes strict liabilities where it is arguably inappropriate — for example, a recalcitrant tenant in a caravan park who refuses to sign a written site agreement can be exposed to a significant penalty. There are some issues that we have concerns about. They are not enough for us to oppose the bill's passage, despite our having raised some concerns in both this house and the Legislative Assembly.

Mr BARBER (Northern Metropolitan) — In October 2006, before this current Parliament, two young people lost their lives in a rooming house fire on

Sydney Road in Brunswick. Since that tragedy Victoria has seen a huge and continuing growth in rooming houses to keep up with the demand for low-cost housing. Throughout that expansion — as if that event in October 2006 were not enough of a warning — the government has been in a state of inertia on minimum standards and safety requirements.

In June 2009 the Greens introduced a bill to give the minister powers to set minimum standards for private rental on properties and rooming houses. Since then there has been a burgeoning campaign by community housing and support groups under the banner of the ‘Call this a home?’ campaign. If you are a Facebook person, you will have seen a popular Facebook site known as ‘Decent not dodgy’. The government and the rest of us in this chamber should be under absolutely no illusions that this current housing crisis is setting up a situation where many people will rent for a much longer period than would have been the case in the past. The quality of the rental stock that is out there is not great from many perspectives. We have on our hands a full-blown crisis, which all measures suggest will continue to get worse.

Some time after the introduction of our bill the government announced the formation of the Foley task force, which looked at a number of things including setting minimum standards for rooming houses. I postponed the second-reading debate on my bill waiting for that report and hoping that within it we would find a clear direction that the government intended to set out and some indication that it is seeking political consensus for this from all parties. Now here we are in the last two weeks of this Parliament, and we are presented with the government’s amendments to the Residential Tenancies Act. A government media release dated 30 October 2009 declared that it would implement all 32 recommendations of the report. This bill does not meet this commitment.

The most obvious point of distinction between the Greens bill and this one is that clause 76 of the bill, which gives the Governor in Council the power to prescribe minimum standards, only applies to rooming houses, whereas the Greens bill would have extended that power across all residential tenancies. What the government seems to have forgotten is that rooming houses are just one form of low-cost housing. The great bulk of low-cost housing is still managed through standard tenancy agreements. The old, dilapidated housing stock that would offend any of us here in this chamber if we were forced to live in it will continue to be unregulated by minimum standards if it is leased through standard tenancy agreements.

I will go back to some of the matters I mentioned in my second-reading speech. In Victoria regulations that could strike out properties as unfit for habitation date back to 1939. They were issued under the Slum Reclamation and Housing Act 1938. Those procedures continued through the decades in both the Housing Act 1958 and the Housing Act 1983, but the last set of regulations issued in 1985 lapsed in 1995, and such measures were never inserted in the principal act. I am not talking about anything unusual; I am talking about something that has existed throughout most of Victoria’s modern history and that only lapsed 15 years ago. and yet the government seems to be turning itself inside out to try to work out its own path when that path is quite simple and already laid out.

The most recent regulations issued under the Housing (Standards of Habitation) Regulations 1985 applied to every house in Victoria and covered sanitation, water supply, drainage, shelter, light, ventilation, cleanliness, freedom from damp, laundry facilities and structural soundness. Many of the standards that Victorian tenants used to enjoy are in fact extinct.

An associate of mine recently had an experience where he went to look at a house that he was thinking of buying to live in, in the northern suburbs — somewhere in Mr Brumby’s electorate, if I am not mistaken — and because he was wearing a suit and tie the agent offering the property naturally assumed he was a passive investor who would not want to live in it. The agent’s pitch to my associate was, ‘Well, look, it is being rented for X dollars at the moment, but if you were to get the stove working, you would probably be able to charge a bit more’.

What is preventing the government from simply setting up a regulation-making power over residential tenancies? If they are so worried about upsetting landlords, they would not even be obliged to set a massive, across-the-board minimum standard, but the power would be there to allow the government to respond and, through some sort of regulatory impact statement it could define what Victorians believe is the most basic minimum for a house to be livable, assess the cost of implementing those measures across Victoria’s housing stock and make a decision about how much protection to offer for how much cost — a balancing act.

But the government will not contemplate that and therefore will not even look at arming itself with such a power. Without this there is really no point going ahead and having a dialogue with the community, yet as I said earlier that dialogue is well and truly under way — initially among those groups who are responsible for

housing support, but I can assure members that anybody who is a renter out there, who is struggling and who is looking at how long they will be in rental accommodation is thinking exactly what I have just been describing.

This would also be an incredibly effective way for the state to make a start on achieving its 20 per cent carbon reduction target by 2020 — that is, if minimum energy standards were required. I note the government had a 20 per cent reduction goal to which the coalition parties signed on when they voted for the government's climate change bill, but I do not believe that either the government or the coalition has a plan for how that 20 per cent is to be achieved. I do not think they even have a sketch map; they have a few thought bubbles.

However, there is no question that improving the energy efficiency standards of rental properties in Victoria to a basic standard is going to be essential, and it is also a very low-cost measure. I imagine if there is any seriousness on the part of any of the old parties about achieving a 20 per cent reduction goal, they will have to look at this measure. This will be a low-cost measure, and it will support social justice in this state at the same time.

There will be double value from the proposal, because it will be saving the environment, it will be doing so while assisting the most vulnerable in society, it will be improving the health of those people and it will in some ways be reducing the costs on the state's own profit and loss statement because of the cost of winter energy concessions. I am sure enlightened members such as Mr Tee are well aware of the link between housing quality and physical health because of damp and cold in houses, especially houses that are hugely expensive to even try to keep warm. It has an immediate impact on young children. Those of us who are parents understand at an emotional level what we would do for our own children. We always put our children first. If my child was cold, I would buy the most environmentally-friendly heater that I could afford, but for the segment of society that I am talking about they have no choice.

As I said earlier, not to be repetitive, if the government supported the Greens bill for minimum standards for rental housing, it would be in its power to conduct a regulatory impact statement to work out the answer to the question Mr Tee, in an aside, just asked me — 'What will it cost?' — and then we would be able to weigh the cost to landlords of implementing certain minimum standards against the benefits of health and emissions reductions and work out what is a good deal. It is the whole basis of regulatory impact statements

and the whole basis of governing. There is no reason why that measure was not even racked up in the government's own climate change bill to demonstrate that it was in fact serious and getting down to business on that crucial opportunity.

In the next Parliament the Greens will reintroduce our minimum standards bill, with a small amount of reworking to complement the changes in this current bill to provide another policy lever to increase living standards for Victoria's most disadvantaged and to decrease carbon emissions on the rapid trajectory that the Greens support and that we know is feasible.

On rooming houses, like the Greens bill, in this bill the director may investigate properties on their own motion, and investigations do not have to be requested by the tenant. The director could run a class action, if you like, to go out there and clean up a range of properties all in one go. There are increased penalties which the Greens support so that non-compliance will have a financial deterrent, unlike the current penalty settings. I also note that despite these penalties tenants cannot be compensated if personal or proprietary damage is caused by the landlord not meeting the set standards.

Other improvements that were outside the scope of the Greens bill include the ability to assess excessive rent charges vis-a-vis how many people have been squeezed into the premises. The director will also have the power to enter the non-residential areas of rooming houses to ensure compliance with the act. There is a new duty on landlords and their agents to inform their local government where there is a reasonable suspicion that their property is being used as a rooming house, and that is a good provision.

The final rooming house change offered by this bill is what the minister declared as implementing recommendation 28 of the task force report. In truth, though, to our reading it does much less than that. The bill will ask the landlord to put a notice-to-vacate on the door of each residence. After 45 days the residents must leave the property so that the owner can reclaim possession. Recommendation 28 states:

... residents to remain in situ until relocation or orderly closure process can be established by ensuring that the owner of the property is responsible for the continuing residency arrangements —

which is not what is in this bill. There is nothing orderly about this; there is nothing about assisting those residents who have found that the property manager has disappeared and a landlord has turned up. The orderly process is, 'Here's your notice. Get out of here'.

The government is still treating rooming house residents as second-class citizens, and their rights are not being enhanced to an appropriate level in this bill, whereas the landlord is protected but has no responsibility because the head lease has vanished. The reality remains that it is now just in the hands of that absent landlord who has come into the picture under these circumstances to place people out on the street, albeit with a 45-day respite.

The government is more concerned about inconveniencing a landlord's time line to deal with their property in which, up until this hypothetical point, they were taking very little interest than it is about securing a family's or an individual's new place of low-cost residence. I may ask the minister in the committee stage whether this provision would also apply to properties where the government is the ultimate landlord.

Part 7 of the bill relates to tenancy databases. It allows Victoria to join Queensland and New South Wales to move towards what is hopefully a nationally consistent tenancy database. This is a database that details information about tenants that landlords might want to know about before entering into an agreement. This is a step up from the current self-regulating approach that has been around for decades. It was an issue at the time I worked for the tenants union all those years ago. The government is not in any great hurry though; there is a three-year sunset on any entry, so if you are in there today you will be in there for another three years.

Tenants will have the right to be informed that they are being placed on the database and can make an appeal. Part 7 also tightens up who can be entered into the database and for what reason. That, I would agree, is a significant improvement to the current arrangements that potentially allow for someone to be entered into the database because they persistently asked for repairs or were troublesome tenants, without any real evidentiary requirements.

Now we come to the quite confusing part of the bill that relates to some extra measures for caravan parks. We have some concerns that part 4A, which is being inserted, is very complex and hard to navigate, not only for people directly affected, being tenants and site owners, but also for solicitors who are going to have to advise people when they are signing an agreement, parts of which may or may not be relevant to part 4A — and for that matter when those signatories, after the fact, go looking for some advice and find that they need to consult this act.

Something went a bit awry in the drafting, I think. It is a shame, given the public process the government has

recently been going through with housing issues, that it did not offer an exposure draft or some sort of clearer intention so that all those interested could have provided in-depth contributions. There is nothing wrong with it doing that at the drafting stage, in my view; that is what the Greens do every time we bring in a private members bill. It could have been a lot simpler than what we have here.

First of all we start off with a definition of a part 4A dwelling. It does not include a movable dwelling that is required to be registered, so that excludes a regular caravan. Beyond that, though, it starts to get more complex. It must be 'designed, built or manufactured to be transported from one place to another for use as a residence'. If there are any members in the house who can help me out with this, I would be keen to hear from them.

We understand why a new category of dwelling has sprung up; a lot of it is to do with housing affordability and an ageing population. There are mini-estates springing up, often in outer suburbs, where this form of dwelling is popping up. They do not require building permits, and that takes away, if you like, another trigger that we could have used to define the dwelling. But those words there make it quite difficult.

Determining whether a dwelling is even eligible for a part 4A agreement requires an extensive determination on a question of fact. At the moment, the tenancy legislation that we have had for a long time effectively covers the universe. When I was on the phones down at the tenants union all those years ago someone would ring up and say, 'I've got a problem', and we had to work out what their living situation was. There were separate acts in those days, so the questions were, 'Are you a private renter? Are you in a caravan park? Are you in a rooming house?' If they were at a hotel or some sort of student accommodation, they would not be covered under the act at all. However, the act certainly covered the universe. It was pretty easy to work out where they were at any given moment, and then we would know which section of the act or acts we had to refer to.

Does a demountable school classroom that has been converted into a living space but was not designed for that purpose fall under the part 4A definition? A refurbished shipping container might fall outside the definition, yet someone may be living in it. What we fear this definition will do is create a legal grey area between a caravan and a building that would otherwise require a building permit.

The way the current act is structured is that part 4 applies to caravan parks. If you live in a caravan park, it does not matter what type of dwelling you live in, you have a certain set of rights. However, part 4A relates to the dwelling itself in the caravan park. Depending what type of dwelling it is, it may attract a separate set of rights. It is quite possible to have a part 4 caravan park with people living in it under one set of rights and on the site next door find someone who is defined as living in a part 4A dwelling with a different set of rights. Solicitors and community legal representatives might even need to go out and have a look at the dwelling simply to determine what course of legal reasoning to go down, and that is a pretty tough start for someone who is only going to be calling if they are in some spot of bother.

Then we have this other aspect, which is that there is no obligation on site owners to offer the better protections and security afforded by a part 4A agreement to the non-part 4A dwellings next door. The basic question arises: why would site owners want to transition out of their caravan park management scheme into this thing, which is becoming more like a retirement village scheme, if they have tighter restrictions and greater obligations? Yes, they might get more longer term retiree tenants, but we all know we have a housing shortage and there is never going to be any shortage of people looking for a roof over their heads. Those people will not be offered anything from this bill.

The consumer protections offered under proposed part 4A are all good measures. The Greens will support those measures, but the fact that we are relying on almost market demand to get site owners to offer a part 4A agreement to someone — as opposed to the way the act works now, which is that everybody is covered — makes you wonder whether anybody will get a benefit from it. How much bargaining power does the government expect caravan park residents to have at the time they sign up to put one of these dwellings on a site? Will they know their rights then? Will they be signing an agreement that has vast amounts of extraneous material in it related to the transaction but that has somewhere in there the elements that eventually will show that it is a part 4A agreement?

I am assuming most members are renters or have been renters at some point. You should know certain things when you sign a rental lease. I cannot vouch for other members; maybe some of them lived with their parents until they became members of Parliament and then could afford to buy their own houses. I do not care, but the point is that if you have ever signed a rental agreement, it is usually in that standard Real Estate Institute of Victoria proforma, so there is a bit of

confidence about that. The fact is that even if you sign a lease and it is not proforma, it does not change your rights. I have had landlords put things in front of me in which even the form of the agreement breached two or three sections of the act, but I have had no fear of signing them because it has been irrelevant. I cannot sign away my rights under the act. Under this proposal there will be a couple of tests, and only if those tests are satisfied do you become covered by those protections, so the onus is completely in the reverse direction.

In conclusion, it is inevitable that these amendments, particularly the ones relating to part 4A, will be revisited by a later Parliament, and that is why I have taken the time to put on record that the Greens believe this structure has the potential to cause as many problems as it solves — I hope I am wrong — but because there are a few nuggets in this bill that could provide some extra protection, even at the disappointingly low level that the government has come through on after all the good work of Mr Foley, the member for Albert Park in the other place, and everybody who got involved in that process, we will support the bill.

As I said, we in the Greens have already put forward our own private members bill. There is no time remaining in this Parliament to deal with that bill or to enter into any further negotiations with the government to try to improve this. Any amendment we pass today might simply mean that the good bits are put on hold, and I do not want to do that. However, the issue itself is not going anywhere. I hope all members are aware of that as they debate and support this bill.

Mr SCHEFFER (Eastern Victoria) — I rise to speak in support of the Residential Tenancies Amendment Bill. It is a bill which focuses on giving more protection to tenants in the Victorian rental market. It does this through providing greater security to people who own permanent and semi-permanent dwellings that are located on rented land in caravan parks.

The bill aims to regulate the tenant databases that the industry relies on to assess the credibility of prospective tenants, and it also improves the standard of management of rooming houses and the quality of life of tenants through a range of measures that were recommended in the report of the Rooming House Standards Taskforce undertaken last year by the member for Albert Park in the Assembly, Martin Foley. Finally, the bill increases the regulation of fire safety and emergency response management of caravan parks and movable dwellings.

Today many people live permanently or on a long-term basis in caravan parks. Some rent both the dwelling and the land on which the home is located, whereas others own the house and pay rent on the land. A number of such caravan parks are in the Eastern Victoria Region, and their number is growing as a viable option for retired people, for example, who want to live in rural or coastal locations, as well as quite a lot of people looking for more affordable accommodation.

A growing number of residential villages are not made up of movable dwellings such as caravans but are collections of purpose-built homes that are not likely to ever be moved but are compact enough to be technically designated as being non-permanent. The lease arrangements between these owner-renters and the owners of the estates have raised considerable concerns over security of tenure amongst tenants and organisations that represent vulnerable tenants, such as the Housing for the Aged Action Group.

The concern is based on the fact that owner-renters, who may have in some cases invested hundreds of thousands of dollars in a dwelling, do not know where they stand in relation to the legal validity of their tenure and are often not clear on what facilities and amenities they are entitled to or how they may or may not organise themselves as tenants on the premises. Owner-renters have lacked appropriate protections. Current regulations to cover caravan parks do not deal specifically with unique tenancy arrangements for owner-renters, and the reforms contained in this bill aim to provide a clear regulatory framework that can give a sense of certainty to both the caravan park operators and the owner-tenants.

The bill will protect the tenancy rights and interests of residents as well as the interests of park operators. The bill contains an extensive range of measures, including the requirement that where an operator wishes to give an owner-renter notice to vacate without a specific reason the period of that notice will be extended from 120 days, which is the current period, to a full year — 365 days.

Under this bill the site agreements will need to be in writing and be for a specific period of time. Where an owner-tenant or resident breaks a fixed-term lease agreement their rental liability will be limited to 12 months maximum, as this is felt to be a sufficient period of time to enable the site owner to cover costs. There is also a requirement for increased information disclosure so that owner-renters and site owners can be fully informed about the terms of the agreements they are about to enter into prior to entering into them rather than while they are in operation.

There are also important provisions that ensure that owner-renters can establish residents committees on which site owners may not unreasonably interfere. I think that is a very important measure in the legislation, because the capacity to organise is fundamental to our democracy and a sense of control over our lives. Owner-renters must have the right to share their experiences, to seek professional advice to assess their position, to act to redress their problems and to meet in an organised informal way with the owner of the premises.

Part 4A of the bill, which has been referred to in the debate, increases the monetary jurisdiction of the Victorian Civil and Administrative Tribunal from the current \$10 000 to \$100 000 for dispute settlement. This means that more disputes will be eligible to be brought before a VCAT hearing and have a determination made.

It is important to mention that under this bill owner-renters in new parks must be offered a five-year tenancy term. This will much better protect an owner-tenant's investment in the park where they are going to be living.

To a great extent these measures deal with a number of the uncertainties that have grown up as the caravan park arrangements have transformed into permanent or semi-permanent owner-resident leasing arrangements. I think they will go a long way towards improving the sense of wellbeing and security of owner-renters as well as fostering a sense of builder-operator certainty in the future of their business.

The bill also makes some important amendments arising from the Rooming House Standards Taskforce report that the member for Albert Park undertook. The provisions in this bill are the first legislative changes arising from the report. Members will be aware that rooming house tenants do it tougher than most and have a great need for adequate housing and other kinds of support and care. The threat of homelessness for these people is never far away.

The provisions in this bill enable new minimum standards to be prescribed in the regulations so their implementation can happen quickly and flexibly as the need arises.

The powers of the director of Consumer Affairs Victoria will be expanded under this bill to allow the director to undertake representative legal actions under the Residential Tenancies Act and to conduct investigations without relying on a resident's written application or being directed by VCAT to do so.

The bill also strengthens the powers of Consumer Affairs Victoria inspectors, enabling them to enter rooming houses to assess whether relevant laws are being complied with. Under this bill landlords also have a duty to notify local government if they suspect that an illegal rooming house is operating in the area. The purpose of these changes is to increase the level of protection and welfare of residents of rooming houses.

The other two areas which the bill touches on relate to the regulation of privately owned electronic databases and measures that will improve fire safety and emergency planning in caravan parks. Estate agents and landlords subscribe to tenant databases that help them check on the background of prospective tenants so that, from their point of view, they can select the appropriate tenants.

I have been given the wind-up, so I will commend the bill to the house and resume my seat.

Ms MIKAKOS (Northern Metropolitan) — I want to be brief. I just want to inform the house that I have a number of rooming houses and residential parks in Northern Metropolitan Region, and I am acutely aware of the issues faced by our most vulnerable tenants in private rental markets and those tenants who seek that type of accommodation. I have assisted a number of constituents over the years who have been exploited in both types of situations, and I am an enthusiastic supporter of this bill because I believe it will offer tenants in those situations additional protections.

Mr Scheffer has very ably explained what those additional protections are, so I do not propose to go through them again, but I want to make the point that whilst Mr Barber expresses — as I do — concern about supporting vulnerable tenants, he also needs to accept that the fact that we have a squeeze on the private rental housing market is a product of the availability of housing stock in general. If the Greens want to be serious about addressing this issue and, as he said, addressing the broader issue of the universal private rental market, then they need to be serious about infill development in established suburbs of Melbourne. We have seen time and again the Greens political party opposing infilled medium density housing in a range of areas.

Mr Barber — Name one.

Ms MIKAKOS — I can recall instances where we have had planning scheme amendments opposed by Mr Barber in relation to these kinds of issues.

If we want to be serious about issues around population growth, ageing and the tight rental market, we need to

have more housing. We need to ensure that housing, both owned homes and rental housing, is affordable, and that is why this government's planning policies have sought to achieve more housing stock and a greater diversity of housing stock.

I am also proud of the fact that this government has been a big supporter of social housing. We have a strong investment record in this area, having spent \$2.5 billion on redeveloping, improving and maintaining social housing since 1999. On many previous occasions I have spoken about the significance of the federal Labor government's Nation Building stimulus program in the area of supporting more social housing, and I commend those efforts and also the efforts and commitment of Richard Wynne, the Minister for Housing, in this area.

I will just say also that Mr Barber spent 30 minutes on his contribution and raised a range of issues about which he said he would be seeking technical answers from the minister. It would perhaps be a courtesy to this house if in the future when briefings have been offered to the Greens political party, the members of that party seek answers to those kinds of technical issues at the briefings. As I understand it a briefing was offered with representatives of three departments present. A staff member from the Greens political party attended — an hour late, I should point out. Mr Barber was not himself present but could have used that opportunity to get clarification in writing that — —

The PRESIDENT — Order! I ask Ms Mikakos to speak on the bill.

Ms MIKAKOS — This is relevant, President.

The PRESIDENT — Order! It is not relevant.

Ms MIKAKOS — Mr Barber could have sought assurances in writing on many of the issues — —

The PRESIDENT — Order! Ms Mikakos will resume her seat. Her criticism of Mr Barber and what he could and could not have done is irrelevant to this bill. I have explained to Ms Mikakos that those issues are irrelevant, and I ask her to cease commenting on them.

Ms MIKAKOS — Mr Barber sought clarification on issues, and I only make the point that all of those issues could have been explained to Mr Barber's satisfaction prior to this debate.

The PRESIDENT — Order! Ms Mikakos is going over what she has just said.

Ms MIKAKOS — I just say again that this is a terrific bill. It offers a great deal of protection to vulnerable tenants, and I urge a speedy passage of the bill.

Ms LOVELL (Northern Victoria) — I would like to make a few brief remarks regarding rooming houses and the changes that will be implemented by this bill. While this bill allows for inspectors to enter into rooming houses, and while it provides that anyone who thinks that a house has recently been used as a rooming house should notify their local council, all the bill does is provide that regulations can be developed to provide for standards in rooming houses. I think this is too little too late.

The government has known we have had a problem with rooming houses in this state for many years. We can go back to the *Herald Sun* of Friday, 13 September 2002, and an article headed ‘Alarms sound on budget housing’ about the fear of fire risks in rooming houses. In that article Mary Delahunty, the then Minister for Planning, is quoted as saying:

We want to make sure that low-budget accommodation is a safe alternative for the hundreds of Victorians and overseas tourists who rely on cheaper accommodation ...

It is cheaper but it should be just as safe.

In 2004 another article I found dealt with the rogue rooming house operators who had been operating in Victoria over the previous few years.

We have had a housing crisis in Victoria of this government’s making. We do not have enough new houses being built to keep up with the demand for home ownership. The private rental market has become severely restricted, and the public housing waiting list has now blown out — there are 41 017 families waiting to be housed in this state. The average wait time for someone who is homeless to be housed by this government under the early housing program has blown out from 2.8 months in 1999 to 8.5 months, as revealed in the Department of Human Services annual report, released yesterday.

There is a crisis, which is causing vulnerable residents to turn to rooming houses. We have had dodgy operators, we have had substandard conditions and this government has done nothing. In 2006 a Brunswick rooming house caught fire, and the fire took the lives of two young residents, Christopher Giorgi and Leigh Sinclair. It was not until the coroner was about to hand down his findings into those deaths, about this time last year, that this government moved to appoint a task force to investigate rooming houses. Too little too late.

We knew in 2002 there was a problem with fires, we have known for many years there were problems with dodgy operators and only when the coroner was about to hand down his findings did this government appoint a task force.

That task force was supposed to report back within six weeks to the minister with its recommendations, but that time blew out. No doubt it was waiting for the coroner’s findings so that it could use some of those in its report. About November last year it handed down its report and findings, and it has taken 10 months just to bring legislation into this place to allow for regulations to be made. This bill does not provide any additional safety, because the regulations are still to be developed and consulted on. It will be many more months before any safety is provided to people in rooming houses in Victoria. This government has been very slow to act on rooming houses, and it should be condemned for it.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 to 4 agreed to.

Clause 5

Mr BARBER (Northern Metropolitan) — I have just a few queries around the way the definition relating to a part 4A dwelling is structured. The definition in the bill states:

Part 4A dwelling means a dwelling fully or partially owned by a site tenant —

- (a) designed, built or manufactured to be transported from one place to another for use as a residence; or
- (b) any other prescribed Part 4A dwelling ...

My question for the minister is: how is this clause meant to operate if that becomes a question of fact? I am sure with his knowledge of the Building Act the minister will have some reasonable perspectives on this. If your protection effectively relies on the original intention or purpose being the dwelling was designed, built or manufactured to be transported from one place to another for use as a residence, how will we go back and determine that *ex post facto*?

Mr TEE (Eastern Metropolitan) — I suppose at one end is a brick house, which is not covered, and at the other end there is a caravan, which is excluded. This definition applies to those prefabricated houses that can

be reasonably permanent but can be moved from place to place. The capture is a house that is built in that context.

Mr BARBER (Northern Metropolitan) — That is exactly what I was asking. In order to determine my rights under this clause of the bill I am going to have to prove that my residence was designed, built or manufactured to be transported from one place to another. How do I prove that it was designed, built or manufactured for that purpose — all of which seem to be virtually the same thing — *ex post facto*?

Mr TEE (Eastern Metropolitan) — Again, it is going to be a question of fact. Prefabricated houses tend to have particular strengths so that they can be picked up. They tend to not be permanently fixed to a site, so again they can be moved. It would be a question of fact, but there are standard prefabricated houses, which we occasionally see on the backs of trucks on our roads, that are designed to be moved from time to time.

Mr BARBER (Northern Metropolitan) — Chair, there are some very innovative ways of constructing houses these days. I take the point that it is going to need to pass the test that it was for use as a residence, but let us say the way this is done is that there is a box which is taken to a site and subsequently fitted out with, if you like, the comforts of home. When it was designed, built or manufactured, it was just a box, but when they got it there, they decided to turn it into something else by putting in a sink and all those other things. In that instance it might avoid the definition, yet *prima facie* it will be the exact same thing as we are now addressing.

The government is addressing a demonstrated need and phenomenon. I have no doubt of that. But how long will it be, I ask, until some smart bugger works out that they can get around this definition, achieve exactly the same result and give people effectively no better rights? I am asking: what intrinsically is it about the design that makes it a residence? I understand what intrinsically makes it movable. The minister would understand that whole apartment blocks are being built these days with prefabricated components and boxes. What is it about it that makes it a residence at the time it is designed, built or manufactured and before it is moved?

Hon. J. M. MADDEN (Minister for Planning) — I understand the context of Mr Barber's question, that he is asking for me to define and prescribe that and the legislation to prescribe that. I understand that Mr Barber is eager to have a very discrete description, in a sense, of what does or does not comply — prescriptive in terms of the measures.

Because of that innovation and what we see in the industry currently — it does not take much to see the innovation in this sector; what is movable and relocatable as opposed to movable and then made permanent — Mr Barber is right that there is plenty of innovation in this space. The description that Mr Barber is seeking will come about not from the legislation, although he may be keen to have that prescribed, but through the advent of law as it is tested. The test of that will be done through the courts, and no doubt there will be innovations that will be claimed as appropriate and innovations proclaimed as inappropriate, and that will be disputed in the courts in one form or another. We are not seeking to prescribe that absolutely in this circumstance because that innovation might be stymied and it might reduce the ability to provide more relocatable housing as it is needed.

I certainly acknowledge what Mr Barber would like from me, but I cannot give it to him because those descriptions are not absolute. But of course, having confidence in the courts, I believe they will define those things by taking a common-sense approach.

The DEPUTY PRESIDENT — Order! There are other regulations that local government administers for habitable rooms and habitable dwellings. They do not allow people to live in circumstances that do not meet certain prerequisites. Does this legislation change that?

Hon. J. M. MADDEN (Minister for Planning) — No. The onus I was talking to was 'What is the nature of relocatable?', not 'What is the nature of a dwelling?'. There are certain definitions and controls about what is a dwelling and what is not, but the impression I got from Mr Barber was that he was interested in what is a dwelling.

On the basis of Mr Barber's interest in planning and my own interest in these matters, I took up the issue of what is a relocatable dwelling and what is not and then where those relocatable dwellings are permitted to be located. I know there is some conjecture about the appropriateness of relocatable dwellings being located in areas where people could not get a permit for a permanent dwelling because of the nature of those areas. I have probably been more inclined to go down the path of the controls around the relocation or the movable elements of the dwelling rather than what is defined as a dwelling because there are already definitions for that.

The DEPUTY PRESIDENT — Order! The point is that in Mr Barber's example of somebody having a box, putting some photographs around the walls does not a habitable dwelling make. It may still be a

relocatable box, but it is not a dwelling because it has not met other qualifications for being habitable that are required under other acts.

Mr BARBER (Northern Metropolitan) — I think we are making progress of a sort. The minister now says of a bill we have not even passed yet that he is looking forward to the statutory interpretation of it by the courts. It kind of makes my point about sloppy drafting, especially given that the question I am asking is one of definition. The minister is anticipating already, before we even vote for this bill, that there will be other people out there finding other ways to make residences that are portable. He cannot imagine yet what they will be, but he anticipates that such actions will be taken. He has therefore helped me quite ably to make my point, which is that this definition is not satisfactory.

Not to extend too much, but it goes back to my original point that the way this act works at the moment is that it covers the universe. Definitionally it covers you whether you are in a private rental, a caravan park or a rooming house. But now we are not defining things as caravan parks any more — we are defining them as part 4A dwellings which will be within caravan parks.

There is also the opportunity under paragraph (b) of the definition of ‘part 4A dwelling’ for a part 4A dwelling to be prescribed. If I understand this correctly, that means that generally the government has a power to make further definitions about how such dwellings might be captured. I ask the minister to confirm that the power is there for the government for that purpose.

Hon. J. M. MADDEN (Minister for Planning) — Yes, I can confirm that.

Mr BARBER (Northern Metropolitan) — Then I want to move to the further supporting or interlocking definition of a part 4A park, which says:

Part 4A park means an area of land where —

- (a) sites of land are available for occupation under a site agreement; and
- (b) Part 4A dwellings may be situated on those sites; and
- (c) common areas or facilities are available for the use of a person occupying a Part 4A site —

and includes a caravan park if the caravan park contains Part 4A sites ...

In order to know whether you are in a part 4A park you must discern, if I understand this correctly, that there are part 4A sites in that park. As soon as there are sites of land for occupation where part 4A dwellings may be situated and there are some common areas or

facilities — a typical caravan park — then that is a part 4A park. But based on that I do not think I can work out what a part 4A park is. Is it that a part 4A park is a place where part 4A dwellings may be situated, meaning they are not necessarily situated yet, or is it that as soon as the first part 4A dwelling, under the previous definition, arrives on the site it is then a part 4A park? Can the minister explain that?

Hon. J. M. MADDEN (Minister for Planning) — You may not be clear on it, but this might give clarity around the issue. I will speak generally from my own experience, not specifically to the bill. What we often have in this space is that over time places become something incrementally, particularly with movable dwellings. This definition is given so that people cannot have a caravan storage area that suddenly over time becomes a caravan park or a movable dwelling storage area that becomes a movable dwelling park. There is a slight difference.

It does not take much to drive to the coastal areas and see somebody who might have established a storage area in between the holiday seasons that does not have and should not have toilet facilities or common areas. The definition is to give some direction and clarification of the difference between what might be a storage area of sorts and a permanent park. You cannot become a part 4A park just by being a storage area. The general idea is in that space.

Mr BARBER (Northern Metropolitan) — I was hoping we could sort this out in this section, because some of it comes under clause 10 where my rights to have a site agreement that has certain minimum terms in it — which is what we are aiming at here — depend not only on my having a part 4A site but also on being situated in a part 4A park. I guess what we are saying in a slightly circular fashion is that as soon as I arrive at my part 4A site it becomes a part 4A park.

That brings me to the definition of a part 4A site. The definition of a part 4A site is ‘a site that is available for occupation under a site agreement’. Again, it is in effect self-defining. The definition of ‘site agreement’ in the bill — and get this, Chair — states:

site agreement means an agreement under which a person lets land as a Part 4A site for the purposes of the occupation of a Part 4A dwelling on that land by the Part 4A dwelling owner as a residence.

I understand the meaning of a part 4A dwelling. A part 4A park is something with a part 4A site in it. A part 4A site is something with a site agreement. And the site agreement, just to reiterate this, means an agreement under which a person lets land as a part 4A

site for the purpose of occupation of a part 4A dwelling on that land by the part 4A dwelling owner as a residence.

Mr Tee — What's the problem?

Mr BARBER — The problem is we are basically back where we started. I do not know whether my site agreement is a part 4A site agreement. I am going to be signing an extensive document. It may or may not have the words 'part 4A site agreement' on the top, but even if it did, it would not be a fair dinkum part 4A site agreement unless it is an agreement in which a person lets land as a part 4A site for the purpose of the occupation of a part 4A dwelling on that land by the part 4A dwelling owner as a residence.

Who decides whether or not it is a part 4A site, park, dwelling or agreement? Where is the trigger? Is the trigger in the definition of the building itself? That is what I would like to know.

Mr TEE (Eastern Metropolitan) — As I understand the provisions, what we are capturing is a situation where it is not a permanent house. It is not a bricks and mortar house; it is a house that is movable, but on the other hand it is not a caravan. What happens is that if you are in that middle ground, you have got that house and there is property that is available for you to put your house on — a part 4A site — then there are certain conditions and protections that you as the owner of that part 4A dwelling have. You have conditions and you have protections which, for example, include a notice period of some 365 days. You have protections in terms of fees as there is transparency in relation to fees and charges. You have protections in relation to a cooling-off period.

We do not want to have a narrow definition here. We want to have a broad definition which captures this situation, and I am not sure why the member is struggling with the definition. It is a broad definition to cover a situation where it is not a caravan but it is movable; you are then entitled to certain protections under this act.

Mr BARBER (Northern Metropolitan) — My original question to the minister was: how do I know when I enter into this situation? It is clearly not, as Mr Tee tried to say, defined by the part 4A site, because that means a site that is available for occupation under a site agreement. I cannot walk past a part 4A site and say, 'That is a part 4A site'. The only way I know it is a part 4A site is that it is available for occupation under a site agreement.

Hon. J. M. Madden — That's right.

Mr BARBER — Thank you, Minister. So what does a site agreement look like when it is placed in front of me? How do I know it is a site agreement under part 4A?

Hon. J. M. MADDEN (Minister for Planning) — It will be an agreement between you and the landowner.

Mr BARBER (Northern Metropolitan) — Is the minister saying that if the agreement says 'part 4A agreement' on top of it, then it is definitely a part 4A agreement?

Hon. J. M. MADDEN (Minister for Planning) — No, the part 4A agreement is a type of agreement. It is not a specific proforma agreement. I understand it is an agreement you enter into with the land-holder.

Mr BARBER (Northern Metropolitan) — Okay, so let us assume I am about to do that, and the site owner gives me a copy of this big document. I take this over to my solicitor, and I say, 'What do you reckon, mate? Should I sign this?'. My solicitor, being highly informed and having read all of the Residential Tenancies Act, says, 'If it qualifies as a part 4A site agreement, then you have all these protections. If it does not qualify as that, then you are going to have a lot less protection, mate. You might not want to get into it'. My solicitor has to look at the definition of 'site agreement'. What I want to know is: how does my solicitor know it is a part 4A site agreement with reference to the definition of site agreement in this bill?

Hon. J. M. MADDEN (Minister for Planning) — From the advice I have, by virtue of the nature of the agreement — not specifically the agreement itself but the fact that somebody wants to allow movable dwellings to be located on land — my understanding is that that becomes a generic part 4A agreement. The part 4A agreement is not a proforma agreement; it is not like it is a section 32 in real estate, which is a proforma type agreement, or some other legal device. I do recognise Mr Barber's issue, which is that they could be quite complicated or they could be quite simple.

Mr Barber — We're talking about old people here.

Hon. J. M. MADDEN — I acknowledge Mr Barber's point, and I can see where he is going. People in this situation may not be sufficiently resourced to get high-level legal advice, but it would be in their interest to get legal advice in relation to locating themselves and their dwelling under a 4A arrangement. But of course they would receive that legal advice on the basis of the legal advice they have sought.

Mr BARBER (Northern Metropolitan) — What I took from the minister's answer is that it is to do with the dwelling.

Hon. J. M. MADDEN (Minister for Planning) — No.

Mr BARBER (Northern Metropolitan) — I asked what the defining feature of a site agreement was. I think the minister, somewhere in the middle there, said it is the dwelling.

Hon. J. M. MADDEN (Minister for Planning) — No. It is the combination of the dwelling and it being located on somebody's land. Once you have determined that the land is available and you are prepared to receive a dwelling on that land, any arrangement around that is a 4A-type agreement. The land may be a park or it may be some slightly different arrangement. I am not trying to describe it or define it, but you could easily think of different arrangements where there might be an entitlement to relocate a movable dwelling on somebody else's land because it is of benefit to both parties. It is of mutual benefit. It may be for commercial benefit or it may not be; it might just be suitable because of family or community arrangements.

Mr BARBER (Northern Metropolitan) — I am sorry. The minister says people in this situation should get legal advice. I am trying to get some right now. The minister now says it is not solely the dwelling itself or the willingness to put one of those defined dwellings onto a site that defines a site agreement; it is also the site. I thought we had a thread here that a part 4A site is a site that is available for occupation under a site agreement. I cannot know what a part 4A site is when I walk past it. It is only when I come to sign a site agreement that that becomes a part 4A site. 'Site agreement' means:

... an agreement under which a person lets land as a part 4A site for the purposes of the occupation of a part 4A dwelling on that land by the part 4A dwelling owner as a residence ...

If what we are talking about is dropping a part 4A dwelling onto a block of land, then we are getting ready to sign a site agreement and it has nothing to do with the definition of a part 4A site. I ask the minister if that is correct.

Hon. J. M. MADDEN (Minister for Planning) — You cannot just plonk one of these things wherever you would like, if that is the point Mr Barber is making and if that is what he is worried about. As he has already mentioned, you have to have certain facilities, and those facilities need to complement the kind of dwelling that

is going to be located on that site. You cannot have an agreement unless you have a complementary site. You cannot enter into an agreement unless you have the dwelling to be located on that site and all parties are in agreement.

Mr BARBER (Northern Metropolitan) — I understand totally; you cannot drop it in a paddock. In fact we have here, and I went through it, the definition of a part 4A park. That is land where:

- (a) sites of land are available for occupation under a site agreement; and
- (b) Part 4A dwellings may be situated on those sites ...

We dealt with that issue. As soon as a piece of land has these things dropped onto it — that is, part 4A dwellings with site agreements — it is a part 4A park. But it also needs common areas or facilities; that is at point (c).

What I wanted to get to the nub of is this. Let us assume I have a suburban solicitor — the guy I went through school with. I am now 70 years old. I have a few dollars. I want to sign one of these things. I ring up my old mate who is my solicitor. He reads the words 'site agreement'. I am looking forward to it already. The key definition he is looking for in a site agreement is that it is a part 4A site for the purposes of occupation of a part 4A dwelling.

Hon. J. M. Madden — Yes.

Mr BARBER — It goes back to the definition of a part 4A dwelling — is that correct?

Hon. J. M. MADDEN (Minister for Planning) — I am looking at my advisers. It makes sense to me, but I will just check.

Mr TEE (Eastern Metropolitan) — The site agreement requires two parties, one of whom has a dwelling as defined and the other who has the site. You need to have two parties to make the agreement. If you have the dwelling and the other person has the site and you put the two together, that is captured by a site agreement.

Hon. J. M. MADDEN (Minister for Planning) — I might be able to help Mr Barber. It is like the tango, where you have to have two parties. Similarly in this case you have to have complementary arrangements that are entered into and you cannot do one without the other, so you have to have complementary equipment.

Mr BARBER (Northern Metropolitan) — I want to know who the two dancers are in this tango, because

they are not what Mr Tee has just said. One of them is not someone with a site. The site only becomes a part 4A site when we sign an agreement for that purpose. The two dancers in the tango described by the minister are the person with the dwelling and the person who is putting a site agreement in front of me and asking me to sign it.

Honourable members interjecting.

Mr BARBER — You can put it anywhere you like, but it only becomes a part 4A site when you sign an agreement on it. I cannot drive past it and know if it is a part 4A site. It becomes a part 4A site when I have got a part 4A site agreement in my hand and when I have signed it. But I am not going to sign it yet.

Hon. J. M. Madden — That may be for you. It is highly likely that other people have already entered into an arrangement on that site.

The DEPUTY PRESIDENT — Order! I advise the minister that this is not a conversation or a pub talk; this is the committee stage.

Mr BARBER — I do not want to go back to the definition of a part 4A park, because we have established that that depends on these other things I am talking about now. The site agreement, which I am being asked to sign and which I want to know is a fair dinkum part 4A agreement, means an agreement under which a person lets land as a part 4A site for the purposes of the occupation of a part 4A dwelling on that land by the part 4A dwelling owner as a residence. It has to be a residence otherwise it would not be a part 4A dwelling. The minister has almost said ‘yes’ a few times, and then Mr Tee has interrupted him. I just want the minister to say that the defining feature of the site agreement is that I am the guy with a part 4A dwelling and you want to sign an agreement with me, and therefore it is the definition of the part 4A dwelling that defines whether or not the thing I am signing is a part 4A agreement.

Hon. J. M. MADDEN (Minister for Planning) — I would not necessarily say ‘absolutely’, but I can say it would be impossible to enter into that agreement unless you have that dwelling. I think that gives you the answer you want.

Mr TEE (Eastern Metropolitan) — The site agreement — —

Mr Barber — On a point of order, Deputy President, a previous ruling by President Chamberlain in 2000 expressed concern regarding the emerging practice of committee proceedings being interrupted constantly by

ministers seeking advice from occupants of the advisers box. He stated that ministers in charge of the bill during a committee stage should be fully briefed, equipped with notes and consult advisers as briefly as possible; if not, the Chair of committees could be forced to suspend the committee.

The DEPUTY PRESIDENT — Order! The point of order is?

Mr Barber — The point of order is I wanted to draw that ruling to your attention, because we are getting a lot of toing and froing, including from Mr Tee, and your option, Chair, may be to suspend the committee if the minister cannot ask a question without this sort of assistance going on all the time.

The DEPUTY PRESIDENT — Order! That is quite extraordinary. The situation, apart from anything else today, is that I do not think the minister has relied on the advisers box to any great extent compared with some other committee proceedings. Mr Barber might not like the minister’s answers and he might not have been able to drill down on the points he is seeking clarification of, but the minister has been trying to assist the committee and has not relied excessively on the advisers box.

It is my view that Mr Tee’s contributions to some of these committee stages are quite helpful, because he invariably has been involved in the progressing of the legislation that brings it to this house and to the Parliament in his capacity as a parliamentary secretary. I have found that his contributions from time to time have been informed and valuable.

Mr Guy — I wouldn’t go that far.

The DEPUTY PRESIDENT — Within reason. I would have thought they helped in terms of addressing some of the concerns Mr Barber has. There are occasions when ministers may well have been to the advisers box incessantly and to the detriment of the committee’s proceedings, but this is not one of those occasions. I do not think the point of order is established.

Mr TEE — I am wondering if Mr Barber may be assisted by having a look at the definition of site agreement, which requires an agreement and a person who is letting land. The agreement covers the land for the occupation of a part 4A dwelling. You need to have the land on which you are going to place a part 4A dwelling — the definition of which we have covered — and once you have those two ingredients you cover off that arrangement with the agreement.

Mr BARBER (Northern Metropolitan) — I am ready to wrap it up, Chair, because this has been quite helpful. As Mr Tee just said, there are two elements to a site agreement: the person who is willing to let land, and a dwelling. The definition of ‘willing to let land’ is circular with the definition of a part 4A site, because you can only have a part 4A site when you have an agreement, and here we are signing an agreement that is over a part 4A site. The definition of a dwelling is connected back to our original discussion. The minister admitted that was a movable feast — ‘innovation’ was his word. Therefore I have been ably assisted by all the other speakers in making out my original case, which was that we have a completely circular definition. It is going to be extraordinarily hard to establish that someone’s part 4A rights are made out, especially since we will only be looking at this in circumstances where there must be some considerable dispute between the two parties. That is all I need to ask until we go back to the other mentioned clause, which I think was clause 79.

The DEPUTY PRESIDENT — Order! If there is no further debate in respect of this clause, I will put the clause to the test.

Clause 5 agreed to; clauses 6 to 78 agreed to.

Clause 79

Mr BARBER (Northern Metropolitan) — This relates to the procedure whereby the person with whom a group of tenants in a rooming house or similar dwelling have signed the agreement has in one way or another disappeared and now their relationship is with the owner of the dwelling. I want it confirmed that this clause would apply to government-owned buildings.

Mr TEE (Eastern Metropolitan) — Yes, it is the intention that these provisions apply to government-owned buildings.

Mr BARBER (Northern Metropolitan) — I have just a couple of other points of clarification. It is common enough, is it not, that the government owns buildings and then has a range of different arrangements with various kinds of housing providers, such as transitional housing, which then let the transitional housing manager have the direct relationship with the tenant?

Hon. J. M. MADDEN (Minister for Planning) — I take it that last bit was a question. Mr Barber might want to just condense it.

Mr BARBER (Northern Metropolitan) — Is it the case that the government often owns residences but

enters into arrangements, such as transitional housing, where there is another housing manager who signs the rental agreement or has the rental relationship, for the purposes of this act, with the tenant?

Mr TEE (Eastern Metropolitan) — Yes, it is, and if Mr Barber is leading to the next question, which is whether the government can contract out of these arrangements, the answer is no.

Mr BARBER (Northern Metropolitan) — That is what I wanted to know. Can I have some explanation as to why the government cannot contract out of the Residential Tenancies Act via this section?

Mr TEE (Eastern Metropolitan) — Because the government, or indeed any party, cannot by way of contract overcome or circumvent statutory provisions unless there is clear statutory intent to the contrary, which is not the case in this legislation.

Mr BARBER (Northern Metropolitan) — But the purpose or functioning, if you like, of this section is for the owner of a building who has some tenants in that building who were tenants of this other person who has now shot through to be able to serve them with a notice to vacate. Apart from that they do not have a lot of other rights, but they do have a right to be served a notice to vacate. I want to know if that situation can arise when the government is the owner of a building — the government owns all sorts of buildings for all sorts of reasons that are often used as residences, not only formally but also informally. Will the government be in the same situation that any private landlord would be in where its only real obligation is to serve this notice to vacate?

Mr TEE (Eastern Metropolitan) — The government has the same minimum obligations as anyone else.

Mr BARBER (Northern Metropolitan) — What are they in the context of this bill? It seems to me that what we are doing is setting up a statutory scheme where the only obligation of a building owner, including a government building owner, is to serve a notice to vacate on these people — not to fix the hot-water heater, not to provide privacy and quiet enjoyment, not to make sure the thing is safe. The building owners could come and walk into a person’s bedroom if they wanted to. The tenants do not immediately get the same rights they would under the Residential Tenancies Act with this new person being the owner of the building.

Mr TEE (Eastern Metropolitan) — I am not sure where we are going. This is the 45-day notice period provision, as I understand it. It does not cover the colour of paint and it does not deal with the other

issues, as I understand it from my quick examination of it. It is a 45-day notice provision.

Mr BARBER (Northern Metropolitan) — I am not asking Mr Tee to have a quick look at it, I am asking for some advice from the minister at the table. To give a further example, if I leave a house, if I do a runner and I leave some material behind — say, a fridge — under the Residential Tenancies Act as it currently stands the landlord has to look after that fridge for a bit; they cannot just flog it off. But my understanding is that in the situation envisaged by proposed new section 289A, the person I had the relationship with — the rental manager, if you like — has disappeared, I am in a building owned by the government, and I now do not have any rights as a renter to obtain anything from the government. I do not now obtain my rights from the owner of building because they never signed anything with me and therefore the only real right I have is the right, at the government's option, to be served with a notice to get out. Is that correct?

Hon. J. M. MADDEN (Minister for Planning) — I will just refer to some notes here in relation to those matters. They might assist, and if they do not, I am happy to get some more advice from the advisers in the box.

The rooming house residents are entitled to a notice period as set out in part 3 of the act. But sometimes when a rooming house operator's lease on the premises ends the operator cannot or will not give the residents proper notice. The operator can be prosecuted, but this does not necessarily help the residents. We want to avoid residents being evicted into homelessness without fair notice. Introducing a mandatory notice period means the resident may remain in their current residency arrangement for at least 45 days and seek alternative accommodation.

Provision of a notice period is preferable to the recommendation of the task force to allow residents to remain in situ and apply to the Victorian Civil and Administrative Tribunal for more time before they have to vacate. Rather than spending the time initiating action at VCAT, the resident can focus on organising alternative accommodation arrangements.

An alternative approach would be to require the landlord to take over the rooming house. However, this option is not preferred as it would require the landlord to take on obligations associated with the costs of being a rooming house operator. This is particularly problematic where the landlord has not consented to the use of the premises as a rooming house or where the rooming house requires a substantial investment to

bring it into compliance or in fact cannot be upgraded due to planning laws.

That should answer at least some of Mr Barber's questions in saying the owner of the property, who may not be the landlord, has to allow 45 days before anything occurs, in a sense.

Mr BARBER (Northern Metropolitan) — Except for that last line I was quite happy with the answer because it did not contradict anything I said. It confirmed that the government could be the landlord — the minister just referred to that when he read from his notes — and therefore those requirements that he detailed for us are the only things that would apply to the government as a landlord, which is nothing — it is basically to serve people a notice. Therefore if I did run away and leave my fridge, for reasons that might be perfectly legitimate, I can forget about coming back and applying for the usual level of concern that I would get under the Residential Tenancies Act; in fact it is perfectly possible that the landlord could have flogged off my fridge because the only right I had was the right to be served a notice to vacate. I am perfectly happy with the response I have received there, Chair, and I do not have any further matters to raise on the bill.

Clause agreed to; clauses 80 to 174 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

Motion agreed to.

Read third time.

BUSINESS OF THE HOUSE

Adjournment

Hon. M. P. PAKULA (Minister for Public Transport) — I move:

That the Council, at its rising, adjourn until Tuesday, 5 October, 2010.

Motion agreed to.

ADJOURNMENT

Hon. M. P. PAKULA (Minister for Public Transport) — I move:

That the house do now adjourn.

Planning: Dandenong development

Mr RICH-PHILLIPS (South Eastern Metropolitan) — I desire to raise a matter for the attention of the Minister for Planning. It relates to the VicUrban development in Dandenong and the interruption that the development is currently causing to Lonsdale Street traders. The minister is aware of the issue of disruption to trade in Dandenong due to the road and footpath works that are taking place.

However, when the minister last spoke about this matter he indicated that VicUrban and the government appreciated that delays were occurring and said that the works would be completed by August 2010 and the interruption to business would be for only a short period of time. We have now passed August and are well into September, and it is quite clear from the works taking place on the site that they are not going to be completed in September or any time soon.

A number of retail businesses in the area are now experiencing severe hardship as a consequence of the disruption of trade because of the works taking place. They include a number of local takeaway shops that will not be able to survive more than a month; a local hotel that has been required to lay off five permanent staff and reduce casual hours due to the disruptions; a local newsagent, who described the project as a complete disaster due to the impact it has had on trade; and a local butcher, who claims to have experienced a 60 per cent reduction in business as a consequence of the works. Even a new business owner in the area, who purchased the business on the basis that works would be completed by now, has subsequently had a reduction in trade as a consequence of the ongoing works.

Given that the works will now extend well beyond the scheduled completion time and that the impact on small businesses in the area continues, I ask the Minister for Planning to put in place, through VicUrban, a mechanism by which these businesses can be supported until the works are completed. The works will be substantially over schedule in terms of when they will be completed, and they are having a material impact upon those businesses that are in the immediate vicinity.

Tertiary education and training: youth worker courses

Ms HARTLAND (Western Metropolitan) — My adjournment matter is for the Minister for Skills and Workforce Participation, Minister Pike. It relates to youth worker courses.

I think we need to show respect to people who enrol to study youth work by letting them study in a stand-alone youth work course, or at least we need to ensure that there are specialist youth work teachers in all youth work courses. This year the youth work course at RMIT, for example, has been merged into the social science cluster. I am told this happened in March this year. For all I know, the purpose of the change was to provide students with the benefit of options to study in related disciplines, but it does look a lot like cost cutting. If you diminish the level of youth worker training by making it more general and less specialised, you face the danger of diminishing the value of this important work, particularly in the western suburbs where such work is increasingly needed.

Nobody ever studied youth work because they wanted to be rich and own a flashy car. These people want to benefit our communities. Having said that, there have been a lot of new employment opportunities in youth work generated by state government funding pursuant to recent youth and family legislation reforms. From what I hear, these positions are waiting to be filled. We need people to come out of these courses well trained and ready to work as dedicated professionals, ready to make a difference.

Having seen the work of many NGOs (non-government organisations) in the western suburbs, I cannot give the youth workers enough praise. You will also find youth workers in local government, NGO law and justice bodies, schools and government administration — basically anywhere that specialist skills are required for working with young people.

I ask the minister to take action by talking to RMIT, Victoria University and other course providers about providing dedicated, professional youth work courses and specialist teachers to reflect not only the need in our community but also the aims of the government's own policy. I also ask the minister to consider the difference that accreditation and a professional body might make to the sector.

Disability services: community visitors report

Mrs COOTE (Southern Metropolitan) — My matter for the adjournment this afternoon is for the Minister for Community Services, Lisa Neville. Amongst the numerous annual reports that were presented to and dumped upon the Parliament yesterday was one entitled *Promoting the Human Rights, Interests and Dignity of Victorians with a Disability or Mental Illness — Community Visitors Annual Report 2009–10*. Community visitors do an amazing job throughout our community. They look into making quite certain that

the most vulnerable people in our community are being well cared for and they come up with some excellent recommendations.

It is interesting to read the statistics for the southern metropolitan region, which is my region, which say that the regional population of 1.2 million represents 24 per cent of Victoria's population. This area is not quite the same as the electoral district of Southern Metropolitan Region. It ranges from Stonnington to Frankston on the Mornington Peninsula, so it is a little broader than the Southern Metropolitan Region, I expect it takes in the South Eastern Metropolitan Region as well. The socioeconomic standards vary rather widely, with eight suburbs in Victoria's 20 most advantaged communities and four suburbs in the most disadvantaged communities. The Australian Bureau of Statistics figures for 2006 show that 46 000 people in the region have a profound or severe disability. It is really important that these people in our communities are cared for.

Community visitors inspect the residential aged-care services, and this time the report notes that there are financial issues that continue to come up — as well as smoking. I will not go into the details of the recommendations — I choose to do that in statements on reports and papers in the Parliament — but it is one of the recommendations I am hoping the minister will take up as a matter of urgency. The action I seek is that the minister, as a matter of urgency, implement recommendation 4 in the community visitors annual report for 2009–10, which is to provide each person in residential care with a health manager or coordinator to ensure that they receive the range, quality and standard of health services they need to maximise their health, including initiating appropriate preventive measures.

Water: sportsgrounds

Mr DRUM (Northern Victoria) — My adjournment matter is for the Minister for Water, Mr Holding. I have been contacted by a range of football leagues from the Wimmera, Mallee and north-central regions, which have raised the issue of skyrocketing water bills that will need to be paid in order to maintain their playing fields at an acceptable standard. This area has historically been serviced by the old channel system that was in place in the Wimmera and the Mallee, feeding from both the Grampians and Goulburn systems. Whilst that water was at times of poor quality and through the drought was lacking in security, most of the sporting clubs were able to configure systems of recycled water from within each town's stormwater system.

With the introduction of the Wimmera–Mallee pipeline there is a real fear that these sporting clubs are going to be forced to pay increases in the vicinity of 2000 per cent — for example, up from \$40 per megalitre to over \$800 per megalitre. The Rural and Regional Committee recently completed an inquiry into the opportunities surrounding the Wimmera–Mallee pipeline region with the advent of the pipeline, and this issue of excessive price hikes and uncertainty is the single biggest fear or threat for not only the business and private sectors but also the agricultural sector and various sporting clubs.

Not only have we received letters from football leagues representing some 20 to 30 communities and towns throughout the north-west but we have also been contacted by the Victorian Country Football League, which represents the entirety of country football and netball associations. The league has gone to great lengths to point out the benefits from local football clubs, how important each of those clubs is to its respective community and the impact on all those communities if grounds and sporting facilities are not up to standard. Many of these clubs are already struggling to pay their accounts — even when they are paying costs in the vicinity of \$40 per megalitre — and there is the possibility of them being forced to pay many thousands of dollars more.

My request to the minister is that he meet with a delegation of sporting bodies from throughout the Wimmera, Mallee and north-west regions with a view to arranging a schedule of water pricing that will be fair to the clubs and their communities and at the same time enable Grampians Wimmera Mallee Water to deliver water through the new pipeline at a price that suits them all. I also call on the minister to consider ways in which the government can assist in this provision of affordable water to the struggling not-for-profit sporting clubs throughout north-western Victoria.

Buses: route 709

Mrs PEULICH (South Eastern Metropolitan) — I wish to raise a matter for the Minister for Public Transport. I am delighted that he is the minister on duty tonight.

Mrs Coote — He's actually a good bloke.

Mrs PEULICH — He is not a bad bloke, but there are still bungles made within the portfolio he administers. One of those goes to the substance of some of the questions without notice today in relation to the bus reviews. We have had a few issues in relation to the bungled bus reviews and the impact on the community where there is inadequate consultation on the

implementation of the outcomes of the reviews. One was the plan to install the dedicated bus lanes through Dingley Village, which was overwhelmingly rejected by something like 98 per cent of residents.

The other is the more recent one — and I know the intention was good — to increase bus services to Waterways. Very substantial concerns have been raised by those in the Waterways estate about the precise nature of new bus route 709. They are concerned that there has been a lack of consultation with local residents of Waterways, that the Waterways body corporate committee has not been at all aware of this matter and that one of the other members of the body corporate, who is a member of the Aspendale Gardens Residents Association, was angry and wanted to find out what was happening. They had been lobbying for an alternative route also connecting Aspendale Gardens to Waterways, but Kingston City Council does not believe it is the right route. While we all support the increase in bus services to Waterways, those concerned do not necessarily expect buses to go through some of the narrow streets within the estate.

Mrs Coote interjected.

Mrs PEULICH — That is right. Members of the minister's department said that the route will be up and running on 27 September, I understand. It is seen as a bit of a political stunt, but irrespective of that, if the improvements were good improvements, I would certainly endorse and welcome them.

Residents want that route to be reviewed through proper consultation with those who are affected, and I would ask the minister to facilitate that. The department is not being amenable and is not receptive to their concerns, so I ask that the minister politically intervene in his role as the minister to make sure that they end up with the routes they want — not those that are obviously going to raise a whole range of concerns about safety given the narrow nature of the streets, the erection in front of homes of bus stops that they do not necessarily want and so forth — so that we end up with a good product, not one that has been bungled, as has unfortunately been the case prior to this minister taking on the portfolio.

Planning: Bastion Point boat ramp

Ms PENNICUIK (Southern Metropolitan) — My matter is for the Minister for Environment and Climate Change, and it concerns the ocean access proposal for Bastion Point in Mallacoota. The minister would be aware that in early August the East Gippsland Shire Council voted 5 to 3 in favour of applying to the

minister for approval to proceed with the construction of the option 3b facility. The minister would also be aware that the council meeting at which that decision was made was a very packed one.

June Drake from Mallacoota has written to me asking me to again raise the issue, and I am pleased to do so because it is an issue that I have raised before in Parliament. We all know that Bastion Point is part of Victoria's famous Wilderness Coast, the main feature of which is unspoilt beaches and coastline. Ms Drake asked me to raise the issue because she says, and I agree, that option 3b is unsafe, unsustainable and environmentally destructive. The people of Mallacoota know that improved ocean access is necessary at Bastion Point; however, the majority of the community is opposed to option 3b, but would support the panel's recommendation for an appropriate approved facility to be constructed at the current site.

The Save Bastion Point group has proposed an alternative concept to option 3b, and on its website it goes to the trouble of comparing that alternative concept to option 3b. For example, the group says of the construction cost for its alternative:

Car park costs slightly more, causeway road, breakwater and channel excavation costs eliminated.

Other features of the alternative option are that the total number of trailer bays would be the same; the time to walk to trailers would be half the time; boaters and swimmers would be completely separated, with swimmers at the northern end and boaters at the southern end; and the famous 'broken boards' surf break would be retained — it would be lost under option 3b.

My request to the minister is that he reject option 3b as it was rejected by the independent panel and instead consider the alternative concept proposed by the Save Bastion Point group.

Roads: regional and rural Victoria

Mr VOGELS (Western Victoria) — I raise an issue for the Minister for Roads and Ports, Tim Pallas, and it concerns the condition of local roads right across country Victoria. We have had nearly 10 years of below-average rainfall, which has masked the fact that roads across the state were not being maintained to a level necessary to withstand the wet winter we have had. The chickens have come home to roost in a big way, with shires right across the state now facing millions of dollars in maintenance costs just to catch up and repair infrastructure that has failed due to the wet.

When I was a councillor at the Corangamite Shire Council we called for the state government to match the federal government's Roads to Recovery funding, which would have allowed councils to properly maintain their local road networks. It was Liberal Party policy before the 2006 election to match the federal government's Roads to Recovery funding program, and that would have injected \$127 million into local road infrastructure at that time. However, the Bracks and Brumby governments rejected the policy, saying that local roads are a local government responsibility. It is not possible for rural councils to maintain tens of thousands of kilometres of roads and thousands of bridges without the support of and funding from the state government.

The action I seek from the minister is that he announce a policy which will allow local governments right across Victoria to find some certainty in their funding — like matching the federal government's Roads to Recovery funds — so that they can properly maintain their local road infrastructure.

Ambulance services: response times

Mr D. DAVIS (Southern Metropolitan) — My matter is for the attention of the Minister for Health, and it concerns the annual report of the Department of Health, which was released yesterday, and the figures referring to the performance of Ambulance Victoria.

The statewide benchmark for code 1 emergency calls responded to within 15 minutes is 85 per cent; that is a benchmark this government set but has never met. In opposition the current Premier argued in favour of a 10-minute response time, but he and his government — then under Steve Bracks — weakened the response time that was then in operation and pushed it out to 15 minutes. As I said, that long period of time as a statewide response time has not been met in the budget papers in any year. This year the result deteriorated further to 80.7 per cent of cases, which means that almost 20 per cent of cases are not meeting the 15-minute response time. Even the other part of the response time target of code 1 emergencies in population centres of over 7500 people, which has a 90 per cent target, was not met this year and also slipped.

These are very serious matters. We are talking about thousands of patients across the state who are not getting a response in the time that is set by the government's weakened, diluted benchmark, and the risk to the community is substantial. We have seen a large number of cases, some of which have been discussed in this chamber in recent times, where slow

responses have resulted in tragic outcomes, so my concern is very real and the minister has to deal with this matter.

I go further and say that the minister, with the Premier, ordered the merger of Rural Ambulance Victoria and the Metropolitan Ambulance Service to form one ambulance service, and that the merger has been botched. There has been a deterioration in the performance of ambulance services since that merger was ordered, and this deterioration is now being reflected in these very concerning response times.

I ask the minister to swiftly indicate to the community through some reporting mechanism what he is going to do, what actions he will take to fix this problem. He needs to act swiftly, he needs to institute an investigation and he needs to report to the community, and I ask him to do so.

Responses

Hon. M. P. PAKULA (Minister for Public Transport) — Mr Rich-Phillips raised a matter for the Minister for Planning in regard to a VicUrban development in Dandenong and the disruption it is causing to Lonsdale Street traders. He asked the minister to put in place a mechanism by which small traders in Lonsdale Street in particular can be supported until the construction comes to an end, and I will convey that matter to the minister.

Ms Hartland raised a matter for the Minister for Skills and Workforce Participation seeking that she intervene to have RMIT, Victoria University and others provide dedicated youth work courses, and I will convey that matter to the minister.

Mrs Coote raised a matter for the Minister for Community Services seeking that she act to implement recommendation 4 of the Office of the Public Advocate's community visitors annual report 2009–10, and I will convey that to the minister.

Mr Drum raised a matter for the Minister for Water seeking that he meet with a delegation of sporting clubs from the Wimmera-Mallee, north-central and north-western areas in regard to water costs, and I will convey that the minister.

Mrs Peulich raised a matter for me about bus route 709 to Waterways. She asked me to intervene so that residents get the routes that they want. I certainly cannot give her that undertaking given that sometimes the particular bus route that a group of residents wants might be impractical for some reason or other and a change might meet opposition from other residents in

other areas. Having said that, I am happy to provide her with a response; I am also happy to ask my department to have a look at this matter. It would obviously be of assistance if Mrs Peulich could furnish me or the relevant officers in my department with information about the particular alternative those residents seek.

Ms Pennicuik raised a matter for the Minister for Environment and Climate Change in regard to Mallacoota, specifically seeking that the minister reject option 3b and consider alternative concepts as put by the Save Bastion Point group, and I will convey that matter to the minister.

Mr Vogels raised a matter for the Minister for Roads and Ports seeking that he announce a policy to provide local government areas in regional Victoria with certainty on funding for local road infrastructure, and I will convey that to the minister.

Mr David Davis raised a matter for the Minister for Health asking that he indicate to the community via a reporting mechanism of some sort what he plans to do in regard to ambulance response times, and I will convey that matter to the minister.

I have written responses to the adjournment debate matters raised by Mr Vogels on 27 July and by Mr Kavanagh on 10 August.

The DEPUTY PRESIDENT — Order! The house stands adjourned.

**House adjourned 2.19 p.m. until Tuesday,
5 October.**

