

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE ASSEMBLY

FIFTY-SIXTH PARLIAMENT

FIRST SESSION

Tuesday, 25 May 2010

(Extract from book 7)

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By authority of the Victorian Government Printer

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The Lieutenant-Governor

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Standing Orders Committee — The Speaker, Ms Barker, Mr Kotsiras, Mr Langdon, Mr McIntosh, Mr Nardella and Mrs Powell.

Joint committees

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

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

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Public Accounts and Estimates Committee — (*Assembly*): Ms Graley, Mr Noonan, Mr Scott, Mr Stensholt, Dr Sykes and Mr Wells. (*Council*): Mr Dalla-Riva, Ms Huppert, Ms Pennicuik and Mr Rich-Phillips.

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

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

Parliamentary Services — Secretary: Mr P. Lochert

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FIFTY-SIXTH PARLIAMENT — FIRST SESSION

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The Hon. R. J. HULLS

Leader of the Parliamentary Liberal Party and Leader of the Opposition:

Mr E. N. BAILLIEU

Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:

The Hon. LOUISE ASHER

Leader of The Nationals:

Mr P. J. RYAN

Deputy Leader of The Nationals:

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Kosky, Ms Lynne Janice ⁶	Altona	ALP	Weller, Mr Paul	Rodney	Nats
Kotsiras, Mr Nicholas	Bulleen	LP	Wells, Mr Kimberley Arthur	Scoresby	LP
Langdon, Mr Craig Anthony Cuffe	Ivanhoe	ALP	Wooldridge, Ms Mary Louise Newling	Doncaster	LP
Languiller, Mr Telmo Ramon	Derrimut	ALP	Wynne, Mr Richard William	Richmond	ALP

¹ Resigned 6 August 2007

² Elected 15 September 2007

³ Resigned 2 June 2008

⁴ Elected 13 February 2010

⁵ Elected 28 June 2008

⁶ Resigned 18 January 2010

⁷ Elected 15 September 2007

⁸ Resigned 6 August 2007

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Tuesday, 25 May 2010

The SPEAKER (Hon. Jenny Lindell) took the chair at 2.04 p.m. and read the prayer.

DISTINGUISHED VISITORS

The SPEAKER — Order! Today I welcome to the Assembly chamber of the Parliament of Victoria the Tasmanian Speaker and a delegation of members from the Tasmanian Parliament. I also welcome the Consul General of Greece and the Prefect of Rethymnon, Crete.

RULINGS BY THE CHAIR

Sub judice rule

The SPEAKER — Order! A number of points of order were raised with me during the last sitting week regarding the application of the sub judice rule to matters before the Coroners Court. Stated simply, the sub judice convention is a voluntary restriction the house imposes on itself to refrain from making reference to matters awaiting or under adjudication in a court of law in order to avoid prejudice to court proceedings or harm to specific individuals. There is no standing order dealing with sub judice, and the house has always been guided by the practice of the House of Commons in respect of the sub judice convention.

In researching this matter I could find no guidance in any other Australian jurisdiction or the New Zealand Parliament. However, in July 2006 the House of Commons Procedure Committee tabled a report on the ‘Application of the sub judice rule to proceedings in the coroner’s courts’. Most of the issues raised during the points of order in the house last sitting week are addressed in this report. In making my ruling on this matter I have been guided by the conclusions and recommendations made by that committee. For the convenience of members I have arranged for copies of the Procedure Committee’s report to be available in the papers office.

I rule as follows:

1. As there is a risk that the processes and outcomes of inquests could be prejudiced by parliamentary comment and the need to preserve the principle of comity, matters before the Coroners Court should be subject to the sub judice rule.

2. A matter before the Coroners Court will be considered to be active from the opening of the inquest.
3. There may be instances where there is a pressing need for debate on policy matters connected to an ongoing inquest. The Chair will retain the right to exercise discretion and waive the sub judice rule where a need for public debate can be demonstrated. In such instances a clear distinction must be maintained between policy matters and the details of a case. In exercising discretion the Chair will be guided by the following factors which might weigh in favour of allowing a debate or question:

a discussion of relevant policy matters is sought, rather than an exposition of the facts of the case themselves;

the inquest has already been subject to a significant delay and proceedings are not expected to commence for a further lengthy period;

it is thought important that the matters be debated in Parliament, due to the need to influence current events — other than the case itself — or to press for government action — perhaps to prevent another death in similar circumstances;

the likelihood of prejudice to a current inquest is very low — the view of the coroner may be sought in these cases;

the Chair is satisfied that a debate would not violate the principle of comity, or interfere or be thought to interfere with the role of the judiciary.

The issue of whether the sub judice rule should continue to apply to matters before royal commissions was also raised. I can inform the house that this issue is currently under consideration by the Standing Orders Committee and will be the subject of a report to the house in due course.

QUESTIONS WITHOUT NOTICE

Parliamentary Secretary for Human Services: allegations

Mr McINTOSH (Kew) — My question is to the Premier. I refer the Premier to reports in the *Age* that a

member of staff of the Parliamentary Secretary for Human Services used taxpayer-funded employment to engage in forgery and falsification of financial records, the laundering of funds through bank accounts and the misappropriation of moneys, and I ask: can the Premier confirm that a second person, Mr Cesar Piperno, an adviser to the Parliamentary Secretary for Human Services, has also been a party to these activities and that these activities are the real reason the government has not established an independent, broadbased anticorruption commission — because corruption goes all the way to the heart of this Labor government?

Mr Batchelor — On a point of order, Speaker, the substance behind this is to do with internal political matters, not to do with the administration of government, and I would seek your guidance as to whether — —

Honourable members interjecting.

The SPEAKER — Order! I was unable to hear most of what the minister had to say. I ask him to repeat it.

Mr Batchelor — The nub of the question here relates to the internal affairs of a political party, and in line with many longstanding previous rulings, questions should not relate to internal party political matters but only to government administration. I seek your advice as to whether in this instance the question is permissible.

Honourable members interjecting.

The SPEAKER — Order! I ask the member for Bass to cease interjecting, and while thanking the member for Narre Warren North for his advice, I also ask him to cease interjecting.

Mr McIntosh — On the point of order, Speaker, this matter goes to the question of illegality and it goes to the misuse of taxpayers money, but most importantly it also goes to the very reason that this government has a policy not to have an independent, broadbased anticorruption commission. On top of that, and to assist the Premier, I have copies of nine cheques totalling some \$5570 written over an eight-week period, together with bank accounts from the ALP. I seek to table those documents, to make them available to the house and to assist the Premier in answering the question.

The SPEAKER — Order! That part of the member for Kew's question that relates to government policy with regard to an anticorruption commission is admissible. I point out, though, that the employment of

electorate officers is a matter for the Parliament and is not government business.

Mr BRUMBY (Premier) — I thank the member for Kew for his question. It is true that from time to time in this place and elsewhere these sorts of allegations are raised. Indeed my attention was drawn to a recent newspaper article in relation to these matters which describes an MP as 'a divisive branch stacker who has never done a decent day's policy work in his life'. That was a reference in the *Herald Sun* to David Davis.

Honourable members interjecting.

Mr BRUMBY — I do not know whether the member for Kew is prepared to defend the member — —

Honourable members interjecting.

The SPEAKER — Order! I remind members, particularly the Deputy Premier, the member for Hastings and the Minister for Education, that if the Chair feels the need to stand, it is incumbent on members to cease interjecting. I ask the Premier not to debate the question, not to engage the opposition in cross-chamber interjections and to come back to the question.

Mr BRUMBY — In relation to the matters raised by the honourable member, if they go to the question of party rules — and branch stacking is against the rules of the Australian Labor Party — then these are matters for the — —

Mr O'Brien interjected.

The SPEAKER — Order! The member for Malvern is warned.

Mr BRUMBY — These are matters for the Australian Labor Party to investigate. If they go — —

Honourable members interjecting.

The SPEAKER — Order! I ask the Deputy Leader of the Opposition not to interject in that manner, and I ask the same of the members for Hastings and South-West Coast.

Mr BRUMBY — If they go to the question of the entitlements of MPs, then as you correctly pointed out in relation to the member's question, Speaker, these are correctly matters for the Presiding Officers, not for the Premier of the day.

Dr Napthine — On a point of order, Speaker, the question, as you quite rightly ruled, was about the

policy of this government with respect to its opposition to a broadbased anticorruption commission. The Premier has simply refused to address the question, and I ask you to bring him back to answering the question that was asked about why he continues to oppose a broadbased anticorruption commission which would root out some of these problems within the Labor Party.

The SPEAKER — Order! There is no point of order. The Premier has concluded his answer.

Economy: government initiatives

Ms DUNCAN (Macedon) — My question is for the Premier. I refer to the government's commitment to make Victoria the best place to live, work and raise a family, and I ask: can the Premier update the house on the performance of the Victorian economy?

Mr BRUMBY (Premier) — I thank the honourable member for her question. I am pleased to advise her that over the year to April 2010 we have seen 109 700 new jobs generated in Victoria. This is the first time in more than 20 years that we have had an annual increase in employment of more than 100 000 people. Importantly, and for the first time, more than 50 per cent of the jobs created are full-time jobs, and the 109 700 jobs created in Victoria are way more than the number created in any other state in Australia — 47 300 more than in New South Wales and 65 900 more than in Queensland.

I am pleased to say that in regional Victoria there has also been strong jobs growth of 2.5 per cent — jobs growth that significantly exceeds the national average. As a consequence, Victoria's unemployment rate fell to 5.3 per cent in April. Whether you compare that with the rate in other Australian states or particularly in other comparable economies in the world, our unemployment rate now is significantly below that of comparable Western developed economies.

In terms of economic growth, as the house knows, Victorian state final demand rose 3 per cent in the December quarter — again, the highest of all states. With more jobs created and with stronger economic growth this has successfully steered us through the global financial crisis.

One of the key drivers of economic activity is the housing and construction sector. I am pleased to say that in the 12 months to March 2010 Victoria recorded the highest value of total building approvals of any state in Australia, and for the last 23 consecutive months we have had the highest number of dwellings approved. In relation to first home buyers — and of course our

measures and initiatives to help first home buyers are the strongest of any state in Australia — we now have the highest proportion of first home buyers of all states, with 26 per cent of all owner-occupied housing finance going to first home buyers. All of this creates jobs in regional Victoria.

In response to the government's first home bonuses in Victoria, where we have the most generous scheme in Australia — \$26 500 for a newly constructed home in regional Victoria — Glen Loddon Homes owner, Glenn Wade, was quoted in the *Bendigo Advertiser* of 12 May this year as saying:

If someone came to us now before the announcement with no groundwork, it would have been quite hard to get them signed up prior to 30 June. By extending it, by giving it a lift, it gives people a chance to get into the market.

Bendigo builder Russell Parsons said the industry had already noticed an increase in work and that he expected more to come. He said:

I think it would be excellent for the industry, not just necessarily through us. It's been good.

If you add to this the largest increase in business investment of any state in the December quarter, a AAA credit rating, a budget surplus now and into the future, and economic growth that is expected to reach 3.25 per cent in 2010–11, it is little wonder that Access Economics describes the state's economic performance as 'amazingly impressive'.

All the things we have done in a budget context — getting the budget right; the stimulus last year; keeping the budget in surplus; keeping debt at manageable levels; cutting payroll tax, giving us the lowest payroll tax in this state in 35 years; cutting WorkCover premiums; investing in our skills to give us, for example, something like a third of all the ICT trainees and graduates in Australia coming out of Victoria, giving us the innovation economy — build the framework for strong growth.

When you add that to the huge investment which is occurring in regional Victoria through projects like our desalination plant, the Wimmera–Mallee pipeline, the food bowl, the upgrades of rail freight that occurred over the last year and of course the extension of the rail line to Maryborough, you find that all of these create jobs not just in Melbourne but in regional Victoria and across the whole state. It is a strong story to tell about getting the budget fundamentals and the budget focus right.

**Parliamentary Secretary for Human Services:
allegations**

Mr McINTOSH (Kew) — I direct my question to the Premier. I refer the Premier to reports in the *Age* that the Parliamentary Secretary for Human Services has orchestrated a scheme to forge and falsify financial records and launder funds through bank accounts. I further refer to the Premier's statements on the ABC program, *Stateline*, when he said he would dismiss a member of his team if they were engaged in 'criminal action'. I ask: will the Premier now sack the Parliamentary Secretary for Human Services?

Mr BRUMBY (Premier) — Speaker, these are accusations, as you know, which have been made to the Liberal Party. I am alerted to another newspaper article, which says:

A certain member was quite open about the fact that his focus was on getting the numbers up for his own preselection, and policy development took a back seat.

Honourable members interjecting.

Mr BRUMBY — I will tell you in a moment. Then it says:

Ted is bound to David big time and will probably promote him, but he also needs to remember the interests of the party united.

That is about David Davis. Is the member for Kew engaged in this sort of investigation?

Honourable members interjecting.

The SPEAKER — Order! I suggest to the member for Kew that that is totally unparliamentary, and I will not stand for interjections of that order. I would like to suggest to all members that the Premier should not be shouted down.

Mr BRUMBY — As I said in answer to the first question from the honourable member, if they are matters relating to party rules — and in our party we have strong rules against branch stacking — then these are matters for investigation — —

Honourable members interjecting.

The SPEAKER — Order! The member for South-West Coast is warned, and will not be warned again.

Mr BRUMBY — The member for South-West Coast has described branch stacking in the Liberal Party as a vigorous democratic process.

Honourable members interjecting.

The SPEAKER — Order! I suggest to the Premier that he does not debate the question. Question time is not an opportunity for an attack on the opposition.

Mr BRUMBY — As I made clear, if they are matters concerning the party, they are for the party's investigation. If they are matters concerning an electorate officer's entitlement, they are matters for the Presiding Officers, as has always been the case.

Wind farms: community benefits

Mr NARDELLA (Melton) — My question is to the Minister for Energy and Resources. I refer to the Brumby Labor government's commitment to make Victoria the best place to live, work and raise a family, and I ask: can the minister update the house on what action is needed to bring more renewable energy and more jobs to regional Victoria?

Mr BATCHELOR (Minister for Energy and Resources) — I thank the member for Melton for his question and for his continued interest in and support for this government's action in bringing on line more renewable energy in Victoria, particularly from wind farms.

Wind farms mean country jobs and new skills. They mean new and ongoing investment, more clean renewable energy, less carbon pollution, more regular income for farmers, more rateable income for local councils, and new community facilities and benefits. Wind farms mean prosperity, and I cannot understand why the opposition wants to stop all of this.

In Victoria the government knows and acknowledges that it needs to change its energy mix, to provide investment certainty and to produce more renewable energy so that all of that investment can happen and there can be an impact on climate change. The \$450 million Waubra wind farm, located north-west of Ballarat, is the largest operating wind farm in the Southern Hemisphere. This project created 26 permanent on-site jobs and around 200 more jobs during the construction phase.

The Macarthur wind farm, on which construction is ready to start, will soon see an almost \$1 billion investment that will see over 800 construction jobs created and 110 ongoing country jobs supporting local families. The Oaklands Hill wind farm will see more than 200 jobs created during its construction, with 26 ongoing jobs developed for local families. I visited the location for the Oaklands Hill wind farm in March and met with the local land-holders and farmers. They

could not wait for the construction of their wind farm to start. Interestingly the Oaklands Hill wind farm and the renewable energy it will produce will help supply renewable energy to the desalination plant.

This government is proud of its strong track record of creating jobs for Victorian families, and this was evident in this year's state budget, with some 100 000 jobs being created across Victoria. We are in favour of jobs, we are in favour of investment —

Mr K. Smith interjected.

The SPEAKER — Order! I warn the member for Bass. I will not allow the member for Bass to constantly interject in the manner in which he is interjecting at the moment.

Mr BATCHELOR — Thank you. The hot air from the member for Bass is not renewable energy.

Mr K. Smith interjected.

The SPEAKER — Order! I ask the member for Bass to cease interjecting. I will not ask again.

Mr BATCHELOR — The renewable energy industry needs certainty. It needs practical energy and planning policies so it can work with local communities to ensure that this sustainable development gets built. Alternative policies that make it impossible to get planning approval to build a wind farm are going to hurt the renewable energy sector. They will hurt country Victoria, they will destroy jobs right across the state and they will mean less clean energy and more emissions going into the atmosphere.

That is why the government is worried about the impact of alternative policies on our economy, our environment and the industry. But we are not alone. Let me quote a few statements. Lane Crockett, who is Australian general manager of Pacific Hydro, referring to the alternative policy, said it 'came out of the blue' and that:

Pacific Hydro is concerned that the proposal announced today by the Victorian Liberal Party has been devised without discussions with the industry —

Mr O'Brien — On a point of order, Speaker, I may be pre-empting you, but the minister is clearly canvassing the opposition's policy, which is not the place of government business, which is the purpose of question time. I ask you to bring him back to answering the question.

Honourable members interjecting.

The SPEAKER — Order! I ask government members to come to order. My understanding is that the minister was quoting from a newspaper article.

Mr BATCHELOR — You are correct, Speaker. I was quoting the general manager of Pacific Hydro, who is concerned about the destruction of the wind industry in Victoria, the destruction of jobs and the destruction of the environmental effects that would flow from the development of wind farms in Victoria. He is quoted in an article in the *Australian Financial Review* as saying:

... the Victorian Liberal party has ... devised without discussion with industry or a thorough understanding of the existing and comprehensive planning process that is in place for wind energy projects in Victoria.

The general manager of Pacific Hydro says there are comprehensive planning processes here in Victoria that look after the interests of the community.

But he is not alone. The article also describes the policy director of Vestas Wind Systems as saying that 'the policy was a risk to \$2 billion worth of clean energy investment in Victoria'. It also quotes him as saying that the policy was something 'investors in Victoria should be concerned about'.

Mr O'Brien — On a point of order, Speaker, the minister just referred to the policy director of Vestas. I wonder if he could clarify that that is Ken McAlpine, who was the chief of staff to former Labor energy ministers Theo Theophanous and Candy Broad.

Honourable members interjecting.

The SPEAKER — Order! There is no point of order. However, I ask the minister, who has been speaking for some time, to conclude his answer.

Mr BATCHELOR — We are saying, 'Let us, as a community, not put all these thousands of jobs at risk'. We want to know who will go down to these communities and tell the local farmers that the renewable energy jobs that they wanted to be created will no longer be there. Who will go down to the landowners who were going to make a valuable income from wind farm proposals and tell them that this income has gone?

The SPEAKER — Order! I ask the minister to conclude his answer.

Mr BATCHELOR — In conclusion, I want to know who will tell the local councils that they will not get the rates that were to come in. We support the renewable energy sector here and we support wind

farms — and the alternative proposals would absolutely kill the industry.

Bushfires: government performance

Mr BAILLIEU (Leader of the Opposition) — My question is to the Premier. I refer to a report in the *Sunday Age* which revealed that a substantial policy failure by this government in the lead-up to Black Saturday placed ‘at least some of those who died at great risk’, and I ask: is it not a fact that this government is so incompetent that more than 15 months later the government has still not rectified these failures, including refuges, fuel reduction burning and improved communication for Victoria Police and the Country Fire Authority?

Honourable members interjecting.

The SPEAKER — Order! I believe the member for South-West Coast is already on a warning. Would he like another?

Mr BRUMBY (Premier) — I do not have the report to which the honourable member is referring.

Honourable members interjecting.

Mr BRUMBY — Last Sunday. I assume then it is the leaked report of the royal commission. Is that right?

Mr Hulls — Counsel assisting.

Mr BRUMBY — Of counsel assisting. I do not intend to address those matters which are the property of the commission and which will be addressed in detail by the government’s response later this week. However, I will say in relation to neighbourhood safer places (NSPs) that the 2010 state budget in fact provides \$500 000 to support local government to develop neighbourhood safer places. I am also able to advise the honourable member in relation to NSPs that by December last year we had assessed 215 sites against the guidelines. Of the 215 sites assessed, 104 were found to comply and 111 were found not to comply. Our work is of course ongoing.

As of 24 May a total of 534 had been assessed, including numerous sites in the Alpine, Yarra Ranges and Mansfield shires. As of 24 May, 81 NSPs had been designated, with a further 186 undergoing council designation. It is important in relation to NSPs to understand that the standards that have been set are the standards put in place by the CFA (Country Fire Authority) on the best expert evidence as to what is necessary in terms of reach back and radiant heat to protect human life in all circumstances.

It is theoretically possible, as the Leader of The Nationals referred to as being the case in another state, to have much larger numbers of NSPs. Whether they would provide an appropriate degree of safety is quite another matter. What we have done is put in place through the CFA the highest possible set of standards to ensure that if in the future somebody is at a neighbourhood safer place as a place of last resort, they will know that it offers them a high degree of safety. That is very important, the circumstances that have occurred in previous bushfires in Victoria’s history having been looked at.

In relation to incident control centres (ICCs), again the 2010 state budget commits \$35.4 million over four years for personnel training at incident control centres across the state. This year the Department of Sustainability and Environment and the CFA have agreed to minimum standards for the equipping of level 3 ICCs, and that covers communications, logistics and infrastructure. As I have reported to the house previously, there was an amount of \$28.9 million to establish the newly agreed minimum standards at all existing ICCs, and that work includes things like wireless broadband facilities, extensive equipment upgrades, high-performance computers, backup power generator facilities and so on.

In relation to the rollout of improved communication arrangements more generally, they are occurring — again, in terms of the budget, there are improved arrangements in relation to the Emergency Services Telecommunications Authority. Neil Comrie pointed out in his delivery report — we asked him to oversight the implementation of recommendations from the interim report — that:

The state’s response to the commission’s recommendations has involved a very large commitment of resources that resulted in a substantial number of positive outcomes with regard to the protection of human lives. There has been a considerable investment in infrastructure, technological enhancements and wide-ranging amendments to policies ... The overall outcome of this investment and activity is that Victoria is now significantly better prepared to respond to bushfires than it was in February 2009.

Regional and rural Victoria: green jobs

Mr HOWARD (Ballarat East) — My question is to the Minister for Regional and Rural Development. I refer to the Brumby Labor government’s commitment to make Victoria the best place to live, work and raise a family, and I ask: can the minister update the house on what the Brumby government is doing to create jobs in low-emission industries in regional Victoria and say whether there are any challenges or threats to these government job-creating policies?

Ms ALLAN (Minister for Regional and Rural Development) — I thank the member for Ballarat East for his question. Members of the house might recall that last month the Premier, along with the government, launched the \$175 million *Jobs for the Future Economy — Green Jobs Action Plan* document. The plan is all about making sure that Victoria, but particularly regional Victoria, will benefit from the jobs that are going to come into this state from future investment in renewable energy.

However, to achieve this investment and to achieve these jobs you have to make sure that you have in place the right policy settings. We have just heard from the Minister for Energy and Resources about how the work we as a government have done to date has been about driving investment in the wind energy area in particular. It has brought a significant amount of renewable energy into the state, and most importantly, it has brought a significant number of new jobs to regional and rural communities.

To strengthen these activities a new action was announced by the government in its document entitled *Jobs for the Future Economy — Green Jobs Action Plan*. The new action was to establish a new green door for renewable energy. What is behind the green door is a one-stop shop for the low-emission energy industry, sending a very clear message that the Brumby government backs the renewable energy industry in regional Victoria. What we are doing behind the green door is providing a balanced and fair approach that supports communities but also supports investment by strong community engagement at the start of the process.

This approach is important, because we are making sure that we have the balance right and that communities have a voice in the process while at the same time giving industry operators certainty by providing a streamlined process by which they can see their establishment of investment in renewable energy projects in Victoria. When our policy was released it did receive support from a number of commentators but one in particular, the Friends of the Earth, said that it ‘sets out the type of approach that we will need if we want to drive innovation in renewables’. That is because, unlike those opposite, we have done the hard work and we understand that to grow investment in this area in Victoria you need to attract investment in renewable energy jobs and investment in regional Victoria.

The member for Ballarat East did ask me about challenges and threats to our job-creating activities in this area. My attention has been drawn to a recent

announcement of an alternative policy in this area. I think it would be an understatement to say that not only has this policy been universally condemned, and rightly so, but worse, that it is downright dangerous because it drives away the very jobs that we on this side of the house are working very hard to attract to regional communities.

I will quote some of the things that are being said about this policy. It has been said by the Clean Energy Council that it hurts regional communities by driving millions in renewable energy investment next door to South Australia. This is a policy that is driving jobs away from Victoria and into South Australia.

Further, a representative of the Municipal Association of Victoria said, ‘I found it rather strange that they went down this path’. We have also had a significant number of comments from the general manager of Keppel Prince, Steve Garner, who said, ‘I am concerned about this ‘stupid policy’, as he would be, being the employer of 150 people in the wind energy industry in Portland. He also went on to say — and this is important:

Here we are, trying to be the renewable energy hub of Victoria, and this bloke makes it harder and harder and harder.

I wonder who ‘this bloke’ is who is making it harder to attract industry investment into Victoria. Who is it who wants to drive investment away from Victoria and into South Australia? Who is it who wants to repeat the mistakes of the 1990s when he was the president of the Liberal Party and ripped jobs out of regional communities? We all know who it is.

The SPEAKER — Order! I ask the minister to come back to government policy.

Ms ALLAN — The answer is obvious. We know who it is. I would like to finish with a further comment by Steve Garner of Keppel Prince. As I said, Keppel Prince employs 150 people at Portland. I know the member for South-West Coast knows the company very well. Earlier today Steve Garner was in discussions with the Premier, the Minister for Energy and Resources, me and the Minister for Environment and Climate Change, where he told us very clearly — this was the message he delivered to the Premier — that the 150 jobs in Portland would go interstate if this alternative policy were introduced. If this alternative policy of the Liberal-National party coalition were introduced, jobs would go interstate.

The SPEAKER — Order! The minister will come back to government policy.

Mrs Shardey — On a point of order, Speaker, you have already directed the minister to come back to government business. She has totally ignored your direction, and I ask you to consider sitting her down.

The SPEAKER — Order! There is no point of order. The minister has been speaking for some time, and I ask her to conclude her answer without further debate.

Ms ALLAN — In conclusion, developing the right policies that are about creating jobs and investment in regional Victoria is about making the right choices — the right choices about keeping jobs in Victoria, about attracting new jobs and about providing a supportive policy environment that brings investment into the renewable sector. The choice before the member for South-West Coast in particular is between supporting his leader and supporting jobs in his electorate.

Minister for Police and Emergency Services: Black Saturday

Mr RYAN (Leader of The Nationals) — My question is to the Minister for Police and Emergency Services. I refer the minister to his admission before the royal commission early this month when he said that in regard to Black Saturday, ‘I don’t know who was doing what role’, and I ask: given that the minister was then the coordinator in chief of emergency management in Victoria, is it not a fact that the minister’s admission shows a complete abrogation of leadership and a failure to undertake his ministerial duties?

Mr Hulls — On a point of order, Speaker, I refer in particular to *Rulings from the Chair 1920–2009* at page 180, where issues before royal commissions are dealt with and where it is made quite clear that under no circumstances are members to canvass evidence before a royal commission. Evidence has been given before the royal commission, and the royal commission is yet to make any findings in relation to this matter. Despite the fact that matters have been leaked in relation to recommendations by counsel assisting, the royal commission has yet to make any recommendations, and the ruling is clear that under no circumstances are members to canvass evidence before the royal commission. The honourable member made it quite clear that what he was doing was canvassing evidence before the royal commission.

Mr RYAN — On the point of order, Speaker, I am very happy to rephrase the question, if that is the Speaker’s preference, but I point out to the house that the commentary to which I have just referred was the subject of direct television broadcast, has been reflected

in media coverage extensively, has been commentated upon substantially and in no way, shape or form breaches the protocols of the house. The question as it stands is in order.

Mr Batchelor — On the point of order, Speaker, the point the Attorney-General makes is correct. If the Leader of The Nationals is consciously and specifically canvassing evidence before the royal commission, the fact that the royal commission evidence is made public — that is, the normal proceedings before an open royal commission — is not pertinent to the ruling or to the customs and practices of this house.

This house is not seeking to stop evidence and issues before the royal commission being in the public domain but imposes upon itself a requirement that it does not seek to use its privilege to influence the processes of the royal commission. That is exactly what the Leader of The Nationals is doing: he is trying to use the position of Parliament and his position here through question time to interfere with the royal commission, and that ought to be resisted. He is nodding his head in agreement; he knows that is what he is trying to do. It ought to be resisted.

Mr McIntosh — On the point of order, Speaker, this is the vice that comes from the point of order raised by the Attorney-General: the reality is that this matter has been widely canvassed — it has been widely discussed and commentated on — in the media and out in the community, but as the peak lawmaking body in this state, apparently we are unable to canvass this matter, and most importantly, apparently we cannot ask a question of a minister whereas he can go outside and be asked by anybody else, including the media, about this very matter. I think this is beyond the pale; it is not the intention of the sub judice rule.

Mr Stensholt — On the point of order, Speaker, I have listened carefully to interventions on this point of order. I refer you to page 181 of *Rulings from the Chair 1920–2009* and a ruling of Speaker Andrianopoulos in respect of a royal commission, where it states:

Under no circumstances were members to canvass evidence before the commission but broad issues could be discussed.

I just refer that to you and ask you to consider it.

The SPEAKER — Order! I will perhaps go back to my earlier ruling. There is no standing order dealing with sub judice and the house has always been guided by the practice of the House of Commons in respect of the sub judice convention, which is a voluntary restriction that the house imposes on itself. There are

rulings from the Chair which preclude evidence being discussed under sub judice.

I ask the Leader of The Nationals to rephrase his question in such a way that will respect the convention of the house not to discuss evidence before the royal commission. Questions about the royal commission have been asked and answered before in this place. I believe absolutely, according to the convention that we have in upholding sub judice, that there are issues of policy that can be discussed. I ask the Leader of The Nationals to rephrase his question.

Mr Baillieu — On the point of order, Speaker, in your earlier ruling about sub judice you afforded yourself the discretion to judge a question, and I ask: does that apply in this case, and in the request you have made of the Leader of The Nationals are you indicating that you have exercised that discretion?

The SPEAKER — Order! That would be my interpretation of what the Chair has just done.

Mr RYAN — My question is directed to the Minister for Police and Emergency Services. I refer the minister to his comments that on Black Saturday he did not know who was doing what role, and I ask: given that the minister was then the coordinator-in-chief of emergency management in Victoria, is it not a fact that the minister's admission shows a complete abrogation of leadership and a failure to undertake his ministerial duties?

Mr Hulls — On a point of order, Speaker, this is a very important point because the sub judice convention is absolutely crucial. The fact is that we have certain privileges in this place and the ability to say things here that some may not say outside of this place. That is the privilege and the immunity we have as members of Parliament. The rules are very, very clear in relation to royal commissions. The fact that the Leader of The Nationals, in attempting to rephrase this matter, referred to statements that he knows full well have been given on oath before the royal commission does not change the fact that under no circumstances — the ruling is quite clear — are members to canvass evidence before the commission. Of course broad issues of policy can be discussed, that goes without saying, but what the Leader of The Nationals is canvassing now is specific evidence that has been given before the royal commission, and that is in breach of the rules and the standing orders.

The fact is it is the royal commission that will take into account all the evidence that has been given and all the submissions that have been made and in due course will

make findings that will be presented to the people of Victoria through the Parliament. But we cannot use this place to undermine the royal commission by allowing questions to be asked specifically about evidence that has been given before the royal commission, and that is exactly what this question attempts to do.

Mr RYAN — On the point of order, Speaker, the question in its revised form does not quote evidence in the royal commission. What the question does is refer to commentary from the minister which has been given not only in the royal commission but otherwise to the effect that he did not know on Black Saturday who had the role of being in charge. That is how the question is directed, and in that general sense it is completely apart from what evidence might have been given in the commission itself. In my respectful submission the question stands, and the minister should answer it.

Mr Batchelor — On the point of order, Speaker, essentially you offered the Leader of The Nationals the opportunity to rephrase the question so it did not refer to evidence before the royal commission. All he did was change some words and then restate the evidence he previously stated and attributed to the royal commission. He went further and interpolated and made comment on that as if it was part of the evidence before the royal commission.

You, Speaker, provided the Leader of The Nationals with the opportunity to rephrase his question. He chose not to do that in accordance with what was required. He just changed the introduction to the elements about the royal commission evidence when in fact he was required to change the substance and not refer to the evidence before the royal commission at all. You rightly exercised your discretion and provided him with the opportunity, and I think the only course of action now, given that the Leader of The Nationals failed to produce any other source or cite any other occasion where this statement may or may not have been made, is to rule the question out of order.

Mr McIntosh — On the point of order, Speaker, as I said there is no advice in relation to this matter. The fact is it may or may not have been evidence before the royal commission, but it has also been the subject of substantial media coverage and also media commentary.

The reality is that the overriding matter that came out of the ruling of Speaker Andrianopolous on page 180 that the Attorney-General spoke about is whether it is in the public interest. Clearly, as the state coordinator the minister has made comments in the media and answered questions in relation to the matters, and we

should be entitled as a matter of public interest to ask a similar question. This question has nothing to do with the royal commission; it is to do with the minister's reported remarks and commentary, and that is what the question goes to. It goes to the heart of government business, and it should be answered by the minister.

The SPEAKER — Order! As Chair, it is outside of my information whether or not the minister has made such a statement outside of the royal commission. If the Leader of The Nationals can produce — —

An honourable member — Come on!

The SPEAKER — Order! I suggest to members that the sub judice principle is very important, as many members have stressed to me in their submissions on points of order. The issue of Parliament concerning itself with parliamentary matters and the courts addressing court procedures is one of the highest principles that maintain our democracy. Because there has been public comment and media does not mean the Parliament at will can discuss something before a court, a coroner's inquest or indeed a royal commission.

If the Leader of The Nationals is able to furnish a different source of the statement he wishes the minister to address, I will allow the question, or indeed, I will allow him to rephrase the question.

Honourable members interjecting.

The SPEAKER — Order! I ask government members to come to order.

Mr RYAN — In all the prevailing circumstances, I do not have before me the alternative sources. Therefore, I will rephrase the question.

Honourable members interjecting.

The SPEAKER — Order! Government members will come to order.

Mr RYAN — My question is to the Minister for Police and Emergency Services, and I ask: given that on Black Saturday the minister was the coordinator-in-chief of emergency management in Victoria, would he please advise the house who was performing what role within the emergency control centre?

Mr CAMERON (Minister for Police and Emergency Services) — Under the state emergency response plan an emergency is conducted by the control agencies, in this case the Country Fire Authority and Department of Sustainability and Environment. In the

case of the CFA, the chief fire officer was Mr Russell Rees, and in the case of the DSE, the chief fire officer was Mr Ewan Waller.

Roads and ports: government initiatives

Mr HARDMAN (Seymour) — My question is to the Minister for Roads and Ports. I refer to the Brumby Labor government's commitment to make Victoria the best place to live, work and raise a family, and I ask: can the minister outline to the house how projects in his portfolio areas are creating jobs across Victoria, and is he aware of any challenges?

Mr PALLAS (Minister for Roads and Ports) — I thank the member for Seymour for his question, for his continuing advocacy for vital transport connections right across Victoria and also for his advocacy for the Kilmore link road — the government has committed to a \$36.5 million connection that will remove 60 per cent to 70 per cent of trucks from Sydney Road.

The Brumby Labor government is taking action to invest in Victoria's transport network. In doing so it understands that its investing in our transport network necessarily means it is giving a vote of confidence to connecting communities and making sure economies are enabled right across the state. That is why we have more than quadrupled our spending on our road network since coming to government, both in improving and in upgrading that network.

Investing in transport is also crucial to maintaining Victoria's position as the freight and logistics hub of the nation, because 334 000 Victorians depend on jobs in the freight and logistics industry. It constitutes about 15 per cent of the gross state product of Victoria, and it ensures our farmers, our manufacturers and our businesses can transport and export their goods efficiently.

By minimising transport costs for these industries we are also ensuring that Victorian consumers pay less for their goods. This is why we have taken the action that we have, for example, in terms of deepening the channel. This project was delivered at more than \$200 million under budget. It supports 14 000 jobs directly associated with work in and around the port area. It also retains the competitive position of the port of Melbourne, so Victorians will not be forced to pay exorbitant prices associated with the transportation of whitegoods, electrical goods, imported groceries and clothing.

We strongly support this project, but we have heard nothing but flip-flopping from those opposite. Through

their inaction they effectively depth-constrained our economy, and they would have sunk jobs had they been allowed to get away with blocking this vital delivery of policy.

We are taking action to introduce more efficient and safer heavy vehicles on designated high-capacity parts of our road network. We are doing that because we recognise it will make for cheaper and easier access for this vital industry, but importantly, also because it will provide for safer movements right across our state. What we have heard from those opposite is that these vehicles are nothing but monsters and their routes are cancerous to the communities they move through.

Without our doing these vital things, without our building these better roads and without our making these connections the freight and logistics community in this state would be constrained and as a consequence the economic opportunities and the jobs that these vital linkages provide would be similarly constrained. I refer to projects such as the 27-kilometre Peninsula Link, which will create something like 4000 direct jobs, open up access to key tourism industries all the way through the Mornington Peninsula and support new economic opportunities all the way down to and around Frankston.

We are building the 17-kilometre Nagambie bypass, which will support 1500 jobs and boost links to the Goulburn Valley to support our fruit and dairy industries. We are also building and upgrading 22 kilometres of the Princes Highway east between Traralgon and Sale to support jobs and industries in Gippsland, like timber, paper and gas production.

After 713 days Victorians are still waiting to hear what the policy of those opposite is — 713 days! That was a policy that was going to be incrementally released. It is very incremental.

The SPEAKER — Order! The minister should confine his remarks to government policy.

Mr PALLAS — The Brumby government will continue to fund these vital upgrades and will continue to have dialogue with the community about the policy initiatives that are required to assure this community further growth, prosperity and jobs. Of course we as a government recognise that there are pressures on families, that we need to make vital decisions around the efficient movement of goods and that our failure to do so and the failure of those opposite to support us in our efforts will cost our economy millions of dollars and will cost jobs.

The Brumby Labor government will continue to take action to support jobs, to develop policies and to make the necessary decisions to ensure that our freight and logistics industry is a vital part of the Victorian economy.

Bushfires: government performance

Mr RYAN (Leader of The Nationals) — My question is to the Premier. Given that the Premier spent several days prior to Black Saturday warning all Victorians of the possibility of the worst disaster in the history of the state, does the Premier now accept that with the Chief Commissioner of Police and the Minister for Police and Emergency Services either absent or at home, this government comprehensively failed to protect Victorians when that protection was needed the most?

Mr BRUMBY (Premier) — As I have explained to the Leader of The Nationals on many occasions, the total funding that we have put in place since we have been in government to increase support for our fire and emergency services has been something like a threefold increase. Since those terrible fires on 7 February 2009 we have continued to invest. We have made significant and major budget announcements to make sure that the plans and policies to make our state as safe as possible are in place.

In relation to other matters, these are all matters that are being addressed by the royal commission.

Honourable members interjecting.

Mr BRUMBY — That is an extraordinary view from the opposition. The Leader of the Opposition and the Leader of The Nationals, with whom I consulted closely, provided strong bipartisan support for a royal commission, which I announced with the broadest terms of reference, to look at all of the issues in relation to those fires. It would be totally inappropriate — it would be completely inappropriate — to usurp, undermine or prejudge the commission's work, as the Leader of The Nationals seeks to do today.

The royal commission needs the opportunity to look at all the information, all the evidence and all the submissions. It is best placed to do it, and it will consider all of the matters raised by counsel assisting, it will consider all of the responses to submissions by counsel assisting, and the commissioners themselves will make judgements about that. It is not for me or the Leader of The Nationals to make those judgements or to prejudge them. The commissioners will do that in a balanced and appropriate way, and it is important that

individuals in this place do not presume, prejudge or diminish the role of the commissioners. It is their job. They have the widest terms of reference, and what I have asked them to do is to look at what occurred and to make recommendations to the government so that circumstances like those that occurred on 7 February 2009 will not occur again.

Desalination plant: community benefits

Mr EREN (Lara) — My question is for the Minister for Water. I refer to the Brumby Labor government’s commitment to make Victoria the best place to live, work and raise a family, and I ask: could the minister update the house on how the Victorian desalination project will boost investment and employment in Victoria and secure water supplies for all Victorians?

Mr HOLDING (Minister for Water) — I thank the member for Lara for his question, because as a member in the Geelong region he would know that the desalination plant will benefit not only people living in Melbourne and in the Western Port and South Gippsland regions but that when the Melbourne–Geelong pipeline is completed, Geelong residents will also benefit from the significant augmentation of Victoria’s water supply that will come from the desalination project. This is a very important project. It is Australia’s largest desalination plant and will produce initially 150 billion litres of water — seawater turned into drinking water — which will be Victoria’s insurance policy against drought and climate change.

I was pleased to join the Premier last week in the Wonthaggi region to celebrate the fact that there are now more than 2000 people working on this vitally important project. There are people working in the transfer corridor, where the transfer pipeline and power connection will occur, and there are hundreds of people employed on site in the region working on construction of the plant itself.

We have also seen dozens of firms in Victoria benefiting from contracts that are being let as part of this project: Barro Group Donmix in Wonthaggi has a \$17 million contract to supply concrete to the plant; RTL in Morwell has signed a contract for \$10 million for earthworks excavation; a \$150 million contract for the construction of the pipes has gone to Tyco Water in Coolaroo, which is supplying the transfer pipeline that will connect the desalination plant to Melbourne’s water supply; and there is a \$43 million contract with Olex Australia for its Tottenham plant, which is manufacturing the electrical cables that will provide the power connection for the plant.

The Premier and I were at Page Steel Fabrications in Derrimut a few months ago to celebrate the fact that it is doing some of the steel fabrication for the reverse osmosis plant. While we were on site we saw that more than \$1.3 million cubic metres of earth has now been moved to create the dunes and the other land restoration works that will form an important part of the project.

Mr K. Smith interjected.

Mr HOLDING — The member for Bass interjects. Of course he claims he is a supporter of the desalination plant, but he just does not want to see it in his electorate. Some 398 tonnes of steel have been erected for the reverse osmosis building; 68 kilometres of cable have been manufactured; 2062 pipes are on site; and 14 kilometres of pipe has already been laid. This is an absolutely fantastic boost for Victorian industry. This is a great boost to jobs in the midst of the global financial crisis when our economy most needed this injection of jobs.

Ms Asher interjected.

Mr HOLDING — The member for Brighton interjects and says that it is late and that it should have been built earlier. I am very pleased, because I would like to — —

The SPEAKER — Order! I ask the minister to ignore interjections.

Mr HOLDING — I will ignore interjections. I would like to quote something to the house:

I also want to stress right from the outset that I am not a supporter of the desalination project ... My objection ... is that environmentally it is a dog of a project.

Mr Hulls — Who said that?

Mr HOLDING — Who said that? It was none other than Peter Hall from The Nationals, a member for Eastern Victoria Region in the Legislative Council. We have the Liberal Party saying, ‘We should have built it earlier’ and The Nationals saying, ‘It is a dog’. For everyone on the webcam watching this: Peter Hall is a Nationals member of Parliament — —

Honourable members interjecting.

The SPEAKER — Order! The minister should know that references external to the chamber are most unparliamentary.

Mr HOLDING — It is important to clarify the confusion that may exist in the public’s mind, Speaker, because certainly I sometimes find it confusing trying

to work out exactly what the opposition's position is on the desalination project.

Honourable members interjecting.

The SPEAKER — Order! I warn the Minister for Regional and Rural Development.

Dr Napthine — On a point of order, Speaker, the minister is debating the question. I ask you to bring him back to answering the question with respect to government business.

The SPEAKER — Order! I uphold the point of order. I ask the minister, who has been speaking for more than 5 minutes, to conclude his answer.

Mr HOLDING — It is very important to have created more than 2000 jobs already in the construction of this project. It was fantastic to be there last week with the Premier and to see the progress that has already been made. This project is a vitally important part of our plan to secure a water supply for Victorians. It is terrific to see that it continues to be on schedule to deliver water to the Melbourne, Geelong, Western Port and South Gippsland regions by the end of the calendar year 2011. It is a great project for all Victorians.

The SPEAKER — Order! The time set down for questions has expired.

Mr McIntosh — On a point of order, Speaker, in relation to the question asked by the Leader of The Nationals and the response from the Minister for Police and Emergency Services, as a preliminary point I draw attention to an article published in the *Geelong Advertiser* of 8 May 2010. The headline is 'Leader "unclear"; uncertainty over who was in charge', which states.

The coordinator-in-chief on Black Saturday has admitted it was unclear who was in charge at a critical time during Australia's worst bushfire disaster.

That is a matter of commentary; it is not a quote. Part of that article goes into material that was presented to the royal commission, but I just point to the fact that it is clearly the subject of commentary.

My point of order is that I renew my request that the Standing Orders Committee should be reporting on this matter as a matter of urgency. The reality is that whatever else we say about the bushfires royal commission, what is transpiring there is a matter of enormous public interest, and not of least interest is the issue of what caused the deaths of 173 Victorians. Most importantly it is a matter of high public interest.

I am certainly aware of this House of Commons ruling in relation to the Coroners Court, but as you know, Speaker, we are also now able to refer to other parliaments of the Westminster system. I point out that from recollection the Australian Senate has abrogated any limitation on discussions about a royal commission. I would have thought that in a modern Victorian Parliament we should be looking at the Senate practice before we follow the practice of the House of Commons. But likewise, the general trend in other parliaments around Australia is to abrogate that rule against limiting the house discussing royal commissions. I think it is a matter of some urgency and that it should be dealt with by the Standing Orders Committee, not this week but certainly next week — between now and the next sitting week. It should be dealt with as a matter of urgency.

The SPEAKER — Order! As the member for Kew knows, the Standing Orders Committee can be convened at any time, and I am quite happy to do that before the next sitting week.

ASSOCIATIONS INCORPORATION AMENDMENT BILL

Introduction and first reading

Mr ROBINSON (Minister for Consumer Affairs) — I move:

That I have leave to bring in a bill for an act to amend the Associations Incorporation Act 1981 in relation to regulatory requirements for incorporated associations and for other purposes.

Mr O'BRIEN (Malvern) — I ask the minister to provide a brief explanation of the contents of the bill.

Mr ROBINSON (Minister for Consumer Affairs) — The objective of the bill is to implement the recommendations of a review of the Associations Incorporation Act 1981, which commenced in 2004 and which has been endorsed by the government in the *Victorian Government's Action Plan — Strengthening Community Organisations* document, together with a number of reforms identified by the State Services Authority review of not-for-profit regulation.

Mr K. Smith — Why don't you explain to the house how you lost \$2 billion?

Mr ROBINSON — Ask the question, Ken!

The SPEAKER — Order! The minister and the member for Bass can have their conversation over a cup of coffee, if they wish.

Motion agreed to.

Read first time.

SUPERANNUATION LEGISLATION AMENDMENT BILL

Introduction and first reading

Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission) — I move:

That I have leave to bring in a bill for an act to amend the Attorney-General and Solicitor-General Act 1972, the Constitution Act 1975, the County Court Act 1958, the Emergency Services Superannuation Act 1986, the Magistrates' Court Act 1989, the Parliamentary Salaries and Superannuation Act 1968, the Police Regulation Act 1958, the State Employees Retirement Benefits Act 1979, the State Superannuation Act 1988, the Superannuation (Portability) Act 1989, the Supreme Court Act 1986 and the Transport Superannuation Act 1988 and for other purposes.

Mr CLARK (Box Hill) — I ask the minister to provide a brief explanation of the contents of the bill.

Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission) — This legislation aims to ensure that the pieces of legislation to which I have referred are, insofar as is practicable, consistent with the requirements of the charter of human rights and responsibilities.

Motion agreed to.

Read first time.

WATER AMENDMENT (VICTORIAN ENVIRONMENTAL WATER HOLDER) BILL

Introduction and first reading

Mr HOLDING (Minister for Water) introduced a bill for an act to amend the Water Act 1989 to establish the Victorian Environmental Water Holder as a body corporate responsible for managing the environmental water holdings of the state and for other purposes.

Read first time.

CONTROL OF WEAPONS AMENDMENT BILL

Introduction and first reading

Mr CAMERON (Minister for Police and Emergency Services) introduced a bill for an act to amend the Control of Weapons Act 1990 and for other purposes.

Read first time.

BUSINESS OF THE HOUSE

Notices of motion: removal

The SPEAKER — Order! I advise the house that under standing order 144 notices of motion 30, 149, 150 and 223 to 238 will be removed from the notice paper on the next sitting day. A member who requires the notice standing in his or her name to be continued must advise the Clerk in writing before 6.00 p.m. today.

PETITIONS

Following petitions presented to house:

Rail: Mildura line

To the Honourable Speaker and members of the Legislative Assembly of Victoria:

This petition of residents of Victoria draws to the attention of the house the reinstatement of the Mildura–Melbourne passenger train.

The petitioners register their request that the passenger service be suitable for the long-distance needs of the aged and disabled who need to travel for medical treatment, for whom travelling by coach or car is not a comfort option, and for whom flying is financially and logistically prohibitive.

The petitioners therefore request that the Legislative Assembly of Victoria reinstate the passenger train to service the needs of residents in the state's far north who are disadvantaged by distance.

By Mr CRISP (Mildura) (57 signatures).

Mildura Aboriginal Corporation: activities

To the Legislative Assembly of Victoria:

The petition of Aboriginal and non-indigenous residents of Mildura, north-west Victoria, draws to the attention of the house:

explanation of how funding is being used or not used to support the Aboriginal community at the Mildura Aboriginal Corporation (MAC);

right of Aboriginal community members to be serviced by MAC, without prejudice due to their connection to certain family groups which are currently being refused service;

membership forms for the corporation to be offered to all members of the Aboriginal community and are easily accessible;

the right to elect a new board of directors every year;

annual community consultations, which should be promoted to ensure community members have an opportunity to attend;

the community wishes to be informed about annual general meetings and to be provided with the minutes of the AGMs;

stolen generation members/descendants to be afforded the same opportunities as other Aboriginal people and to receive services from MAC without waiting for confirmation of Aboriginality forms to be signed off;

that all staff, Aboriginal and non-indigenous, are treated with respect and dignity;

that MAC staff and community issues are not discussed by senior staff in a way that is offensive or derogatory;

that all community knowledge is handled in a private and confidential manner and is based on evidence, not innuendo;

that single mothers, homosexuals, pregnant women, people with drug and alcohol issues, criminal offenders, other community service organisations, government workers and government agencies, former employees of MAC, unemployed people and people with mental health issues are not slandered or bullied in staff meetings or at any other time by senior management at MAC;

that MAC family services makes all endeavours to place children removed from their parents with extended family members/community members and alerts community elders of placement requests/needs;

MAC senior staff should ensure all information regarding possible paternal family connections of a child who has been removed is given to relevant child protection services;

that MAC senior staff and members of the board of directors and their families should not use or apply for MAC housing unless they are financially unable to obtain private or public housing due to extenuating circumstances;

that no member of MAC staff should receive any financial remuneration or fringe benefit from Aboriginal funded programs;

MAC should endeavour to work in partnership with other community service organisations to ensure the best outcomes possible for Aboriginal people;

that Mildura Aboriginal Corporation needs to have an Aboriginal CEO and an Aboriginal family services

manager/coordinator to ensure self-determination and cultural safety.

The petitioners therefore request that the Legislative Assembly addresses the abovementioned issues and stands up for Aboriginal people in this region who are being discriminated against. We are asking that the Mildura Aboriginal Corporation is investigated thoroughly.

By Mr CRISP (Mildura) (20 signatures).

Schools: regional and rural Victoria

To the Legislative Assembly of Victoria:

The petition of residents of Victoria draws to the attention of the house the Brumby Labor government's failure to support education in regional Victoria. In particular:

that country secondary school retention rates (the percentage of students remaining at high school until year 12) have fallen from 72 per cent in 2002 to 67 per cent in 2009 compared to city schools that have remained at 85 per cent; and

that when Labor were elected in 1999, Victorian government education funding per person was the second highest of any state, but after 10 years of Labor, Victoria now spends least on education per person of any state in the nation.

The petitioners therefore request that the Legislative Assembly of Victoria require the Brumby Labor government to stop their neglect of regional education and provide schools, teachers and students with the resources and support they need to improve educational outcomes.

By Mr NORTHE (Morwell) (14 signatures).

Electricity: smart meters

To the Legislative Assembly of Victoria:

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

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

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

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

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

The petitioners therefore request that the Legislative Assembly require the Brumby Labor government to immediately freeze the rollout of smart meters across Victoria until it can be independently demonstrated that consumers

will not be forced to pay for the Brumby government mistakes in the smart meter project.

By Mr NORTHE (Morwell) (281 signatures).

School buses: Echuca

To the Legislative Assembly of Victoria:

The petition of the following parents in the Mary Ann Road area of Echuca, which incorporates Brecon Court and Benson Road bus stops (a rural area more than 4.8 kilometres from the nearest primary school and up to 8 kilometres from the nearest secondary school) who are currently entitled to a free school bus service, draws to the attention of the house our concern that the pending school bus review will result in the withdrawal of this service, requiring students to transfer to a town bus service which attracts a fare and involves much longer and inconvenient travel times.

The petitioners therefore request that the Legislative Assembly of Victoria ensure that the school bus service currently provided to this area is maintained.

By Mr WELLER (Rodney) (26 signatures).

Tabled.

Ordered that petitions presented by honourable member for Mildura be considered next day on motion of Mr CRISP (Mildura).

Ordered that petitions presented by honourable member for Morwell be considered next day on motion of Mr NORTHE (Morwell).

Ordered that petition presented by honourable member for Rodney be considered next day on motion of Mr WELLER (Rodney).

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 7

Mr CARLI (Brunswick) presented *Alert Digest No. 7 of 2010* on:

- Appropriation (2010/2011) Bill**
- Appropriation (Parliament 2010/2011) Bill**
- Building Amendment Bill**
- Child Employment Amendment Bill**
- Domestic Animals Amendment (Dangerous Dogs) Bill**
- Drugs, Poisons and Controlled Substances Amendment (Prohibition on Display and Sale of Bong) Bill**
- Education and Training Reform Further Amendment Bill**

- Justice Legislation Amendment Bill**
- Members of Parliament (Standards) Bill**
- Parks and Crown Land Legislation (Mount Buffalo) Bill**
- Pharmacy Regulation Bill**
- State Taxation Acts Amendment Bill**
- Transport Legislation Amendment (Ports Integration) Bill**

together with appendices.

Tabled.

Ordered to be printed.

DOCUMENTS

Tabled by Clerk:

Interpretation of Legislation Act 1984 — Notice under s 32(3)(a)(iii) in relation to Statutory Rule 18 (*Gazette G18, 6 May 2010*)

Parliamentary Committees Act 2003 — Government response to the Rural and Regional Committee's report on the Inquiry into Regional Centres of the Future

Planning and Environment Act 1987 — Notices of approval of amendments to the following Planning Schemes:

- Boroondara — C93, C105, C111
- Cardinia — C77, C113
- Casey — C119
- Darebin — C114
- Greater Shepparton — C94
- Knox — C71
- Latrobe — C24 Part 1
- Maribymong — C91
- Monash — C91
- Mount Alexander — C48
- Nillumbik — C59
- South Gippsland — C53
- Stonnington — C121, C124
- Surf Coast — C54, C64
- Victoria Planning Provisions — VC70
- Whittlesea — C125
- Wodonga — C79

Statutory Rules under the following Acts:

Magistrates' Court Act 1989 — SR 25

Road Safety Act 1986 — SR 26

Supreme Court Act 1986 — SRs 22, 23, 24

Subordinate Legislation Act 1994:

Minister's exception certificates in relation to Statutory Rules 22, 23, 24, 25

Minister's exemption certificate in relation to Statutory Rule 26

Victorian Electoral Commission — Report on the Altona District by-election held on 13 February 2010.

The following proclamations fixing operative dates were tabled by the Clerk in accordance with an order of the house dated 19 December 2006:

Transport Legislation Amendment (Compliance, Enforcement and Regulation) Act 2010 — Part 1, ss 18, 37, 38, 40, 41, 42, 43, Division 4 of Part 5, ss 77, 78, 79 and 81, and Divisions 2, 3, 4 and 5 of Part 6 — 22 May 2010; Division 1 of Part 5 — 1 June 2010 (*Gazette G20, 20 May 2010*)

Trustee Companies Legislation Amendment Act 2010 — Whole Act — 11 May 2010 (*Gazette S171, 11 May 2010*).

EDUCATION AND TRAINING REFORM AMENDMENT BILL

Council's amendments

Returned from Council with message relating to amendments.

Ordered to be considered next day.

JUSTICE LEGISLATION AMENDMENT BILL

Council's amendments

Returned from Council with message relating to amendments.

Ordered to be considered next day.

ROYAL ASSENT

Messages read advising royal assent to:

11 May 2010

Trustee Companies Legislation Amendment Bill

18 May 2010

Justice Legislation Amendment (Victims of Crime Assistance and Other Matters) Bill
Transport Legislation Amendment (Compliance, Enforcement and Regulation) Bill.

APPROPRIATION MESSAGES

Message read advising appropriations for:

Pharmacy Regulation Bill
State Taxation Acts Amendment Bill
Transport Legislation Amendment (Ports Integration) Bill.

BUSINESS OF THE HOUSE

Program

Mr BATCHELOR (Minister for Energy and Resources) — I move:

That, under standing order 94(2), the orders of the day, government business, relating to the following bills be considered and completed by 4.30 p.m. on Thursday, 27 May 2010:

Building Amendment Bill

Parks and Crown Land Legislation (Mount Buffalo) Bill

State Taxation Acts Amendment Bill

Transport Legislation Amendment (Ports Integration) Bill.

The government business program this week indicates the four pieces of legislation that the government seeks to progress during the course of this parliamentary week. As can be seen, there are four items in total covered by this procedural motion. During the bulk of the parliamentary week we will be allocating time for members of this chamber to make their contribution to debate on the Appropriation (2010/2011) Bill. Whilst there are four pieces of legislation on the government business program we would indicate that the balance, if not the majority of the week, would be spent on the appropriation legislation. For those members who are keen to make a contribution on a very good budget, this is the opportunity to do that.

I also point out and confirm my intention that after 4.00 p.m. on Thursday we will consider the amendment from the Legislative Council to the Water Amendment (Entitlements) Bill. I am using this opportunity in moving the government business program to set out the program for this week, and I expect that it would be supported by all members of the house.

Mr McINTOSH (Kew) — The opposition does not oppose the government business program. The remarks by the Leader of the House about supporting the program might have been a little over-enthusiastic, but we are not opposing it. I am aware, following discussions with the Leader of the House, that the opportunity will be made to debate the four bills on the government business program and hopefully we will make significant inroads into the discussion on those four bills during the course of today. I also understand that after debating committee reports tomorrow the intention is to go on to budget responses to enable as many members as possible to make their contributions during the course of this week and then return to complete the four bills on the government business program by some time on Thursday. I understand we will then be debating the water amendment bill after 4 o'clock.

It is important to note that the budget will not be passed this week but will continue to be debated in the next sitting week to give all members an opportunity to speak on it. Importantly the Appropriation (Parliament 2010/2011) Bill will not be completed this week either; it will not be debated at all this week, and we will start the debate in the next sitting week. With those brief remarks, I reiterate that the opposition does not oppose the government business program.

Mr DELAHUNTY (Lowan) — The Nationals in opposition will not be opposing the government business program. If members look through the notice paper we were all issued with today, notice paper 165, they will see that under government business, orders of the day the first item is, the State Taxation Acts Amendment Bill 2010, and that will be debated. It is interesting to note that order of the day 2, the Gambling Regulation Amendment (Licensing) Bill 2010, has been omitted from this week's government business program. We will debate the next four items on the list, including the Appropriation (2010/2011) Bill, which the Leader of the House and the member for Kew spoke about. I understand why the government has dropped the Gambling Regulation Amendment (Licensing) Bill, because we all know the auction we just had was a debacle, and for venues like the Royal Hotel in Horsham it was soul destroying. I understand why the government is not game to bring that debate into the house today.

As the Leader of the House mentioned — and I will say the words for him, because he was reluctant to say them — item 14 on the government business program, which he said we would debate after 4 o'clock on Thursday, is the Water Amendment (Critical Water Infrastructure Projects) Bill 2006. Again, I say '2006'.

Mr Batchelor — On a point of order, Acting Speaker, I said we would debate the Water Amendment (Entitlements) Bill 2009 and the amendment of the Legislative Council. That is item 9 on the notice paper.

Mr DELAHUNTY — I take the advice of the Leader of the House. It is just disappointing; we look forward with a great deal of anticipation to the time when item 14 will finally be debated. Even the other bill will give us an opportunity to talk about water, which is the lifeblood for us in country Victoria.

We have four bills to be debated before the guillotine on Thursday, not including the water bill and the appropriation bill, which, as the Leader of the House and the member for Kew said, will not be voted on this week. There is a lot of room for members from across Victoria to have a say on bills that are important not only to their electorates but to the state of Victoria in general. The Nationals in opposition will not be opposing the government business program.

Mr LANGDON (Ivanhoe) — I will make a very brief contribution to the debate on the government business program. As was outlined by the Leader of the House, there are four bills to debate, as well as the appropriation bill, and I know the opposition and The Nationals are not opposing the motion. I re-emphasise what the Leader of the House said: it is government business order of the day 9, not 14, that we will be debating after 4 o'clock on Thursday. We have a few second-reading speeches to do as well, but it is an easy government business program in comparison to some. I believe all whips will endeavour to get as many members as possible to make their contributions on the appropriation bill. I commend the government business program to the house.

Mr INGRAM (Gippsland East) — It is a pleasure to speak on the government business program. A number of items included in the program are incredibly important pieces of legislation, and I indicate that I will be speaking on several of them, in particular the Building Amendment Bill 2010 and the Transport Legislation Amendment (Ports Integration) Bill. They are very important pieces of legislation.

I understand the government has said that most of the week will be taken up by budget responses. However, whilst there are only a small number of bills on the program, they are important pieces of legislation that have been the subject of much debate, particularly in relation to builders warranty insurance under the Building Amendment Bill. It is important that there is adequate time for these pieces of legislation to be considered in the Parliament.

Also, as we have already seen, there are a number of amendments to bills coming from the other place. It would be disappointing if those important pieces of legislation were not given adequate scrutiny in this chamber, because they are critically important to my constituents and the Victorian community.

Mr HODGETT (Kilsyth) — I rise to make a few brief comments on the government business program. The opposition does not oppose the government business program for this sitting week. As has been mentioned, there are four bills to be dealt with this week: the Building Amendment Bill 2010, the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010, the State Taxation Acts Amendment Bill 2010 and the Transport Legislation Amendment (Ports Integration) Bill 2010. However, the reality is that this sitting week the bulk of the debate time will be spent on members making contributions to the debate on the Appropriation (2010/2011) Bill, otherwise known as the budget.

As the member for Lowan rightly pointed out, government business order of the day 9, the Water Amendment (Entitlements) Bill 2009 — amendment of the Legislative Council, will be considered after 4.00 p.m. on Thursday. Regarding government business order of the day 14, I take the opportunity to note that we are still waiting to hear what the government will do about that bill as the member for Lowan continues to point out.

The reality is that the government does not understand what the word ‘critical’ means. The Water Amendment (Critical Water Infrastructure Projects) Bill 2006 still languishes at item 14. We will not be opposing the government business program this week, and we look forward to members being able to make their contributions to debate on the budget.

Motion agreed to.

MEMBERS STATEMENTS

Arts: *The Threepenny Opera*

Mr BATCHELOR (Minister for the Arts) — *The Threepenny Opera*, a groundbreaking opera first performed in Berlin in 1928, will be performed here in Melbourne from Friday. *The Threepenny Opera* is a creative collaboration between the composer, Kurt Weill, and poet-writer, Bertolt Brecht. *Mack the Knife* is the most widely known song from the opera.

Due to the religious heritage and the philosophical and political views of Kurt Weill and Bertolt Brecht, *The*

Threepenny Opera fell foul of the Nazi regime in pre-war Germany. It was on the book burning list and was eventually banned by the Nazis. Both Weill and Brecht experienced the oppression and dangers in Germany at that time and fled their home country.

Brecht and Weill’s original collaboration is echoed here in Melbourne through another creative collaboration, this time between Richard Gill of Victorian Opera and Michael Kantor at the Malthouse Theatre. For this production the opera’s enduring tale of thieves, beggars and prostitutes has been set locally, emphasising its use of the vernacular, social satire and its potent, bittersweet musical score.

Such has been the response to *The Threepenny Opera*, that its season is close to being sold out before it starts. I say to everyone that if they get the chance, they should take the opportunity to see this amazing performance. It will truly be a remarkable experience.

Government: budget debt

Mr WELLS (Scoresby) — This statement condemns the Brumby government for its continuing dishonesty and spin when it comes to misleading Victorians on the issue of the deeply disturbing increase in state debt, the most recent example being when the Treasurer was caught out trying to mislead Victorians by claiming he has a long-term strategy to manage Victoria’s ballooning debt.

The reality is that at a Public Accounts and Estimates Committee hearing on 11 May the Treasurer was asked why this year’s budget papers for the first time refer to a debt strategy. In response the Treasurer claimed that the debt strategy was an ongoing commitment and was in last year’s budget papers; however, in a major embarrassment, when invited by the committee to find the debt strategy in last year’s budget papers the Treasurer was caught out and could not find any such strategy.

The truth is that prior to this budget the Brumby government had not told Victorians how it will repay the \$31.7 billion in non-financial public sector net debt that will have accumulated by 2013–14. Even now the Premier and Treasurer have given no indication of how Labor will repay our debt, which is climbing rapidly from \$8 billion in 2008 to \$31.7 billion in 2013–14. The interest bill on this debt is forecast to rise to \$3.2 billion per annum by 2014, a billion dollar increase from the estimated interest cost of \$2.2 billion.

Essendon Rotary Club: 75th anniversary

Mrs MADDIGAN (Essendon) — This year Essendon Rotary Club celebrates 75 years of service to the Essendon community. Established in May 1935, it was the first suburban Rotary club to be established in Victoria; the only club that has existed for longer is the Rotary Club of Melbourne. I particularly congratulate Anne Rogers, the president of the Essendon Rotary Club, her committee and all the other members who work so hard to have a range of activities to celebrate the work that they have done.

The Essendon Rotary Club is going very strongly at the moment. It currently has 80 members. It has a great record of providing community services over the 75 years it has been active in Essendon. Looking at some of the activities the club has been engaged in over that time shows what a great effort it has made and why it is an integral part of Essendon.

The club had a function at the Moonee Valley Racing Club, which well over 200 people attended. I think all those who were there were very pleased to hear about the great work the club has done over its 75 years. I wish it all the best of luck for the next 75 years.

Liquor licensing: coalition policy

Mr DELAHUNTY (Lowan) — The Brumby government again stands condemned for its soft-on-crime approach, which is highlighted by two matters in western Victoria.

The first is that the Hindmarsh Shire Council is looking at installing security cameras to curb antisocial behaviour in Nhill — a great town — following a number of incidents in the CBD, such as a large snatch-and-grab burglary, smashed shop windows and damage to street signs.

The other is a street brawl that happened in Hamilton on the weekend. Four police were completely overwhelmed by back to back violent brawls involving up to 80 people. A police officer was punched, a security officer received a broken jaw, all four sets of handcuffs were used, an arrested drunk was released into the care of a sober person, and many people were inciting others and would not move away when instructed.

For these reasons the people of Victoria are supporting the Liberal-National coalition's policy targeting not only liquor licensees who continue to break the law but also patrons. Under our policy, licensees who do the right thing by ordering drunk, violent or quarrelsome patrons from their venues will be backed up by tough

sanctions if their instructions or the police's instructions are ignored. We will double the penalty for failing to leave a licensed premises and introduce a new law making it an offence to remain on the footpath or in an area adjacent to where a person has been required to leave or been refused entry. We will also introduce a new law making it an offence for a person to re-enter within 24 hours a premises they have been required to leave.

Victoria requires not only more police but also tougher laws.

The ACTING SPEAKER (Mr K. Smith) — Order! The member's time has expired.

Josh Hogan

Ms BEATTIE (Yuroke) — I rise to acknowledge a talented young musician, Josh Hogan of Craigieburn. Josh is 23 years old and is the drummer for Rudely Interrupted. Josh has been playing the drums for the past three years. He has found he has natural rhythm and learns very quickly.

Rudely Interrupted was formed as part of musical therapy at the Greensborough disability care centre. Josh's talents are all the more special as he was diagnosed with autism. Rudely Interrupted has played at many venues across Melbourne and had the distinction of playing in New York in 2008 on the occasion of the United Nations International Day of People with Disability. I would like to congratulate Josh and Rudely Interrupted for their fantastic efforts.

I am told that Rudely Interrupted performed their video single *Close My Eyes* at the Corner Hotel in Richmond on 20 May. I would also like to congratulate Josh and his band on their tour next month to America and Canada. I am sure this house will be hearing a lot more about Josh and Rudely Interrupted in the future. I wish Josh well on his trip to America and Canada; I know it will broaden his musical horizons and augur well for the future.

Battle of Crete: commemoration

Mr KOTSIRAS (Bulleen) — On the morning of 20 May 1941 Germany launched an airborne invasion of Crete under the codename Operation Mercury. The Battle of Crete lasted for only about 10 days but is considered one of the most significant battles in modern history. Greek and Allied forces, along with Cretan civilians, defended the island of Crete. The Germans suffered massive losses in just 24 hours with none of their objectives having been achieved. More importantly, it was the first time invading German

troops had come across mass resistance from a civilian population. The Battle of Crete is therefore a very special and important event to both Greece and her allies. This extraordinary act of self-sacrifice is remembered every year when we take the time to pay our respects and say thank you to the many civilians who gave their lives for the freedom we have today.

Hundreds of Australians lost their lives in the Battle of Crete, but strong, enduring friendships were formed with the Cretans who helped our Australian soldiers before, during and after the invasion of the Cretans' homeland by the Germans. That strong friendship and bond remains today and is a precious legacy for coming generations. It was Winston Churchill who said, 'Hence we will not say that Greeks fight like heroes, but that heroes fight like Greeks'. What better event to illustrate this courage than the courage shown by the Greeks during the Battle of Crete.

Fitzsimons Lane–Porter Street, Templestowe: roundabout

Mr KOTSIRAS — I wish to condemn the Labor government for not providing any funds for the installation of traffic lights at Fitzsimons Lane and Porter Street —

The ACTING SPEAKER (Mr K. Smith) — Order! The member's time has expired.

Rotary Club of Eltham: Pride of Workmanship awards

Mr HERBERT (Eltham) — It is a great pleasure to rise today to congratulate the Rotary Club of Eltham on the terrific role it plays in supporting the Eltham community. There is no doubt that the club is one of the strongest and most progressive Rotary clubs in Victoria, if not Australia. It makes an enormous contribution to supporting good causes in our local community and also in the international community and countries that are less well off than Australia.

Recently I attended an event for Rotary's Pride of Workmanship award scheme, a scheme which is designed to recognise and reward companies and their employees who strive for excellence in the workplace and encourage a sense of community pride in individual achievement. The finalists for 2010 include great local businesses AAA Display and Signs, Andersen McCarthy and Partners, Eltham Midway Jewellers, M and M Printworks, and Skaterz Roller Blade. These five diverse businesses make a terrific contribution to the Eltham community and are all well regarded and patronised by residents of the Eltham electorate. Special

mention is also due to Tony Wason, president of the Rotary Club of Eltham, and program manager Gary Williams for their terrific work in organising this highly successful event.

Mildura Base Hospital: funding

Mr CRISP (Mildura) — Mildura has outgrown its hospital, and I have presented this issue to this house on many occasions. Mildura has had a steady growth rate of 2.5 per cent since the hospital was designed and built over a decade ago. Due to Mildura's isolation there are no bypass options in my community.

I was astounded to read in the *Sunraysia Daily* of 15 May comments made by the Treasurer; he said our hospitals need to be overlooked in the state budget. The Treasurer went on to say that priority was given to where there is a growing population. The health minister is aware of the problems in Mildura and visited last year to see for himself. As a result, the hospital was asked to forward, as a matter of urgency, costings for the planned redevelopment. Then there was nothing in this year's budget or in the forward estimates. The work required is modest although sizeable, and I urge the Minister for Health and Treasurer to reconsider their positions.

Mildura: proposed casino

Mr CRISP — During a visit to Mildura a member for Northern Victoria Region in the other place, Candy Broad, indicated the Brumby government was developing a process to evaluate a proposal to build a casino in Mildura. Further, it was stated that the Premier was waiting for the project to generate jobs and tourism. The local newspaper's headline was 'Casino kicks off', yet the Minister for Gaming was reported in Public Accounts and Estimates Committee proceedings last Friday as stating that the casino is not even at the first hurdle and that it would be some months before the government could contemplate the matter further.

The Premier continues to insist on a strong showing of community and bipartisan support. The government needs to properly define its position; at the moment the issue is causing distress in my electorate.

Lakeside Primary School: Premier's reading challenge

Ms LOBATO (Gembrook) — Last week I had the pleasure of hosting author Alison Lester at Lakeside Primary School in Pakenham to celebrate the school's involvement in the Premier's reading challenge and to celebrate Education Week. Alison, a local in the

community, is a well-known and accomplished author, having written around 30 children's books and with many more on her to-do list.

I was very pleased to provide this opportunity to Lakeside Primary School students on behalf of the Premier, having heard of the great enthusiasm being shown by the students towards the Premier's reading challenge. All students showed immense interest in learning about how Allison became an author and illustrator and about the origin of her inspiration for her subjects. Lakeside Primary School has proudly established itself as a leading state-of-the-art educational facility serving the community of Lakeside and surrounds well.

Rail: Lakeside station

Ms LOBATO — Last week the Minister for Public Transport and I announced that tenders have now been called for the construction of the Cardinia Road train station at Lakeside in Pakenham. We released the concept design for the station, which design is also available on my website. During the coming months the Department of Transport and I will hold community information sessions to advise residents of all the details of this very welcome project that will be under way within months. Lakeside residents are thrilled that this project is on track and look forward to using this state-of-the-art station.

Mitchell River: proposed dam

Mr INGRAM (Gippsland East) — I rise to congratulate the author of a recent publication and survey that was distributed across Gippsland. The title of the publication is 'A dam on the Mitchell River — Have your say on a critical issue facing East Gippsland', and I quote from the document:

No matter the stated purpose of constructing a dam, it would inevitably lead to pressure to divert water to Melbourne.

It further states:

Given this major threat, I have expressed strong opposition to the development of any dam on the Mitchell River and its tributaries.

The present off-stream storage arrangements adequately meet the region's water requirements.

It goes on to discuss the vegetable industry at Lindenow and states:

... there is already a major off-stream storage holding water entitlement and thereby guaranteeing regular access to water supply ...

These approaches are realistic and practical ...

I congratulate the author of this document, Mr Philip Davis, a member for Eastern Victoria Region in the other place. The interesting comment, though, is that when the survey is returned I am sure he will get the same response that I have got from two surveys that I have conducted of my constituents — that is, they oppose the construction of a dam.

This will place the member directly at odds with The Nationals. Will he back the coalition's policy if they back a dam or will he tear up his Liberal ticket, or is this just a way of ensuring that this issue is adequately debated? I congratulate Philip Davis on standing up for his constituents and making the strong statement that this dam should never be built.

Kinglake: bushfire recovery

Mr HARDMAN (Seymour) — I wish to congratulate the Kinglake Ranges Community Recovery Committee which held a Revisiting Remake Kinglake Day on Sunday, 23 May. It was great to see local groups and individuals — particularly Lesley and the youth group members — participating in this important day which outlined progress being made on ideas put forward at the Remake Kinglake Day last year.

As well as seeking feedback from the community on the projects under way, proposed or not yet progressed, it was encouraging that senior departmental, Victorian Bushfire Reconstruction and Recovery Authority and shire people attended and listened to the community; they helped by giving answers. The ongoing dedication of workers, volunteers and leaders to ensuring a successful rebuilding of Kinglake is heartening.

Hidden Valley: fun run

Mr HARDMAN — I also congratulate the organisers of the Hidden Valley Run who this year raised funds for the Children First Foundation on Sunday, 23 May. This year's event was very professionally run and well supported by local community members who turned up in force to participate on a very cold autumn morning. Congratulations to Ben Roarty of Totally Fit Gym in Wallan and Claire Malcolm of the Children First Foundation who garnered support from many sponsors and celebrities including Moira Kelly from the Children First Foundation, Dave Hughes and Simon O'Donnell. It was also great to see my colleagues Danielle Green and Liz Beattie, the members for Yan Yean and Yuroke respectively, and a former member of the other place, Rob Mitchell, participating in this great community event.

Buses: Doncaster and Mitcham roads

Ms WOOLDRIDGE (Doncaster) — I rise to ask the Minister for Public Transport to amend plans for peak-hour bus lanes along Doncaster Road and Mitcham Road. I applaud any improvements to public transport in Doncaster and appreciate the reasoning behind the introduction of the lanes. However, there is considerable concern at the impact these measures will have on local businesses when they are introduced next month.

Of particular concern is the significant restriction this will place on the unloading and loading of cars, which occurs throughout the day on Doncaster Road where car dealerships are clustered. One of the car dealers has told me:

To request from large firms like TNT to have cars only despatched between 9.00 a.m. and 4.00 p.m. is near enough impossible... We have been in operation for nearly 20 years, employ over 160 staff and totally rely on daily vehicle drop-offs and collections. To request from us such a drastic reduction in operational times for vehicle dispatch is unreasonable and shows total lack of understanding towards our business.

In light of the potential adverse effects this will have on businesses all along Doncaster Road, I ask for urgent consideration of a very reasonable request that bus lanes apply only on the westbound side of the road in the morning peak and the eastbound side of the road during the evening peak. This compromise would allow improved flow for buses during the peak periods while also allowing local businesses to continue essential business operations. I urge that common sense prevail and that peak hour bus lanes be altered accordingly.

Northside Christian College: bushfire support

Mr BROOKS (Bundoora) — Today I wish to congratulate the staff and students of Northside Christian College on their work to raise funds to help with the bushfire relief efforts following Black Saturday last year. In the wake of the devastation of the Black Saturday bushfires the school community felt compelled to assist as much as it could to help those who had suffered in the fires. Their fundraising efforts resulted in their raising just over \$53 000. Of this money \$8500 was used to provide counselling services to children from Strathewen Primary School; \$10 000 was given towards the rebuilding process of El Kanah, Marysville, a heritage property which had been a residential counselling centre for many years; \$10 000 was used to cover chaplaincy one day per week to Kinglake Central and Kinglake West primary schools for 2011; \$5000 was given towards sponsoring the making of a DVD, *Rising from the Ashes*, a project

detailing the impact of the fires on survivors and their stories of hope and renewal; and \$5000 was given in sponsorship towards a family fun day for bushfire victims which was run by Diamond Valley Baptist Church.

The remaining money was given to Breakaway Camps, an organisation which works with disadvantaged children from the cities of Darebin, Banyule and Whittlesea. The only access to the Breakaway Camps property at Taggerty was destroyed by the fire, as well as a shed full of equipment and fencing. Donations were used to help replace the entry bridge to the property.

Members are well aware of the tremendous response from the entire Victorian community to assist those affected by the Black Saturday bushfires. I am very proud to highlight this example of community spirit that has shone so brightly after such a tragic event.

Shire of Yarra Ranges: weed control

Mrs FYFFE (Evelyn) — Last July the Brumby Labor government promised Yarra Ranges Shire Council \$1 million to be delivered over four years to help fight problem weeds, including blackberries, pittosporum and ivy, only to have the council find out from the member for Monbulk that the money has gone to the Department of Sustainability and Environment. It was originally announced with much fanfare that the money was going to council, and now it has not. Council was also told the money was to tackle weeds on council land, but it has now turned out the government is only planning to use the money for weeds on Crown land. I urge the Minister for Environment and Climate Change to immediately reinstate the funds to Yarra Ranges council, as was originally intended.

Buses: Yarra Valley

Mrs FYFFE — On another matter, government response to the long-anticipated bus review for the Yarra Valley was extremely disappointing. Despite recommendations for 10 new services, we got none. All we got were two increases to existing services. A recommendation that route 685 from Warburton to Chirnside Park be zone 2 for the whole journey fell on deaf ears. We have a Met fare up to Allsops Road, then it is \$2 each way to Warburton, which is \$20 extra per week. Similar routes and distances in Pakenham and Healesville are part of the Met fare system for the whole of the routes. This government has certainly missed the bus in the Yarra Valley, and I ask the minister to reconsider and look again at the

recommendations of the inquiry. Many serious and well-thought-out submissions were laboured over for many hours and submitted to the review. Extra buses are needed on Clegg Road.

Police: death in custody

Mr LIM (Clayton) — The Chinese community and the wider community are shocked and dismayed to learn that a very sick man who was in police custody was ignored for an extended period of time when he begged for assistance from the police in Dandenong. The *Age* reported yesterday and again today that on Thursday, 12 May, a man of Chinese background was not provided with assistance by the police while he was detained. He was in severe pain and was crying for help. He was reported to have crawled out of his cell, bleeding and on all fours like a dog. The man later died in hospital after waiting for more than 40 minutes for an ambulance because the police reported that his case was not serious.

The Chinese community believes what has happened is totally unacceptable. The Chinese community believes the case needs to be properly investigated and demands a real answer. The community believes this very serious incident has damaged the trust and confidence in and the high regard the Chinese community has always had for Victoria Police. The community believes that if misconduct and criminal negligence due to abrogation of responsibility and lack of duty of care are proven, then the perpetrators should be made accountable. Such inhumane treatment is un-Australian and has no place in Victoria Police. The authorities have to get to the bottom of this cruelty and provide justice to the surviving family. The house should commend the Chinese interpreter who brought this case to the attention of the Neil Mitchell program on 3AW.

School buses: Echuca

Mr WELLER (Rodney) — I rise to raise the matter of possible unfair consequences of a school bus review which is being undertaken in the Rodney electorate. School students living in the Mary Ann Road area near Echuca currently have access to a free bus service as they live beyond the 4.8-kilometre limit to their nearest primary school and the 8-kilometre limit to their nearest secondary school. However, the study is proposing that they be transferred to the town bus service, which not only attracts a fare but also means longer and more inconvenient travel times and trips. To force such a change would be unfair and discriminatory to the students and their families, and their opposition to this proposed change has been highlighted in a petition signed by the affected families and presented in this

house today. Parents of affected students are concerned there has been no consultation at all. This should be an integral part of any study, particularly one which has the possible outcome of causing disruption to the lives of young people travelling to primary school. To date no explanation has been given for the proposed changes and parents have been left in the dark.

I call on the Minister for Public Transport to investigate this situation and to ensure that these students are not denied their right to free bus travel. The current service works effectively for all users, and I seek the minister's support in maintaining the status quo.

Williamstown Hospital: achievements

Mr NOONAN (Williamstown) — The results from the latest *Your Hospitals* report demonstrate the efficiency and professionalism of the hardworking staff of Williamstown Hospital. The report gave a glowing account of the hospital's emergency department, finding that over the last six months the hospital admitted 1419 more patients than in the previous six months, an increase of over 50 per cent, and that 100 per cent of category 1 patients were seen immediately. The report also found that 98 per cent of category 2 patients were seen within 10 minutes of arrival and 96 per cent of category 3 patients were seen within 30 minutes. In addition the report found that the hospital had well exceeded the benchmark targets in all categories of elective surgery.

These results are now indicative of a longer term trend at the hospital, which has been aided by the state government's overall investment in Western Health, and a \$3.2 million redevelopment of the emergency department back in 2006. More recently the government announced a \$400 000 contribution to an expanded dialysis unit at the hospital, which will open in the coming months. This support is in stark contrast to that offered by members of the Liberal Party in opposition, who recently accused the hospital of keeping secret waiting lists — a claim that was proven to be false.

I place on record my personal thanks and the thanks of the local Williamstown community to the many hardworking staff of the hospital. I also thank and acknowledge the leadership of Western Health's CEO, Kathryn Cook, along with members of Western Health's board.

Desalination plant: Wonthaggi community

Mr K. SMITH (Bass) — As we heard during question time, last Friday the egotistical,

publicity-seeking, hard-hatted, orange-jacketed Premier and his little water boy, Holding the Bucket, went to the desalination plant at Wonthaggi to turn the first sod on the electricity supply at the desalination plant. Along went the media by road and by chopper to report on this big occasion. They all had plenty of notice. The local sandwich shop also had plenty of notice, and it supplied a lunch of sandwiches and rolls for the Premier. But what about the local mayor, the CEO and the councillors, all of whom have more than a passing interest in the desalination plant and in speaking to the Premier on the commitments that he and former Premier Bracks made to the local community? They were given no invitation to attend.

If the Premier thinks he is so popular, why was it that he had to sneak in by the back entrance to try to avoid some of his loyal citizens who were at the front gate waiting to greet him? The sad joke about all of this is that the power cables are being laid from the Pakenham end, and that started about three months ago. What a con on the media, and what a con on the people of Victoria! The Premier should be aware that the big hole down at Wonthaggi that he looked down into is not as deep as the hole he is digging for himself and his government by their arrogant and corrupt actions.

City of Casey: landfill compensation

Mr PANDAZOPOULOS (Dandenong) — I raise a matter of concern to me in the propaganda campaign being run by the City of Casey, which is seeking \$41.9 million from the state government over the City of Casey's failure with the Stevensons Road landfill, where a serious gas leak occurred last year. I have been reluctant to be involved in this debate, but I have seen some propaganda letterboxed to residents indicating that the council is seeking this money.

At one time I was a councillor at the former City of Berwick, which neighboured what was then the Shire of Cranbourne, a council run by the Liberal Party. All that the City of Casey needs to do is have a look at the original files — the City of Casey is made up of the two former councils of the Shire of Cranbourne and the City of Berwick — to see that when I was a councillor the City of Berwick was debating a landfill in Narre Warren North. At one stage we compared a proposed landfill in Narre Warren North with one that the Shire of Cranbourne was planning on developing at Stevensons Road. The Shire of Cranbourne decided to do something that the City of Berwick did not do. That council went for the jerry-built, low-cost version of landfill, and the City of Berwick at the time built a higher cost landfill at Narre Warren North, which was state of the art at the time, properly lined and located

with a co-generation plant to collect all the methane. Now there is housing all around the landfill built by the City of Berwick.

I find it hypocritical that the City of Casey wants to pass the buck to the Victorian Civil and Administrative Tribunal, the state's independent land and environment court, and on to the Environment Protection Authority for overreacting, rather than accepting that if you erect a jerry-built construction, you should accept liability for things that might go wrong in the future. That is why I am standing here and raising this matter in Parliament.

Frankston: Pines Pride Festival

Mr PERERA (Cranbourne) — Recently the Frankston Pines community had their annual Pines Pride Festival. This is an event with a multicultural flavour having on and off-stage cultural activities organised by the culturally diverse Frankston Pines community.

It was a tribute to the Pines Pride festival committee, which organised the event, working steadily for eight months to plan the day; the Frankston Pines wider community; the non-Frankston Pines volunteers; the State Emergency Service; the stall participants and contractors; the council staff; and the staff of Frankston North Community Renewal. My special thanks go to the following key players who were at the forefront of putting the fantastic event together: Gillian Collins, Margaret McGrath, Mark Gaffe, Daniel Simons, Janet McQueen, Marogh Pedlar, Lisa Mugg, Lisa O'Toole and others.

The event had \$1500 funding from the Department of Planning and Community Development, \$1200 from the Victorian Multicultural Commission, \$1500 in kind from Frankston council, \$2500 and a lot more in kind from Fruit Property Frankston real estate, and \$200 from TLC Aged Care. I would like to thank all those generous contributors.

About 4000 visitors attended the festival, and almost twice as many groups were involved as last year. It is indeed a privilege to represent such a community-minded place as Frankston Pines in the Victorian Parliament. The visitors on the day experienced a bubble-blowing stilt walker, a global village with dancing and crafts — —

The ACTING SPEAKER (Mrs Fyffe) — Order! The member's time has expired.

Ken Pannell, Paul Hart and Michael Hanneberry

Ms HENNESSY (Altona) — I rise to pay tribute to three brave firefighters: Ken Pannell, Paul Hart and Michael Hanneberry. I was honoured to attend a ceremony last week in which they were rightly and justly presented with an executive officer's commendation for bravery and service to our local community. Having had the pleasure of meeting Ken, Paul and Michael, I know they are humble in their assertions that they were just doing their job, but when they do their job so well, it is important that we acknowledge, celebrate and commend them.

STATE TAXATION ACTS AMENDMENT BILL

Second reading

Debate resumed from 6 May; motion of Mr HOLDING (Minister for Finance, WorkCover and the Transport Accident Commission).

Mr WELLS (Scoresby) — I join the debate on the State Taxation Acts Amendment Bill 2010 and state from the outset that the coalition is not opposing this bill, the purpose of which is to amend the Duties Act 2000 relating to: firstly, allowing the payment of land transfer duties using an online payment system; secondly, amending the dutiable threshold for motor vehicle duty; and, thirdly, providing for the continuing election of eligible pensioners to receive an exemption, concession or the additional first homeowner's bonus.

The bill also gives effect to the state budget measures relating to the extension and increase in the first home owners grant scheme bonus payments for the purchase of new homes from 1 July 2010, including an additional regional bonus. The bill amends the Land Tax Act 2005 to provide an exemption for the construction of retirement villages, residential care facilities and supported residential services facilities. It amends the Payroll Tax Act 2007 to reduce the rate of payroll tax from 1 July 2010. It amends the Taxation Administration Act 1997 to remove the commissioner of state revenue's power to authorise by regulation access to information in relation to the administration of taxation law. Further, several redundant acts will be repealed by the bill and consequential amendments made to other acts.

In regard to main provisions, if we look at how the bill amends the Duties Act 2000, we see it will allow for the payment of transfer duties online. The State

Revenue Office is currently developing an online electronic land transfer duty payment system which is expected to commence operation in March 2011. Currently duty payments have to be lodged in person directly or by a solicitor or an agent, and documents have to be stamped before submission to the land titles office. The new system will allow real-time payment acknowledgement direct to the land titles office to allow the processing of the transfers.

New section 255A will provide for the commissioner of state revenue to authenticate the payment of duties using the online system. An instrument that effects or is used as evidence of the dutiable transaction will be deemed to be stamped and therefore allow the land titles office to register the transfer of land, which will be of enormous benefit to solicitors and conveyancing firms in country Victoria which have that difficulty of trying to get the paperwork down into the city for it to be stamped.

I remember a bill that was introduced into Parliament in November or December last year which highlighted the need to try to reduce the amount of time people spent when paying stamp duty. One of the reasons for the bill that was put to us as an opposition was the problem country firms — country real estate agents, country solicitors and country conveyancing firms — had in getting that paperwork organised and getting into the city to have it stamped and ready.

A further main provision is to amend the dutiable threshold for motor vehicle duty. That will bring the threshold used for charging a higher rate of duty for new or near-new motor vehicles into line with the commonwealth's luxury car tax threshold. The existing threshold of \$57 009 has been out of step with the luxury car threshold of \$57 180 during the current 2009–10 financial year. The amendment will ensure the two thresholds remain in line in future since the duty threshold will be increased in accordance with the annual indexation of the commonwealth luxury car tax threshold.

There are also amendments which provide for the continuation of existing provisions for eligible pensioners to elect to receive a duty exemption concession or a first home owner bonus but not both. In regard to the first home owner grant, the grant is extended and increased for new homes. The state budget extends the first home bonus for a further 12 months to 30 June 2011 while increasing the bonus for a new home in metropolitan Melbourne by \$2000 to \$13 000 and for a new home in regional Victoria by \$4000 to \$19 500. When you include the existing \$7000 first home owner grant, the purchaser of a new

home in Melbourne will receive a total of \$20 000 and a purchaser in regional Victoria will receive \$26 500. Purchasers of established first homes will continue to receive \$7000. However, the existing bonus of \$2000 for established homes will cease on 30 June. The bonus and first home owner grant eligibility property value cap will remain at \$600 000.

The bill amends the Land Tax Act 2005, and the opposition strongly supports this part of the legislation. It allows for a land tax exemption of up to two years for a total piece of land or a partial section of land being developed for the purpose of a retirement village, residential care facility or supported residential services facility. Where a building permit lapses and construction has not started and a fresh permit is granted no further exemptions will apply. We have been advised that this provision is designed to encourage new investment in residential aged and disabled care facilities through a lowering of the cost of development, and we think this is a positive step forward. The bill also amends the Payroll Tax Act 2007 to provide for a 0.05 per cent reduction in the rate of payroll tax from 4.95 per cent to 4.9 per cent which will be effective from 1 July.

The bill also amends the Taxation Administration Act 1997, which I touched on previously. It removes the existing powers of the commissioner of state revenue to authorise by regulation the release of personal information to prescribed persons in the administration of a taxation law. We are advised this brings the provision into line with recommendations of the Victorian privacy commissioner. The bill also repeals a number of redundant acts — namely, the Business Franchise (Tobacco) Act 1974, the Debits Tax Act 1990 and the Financial Institutions Duty Act 1982. These acts are considered to be redundant and are repealed by the bill. There are minor consequential amendments to various acts including the Credit Act 1984 and the Taxation (Interest on Overpayments) Act 1986. These are made as a result of the repeal of both acts.

We have a number of concerns about the bill, which I will go through, which is why we have decided to not oppose the bill rather than support it. We believe the bill does not do anything to assist in addressing the crisis in housing affordability for the majority of first home purchasers, particularly for those buying in established suburbs who do not wish to or cannot afford to build a new home on the urban fringe. Approximately 70 per cent of first home purchasers buy established homes, and the amount of assistance available to them has decreased at a time of record home unaffordability. For first home buyers in

Melbourne the median price of a house is \$524 500. They will receive \$7000, but they will still have to pay stamp duty of \$23 440. When compared with the situation in other states this means Victorians pay the highest level of stamp duty in Australia.

The rate of payroll tax, which I will come to again later, has decreased very slightly from 4.95 per cent to 4.9 per cent, but the annual payroll tax wage threshold remains fixed at \$550 000. That is the lowest in any of the states or territories. I believe that affects and is a disadvantage to many small businesses in Victoria, and that is why we are not opposing the bill rather than supporting it.

I turn to the issue of housing affordability. In my budget reply speech on 6 May I referred to a graph, and I would like to refer back to it today to make the point about the widening gap between growth in earnings and the cost of a house in Melbourne. A median-priced house in Melbourne now costs more than eight times the average annual pre-tax wage of \$63 000, which is making it extremely difficult for first home buyers to enter the market. A survey done in January this year by Demographia, which is the group that studies these things, shows the average Melbourne household would need to spend over 50 per cent of its annual income to pay for the mortgage on a median-priced house. It found Melbourne housing was severely unaffordable. Of 272 cities surveyed, Melbourne was the third most unaffordable based on income and cost of housing.

We are concerned that housing affordability is approaching levels where first home buyers and people entering Victoria from other states or from overseas are going to be priced out of the market. Despite the so-called increases in bonuses and in the first home owner grant it remains a point of contention that the cost of housing in Melbourne is becoming unreachable for many people who are trying to get into the market.

In 2008 the number of residential lots available for housing was 38 per cent below the level available five years earlier despite annual population growth rising by almost 60 per cent. If you add this to the price of those blocks of land, you see that they skyrocketed by 138 per cent between 2000 and 2008. The Housing Industry Association has reported that the median land price in Melbourne rose again by 8.5 per cent in 2009. The issue of the supply of land for homebuyers at a reasonable price is of great concern to the opposition. Meanwhile between 1999 and the March quarter this year the stamp duty paid on Melbourne median-priced owner-occupied homes has increased by 125 per cent to \$23 440.

Since 2005 the earnings gap between Victorians and the rest of the country has continued to widen substantially. At the same time prices have also risen to further erode the incomes of families from all over the state. At a time when it is very tough to enter the housing market the government has failed to address the issue of land supply and the issue of the rising amount of money it receives in stamp duty.

Since 1998–99 stamp duty on land transfers has increased by 270 per cent from about \$1 billion to an estimated \$3.7 billion in 2010–11, and it is forecast to increase by 14 per cent to \$4.2 billion in 2013–14. The stamp duty take in this budget increases by an extra \$555 million over the forward estimates period. As I mentioned earlier, Melburnians have the dubious honour of paying the highest amount of stamp duty of people in any of the capital cities. I want to compare that to other states. On a \$524 500 home, which is the price of Melbourne's median-priced home, non-first home buyers in Victoria would pay \$23 440 in stamp duty, but if they lived in New South Wales they would pay only \$19 093. In Queensland they would pay \$9608 and in Tasmania they would pay \$18 530.

Although we have spin and rhetoric from this government about what it is doing for people entering the housing market, new home buyers entering the market are finding it very tough, and the government is relying more heavily on property taxes — mainly land tax and stamp duty. Since this government first came to office, in 1999, its dependency on property taxes — land taxes and stamp duty — has doubled from 15 per cent in 1999 to almost 35 per cent in 2010–11. The way the government is relying on property prices and the value of properties, there will be a greater increase in property prices.

As I mentioned, when you compare land tax levied in Victoria to other states and look at all the dutiable value categories — from \$200 000, \$300 000, \$400 000, \$500 000 right up to \$1 million houses — in every category from the \$300 000 to the \$1 million mark Victorians pay the highest amount of stamp duty of any state. Compared to New South Wales, Queensland, Western Australia, South Australia and Tasmania we pay the highest stamp duty. The exception is the \$200 000 dutiable value category where our tax is the second highest, behind South Australia. That is based on figures from the State Revenue Office, the REIV (Real Estate Institute of Victoria) and HIA (Housing Industry Association).

The bill also has amendments to land tax. As I said, we support land tax exemptions to try to get the market moving with regards to retirement villages and

residential care places. We think that that is good public policy. But there has been a significant increase in land tax and in the land tax take that this government relies on.

In 1998–99 the amount of land tax collected by the government was \$378 million. It is forecast to be \$1.4 billion in 2010–11, so the land tax take in this budget increases by an extra \$580 million over the forward estimates. People say land tax is for the rich, but let me tell you that land tax hits employment. If you visit manufacturing companies and other factories around Melbourne that pay land tax, their managers will say to you, 'We will not be able to put on full-time people while we have this land tax; we are going to put on casuals, because the cost of the land tax is hurting significantly'. Especially for those small businesses that have to pay it, land tax is hurting badly.

I was interested to note that the government spoke about the payroll tax cut from 4.95 per cent to 4.9 per cent. This government has collected more than \$30 billion in payroll tax since 1999. In 1998–99 the government collected \$2.1 billion in payroll tax. It is going to collect an estimated \$4.3 billion next financial year, and that is expected to increase a further 19 per cent to \$5.1 billion in 2013–14. Increasingly small businesses are being caught up in the payroll tax slug each year, because the payroll tax threshold in Victoria is \$550 000 per annum, which is the lowest threshold of any state.

If you are a small business in Victoria, as soon as you reach wages payments of \$550 000 you start paying payroll tax. If you are a small business in Adelaide, you do not start paying payroll tax until you reach a total of \$600 000 in wages. If you are in New South Wales, you do not pay payroll tax until you reach \$638 000. If you are in Western Australia, you do not pay payroll tax until you reach \$750 000 in wages. In Queensland the threshold is \$1 million, and in Tasmania it is \$1.1 million. Payroll tax was never meant to apply to small businesses, but if you set the threshold at \$550 000, obviously each year there will be a significant number of companies, small businesses, being caught up in that net and they will end up paying the tax, so the proportion of small businesses who pay payroll tax is higher in Victoria than in any other state. That is very clear.

As I mentioned earlier, we support the move to enable the State Revenue Office to take online land transfer duty payments from real estate agents, individuals, solicitors and conveyancing firms, so that there is not that physical step of having to go in and get titles stamped. That will make the process much easier and

more efficient, especially for country people who are in the business.

The last point I would like to make regards thresholds — bringing the duty on vehicles here into line with the luxury car tax, and that being indexed by the commonwealth. With those few points I repeat that the opposition will not be opposing this bill.

Ms RICHARDSON (Northcote) — I am very pleased to speak in support of the State Taxation Acts Amendment Bill. I say to the member for Scoresby that if he is going to have a second go at a budget reply speech, it is probably a good idea not just to be a commentator but to actually outline what he would do in contrast. It is not enough to just sit on the sidelines; members opposite actually have to enter the debate and say what they would do. Then we can have a serious debate about the economic future of this state.

This bill before the house complements and delivers on Labor's budget that was released during the last sitting week of Parliament. The Treasurer delivered a great Labor budget; it delivered another record of over \$9.5 billion investment in infrastructure, and another record of over \$4 billion investment in health via the partnership with the commonwealth government. It delivers upgrades to Victorian schools. The government promised 500 Victorian schools would be upgraded or modernised, and 533 schools have been upgraded. The state will have additional kinder places and more front-line police. On top of this, the budget again delivers tax cuts for Victorians, this time to the tune of \$461 million. All these investments are designed to help Victorians steer a course through these tough economic times and keep our state competitive.

This bill details these changes and makes a range of other consequential changes arising from this year's state budget. I would like to firstly highlight the change made to payroll tax, to reduce the rate to 4.9 per cent. This will come into effect from 1 July this year and benefit over 31 000 businesses in Victoria. This cut is the seventh to payroll tax since Labor came to office, and it delivers for Victorian businesses the lowest payroll tax since 1975. Some \$193 million over the next four years will be saved by Victorian businesses as a consequence of this important measure.

During the delivery of the budget much was said about payroll tax, but it is worth putting on the record that Victorian businesses with a payroll between \$5.5 million and \$17.95 million will now pay the lowest payroll tax in Australia; outright Victoria now has the second-lowest payroll tax regime in Australia. Along with the 3.5 per cent cut in WorkCover

premiums this cut to payroll tax is designed to help Victorian businesses survive and thrive in these tough economic times, because we know that it is these Victorian businesses that in very great part provide jobs for working families.

The bill delivers a tax exemption for land on which a retirement village or residential care facility is being constructed. Supported residential services and residential services for people with disabilities are also included in this exemption. This will apply from 2010–11, the 2011 land tax year onwards, and will provide a significant incentive for the construction of these much-needed facilities. Over \$28 million in savings will be delivered via this important measure. For an ageing community this is truly great news for individuals and families, who often struggle to find suitable facilities close to where they live.

The bill delivers important changes that were announced in the budget to the first home owners bonus, which has delivered well beyond expectations. Last year the Housing Industry Association said the scheme directly created over 19 000 jobs in Victoria. We all know how important a scheme it is for those trying to purchase their first home. In this year's budget the scheme has been extended and retargeted to benefit those constructing new homes, particularly in centres outside metropolitan Melbourne.

It means that after 1 July 2010, \$20 000 — up from \$18 000 — will be paid to those purchasing a new home in metropolitan Melbourne. Those purchasing a new home in regional Victoria will receive up to \$26 500 — up from \$22 500. First home buyers purchasing an established property valued at less than \$750 000 will still receive the first home owners grant of \$7000. Last year a record 53 730 Victorians bought their first home. So schemes like the first home buyers grant directly affect the ability of Victorians to enter the housing market. These changes are very welcome indeed.

The bill also implements important changes to ensure that Victorian laws are simplified and aligned with other states and commonwealth laws. This further reduces costs to Victorian businesses. From 1 July 2010 the threshold for charging the higher rate of duty for new or near-new passenger cars will be aligned with the general luxury car tax thresholds under the commonwealth legislation.

The Duties Act will be amended to enable for the payment of land transfer duty by an online system and to remove redundant legislation to Victoria's statute books, including the Financial Institutions Duty Act,

the Debits Tax Act and the Business Franchise (Tobacco) Act. Repealing acts such as the Financial Institutions Duty Act brings to mind the fact that we were the first state to remove all taxes and duties as required under the GST agreement — —

Mr Jasper — All of them?

Ms RICHARDSON — Indeed, all of them. There is only one other state in Australia that has followed our lead. Many commentators have welcomed and praised Labor's latest state budget and the measures implemented in this particular bill. Standard and Poor's reaffirmed Victoria's AAA credit rating immediately following the budget.

Mr Stensholt interjected.

Ms RICHARDSON — Yes. It said:

Today's budget is consistent with the government's demonstrated fiscal prudence ... a downside potential on the rating remains low, with the budget's forecasts and Victoria's commitment to its medium-term fiscal strategy continuing to support the rating.

The Master Builders Association said in its press release that it:

... welcomes the state government's budget announcements to expand the Victorian first home bonus scheme and cut payroll tax and WorkCover premiums.

It went further and said:

For a median-priced home in Melbourne, future mortgage payments will be reduced by \$8 per fortnight, \$210 per year and \$6300 over the life of the average home loan.

The Victorian Employers Chamber of Commerce and Industry, in its press release issued on the day of the budget presentation, said:

In many respects the 2010–11 state budget has delivered business a short-odds trifecta via modest cuts in business taxation and WorkCover premiums, selected infrastructure boosts and a strong surplus.

This budget and the consequential amendments that are being brought forward by this bill deliver for all Victorians. The changes that are being made to payroll tax, WorkCover premiums and land tax exemptions all build on Labor's commitment to cut taxes in this state. Since 1999 Labor has cut \$5.5 billion worth of taxes. The measures outlined in this bill and via the budget deliver another \$461 million of tax cuts to businesses and also reduce their costs. This is on top of infrastructure investment, investments in health, investments in education and investments in sustainable jobs for the future. They are all designed to help Victorian businesses weather what has been the most

severe global recession since the 1930s. It has been done through Labor's commitment to fiscal responsibility, to having an eye on the future and to making sure that Victorian families have jobs through this most difficult financial period in Victoria's history. I commend the bill to the house.

Mr JASPER (Murray Valley) — In joining the debate on the State Taxation Acts Amendment Bill I have noted the comments made by the member for Northcote. Interestingly she referred to a reduction in a range of taxes affecting businesses in the state of Victoria. I suggest to the member that she should go out into the business world in Victoria and talk to some of the people who are being affected by the taxes and charges being imposed on them right across the state.

I highlight some of the issues. It is interesting to go back to the early 1980s, when Rob Jolly was the Treasurer in this state and when we had new taxes on tobacco products. The then Treasurer told the house there was going to be a 5 per cent increase on the taxes being imposed on cigarette products in Victoria and that the then government estimated that that would reduce the incidence of smoking by 10 per cent. But he then went on to say the government would raise an extra \$40 million with that increase.

That is the sort of sleight of hand that is occurring with some of the issues raised in the legislation we are debating today. I highlight particularly payroll tax. Payroll tax is an iniquitous tax. It is a tax on businesses before they make a profit. You can have a business losing money but still paying payroll tax. The Premier has said in this chamber that the level of payroll tax will drop from 4.95 per cent to 4.9 per cent — a 0.05 reduction in payroll tax — and the second-reading speech on this bill also indicates that there will be a reduction in the number of businesses paying payroll tax, that so many thousands of businesses in Victoria will not be paying payroll tax, but in fact there will be a huge increase in the amount of money being collected by the government from payroll tax.

As the member for Scoresby has outlined, the threshold is \$550 000 before you start paying payroll tax, and this is the lowest in Australia. The threshold in Queensland goes over to \$1 million, and indeed other states have a higher threshold than Victoria. If we take into account the increments in wages and salaries being paid to employees across Victoria, we find there is an increased level of funding being collected by the state government. Here we have the threshold at \$550 000 and a reduction of 0.05 per cent in the level of payroll tax imposed. The government says there will be a reduction in the number of businesses that will be

involved in paying payroll tax, but it then says it will get an increase in the amount of money it collects from payroll tax. Here we have the inequity of the government collecting more money on the basis that the threshold is not as high as it is in other states of Australia, but that is also not taking into account the increments in wages and salaries.

That matter was also highlighted by the member for Scoresby when he spoke about the massive increase in land tax payable by people in Victoria. Why? Because we have seen an increase in the prices that people are paying for houses and for housing construction. We have higher costings for houses that are being built, and thus higher stamp duty is payable. What we have in this state is a situation where the government is claiming that it is maintaining costs at a lower rate and reducing the charges on a range of businesses and industries across Victoria, but in fact we find that general business and industry and indeed home buyers are paying more in stamp duty.

I applaud the fact that this bill facilitates an increase in the allowances from the state government for people purchasing and buying new homes. The increase is quite commendable, and I support the provision of an increase in the allowance available for those who are buying homes in country Victoria. The second-reading speech outlines the increase in these amounts, and indeed the federal government is adding \$7000 to this. On the one hand there is an increase in the payment from the state government to the purchasers of these homes, but on the other hand what is not stated is what those purchasers are paying in stamp duty. Most of this money is coming back to the state by way of stamp duty, the level of which is based on the price of the average home being built in Victoria. This is a concern right across the board.

These are the issues that are important to bear in mind when we look at the legislation before the house. Then we should consider the increase in revenue. Over the 10 years that this government has been in power state revenue has gone from about \$20 billion to an estimated \$40 billion in this financial year. We need to have an understanding that the government is going to provide this increase in funding. It has to achieve some economies of scale. It needs to seek to economise in government services, particularly through the public service. We should see consideration of where these increases are being provided and indeed whether we can restrict an increase in staff through the state government. Figures need to be looked at on the basis of an increase in staff occurring right across Victoria now, compared to, say, 10 years ago. That is an issue that should be addressed.

I am not suggesting that we reduce services that are important to us, such as health and education, but we need to look at other areas of government expenditure where economies of scale can be achieved, where we can reduce the dependence of many people on the state government. The government needs to look at where it can do that. The strength of the Victorian economy is in private enterprise, through private enterprise being able to be encouraged to be efficient, to be able to work hard, to be able to make a profit and then pay taxes according to the profit that is being made. But when we see some of the charges that are being imposed by the state government and the spin that has been generated in relation to some of these issues, we need to put it into the proper context.

The proper context of this debate is that whilst we have this bill implementing the provisions that have been introduced through the budget for the government, we need to take into account where we can be more efficient with what we are doing and look to encourage people who are involved in wealth generation for this state to be efficient and profitable and not burden them with increased state charges. Many business people in my electorate of Murray Valley have talked to me about the difficulties they have in operating their businesses effectively, in being able to make a profit and to pay and provide benefits to their staff.

Again we have a situation where the government is not taking appropriate account of the people who are the wealth generators and is not asking how it can reduce the costs and charges on those businesses. As I have indicated, there is a small reduction in payroll tax, but there is increasing revenue to the government, so we are again seeing more and more revenue being taken in by the government.

These issues are of great concern to business. They are issues the government should be addressing so as to encourage business and industry to be able to work hard and provide good products and services and not have all the impositions that are placed on them. I have covered only a couple of those impositions in my contribution this evening, but many other charges are being imposed on them through governments. There needs to be a review of all the charges imposed on businesses, not only the ones I have mentioned in this speech but the whole range of charges which are increased automatically. That is another issue that should be taken into account by government. All rates and charges being imposed by the government are increasing automatically by regulation each year. These increases are being imposed without justification and with no consideration for business when, in my view, we should

be looking at how we can assist businesses in the future.

I mentioned payroll tax particularly because it is the charge made before any profit is made by business. That needs to be reviewed. Successive governments have talked about it. We need to see some action in replacing that tax with some other source of revenue such as through other revenue being produced by the government but more importantly by being more efficient in what they are doing in trying to assist in developing the state of Victoria. Yes, there are some positives, but I believe there are other areas that need to be taken into account when we look at the economy of the state of Victoria and at the legislation that is before the house.

Mr STENSHOLT (Burwood) — It is always a delight to follow the member for Murray Valley. It is my belief that he should have been the minister for small business under the Kennett-McNamara government. The member for Brighton would be disappointed in my statement in that regard, but I know that the member for Murray Valley, like myself, is a strong supporter of small business. He has said that many times in the house as we tend to make our contributions before or after each other in this regard.

Let me assure the member for Murray Valley and the house that this is another great Labor bill supporting business. This is another great Labor bill supporting jobs in our community, jobs that give families security, jobs that help people in terms of where they can live and make sure they can raise those families. This is a budget that once again provides tax cuts for our businesses.

The member for Murray Valley talked about tax cuts and changes. We know what happened under the Kennett-McNamara regime. There was one tax cut. How much was it for? It was for \$1 million. What have we cut under the Bracks and Brumby governments? We have cut taxes. I will not go through the list because it is such a long one, but we have been cutting taxes again and again. So far over 10 years it amounts to \$5.5 billion worth of tax cuts. In this budget, and what this bill is dealing with in part, are \$461 million worth of tax cuts. Included in that, but not covered in this bill, are cuts to WorkCover premiums. What is included in this legislation are cuts to payroll tax. It is a big cut — \$193 million worth.

I know that the member for Murray Valley says, ‘What about small business and things like that?’. Let me suggest that he not only reads chapter 4 of budget paper 4 but also chapter 5. I am sure he has read it; it is

bedtime reading. If not, I am sure he will have plenty of time tonight before the house rises to do so. Page 237 of budget paper 4 refers to payroll tax exemptions and \$1.956 billion in tax expenditures that can be costed, including thresholds. There are nearly \$2 billion worth of tax concessions in terms of the threshold.

We have already heard the member for Northcote talking about payroll tax and how, with this change, the payroll tax rate for payrolls between \$5.5 million and \$17.95 million will be the lowest payroll tax rate in Australia. We will now have the lowest rate of payroll tax in 35 years. That is longer than the member for Murray Valley has been in the house — only by one or two years, from memory. It is the lowest payroll tax rate in 35 years. This is something we have done again and again: we have cut taxes, and we are doing it once more.

I listened to the contribution of the member for Scoresby as well. It was his second attempt at trying to give a budget reply speech. This one was not much better than the first one. He had no plans. The member for Murray Valley, though, did have a plan. What was the member for Murray Valley’s plan? He actually had two. The first one was: let us cut the public sector. I assume the Treasury advisers will probably lose their jobs as a result of the member for Murray Valley’s ideas, but ‘Let us cut the public sector’ is his big idea. That is true to form. He says, ‘Let us cut taxes and if we cut taxes then business will be able to grow.’ He is forgetting that we have such a well-managed economy that business is growing here in Victoria. He should check out the figures. There have been 107 000 new jobs in the last 12 months. More than 50 per cent of those jobs are full-time jobs. Many of those jobs are in the regional areas which the member for Murray Valley represents. It is a wonderful credit to the fine management of the Victorian economy by the Brumby Labor government in times of economic turmoil such as we have had over the last couple of years.

As the member for Northcote has said, this has been the worst recession since the 1930s. We have come through this. We have not just squeaked by; we have come through it with over 100 000 new jobs. As I said before: jobs, jobs, jobs. They are most important for families. Not only that but we have also come through this crisis with full-time jobs; more than half are full-time jobs. I am sure the member for Murray Valley knows the difference between a full-time job and a part-time job is being able to have a decent standard of living and being able to look after your family properly. It is very important. Not only that but Victoria has also been able to do it in such a way that this year we are going to

introduce \$461 million worth of tax cuts, largely covered by the bill that is before the house today.

What have they done elsewhere? No other state last year was in the black. Western Australia said it would be but failed in the end. We are actually in the black. We have maintained the budget in the black, and we intend doing so through this fiscal year. We have said we are going to do it next year and the year after and year after that, unlike the federal government which said, 'We will get there in three years time'. We are already there and we are improving it in this regard so that we can cut taxes. No other state did it last time except Western Australia, but after a couple of months it said it could not do it any more. We now have the budgets coming out from the other states and I think the Australian Capital Territory actually raised taxes.

An honourable member interjected.

Mr STENSHOLT — Western Australia; yes, it did one. It placed a tax exemption on caravan parks. We have had that for several years now.

The bill also contains a further land tax exemption, which the member for Scoresby says he supports — rather than his mealy-mouthed 'We will not oppose' stance — to promote the quicker building of aged and residential care homes, which I strongly support as well. It is a fine initiative of the Brumby Labor government.

We have not heard from New South Wales and Queensland yet, but the Northern Territory has introduced a very small stamp duty concession for concessional sorts of areas. We have been able to make \$461 million worth of tax cuts, over and above the tax exemptions we already have nested in Victoria's finances.

In addition to the \$28 million exemption for residential and nursing homes, we have provisions for new home buyers. More new homes are being built in Victoria than anywhere else in Australia. If you look at the March figures — I am speaking from memory; I have to admit I do not have the reference here, but I remember reading it a few weeks ago — you will see there were as many new home starts in March in Victoria as there were in Sydney, Brisbane and Adelaide combined.

More people, more young families can afford to buy these new houses because they have got the jobs, because the government created 107 000 or 108 000 new jobs over the last 12 months; the provisions in this bill for new home buyers make it affordable for them. It also increases the incentive to

build new homes, not only in the outer areas of Melbourne but also in regional Victoria, where there are extra incentives.

It is more difficult in my area, but I do not think any home in my area is worth less than \$750 000. However, the bill also provides that if a home — perhaps a flat or apartment in my electorate or those of the member for Brighton or the member for Box Hill — is fully renovated before the buyers move in, they are actually entitled to the full new home bonus. This is not a well-known fact, but it is something that is available to a small number of people. Some people do buy a place and completely renovate it before they move in. However, they have to do so before they move in, rather than after they have moved in, or they will not be eligible.

I am very supportive of this bill. I am supportive not only of the tax cut arrangements in the bill but also of the arrangements the bill makes to allow people to deal with land title documents electronically. This is an important provision that makes it easier, particularly for people in the suburbs, to lodge a land transfer document with the State Revenue Office, which can be done and paid for using a web-based system.

I know practitioners in my area who have difficulties when it comes to physically lodging documents. I will not go into all the ins and outs of the difficulties they have had, but they have faced complications. I hope the arrangements for the new web-based system will make it much easier for such people and stop them having to make numerous trips or trying to do it at certain times when they know people are available there to receive the documents. I commend the bill to the house.

Ms ASHER (Brighton) — I also wish to make a contribution to debate on the State Taxation Acts Amendment Bill, which the opposition does not oppose. The bill, as has previously been outlined, relates to a small cut in the payroll tax rate to 4.9 per cent, following other cuts to payroll tax by this government and indeed three cuts by the previous government. The bill also deals with the first home bonus, land tax and the Duties Act.

In particular the legislation allows stamp duty payments on land to be made online. The bill repeals a number of pieces of legislation — for example, the legislation that established the financial institutions duty, which was repealed by the state and commonwealth agreement at the time of the introduction of the GST.

In the first instance I want to look at the state government's tax take as outlined in budget paper 4.

The state government's tax take is large. In 2010–11 it is estimated that the total tax take will be \$14.4 billion, up from \$12.6 billion in 2008–09 and a revised total for 2009–10 of \$13.6 billion. In terms of the taxes this bill deals with, the government's total estimated payroll tax take is \$4.2 billion, up from \$3.979 billion in 2008–09 and the revised total of \$4 billion for 2009–10. That is a change of 5.9 per cent.

Likewise, the government's estimate for the total land transfer duty — stamp duty — take in 2010–11 is \$3.672 billion, a 5 per cent increase. Likewise for land tax, we have seen an 11.8 per cent increase, with the government estimating that in the 2010–11 financial year it will take \$1.362 billion in land tax, up from the revised estimate of \$1.2 billion in 2009–10. The government's tax take is particularly large.

When we debate this sort of bill we always make this point: the government says it reduces the rate of payroll tax but we point out that the tax take is up. I have argued that a genuine, meaningful tax cut is one where the tax take may go down, but we can see from these figures that the government's tax take is rising.

In particular I draw attention to the changes to the Duties Act. The government is introducing an online system for people to pay stamp duty. In the second-reading speech the government referred to 'significant administrative savings' that it believes will be achieved by the lodging of stamp duty transfers online. I ponder on the government's rationale for this. It is a significant administrative reform for the government, but it is not a reform of the tax itself. The idea is that it is easier to grab the money from people who pay land tax under the government's system, and that will be a help to government. I think we are all meant to be grateful for that.

I will go through what the take is in relation to my electorate and make some comparisons with the stamp duty levels in New South Wales. The stamp duty on a median-value property in Brighton in March 2010 is over \$107 000. If that property were located in New South Wales, the stamp duty take would be just over \$93 000. Likewise, the stamp duty on a median-value property in Brighton East is just over \$74 000, but if that property were located in New South Wales, the stamp duty tax take would be \$59 740. Likewise, the stamp duty levied on a median-value home in Hampton is just over \$72 000, but if that same property were in New South Wales, the stamp duty take would be \$57 540. Lest members of the Labor Party point out to me, as they always do in relation to this, that there are high-value properties in my electorate — and there are relatively high-value properties — I have taken the

median value and made the point that in New South Wales it is less and that in Queensland, depending on whether it is a first home or not, it is less again.

Page 7 of the Master Builders Association of Victoria's submission to the government on what it wanted in the budget looks at stamp duty on land transfers based on a \$185 000 block of land. The Master Builders Association makes the point that in Victoria the duty payable is \$5620. Stamp duty is miles cheaper in Queensland at \$1850, in the Northern Territory at \$2524, in New South Wales at \$4965 and in the Australian Capital Territory at \$4975. Tasmania and Western Australia also have lower rates of stamp duty. Only South Australia has a higher rate of stamp duty levied on that \$185 000 block. Again, the Master Builders Association makes the point that I am reiterating, which is that the tax take on stamp duty in this state is very high in a relative sense. The government is happy to keep taking it and is now going to provide an online mechanism for doing so, which will give it significant administrative savings even though there is no actual stamp duty relief.

I turn now to payroll tax. I too want to take up the points that were raised by the shadow Treasurer, because business groups in their pre-budget submissions asked for something better than what the government has delivered. The Victorian Employers Chamber of Commerce and Industry in its pre-budget submission asked for the payroll tax rate to be lowered to 4.85 per cent and for the payroll tax threshold to be increased to \$700 000. The Australian Industry Group in its submission dated February 2010 and entitled *Supporting Competitive Victorian Industries* asked for a cut in the payroll tax rate to 4.75 per cent from July 2010. Likewise, the Victorian Automobile Chamber of Commerce in its pre-budget submission asked for reform, particularly the gradual reduction of payroll tax and a threshold of \$1 million.

If you look at what happens in other states, you can see that yet again the threshold is more generous to smaller businesses, which are the ones impacted by it. In New South Wales the threshold is \$638 000, in Queensland the threshold is \$1 million and in South Australia the threshold is \$600 000. We have seen in the shadow Treasurer's presentation that the threshold in Tasmania is higher, and so it goes on. Victoria's threshold of \$550 000 has been at that level for some time, and Victoria has not made any attempt to move that significantly, although there was a slight shift previously. The pointed issue here for small business is that that threshold is a disincentive to employing more people. If you are a small business and you think you are going to hit the threshold, that is at the most basic

level deterring employment. Given that wages have risen, I think it may be time for the government to look at that threshold.

I also want to briefly make reference to the new taxes that the government has introduced since it came to power in 1999. There have been 26 new or extended taxes, charges or tolls introduced by the Labor Party since 1999. They include the gaming machine levy introduced in 2000, stamp duty extensions on land-holding bodies, payroll tax on employment agencies, the environmental levy applied to water authorities and so on. As I have indicated by reference to the budget papers, this government is a high-taxing government. It intends to have additional taxes collected in the budget that is brought before the house. In relation to this particular bill I think the government wants the people to be pleased with an online lodging system for stamp duty when in fact the rate at which stamp duty is levied is much higher than in other states. Small businesses are meant to be grateful for a tax cut, but I think the government should have looked at the threshold in addition to the cut.

My point remains that this is an extremely high-taxing government that is taking record amounts of payroll tax, stamp duty and land tax. I think the government has missed out on an opportunity to invoke more reform, not only through the budget but obviously also through this bill, which reflects what was in the budget when it was introduced into the Parliament a couple of weeks ago.

Debate adjourned on motion of Ms GREEN (Yan Yean).

Debate adjourned until later this day.

BUILDING AMENDMENT BILL

Second reading

Debate resumed from 15 April; motion of Mr WYNNE (Minister for Housing).

Mr CLARK (Box Hill) — The Building Amendment Bill 2010 is a bill to increase the maximum penalties under the Building Act 1993 for a wide range of offences. It also provides for further offences that may be made subject to plumbing infringement notices. It allows for the regulations to prescribe the registration or licensing in a class or classes of plumbing work or specialised plumbing work as a prerequisite for registration or licensing in a class or classes of specialised plumbing work. It also provides that the Victorian Managed Insurance

Authority (VMIA) is a designated insurer in relation to domestic building work and makes a statute law revision amendment to the House Contracts Guarantee (HIH) Act 2001.

Probably the main purpose of the bill is to increase various penalties contained in the Building Act 1993. The government says it is doing that because the base rates of penalties contained in the act have not increased since the original act was introduced. There are also occupational health and safety considerations, an increased focus on strengthening consumer protection and the goal of increasing the deterrent effect for those who conduct shoddy building work. There will be in total increases to 69 different fines contained in the Building Act, in relation to things ranging from occupancy permits to the erection of a circus tent. The bill also allows for increases in penalties for venues that contravene their occupancy permits by allowing in more patrons than the permit allows. There are also changes to clarify the roles of building surveyors and building practitioners, particularly clause 31.

In relation to the plumbing regulations, which are affected by clauses 32 to 49, the bill seeks to further regulate certain types of work that can be carried out by a licensed plumber. These changes arise from a 2008 review of the plumbing regulations. The bill will require, in effect, that those who advance to various stages of skill as plumbers need to be fully qualified in all parts, not just some parts, of the specialist category they take on. For example, specialised courses and qualifications in water supply will be needed to have been undertaken for plumbers to carry out work on back flow prevention. Penalties have also been increased for people who conduct plumbing work but who are unlicensed.

In relation to the increased penalties in the bill one can understand the objective of the government and of the departmental officers in wanting to ensure that penalties are adequate to deter rogues, to ensure that the law is complied with and that consumers are protected as far as possible. Clearly some building works can involve very considerable sums of money indeed and failure to carry out building works to a proper standard or to observe requirements in relation to the protections of adjoining landowners or to allow people into a place of entertainment which is not safe can have very serious consequences. One clearly wants the penalties to be of a level that can appropriately reflect the seriousness of some of those potential breaches.

However, I have to say the coalition parties are concerned that these penalties apply both to offences that can be very serious — for the reasons that I have

outlined — and could also apply to relatively small offences and in some instances potentially inadvertent ones. In those instances people can be hit with enormous penalties indeed, and I cite just one example to illustrate the point. Clause 3 of the bill proposes to increase the penalties for carrying out building work without a building permit, and it proposes to increase that penalties from the current levels, which are 100 penalty units in the case of a natural person and 500 penalty units in the case of a body corporate, to 500 penalty units in the case of a natural person and 2500 penalty units in the case of a body corporate.

Penalty units initially started off at a \$100 denomination some years ago, which would make the penalty for a body corporate some \$250 000; with indexation since then the penalty would be significantly higher. So this is a very substantial sum indeed and, correspondingly, for a natural person the penalty is now well in excess of \$50 000. The breach of the Building Act which can incur this penalty is set out in section 16(1):

A person must not carry out building work unless a building permit in respect of the work has been issued and is enforced under this Act and the work is carried out in accordance with this Act, the building regulations and the permit.

Subsection (2) provides:

Subsection (1) does not apply to building work exempted by or under this Act or the regulations.

In other words this is a very broad provision indeed. It could catch someone who erected a large public building — a building into which many people might enter to work or to live — and clearly if somebody carries out building work of that nature without a building permit, and particularly if they do so knowing exactly what they are doing but hoping that they are going to get away with it where that is likely to be associated with substandard building work or a building that is in other respects is contrary to public policy, then they may well deserve very serious punishment.

However, at the other end of the spectrum this prohibition applies to any building work unless it has been exempted by or under the act or the regulations. The definition of 'building work' in the act is very broad indeed. Section 3 says it means:

... work for or in connection with the construction, demolition or removal of a building.

Subject to the exemptions, virtually any work that one carries out on any building will qualify as building work. Of course there are a range of exceptions for relatively modest works that are carried out on various

premises but nonetheless there may well be people who carry out work at their own homes, or indeed at their own business premises, of a relatively minor nature which they carry out in good faith not knowing that they require a building permit, and they can incur this penalty.

I know, as I expect many other members know from when they have had tradespeople carry out works, refurbishments or minor alterations at their homes, that there are a range of works that do not require a building permit and then there are other works that do require a building permit. We have seen that if a tradesperson or perhaps an owner-builder were to get it wrong in terms of their assessment of what the law required they could potentially incur a very severe penalty — and a penalty of \$250 000 or more would bankrupt many people. It would destroy many small businesses, yet for a relatively small and inadvertent error — not one intended to facilitate shonky building or which in any way failed to comply with public policy, but is due to some misunderstanding of what qualified as an exemption — a person could expose themselves to a penalty of that nature.

The government may well say that this is just a maximum penalty, and indeed it is just a maximum penalty. One would hope that a court, in exercising its powers in relation to sentencing, would take into account the gravity of the offence, but it is not good public policy to set up a huge maximum penalty for infringements that may in particular circumstances be quite minor.

In another context I think there is a great deal of justified community concern about courts that are setting penalties way below the maximum and indeed that generally sentencing is getting way out of line with community expectations. It would seem to us better perhaps if there were some graduated scale that related the size of the maximum penalty to the size of the project involved or the value of the infringement involved rather than threatening draconian penalties for what could be relatively minor infringements.

Indeed we are in the bizarre situation in Victoria where a tradesperson can carry out some relatively minor building works at someone's home and do so without a permit through complete inadvertence or a lack of relevant information and be exposed to the threat of a fine ranging up to \$250 000, yet at the same time heinous crimes of violence can be committed in the community, such as intentionally causing injury, recklessly causing serious injury, home invasion, arson and drug trafficking, and for all of those offences

people can walk straight out of the door of the court with a suspended sentence.

Notwithstanding the announcement the government made recently which sought to at least give the impression that the government was going to abolish suspended sentence, under that policy even for all of those offences that I have mentioned offenders will still be able to be released to walk straight out of the court door on a suspended sentence and be freed back into the community.

We are setting up a dichotomy where when it comes to violent crime the government seems to be almost paralysed and either incapable or unwilling to act to ensure that sentences reflect the community's expectations and tackle the soaring levels of violent crime that Victoria is experiencing at the moment, yet the government can bring into this house a bill that is going to impose a fine of up to \$250 000 for some tradesperson who inadvertently carries out some domestic refurbishment work without a building permit when they should have had one. It is a reflection of a distorted sense of priorities that the government can bring forward legislation in one area but is totally unable or unwilling to bring forth legislation in another area, which is the area causing a huge amount of public concern at the present time with rising levels of violent crime.

It is also worth making the point that this is not simply legislation that updates penalties that were set many years ago in dollar terms and replaces them with higher penalties to reflect increases in prices between the time when the penalties were set and the time of the amending legislation. These penalties are set in penalty units already, so they are already brought in line with inflation. This is not a catch-up to overcome a past lack of adjustment. This is a quantum increase in the fines that are applicable to those offences.

The next area of the bill to which I want to refer is clause 28, which makes the Victorian Managed Insurance Authority (VMIA) a designated insurer in relation to domestic building work. This clause carries a substantial amount of baggage, because on 29 March the Minister for Finance, WorkCover and the Transport Accident Commission made a very sweeping announcement. In a media release he said:

The Victorian government will take over domestic building insurance to ensure builders and consumers have access to adequate and affordable insurance.

...

The new scheme will be funded by builder premiums and operated by the Victorian Managed Insurance Authority ...

After recounting the fact that a number of insurers had withdrawn from the market, he continued:

The VMIA will be available to provide insurance on a commercial basis from 31 March 2010 and will determine the underwriting terms and conditions.

Streamlined arrangements will apply for builders who can demonstrate that they have held insurance with a private insurer in the past 15 months (effectively from the start of 2009).

...

'These arrangements will minimise disruption caused by delays in securing new insurance policies and will allow the VMIA time to develop the necessary systems to properly assess builders' risk' ...

That is what the minister said on 29 March when announcing a scheme that was to commence two days later, but the only trouble was it seems he did not get around to telling the VMIA what it was that he had in mind. Certainly the VMIA was completely unable to respond to what the minister had announced the VMIA was going to do. The authority was completely unable to get a new insurance arrangement up and running within two days, and indeed the arrangements have been in limbo and in confusion since 31 March. As of just a few days ago — on 11 May — if one went to the VMIA website and read the text of what the authority was on about, one would read:

... the state government has made a decision that the domestic building insurance scheme will ultimately transition to a state-run scheme through the VMIA.

That is a huge distortion, because the minister said the VMIA would take it over from 31 March. The website goes on to say:

To that end, we have been working closely with brokers, industry groups and the private insurers to avoid disruption to the market. Discussions are continuing in the expectation that certificates will continue to be issued, and builders will continue to obtain domestic building insurance through the existing insurers that are in the market.

...

From a builder or broker perspective, it is important to note therefore that whilst the VMIA is building capability in domestic building insurance, it is business as usual.

Builders should continue to obtain domestic building insurance advice through their broker or industry groups —

which it then names.

In other words, there is total pandemonium. The VMIA is completely incapable of doing what the minister said the authority was going to do and is struggling to work out how to do it, and in the meantime it is relying on

private insurers to keep the building industry operating in Victoria, despite the fact that the minister had sprung private insurers as well as the VMIA with the announcement that they were going to be chucked out of business. One would not have been surprised if the insurers had said that if the government was chucking them out of business in this peremptory way, then they would pack up their bags and depart. Victoria is very fortunate that the two remaining insurers have not packed up their bags and departed. At least for the time being they are doing their best to continue providing insurance under the scheme, and thank goodness for that, because the Victorian building industry would be in a huge hole indeed if those companies did depart.

In any event this measure has caused significant difficulties. All of the problems the minister was seeking to overcome — through the lack of insurers and the lack of competition and choice for builders — still persist, because the government has been unable to get a VMIA-based arrangement up and running. The minister told a Public Accounts and Estimates Committee hearing the other day that some sort of underwriting arrangement had recently been put in place, but its exact terms remain unclear. To cap it all off, having announced on 29 March that all the wonderful things referred to in his media release were to occur two days later — on 31 March — the minister was confronted with the fact that there is a big doubt over the legislative validity of what he was announcing in the first place. That is what has led to the amendment in this bill, which provides that the VMIA is a designated insurer for the purpose of insurance for domestic building work. The minister had gone off so half baked that he had not even checked whether he had the legal authority to make the announcement that he did. It is no wonder that builders and consumers who have problems with building insurance issues are tearing out their hair about it. Indeed the insurance industry is not too impressed with what is going on either.

This just continues the fact that the Bracks and Brumby governments have managed to achieve lose, lose, lose outcomes when it comes to builders warranty insurance. They have not provided a product that consumers of building services — people who have homes built for them — are expecting they will receive. When those people are the victims of shonky builders they are still put in a position where they are given the run-around by the regulatory authorities, and they have to face potentially spending tens of thousands of dollars to bring legal proceedings at VCAT (Victorian Civil and Administrative Tribunal) to recover judgement against a shonky builder, so building consumers have lost out.

Builders have lost out because in many instances they are struggling to obtain insurance, and they are beholden to a very limited number of insurers to grant them cover. Builders feel understandably exposed and vulnerable to the fact that if an insurer denies them cover, effectively they are then wiped out from carrying on business. Of course the insurers say they will knock back only bad risks — there is no reason why they would knock back a good risk because they would like to get the business.

That might be the theory, but I think many builders are finding that in practice that is not the case. They are filling out reams and reams of paperwork and depending on the judgement of a clerical officer of the insurance company on the other side of the desk assessing their paperwork as to whether or not in effect they are allowed to continue in business.

Lastly, and ironically, the scheme the government has been perpetuating has been a 'lose' outcome for insurers. If one speaks to the insurance industry, they say builders warranty insurance is a product that for the insurers involved provides a very small part of their revenue but a huge amount of hassle. From an insurance industry point of view, that is why they have been withdrawing from the market.

You would not think any government would be capable of creating a product that manages to cheese off, disaffect and not do the right thing by all three participants in the sector — the consumers, the builders and the insurance industry — but that is what the Bracks and Brumby governments have managed to do.

One key reason for that is that the government has been trying to force onto the private sector regulatory obligations that are properly the responsibility of government, in particular the responsibility to provide proper consumer protection, the responsibility to deal with renegade and substandard builders, and the responsibility to provide a prompt, efficient, speedy, low-cost adjudication and rectification regime. If the government had performed its responsibilities properly, instead of failing to assess appropriate allocation of risk — assess what was government's role and what was able to be done via the private sector — then maybe the mess that domestic building insurance has become in Victoria could have been avoided.

Certainly the minister has not managed to resolve the problems with the announcement he made on 29 March, and the bill does not in fact give effect to what he announced on that day, which was a government takeover of domestic building insurance. The bill provides that the VMIA is a designated insurer,

which means it is authorised to provide insurance alongside the private sector parties. That may well offer some positive outcome once the VMIA is able to catch up with the instructions the minister has dumped on it and enter the marketplace.

The VMIA has the potential to be an insurer of last resort and/or a competitive provider of insurance products alongside the private sector insurers. I gather there is some concern that if the VMIA simply stays in the market alongside the private operators, then it will end up with a particular class of business that the private insurers do not want. We will have to see how that turns out. We certainly would not want a situation where bona fide, capable, hardworking and well-run builders are being required to pay premiums of a level that provides a cross-subsidy to builders who are not up to scratch and who perhaps should have been eased out of the industry some time back. Let us hope we do not end up in that situation.

The final area on which I want to comment is that raised by the Scrutiny of Acts and Regulations Committee, which in its usual diligent way has examined this legislation very thoroughly. It has raised an issue relating to section 118 of the Building Act and clause 24 of the bill. Clause 24 increases the penalties that apply for contravention of an emergency order or building order. What SARC has picked up on is that subsection 3 of section 118 provides that:

It is a sufficient defence to a prosecution under this section in relation to a public entertainment if the accused satisfies the court that he or she was unaware and ought not reasonably to have been aware of the fact that the public entertainment was the subject of an emergency order under this Part.

SARC rightly says this may place a legal onus of proof on accused persons and asks whether or not that is compatible with the Charter of Human Rights and Responsibilities Act 2006. SARC wrote to the minister about that issue. The Minister for Planning's reply was published in *Alert Digest* No. 7 of 25 May 2010. In essence the minister said that the government considers the provision in the Building Act that I cited earlier does not place a burden of proof on a defendant but simply requires a defendant to present or point to evidence that suggests a reasonable possibility of the existence of facts that, if they existed, would establish the defence.

We are getting into some pretty obscure legal areas here, and I think it shows yet again the knots with which the government has tied itself up and is indeed tying up the community and squandering hundreds of hours of valuable professional time in trying to disentangle exactly what the charter which it enacted in

2006 does. I must say I am not convinced the minister's response is correct or that the Court of Appeal decision he cites in support of his conclusion in fact has the consequence he says it does. I do not intend to try to resolve the issue here, but I simply point to the fact that the government, although it claims to be standing by its Charter of Human Rights and Responsibilities Act 2006, is in fact highly selective when it does so.

Just a few months ago the Attorney-General came into this house with a bill which removed reverse onus provisions in, from memory, seven different offences out of the entire statute book. Here we have a reverse onus provision in relation to the Building Act, but the government is busily putting its head in the sand and pretending it is not a problem.

I think that just points to the fact that instead of tying ourselves up in knots over what the charter legislation does or does not say, we are far better off if we look at it simply on the public policy merits of the issue and whether or not it is or is not a fair and reasonable measure to impose a defence obligation on an accused person, or whether it is sufficient for an accused person to point to certain facts and then for the prosecution to have to rebut those facts. But one way or another the law needs to be made clear, and it is not clear in this area. SARC (Scrutiny of Acts and Regulations Committee) deserves to be commended for highlighting that fact.

The upshot is that while the opposition has a number of concerns about the Building Amendment Bill 2010, we will not be opposing it.

Mr BROOKS (Bundoora) — It is a pleasure to speak on the Building Amendment Bill 2010. Before I talk about some of the substantial parts of the bill I must say it was interesting to sit through the last half an hour of debate on the bill and listen to the contribution from the lead speaker for the opposition, particularly his appraisal of the state of the building sector in Victoria.

He would have us believe that insurers, consumers and building practitioners are all very downhearted about the building sector here in Victoria. The opposition would have us believe it is all bad news; it is all doom and gloom in Victoria. I look forward to the opposition putting forward its alternative policies for the next election. I am sure that like most of the policies we have seen released so far, there will be a bit of flip-flopping and a cut-and-paste from other people's policies, in some cases scaring jobs out of Victoria.

The building sector in Victoria, in contrast to the view put by the member for Box Hill — and despite the

global financial crisis — saw the number of building approvals increase by 109.7 per cent in 2009. That is hardly the sort of tragic circumstances we heard the member for Box Hill talk about. Victoria leads the nation in building approval values with \$22 billion, which is more than any other state, including the resource states. Victoria leads the nation in the number of dwellings approved — 48 452 in Victoria in 2009 — despite the global financial crisis.

From the other side of the house all we hear is members talking down the Victorian economy and the building sector, but what we see with the facilitation of the systems put in place by this government is building practitioners and Victorian consumers voting with their feet and building Victoria.

This bill addresses four key areas. Its primary thrust is in relation to the increase in a range of building and plumbing offences that are already contained in the principal act, which is the Building Act 1993. It makes some amendments to enable specialised licensing in certain classes of plumbing, which I will talk about in a moment. It amends the Building Act to ensure there is no uncertainty that the Victorian Managed Insurance Authority is a designated insurer under section 137AA(2) of the principal act. It makes a statute law revision to the House Contracts Guarantee (HH) Act 2001.

In relation to penalties, the bill increases the maximum penalty for a range of offences under the Building Act. That is being done to ensure Victorian consumers have confidence that people who do the wrong thing are appropriately penalised. I should point out that in this sector only a small minority of practitioners and, in some cases, surveyors do the wrong thing. The overwhelming majority of building practitioners and surveyors in Victoria do a fantastic and professional job in helping to build this state. By having the bill increase the penalties for certain offences the government sends a very clear message to the small number of people who do the wrong thing that it is determined to persuade them from behaving in that way; if they are caught, they will pay a very hefty fine.

For the most serious offences the penalty will go up to 500 penalty units for individuals, which is just over \$58 000 — it used to be just over \$11 000. For body corporates, the offence penalty will climb to 2500 penalty units, which is close to \$300 000. As has been pointed out, these are fairly hefty increases, but ones I think this house should support, because they send a very clear message to practitioners and surveyors that this government is serious — and this

Parliament should be serious — about deterring dodgy behaviour in the building sector.

Some of the offences listed in the act which will attract increased penalty units include those in clause 19, which is headed ‘Penalties for carrying out building work before requirements met and for failure to carry out protection work’, which are very serious offences. Clause 20 is headed ‘Penalty for failure to carry out emergency protection work’. Clause 21 is headed ‘Penalties for failing to arrange insurance for protection work and failing to lodge with adjoining owner’. These are serious issues.

In the March edition of *Insites* magazine the Building Commission highlights a couple of prosecutions where, in one case, a building practitioner had carried out:

... building work on two townhouses and garages as well as a wall in 2007, under the supervision and control of registered building practitioner —

and it names a company director. The newsletter continues:

A section of the wall collapsed in 2007 causing damage to a building on an adjoining site because the company did not comply with the requirement that the blocks be core-filled with concrete.

It goes on to list the other technical issues that the person was found to have breached, and they received a fine of \$2500. The company received a fine of \$5000, with costs of just over \$5000. That was a very serious offence where the result was a concrete wall falling onto an adjoining property. I imagine it could easily have resulted in personal injury or even worse. You would imagine that most Victorians would feel that a fine of around \$2500 for an individual and \$5000 for a company is not adequate when the circumstances I have just described have been found to have occurred.

I want to take up one point made by the member for Box Hill in relation to offences, an issue he said was reported on by the Scrutiny of Acts and Regulations Committee. Clause 24 amends sections 118(1) and 118(2) of the Building Act in relation to emergency orders and building orders. SARC raised the issue of reverse onus. I point out that regardless of the potential issue around the human rights charter, and I suppose there will be a legal argument around how that is played out, in terms of the seriousness of these breaches it is important for members to be aware of how they sit against the charter of human rights and the presumption of innocence, which is a legal question.

When, for example, under an emergency order a municipal building surveyor has made an emergency

order, if they are of the opinion the order is necessary because of a danger to life or property arising out of the condition or use of a proposed building or the land on which the building work is taking place, the emergency order can require the owner of the building, land or place of entertainment to do any of the things set out — for example, to evacuate the building, to stop building work or to actually carry out further building work or work necessary to make the building, land or place safe, or to secure the building or access.

So emergency orders have a very important function. It is very clear from a reading of that that they are about protecting people from unsafe situations. I do not think it is unreasonable that under the act as it was originally drafted — and this bill will increase the penalties in relation to this — a defendant has to demonstrate they were unaware of those orders. Emergency orders have a very important function within the Building Act, as do building orders. Where building work has been carried out without a building permit or in contravention of a building permit, again I think if people are being charged, it is quite reasonable, as the act sets out, that they have to demonstrate they were unaware of those circumstances.

The bill also deals with specialised plumbing and facilitates the licensing and registration of specialised areas of plumbing. Those particular areas are set out in the Plumbing Regulations 2008 and obviously may change, but they deal with six classes of plumbing work: type A appliance servicing, type A appliance conversion, type B gasfitting work, type B gasfitting advanced work, refrigerated air conditioning and backflow prevention. Obviously plumbing work can involve significant risk to property and to people, and so for those specialised areas I think it is appropriate that there are mechanisms in place for people to be appropriately licensed and registered. These amendments are very technical amendments that clarify the prerequisite registration or licensing class in specialised classes of plumbing work.

As I said before, the bill also clarifies that the Victorian Managed Insurance Authority is a designated insurer under the Building Act, and it also deals with statute law revision in relation to the House Contracts Guarantee (HIH) Act 2001. I commend the bill to the house.

Mr NORTHE (Morwell) — It gives me pleasure to rise and speak on the Building Amendment Bill 2010, a bill that the coalition is not opposing. Up front I commend the member for Box Hill for giving an excellent summary of the bill, as usual. This bill essentially does three things: firstly, it increases

penalties for certain building and plumbing offences, mainly to do with the building and occupancy permit requirements and notification requirements by owners, building surveyors and councils; secondly, it clarifies the prerequisite for registration or licensing in a class or classes of specialised plumbing work; and thirdly, it identifies the Victorian Managed Insurance Authority as a designated insurer for the purpose of builders warranty insurance.

The first part of the bill that I wish to deal with covers clauses 3 to 28, which effectively increase penalties for various offences under the Building Act 1993. The increase in penalties varies depending on the particular offence. Other members before me have noted some examples. I certainly want to deal with a couple of those in my contribution. It is interesting to note that, as the member for Box Hill outlined in his contribution, some of the penalties that apply have been significantly increased and the penalties are now quite severe.

In particular I want to look at clause 3, which deals with the penalty for carrying out building works without a permit or in contravention of a permit. Previously the penalty in the case of a natural person breaching those provisions was 100 penalty points. That has now been increased to 500 penalty points. In the case of a body corporate that has risen from 500 penalty points to 2500 penalty points. These are quite substantial penalties.

Clauses 10, 11 and 12 essentially deal with public entertainment conducted at a place without an occupancy permit and also permitting use of a place for public entertainment without an occupancy permit and permitting use of a place for public entertainment in contravention of an occupancy permit. Previously the penalty for all of those offences was 100 penalty points for a natural person. That has now risen to 240 penalty points. In the case of a body corporate it has risen from 240 to 1500 penalty points. Again, these are quite substantial penalties.

Clause 21 applies a penalty for failing to arrange insurance for protection work and failing to lodge with an adjoining owner. In subclause 21(1) again we see a significant increase in penalties — a fivefold increase. That particular penalty for a natural person has increased from 100 to 500 penalty points and in the case of a body corporate from 500 to 2500 penalty units.

The last clause I want to briefly speak to is clause 24, and again this has been raised by the member for Box Hill, who in his contribution made comments relating to some of the concerns the Scrutiny of Acts and

Regulations Committee had about that particular clause, which applies penalties for contravention of an emergency order or building order. I will not go too much further with that particular issue. Like the member for Box Hill, I do understand the logic and thinking behind the penalties that apply and the increases that have been made to them, particularly given that the base rate of penalties contained within the act has not increased since 1993; however, I certainly make the point that the penalties are very substantial now.

If with this legislation the government seeks to improve the accountability of those within the building industry and provide a better outcome for both builders and consumers, then I guess we should be supportive of that in principle; however, we have witnessed some horror stories over the years where homeowners have been subjected to inappropriate and unscrupulous behaviour from those within the industry. I know it is the dream of many people to own their own home, and to have that dream shattered by those people must be a devastating experience.

The ABC's *Stateline* recently had some coverage on builder warranty insurance. In her opening remarks Josephine Cafagna said:

There's only three ways to make an insurance claim against your builder in Victoria: if they die, disappear or go bankrupt. It's called last resort insurance and it means many consumers are left with little recourse against dodgy builders. The Victorian government has now taken over the scheme, but critics say many consumers will be left stranded.

The program went on to give some examples of consumers who had experienced issues with the scheme. Bruna Stancati mentioned that the only way she could get help was if she walked away or liquidated the property, and that would mean going to the Victorian Civil and Administrative Tribunal, getting orders and outlaying a substantial amount of money through court and legal fees. Anne Paten from Consumers Collective of Australia conveyed the concern about many people being caught up in these types of situations. Despite trying with the Building Commission, Consumers Affairs Victoria and Building Advice and Conciliation Victoria, she said there was unfortunately no help to make builders come back and repair the work.

From a builder's perspective, Steven Bloch of Glenwill Homes commented last year that building insurance was outrageously bad for the consumer and for the builders paying massive premiums themselves. From a local perspective, I do not believe that is the case. For those involved within the industry, a lot of our local

builders have great integrity. There have been fantastic examples of that integrity post-bushfire recovery in my electorate, where 212 homes were lost.

Having worked quite closely with a lot of the builders who have had to contend with new building regulations and the additional costs, I know they have gone out of their way to show compassion and work as closely as they can with those rebuilding following that disaster. It is not only the builders, it is the building surveyors and so forth: practitioners who have done a marvellous job. Having worked quite closely with Neilson Builders and Alan Whitty and Mark McNair, I know they have endured a lot of personal expense and gone through a lot of emotions to help people through that awful phase. I reiterate there is probably only a small minority of builders who cause grief to people.

The second part of the bill I wish to deal with concerns plumbing elements in clauses 32 to 49. Again, the bill provides for an increase in penalties, much the same as those that apply to the building regulations I mentioned earlier. The bill also seeks to enhance regulations for licensed plumbers in certain aspects of their work. It will enable plumbers to be fully qualified in all aspects, not just part, of a specialised category.

I refer to the Victorian Managed Insurance Authority and an article from the *Herald Sun* of 27 April 2010. Under the heading 'Owners, renovators left in an insurance vacuum', it discusses the deadline missed by the Brumby government in respect of introducing an insurance scheme that would be operational by 31 March. In a press release conveyed by the Minister for Finance, WorkCover and the Transport Accident Commission at that time there was a promised commitment that that would occur by 31 March. The member for Box Hill has outlined the concerns of the Liberal-Nationals coalition in that regard.

I also want to quickly touch on the work of the parliamentary Standing Committee on Finance and Public Administration, which is currently undertaking an inquiry into builders warranty insurance. The transcripts of the committee's hearings make very interesting reading. They demonstrate that there are many holes in the current builder warranty system in Victoria. It will be interesting to read the outcome and the recommendations that the committee ultimately makes. Overall, the opposition does not oppose the Building Amendment Bill.

Mr NOONAN (Williamstown) — I am pleased to make a contribution to this debate in support of the Building Amendment Bill. We all know that the domestic building industry is an important part of the

Victorian economy, with Victorian domestic building work accounting for approximately 3 per cent of Victoria's annual gross state product. Over 80 000 domestic building permits were issued in 2008–09, during which period the total value of permits exceeded \$10 billion.

Most Victorians contract a registered builder to undertake building work for them. For the majority of homebuyers and homeowners, the decision to build or renovate a home is among the biggest decisions they will make in their lives. For most, the building project is both exciting and rewarding and a fulfilment of a dream, but for a minority the process can be dreadful and full of disappointment. For some, it can be a downright disaster.

Many homebuyers or homeowners might build or renovate a home only once or twice in their lifetimes. With such limited experience in undertaking domestic building work, many homebuyers start with little knowledge of the building process, in particular the cost and time involved in building or renovating. They may also find it difficult to assess the quality of builders. These problems are not new. In 2005 the Victorian Competition and Efficiency Commission conducted an inquiry into this issue and identified the information disadvantage facing homeowners as one of the main market failures in the domestic building market.

In this type of environment it is important that a strong consumer protection framework exists, which balances the rights of the consumer without creating excessive red tape for small business operators. There are broadly two sets of protections in place for consumers. The first is what might commonly be referred to as front-end protections, which are regulated and provided through Consumer Affairs Victoria and the Building Commission. Both seek to provide an affordable, efficient and non-legalistic solution for consumers who have a dispute with their builder, without the need to engage in an expensive legal process. Failure to resolve a dispute can lead to either party referring the matter to Victorian Civil and Administrative Tribunal for a resolution. The second protection for consumers is a last resort insurance scheme, which is impacted by the detail of this bill. I will refer to that detail a little later in my contribution, but firstly I want to make a number of comments about the key objectives of this bill.

The first key objective of the bill is to raise building standards and improve consumer confidence in the building and plumbing industries. This will be achieved in two ways: firstly, by increasing the maximum penalties for certain building and plumbing offences; and secondly, by deterring non-compliance. The second

key objective of the bill is to specifically identify the Victorian Managed Insurance Authority as a designated insurer within the terms of section 137AA(2). This will support the introduction of a government-underwritten domestic building insurance scheme funded by builder premiums and operated by the VMIA. The bill also introduces minor technical amendments to the Building Act to enable registration or licensing in specialised classes of plumbing to be prescribed by regulation as a prerequisite to the registration and licensing in other specialist areas. This reflects changes in the industry over past years which have seen more specialist fields emerge within the plumbing trade.

In making a contribution to this debate I want to focus my attention on the changes to the insurance arrangements and the increases in penalties, which other speakers have covered. Firstly I will deal with the penalties, but I make the point, as other speakers in this debate have done, that the vast number of registered practitioners in the building industry go about their work in a diligent and professional manner.

The current Building Act has been designed in no small part to protect consumers and the public generally from non-compliance when things go wrong. However, the penalties associated with the offences under the current act have not been reviewed since the act was originally passed in 1993. Clearly the passage of time can undermine the deterrent effect of the original maximum penalty levels. This bill therefore seeks to correct that imbalance by proposing an increase in the levels of maximum penalties to more contemporary standards. The bill increases the severity of the penalty for a wide range of offences for individuals and body corporates.

The bill also targets those who carry out plumbing work who are unlicensed or unregistered to perform such work, again increasing penalties for those types of breaches. There is a very strong focus here on ensuring that a plumber is correctly licensed for the type of work he or she is undertaking. While the maximum penalty will be set in the legislation, the actual penalty imposed in any given case will be determined by the courts having regard to all relevant circumstances.

Increasing the maximum penalties in the Building Act should deter non-compliance by the minority of practitioners who engage in unprofessional behaviour or misconduct. These changes are expected to raise building standards and improve the reputation of and consumer confidence in the building and plumbing industries and convey a strong message to the community that the government considers offences under the act to be of a most serious nature.

In the time I have left to speak in this debate, I want to make a few comments about the changes to the domestic building insurance scheme, which is also the subject of this bill and which has been referenced by other speakers. The current law in Victoria requires all builders to take out homeowners warranty policies for their clients before any work can commence when the value of that work exceeds \$12 000 — in other words, this is a mandatory insurance product. It provides cover for consumers where a job is not completed or is defective and the builder dies, disappears or becomes insolvent within six years of the job's completion. As other speakers have said, in the past this insurance has been provided by the private insurance market. However, given the recent departure of CGU and Lumley from the domestic building insurance market and the recent announcement that Vero would also withdraw from the market from 1 July this year, this would effectively leave just two remaining insurers.

These circumstances would have an impact of there being reduced competition in the insurance market, which would be likely to lead to higher premiums, supply problems and uncertainty for builders and consumers alike. That is why the state government has intervened in this process: to provide builders and consumers with an affordable insurance scheme. The government will now step in to underwrite homeowner warranty policies across Victoria through the Victorian Managed Insurance Authority, with the transition commencing from 31 March 2010. This change will ensure an uninterrupted transition to the new arrangements for builders. The new arrangements should also mean that the mandatory policies remain available at a fair and realistic price.

This intervention by the state government has been welcomed by the Housing Industry Association of Victoria, a peak body in the Victorian housing industry. In a media statement dated 29 March this year it said:

... changes to the homeowners warranty arrangements in Victoria sends a reassuring message to builders concerned about the withdrawal of Vero from the homeowners warranty market.

It also said:

HIA welcomed today's announcement, adding that the changes are intended to provide stability and certainty for builders and consumers alike.

Of course this is not the only issue about which the HIA is pleased with the state government. The recently presented state budget, delivered just a couple of weeks ago in this house, was very popular in the eyes of the HIA, which suggested that the announcements by the government should pump an extra 24 300 jobs into the

economy in the next financial year in the building industry alone. This is thanks to Victoria having the best first homeowner payments of any Australian state — in the case of metropolitan Melbourne it is \$20 000 to build a new home and in the case of regional Victoria it is \$26 500. These are very generous arrangements that the state is making available, and they are providing a great level of stimulus in the domestic building industry in Victoria.

In conclusion, I support this bill. I believe it strikes the right balance between the need for consumer protection whilst maintaining appropriate deterrents for unprofessional building practitioners. I certainly commend the bill to the house.

Mrs FYFFE (Evelyn) — I am pleased to rise to speak in the debate on the Building Amendment Bill 2010. A purpose of this bill is to increase the maximum penalties for certain building and plumbing offences in the Building Act 1993 in order to improve the effective operation of the building sector by increasing compliance with building and occupancy permit requirements and notification of relevant parties such as owners, building surveyors and councils of building works. The intention of the bill is to raise building standards and improve the reputation of and consumer confidence in the building and plumbing industries by deterring non-compliance by a minority of people who engage in unprofessional behaviour or misconduct.

The bill also identifies the Victorian Managed Insurance Authority as a designated insurer to support the introduction of a government-underwritten domestic building insurance scheme funded by builder premiums and operated by the VMIA. It also makes minor technical amendments to the Building Act to enable registration or licensing in a class or classes of specialised plumbing work to be prescribed by regulation as a prerequisite to the registration and licensing in other specialised classes of plumbing.

The bulk of this bill relates simply to increasing penalties for offences such as misusing the title 'gasfitter' when not licensed, carrying out a particular type of plumbing work when not licensed or registered, claiming to be insured when not insured and failure of a building surveyor to give the relevant council a copy of the permit issued. I have no issue with increasing the penalties against practitioners who have knowingly done the wrong thing.

The one area of concern I have is in relation to clause 41 of the bill, which removes the graduated penalties that apply when a licensed plumber fails to issue a compliance certificate to the property owner for

work completed. Compliance certificates are issued by licensed plumbers to certify that their plumbing work complies with all regulatory requirements. You should receive a compliance certificate within five days for most plumbing work, including: where the total value of work including materials, labour and GST is more than \$750 — material costs must be included, regardless of whether the material was supplied by another person; the installation, relocation or replacement of any type A gas-using appliances, regardless of the cost — compliance certificates do not apply to type B gas fitting work; the conversion of a gas-using appliance for use with a different gaseous fuel; the installation, modification or relocation of consumer gas piping, other than work carried out on behalf of a gas company; the construction, installation or alteration of any below-ground sanitary drain or associated gullies; and the construction, installation, alteration, relocation or replacement of a cooling tower or of any other part of a cooling tower system, including the installation or replacement of any associated device or equipment.

This bill replaces the graduated penalties for failing to issue a compliance certificate with a standard penalty of 60 penalty units no matter how many times the offence has been committed. I question what the government's logic was for this move. In an instance where a busy plumber may honestly forget to issue a compliance certificate, he will be dealt a stiff penalty which has no regard for whether the action was deliberate or an accident. I believe that if someone repeatedly disobeys the law, the penalties should become progressively harsher.

There is no question that the baseline and subsequent penalties for failing to issue a compliance certificate should have been increased, but I am not convinced that removing the graduated penalty system is a step in the right direction. Should someone who has made an honest mistake be penalised at the same level as someone who has deliberately done the wrong thing?

I would like to give some examples of people who have done the wrong thing. In 2009 the Building Practitioners Board deregistered two building surveyors and fined almost 60 domestic builders for a range of breaches which included issuing certificates for sites they had never visited, builders who wrongly demanded money in advance of work, and several builders whose work was dangerously substandard. An article in the *Herald Sun* of 27 September 2009 headed 'Dodgy builders hit with penalties' has examples that included a surveyor, Albert Vivian Mitchell of St Albans, who issued 1100 building permits in 2007–08 which were not reported to the Building

Commission. More than \$400 000 in fees paid by customers was never passed on to authorities. Building surveyor Samuel John De Petro of North Melbourne was deregistered and fined \$35 000 after complaints were made about 580 sites around Geelong and the Surf Coast. He was found to have failed to perform his work in a competent manner.

The Building Practitioners Board investigated 630 builders, surveyors and draftsman in the 2008–09 financial year and levied fines and costs totalling \$251 340 against those found to have committed breaches. The vast majority do the right thing, so it is important for the protection of their reputations and that of the industry as a whole that any dodgy practitioners are weeded out and held to account.

The bulk of investigations that are launched into the conduct of a plumber are driven by complaints from consumers who are concerned about the standard of workmanship or having been overcharged for a service. However, it is my understanding that the Plumbing Industry Commission in Victoria also conducts audits of the work done by licensed plumbers after every 20 jobs they perform. I support this kind of proactivity in any industry, although I do believe that it should not be every 20th job that is assessed; the sampling should be far more random to ensure the work is kept to a uniformly high standard and special effort is not just put into making sure the 20th job is textbook perfect.

As with all other occupations, consumers have a right to expect when they are paying good money for a product or service that is exactly what they will receive. Unfortunately this is not always the case in both the plumbing and building industries. Every now and then I hear from a resident who is irate about being slugged with a particularly hefty call-out fee or hourly rate for very simple work. The example cited to me most often is the cost of replacing a tap washer. Few people are aware that as of November 2008 regulations were relaxed allowing homeowners to change their own tap washers rather than have a licensed plumber do it. One of my staff reported that to me as a fact. I have always replaced my own washers; I did not realise I was breaking the law. Accordingly, countless people, predominantly women, are still paying \$150, or even more, to have a simple \$1.50 washer installed.

We are told over the phone that the call-out fee is \$80 and that another \$70 will be charged for every hour of labour, which seems extraordinarily high. I can only advise my constituents that they shop around for tradesmen as much as possible to ensure they get the most competitive rates for the work they require. The late United States President John F. Kennedy once said,

‘Modern cynics and sceptics ... see no harm in paying those to whom they entrust the minds of their children a smaller wage than is paid to those to whom they entrust the care of their plumbing’. Never were truer words spoken.

During the last 40 years David and I have built three houses. We have built a restaurant, we have built a winery, we have extensively renovated our current home and helped our children to start out. Most of this work has been done using subcontractors, all of whom have handled the works very fairly; we have never had a problem. I believe the problems that exist are isolated and very few do the wrong thing.

Debate adjourned on motion of Ms BEATTIE (Yuroke).

Debate adjourned until later this day.

Sitting suspended 6.28 p.m. until 8.02 p.m.

PARKS AND CROWN LAND LEGISLATION (MOUNT BUFFALO) BILL

Second reading

Debate resumed from 6 May; motion of Mr BATCHELOR (Minister for Energy and Resources).

Ms WOOLDRIDGE (Doncaster) — I am pleased to lead the debate for the coalition on the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010. At the outset I indicate that the opposition will be supporting this bill, which the coalition welcomes, because it will provide some long-needed certainty for the future of the Mount Buffalo Chalet and the surrounding sites. We believe providing this security and a future, while also enhancing our natural environment, can be done. We also welcome the bill because it attempts to fix this government’s drafting errors and omissions in a number of previous bills.

A key feature of this legislation is the extension of the maximum lease term for Mount Buffalo Chalet and the Dingo Dell and Cresta Valley areas in the Mount Buffalo National Park. The bill amends the National Parks Act 1975 and the Crown Land (Reserves) Act 1978 to extend the maximum lease tenure from 21 years to 50 years.

Just last year this house considered the terms of leases on public land under the Crown Land (Reserves) Act and the Forests Act. The coalition supported extending the term from 21 years to 65 years. The granting of

such extended leases is now up to the discretion of the minister. Given this, the coalition wants to ensure that this process remains accountable and transparent and that any leases or licences granted by the minister are determined on a sound footing with clearly defined criteria. Unfortunately when we asked for more details about these criteria during the briefing on the bill, the government was unable to provide any details. We hope they will be developed through the process and that we will have the accountability and transparency that should accompany them.

The bill also makes other amendments. It amends the offence and enforcement provisions relating to marine national parks and marine sanctuaries. Under this legislation, boats operating under a rock lobster fishery access licence will be able to anchor overnight in a marine national park or sanctuary. While the bill prohibits rock lobster pots being on board overnight, it will make it easier for boats by saving them from travelling long distances back to port each night after working their pots out at sea.

To ensure that marine parks and sanctuaries remain protected, the bill will also make the use of commercial fishing equipment in a marine park or sanctuary an offence. This amendment has been made because the government has had difficulties prosecuting under the existing offences relating to taking fish for sale. This brings the National Parks Act into line with the Fisheries Act and ensures consistency in the enforcement and prosecution of the offence of using commercial fishing equipment in marine parks and sanctuaries.

I thank the minister’s office and the department for providing a comprehensive briefing on this bill. However, it was disappointing that we were unable to be provided with the number of successful prosecutions of people attempting to take fish for sale from a marine park or sanctuary.

Another aspect of the bill involves the additions and alterations made to the existing reserves and parks. Approximately 820 hectares will be added to several existing parks and reserves across the state. Terrick Terrick National Park and Greater Bendigo National Park will receive the most substantial additions, totalling 468 hectares. The coalition supports these additions and welcomes the ongoing protection of Victoria’s grasslands and vegetation. In addition, the bill also revokes four permanent Crown land reservations totalling 4.7 hectares. This will affect Geelong, Shepparton and Swan Hill.

It is disappointing that we need to debate many of these amendments today because of the errors, oversight and poor decision making of the government in drafting previous legislation. As a result, today the house has to make a raft of miscellaneous amendments to the Sustainable Forests (Timber) Act, the Forests Act and the Crown Lands Act Amendment (Lease and Licence Terms) Act to rectify drafting errors by this government on bills the house has previously debated and passed. The government's failure to consult, its poor decision making, its lack of foresight and general inability to get things right the first time has meant that Parliament has been forced to debate the same legislative provisions again and again. This is a poor reflection on any government and is a clear indication of the Brumby government's tardiness and general carelessness when it comes to dealing with matters in this Parliament.

I now want to devote a significant amount of time talking about the Mount Buffalo Chalet. Last month marked the centenary of the chalet, and celebrations were held. The building, which is on top of Mount Buffalo and within the Mount Buffalo National Park, was opened in 1910. Victoria's alpine region is a key tourist attraction not only for this state but also for the nation. Approximately 200 000 visitors from all over the country and all over the world flock to visit Mount Buffalo National Park each year but this heritage-listed chalet with its spectacular views has been left abandoned for almost four years.

The December 2006 bushfires which ravaged Victoria's alpine region impacted on the chalet and on the surrounding sites. This, in addition to a combination of poor trading over consecutive years and a growing need for significant investment to update the chalet, resulted in the last leaseholder — the Burbank Group — pulling out only two years into a 10-year lease. Parks Victoria has maintained the chalet since it was officially closed in January 2007.

I have to say that I find it incredibly perplexing that such a major tourist attraction can be left virtually deserted and forgotten by this government for more than three years. The chairman of the Alpine resorts working group, Rob Anderson, has branded the government's efforts to rebuild the chalet as an 'absolute disgrace'. John Kroger, from the Alpine Valleys Tourism Board, has said that four years is a lifetime in tourism, and four years loses people's interest, loses the recognition and loses the identity.

The chalet is the only one of its kind in Victoria in that it provides an accommodation facility within a national park. Its close proximity to our most iconic and popular ski fields and its spectacular views and scenery make it

a very desirable destination for both winter and summer seasons. For years the local community, local council and even at times Parks Victoria have been pleading with this government to restore certainty to the future of the chalet. Labor has dithered for years without providing any real direction to the chalet and the surrounding alpine area; it was only five months ago that Parks Victoria began a request for tender process to attract new potential investors.

It is my understanding that a number of tourism and accommodation operators have responded to the request for tender. This bill will grant the selected leaseholder a lease term longer than the current maximum of 21 years as specified in the National Parks Act. The government has chosen to extend the lease term for the Mount Buffalo Chalet from 21 to 50 years. This is consistent with the 50-year lease tenure introduced last year for the Point Nepean National Park.

It is interesting that the government has decided to go with the 50 year management lease when just last year it amended the Crown Land Acts Amendment (Lease and Licence Term) Act to extend the maximum tenure for leases on public land to 65 years. The coalition supports the proposed extended lease. We believe that a longer lease will make it more commercially attractive for investors and further guarantee the long-term viability of the chalet and surrounding sites.

Having said this, I think it is important to recognise that this 50 year lease arrangement is rather conservative when compared to other Australian jurisdictions. Victoria's nature-based tourism strategy found that a significant factor contributing to low investor confidence in nature-based tourism is insufficient lease terms. We know that New Zealand has no maximum tenure in national parks and the same goes for Tasmania and for Parks Australia.

The Queensland and Tasmanian state governments offer a 99 year lease term. The National Tourism Investment Strategy identifies limited lease terms in national parks as an issue which can inhibit investment and sustainable private development. While the coalition supports the proposed 50 year lease offered for the Mount Buffalo Chalet, we have had representations which support a further extension to, say, 99 years.

The Alpine Shire Council proposes that a 99 year lease for the Mount Buffalo Chalet would make it more commercially attractive to potential investors, provide investors with greater long-term security and make it comparable to other alpine resorts. Alpine resorts operate under the Alpine Resorts Management Act and

it was in 1997 that the previous coalition government changed the management leases for alpine resorts and extended them to 99 years. The CEO of the Alpine Shire Council, Ian Nicholls, believes that a 50-year lease is insufficient. He stated:

... we are still of the view that the lease period should be of a longer term. The 50 years will not be enough to attract a major investor [as evident]. At a minimum, it should be 65 years and preferably 99 years depending on the scale and type of investment.

The Burbank Group, the former investors at the chalet, stated that Parks Victoria had rejected the need for a 99 year lease despite the company receiving financial advice that it was the minimum tenure needed to recoup the costs of renovating and restoring the historic chalet. Currently operators have put in submissions to redevelop the chalet under the request for tender (RFT) process.

The RFT specifically said that 50 years was the maximum lease available, so we would expect submissions to have been developed on that basis and hope there is a successful tenderer this time around. However, given the concerns that I have just outlined, the coalition would be prepared to consider a longer lease, should that be required, to ensure the successful redevelopment of the Mount Buffalo Chalet and its ongoing financial sustainability.

All records show that considerable investment is needed to refurbish the chalet. The chalet relies solely on diesel generators as the only source of power. The facility has had very little investment over the last 50 years and has not made a profit for at least a decade. The building does not meet the current building standards and costs approximately \$70 000 per month to run.

Following the loss of the Cresta Lodge facilities in the December 2006 bushfires, the government offered a \$6 million insurance payout to improve infrastructure such as water, heating and sewerage systems. However, locals and Parks Victoria are concerned that the \$6 million is inadequate and that more investment will be needed to fund the refurbishment of the infrastructure and the facilities. Following a recent meeting I had with the CEO of Parks Victoria, it was revealed that the government has promised \$10 million for the redevelopment of the facilities. When we had asked that question previously at the bill briefing, the \$6 million was asserted and the \$10 million was denied. Clearly this additional \$4 million is not yet committed, and it will have to go through an economic review committee process in future. I look forward to it

appearing in future budgets to support the development of this important chalet.

However, the reality is that an estimated investment of at least \$20 million is needed to fully refurbish the chalet. Rob Anderson, the chairman of the Alpine Resorts Working Group, is concerned that there is no intention to restore the lift infrastructure after it was destroyed by bushfire. He believes the government's decision to stop downhill skiing at the fields is:

... short-sighted, and not in the interests of introducing entry level skiers to the sport. What has become of the money has not been satisfactorily explained. It seems that this is a grab by Parks Victoria at the expense of a sustainable ski industry.

Hartley Higgins, vice-president of the Victorian Snowsports Association, has expressed similar concerns that the chalet may not be successful without operational ski runs. He said:

The loss of this important Victorian entry resort has impacted on the growth of the sport and other resorts visitation; it offered a low cost 'come and try' experience as well as a budget level regional family winter destination, with related business benefits to the other resorts and local towns of Myrtleford and Bright. Without the winter attraction of a ski area, I believe visitation will not be adequate and ultimately the cost of running the chalet will be prohibitive.

The government's decision not to rebuild the Mount Buffalo ski field is based on a 2009 Commonwealth Scientific and Industrial Research Organisation climate prediction assessment, which reveals a rising snowline and a reduction in snowfall. CSIRO projections show that under a high-impact scenario Mount Buffalo will receive just over 10 centimetres of snow cover in peak season — clearly not enough, if that is the case, to sustain a long-term ski industry. The absence of downhill skiing at the Cresta site in Mount Buffalo National Park will have a consequence for future commercial investment. A changing climate and greenhouse warming will affect the operation of Victoria's alpine ski resorts across the board, but clearly — if we can believe the CSIRO's predictions — it will particularly affect Mount Buffalo.

The coalition supports proposals for commercial development which will support a local economy, grow tourism and ensure the protection of our natural assets. Obviously this needs to be done in close consultation with local communities that have become disaffected by being ignored by this government in planning for the future of the Mount Buffalo Chalet. The local community and the economy in the Mount Buffalo area have suffered a number of blows in recent years. A combination of drought, bushfire and poor snowfall has placed considerable pressure on the local community. The restoration of the chalet will rejuvenate the local

economy and promote growth and tourism in the region.

I have to spend a few minutes on what must be seen as a significant backflip by this government. Who would have thought that the party that was hell-bent on stopping commercial development and private investment in national parks would be the very same party that has extended public land leases to encourage greater commercialisation? When in opposition the Labor Party was vehemently opposed to tourist development in iconic destinations such as Wilsons Promontory and the Twelve Apostles, but now in government it is encouraging such developments. Labor's 1999 environment policy document, *Our Natural Assets — Valuing Victoria's Natural Environment*, says:

Labor will be vigilant in defending and conserving our precious network of national parks rather than opening them up to commercial exploitation.

This bill, like others before it, shows Labor hypocrisy at its highest. I must say I welcome the change of view from the government. Private investment on public land, provided it is sustainable and does not jeopardise the ongoing protection of our natural assets, can be extremely valuable, both for our local communities and for our environment. I am very pleased the Brumby government has now come to that long-held coalition view.

The coalition does support this bill, because it puts on a sound footing the prospects of the Mount Buffalo Chalet in terms of attracting a commercial investor to redevelop the chalet for the benefit of Victorians across the board and because it extends the potential lease that is available to those commercial investors. But, as I have said, the bill does raise some concerns about the discretion of the minister in that decision-making process, and we would very much like to see a rigorous, transparent and accountable process in relation to any decision making involved in determining how long a lease is granted and to whom it is granted.

The bill also contains a number of subsequent amendments that we support, including ones which extend the areas of national parks, which involve the revocation of some land and which also firm up some enforcement provisions in our marine parks. We support this bill particularly because we believe it is good for the environment and encourages and promotes tourism in an area that contains some of our most remarkable assets. We also support it because it strengthens local communities and the economy in the Mount Buffalo region. For all of these reasons, I

commend the bill to the house, and the coalition looks forward to its speedy passage.

Mr CRUTCHFIELD (South Barwon) — It is wonderful to speak on the Parks and Crown Land Legislation (Mount Buffalo) Bill. The bill addresses a number of issues other than matters related to the Mount Buffalo National Park leasing provisions.

Mr Jasper interjected.

Mr CRUTCHFIELD — I will take up the interjection, even though I know I am not supposed to respond to it. I have been there a couple of times. It is a wonderful spot, and I will come back to that aspect of the bill.

The bill also addresses issues related to marine national park and marine sanctuary offence provisions. It streamlines provisions between two acts and makes them more consistent for enforcement. In particular the bill touches on provisions relating to commercial rock lobster fishing operators to ensure that the sanctuaries and marine parks remain protected, while allowing those operators safe anchorage, particularly in the area around Apollo Bay. Anchorage in those areas has been quite an issue in respect of licence-holders in Apollo Bay, and this bill provides that they will be able to have safe sanctuary in that area without having to come all the way back to port, as long as they do not have their fishing equipment on board.

The bill also contains some additions and conditions to existing parks and reserves, which is not at all unusual in this type of bill. The bill adds about 820 hectares to eight existing parks and reserves, and, as the opposition has indicated, supporting the bill will enhance those parks and reserve systems. Those areas include Terrick Terrick National Park, and near Greater Bendigo National Park there has been quite a significant gifting of land from a property developer that adds to the magnitude of that national park. That gift is a wonderful addition, and a win-win for that local community. The bill also adds some more box ironbark vegetation around Castlemaine and some remnant vegetation around Numurkah.

On the subject of excisions, Acting Speaker, you would be very pleased to know that part of the Croajingolong National Park has been excised for a runway approach for Mallacoota aerodrome, which will enhance the management of that important regional airport. The bill also revokes some permanent land reservations: two in Shepparton around the showgrounds reserve, the North Park recreation reserve in Swan Hill and one in Corio Bay. The member for Geelong has left the chamber, but

as it is in his electorate he will be well aware of the Geelong marine industry project, which is looking at enhancing some recreational as well as employment opportunities in Geelong. I am pretty sure the member for Geelong said the Corio Bay excision is for Osborne House. What we should do with that wonderful heritage-listed abode in Osborne Park has been a long-running issue.

All in all those are the additional discussion points, if you like, for this bill, but the main focus of the bill is the Mount Buffalo Chalet. It is one of Victoria's heritage icons. It is heritage listed; it is nationally listed. I have been there. I was just having a discussion with the member for Geelong. He said he was there as a young kid with his parents as well. I see the Acting Speaker nodding his head. I am certain there are many members of this place who have been there either as a child or as an adult taking their own children to what is a wonderful part of the alpine world in Victoria. It is a heritage icon, and the local community has certainly got an attachment to it. Both the very localised community and the broader community are keen to ensure that the chalet is enhanced, and this bill goes a long way to addressing some of the concerns that people have indicated they have.

The chalet had its centenary celebrations last month. I think the member for Benalla was at those. They were a wonderful recognition of its history but also an indication that it is a much-loved part of the Victorian heritage tapestry.

The intention is to extend the maximum lease period for the chalet. Anyone who has been on a council and had discussions with property developers over areas that are Crown reserves — I know we had discussions about the waterfront when I was mayor — would know that developers want to be able to get a return over a period of time that allows them greater investment into that asset. That has certainly been an issue with the 21-year lease. This bill looks at facilitating a long-term investment window of up to 50 years for potential leaseholders of the chalet. It is not just the chalet; the other areas are Cresta Valley and Dingo Dell, which are in close proximity to the chalet. The longer lease will allow private sector investment in the chalet.

I know some people have argued for a longer lease: a 99-year lease. It is not supported. You are essentially tying up land that is in a national park. It effectively becomes freehold land. We would argue there is no need to go past the 50-year lease. An equivalent piece of infrastructure — the quarantine station at Point Nepean National Park — was recently leased on a 49-year lease. We believe that 49-year lease will enable

the objectives of the investment — the objectives of extending the lease — to be achieved in that time period. A longer time period for the chalet lease would not be consistent with leases in other national parks.

The other example in my patch is the Queenscliff harbour lease, which operates near the Bellarine electorate, and that is also a 49-year lease. There are examples of 99-year leases, but they normally apply to other institutions such as the Royal Dental Hospital, the Alfred hospital, the Royal Women's Hospital and the Martha Cove marina seawall.

There have been some issues over why it has taken so long for the chalet to be reopened. The leaseholders had a 10-year lease, but lasted only about two years. They ceased operations in 2007, and we unfortunately did not receive the lease back until May 2009. The search for a new operator, which is what the government is keen to do, commenced in August 2009 with the expressions of interest. There was then a decision to go to an open tender evaluation process, which is in place as we speak. The intention is to find an acceptable choice out of those who have applied. I am not at liberty to say how many have applied or indeed who has applied, but there is an expectation that the lease will be granted sometime late this year.

The chalet has not been left deserted — that is not an accurate representation of what has occurred since prior to its being leased to an operator, Parks Victoria has a full-time caretaker at the chalet. He does regular maintenance of the chalet and its associated plant and equipment. Park rangers do regular patrols. A permanent live-in caretaker has also been appointed to add to the security. Whilst there have been some issues of vandalism, the government is committed to spending around \$6 million on the initial chalet development. If additional funds are needed, subject to who the tenderer is and what the proposal is, then the government will enable those funds to be accessed through other grant programs. I think the future is very bright.

The ACTING SPEAKER (Mr Ingram) — Order! The member's time has expired.

Dr SYKES (Benalla) — I rise to contribute to the debate on the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010. I commence by congratulating the member for Doncaster on an excellent presentation and a clear enunciation of the Liberal-Nationals coalition position on the extension of the lease for the Mount Buffalo Chalet and the associated entities of Cresta Valley and Dingo Dell. Like the member for Doncaster, I welcome this bill coming before the Parliament and a government

commitment to increasing the length of the lease for Mount Buffalo Chalet and nearby Cresta Valley and Dingo Dell.

I wish to concentrate my contribution on how we got to this point. We need to start with a little bit of history. Recently the chalet celebrated its 100th anniversary. The fact that there were two ceremonies highlights the division in the community which the Brumby government's handling of the chalet has caused. In late April about 150 people gathered to celebrate the chalet's actual 100th anniversary. They included Christine Stewart, Bob Adams and many others who have been extremely critical of the Brumby government's inept handling of the lease. It was a very sombre atmosphere as those present still doubted the Brumby government's commitment to reopen the chalet.

On 8 May around 1500 people gathered at the official celebration of the 100th anniversary. Parks Victoria staff Chris Rose and Peter Jacobs affirmed their commitment to reopen the chalet and sang the praises of acting ranger-in-charge Enzo Brotto, who is responsible for the security of the chalet while there are concerns about its future. The member for South Barwon touched on the fact there have been concerns about the security situation at the chalet, and it was not until the publication of details about break-ins at the chalet and some action on my part and on the part of others that we had a ramp-up of the security situation.

Going back to the celebrations on 8 May, there was a real buzz in the chalet. It came to life as people relived many fond memories of their times there in years gone by. I thank Chris Rose for involving me in the unveiling of the commemoratives plaque. It was also great to listen to Dean Belle speak with great passion about the period in the 1990s when he and his wife Gillian successfully operated the chalet. Unfortunately, the chalet closed in January 2007 after the 2006–07 fires impacted severely on its trade and compounded recent difficult trading times.

This caused much heartache for managers Suzi and Brendan Cardigan and for the whole community. Public rallies were held and over 4000 people signed a petition calling for the chalet to be reopened. As the weeks dragged into months and months dragged into years people began to seriously doubt the commitment of the Bracks and Brumby governments to reopen the chalet. The government did not assist this situation by being secretive and refusing to meet with local groups, including the Alpine shire, which has a clear vested interest in the wellbeing and future of the chalet.

It was obvious from the very beginning that the two major issues impacting on the economies of operating the chalet were the cost of the provision of services, which the member for Doncaster mentioned are in the order of \$70 00 a month, and the maximum length of lease of 21 years. These two factors impact severely on the viability of any business venture there.

In its statement of government intentions in February 2009, the Brumby government committed to increase the length of the lease, but like so many of the government's commitments it failed to deliver on that. It has also failed to deliver on committing to the upgrade of services. At this stage it has committed to putting the money up front but not necessarily to going the whole way and ensuring that every assistance is given to overcome lots of practical and philosophical obstacles in getting power, water and sewerage delivered to the chalet and associated areas.

An earlier round of expressions of interest was unsuccessful and eventually, after the government had been shown to be too smart by half in failing to put a reasonable proposition on the table for tenderers to look at, it committed \$10 million towards the upgrade, \$6 million of which was to come from the insurance payout for Cresta Lodge. It also committed to increase the maximum length of lease to 50 years.

In 2009 there was another call for expressions of interest, but that too failed to deliver adequate business prospects. Now we have another round of calls for tenders, and I believe there are three potential tenderers being assessed at the moment, following closure of those tenders on 21 April.

The briefing provided to me by the minister's staff was appreciated, but it highlighted the ongoing attitudinal issues in relation to the Brumby government's position and doubts about its genuine commitment to the chalet's reopening. Specifically the commitment towards infrastructure costs is now \$6 million — not the \$10 million which was quoted previously and which the member for Doncaster had confirmed by the chief executive officer of Parks Victoria. The commitment is only for money. Based on the briefing there does not appear to be a commitment to making sure it is possible to put the infrastructure in place or an awareness there will be some environmental issues to address, particularly with the delivery of power to the area.

The lease has been extended to 50 years, but the length of the lease is at the discretion of the minister. This puts any investment in the chalet at a disadvantage compared with investment at nearby alpine resorts

which have a clear statement of guidelines for investors about the relationship between the expectations of investors in terms of dollars invested and other commitments, and the term of the lease.

In the case of the alpine resorts, the lease guidelines are in a document entitled 'Alpine resorts leasing policy implementation details', dated 23 October 2002. The guidelines make it clear that if you have an investment in excess of \$8 million, then you are likely to qualify for a lease in excess of 50 years. Given the chalet investment is going to be around \$20 million, it would be reasonable for an investor to expect a lease in excess of 50 years to make it comparable with investing in the alpine resorts.

On that point I welcome the commitment outlined by the member for Doncaster in relation to the coalition's position. She said the coalition would be prepared to consider a longer lease, should that be required, to ensure the successful development of the Mount Buffalo chalet and its ongoing financial sustainability. We have put our position clearly on the table, and I now call on the Brumby government to deliver this time on its supposed commitment. Let us have no more spin, no more plans. Let us have some genuine substance here, so we can have the chalet up and running once again.

We want the chalet to continue to be the iconic tourist attraction for the whole of north-eastern Victoria and particularly for the Ovens Valley, the King Valley and the Kiewa Valley, which are the nearby tourist areas. We want that to happen so that the hundreds of thousands of people who dearly love the chalet and who have come from throughout Australia and overseas to visit it in the past will again come to our area and appreciate the magic of the chalet with its humming, vibrant sense of history. They will also be able to appreciate the joys of skiing — to suck it and see. While they are at the chalet they will also be able to appreciate the absolutely fantastic experience of being in north-eastern Victoria.

I call on the Brumby government to deliver on its proposals, so this will not be just another example of spin over substance. If it delivers, the Alpine shire, the Alpine Regional Tourism Board, the Myrtleford Chamber of Commerce, Christine Stewart, Bob Adams and many other people will be extremely pleased. I call on the government to deliver.

Mr HUDSON (Bentleigh) — It is a pleasure to speak on the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010, because Mount Buffalo is one of our oldest and most beautiful national parks. The

park is over 100 years old, and in April this year the chalet celebrated its centenary. It has a long and distinguished history.

When the chalet opened it was one of the most prestigious places to stay in the whole of Australia. Honeymooners, tourists, hikers and skiers stayed in the chalet in large numbers over 100 years. They enjoyed the graceful building, along with of course the fabulous and spectacular granite outcrops and the highland plateau of the national park there. Indeed it was described as the Garden of the Gods by the state government geologist, Mr Dunn, in the 1890s. It is a special place; it is a place that a lot of us love. My own parents had their honeymoon there in 1954. They had a wonderful time at the chalet, enjoying the park's many attractions. Legend has it that they took a trailer load of suitcases with them but opened only one of them. They had a great time.

Since then the Mount Buffalo Chalet has fallen on hard times. Despite its grand scale the chalet has always offered very basic accommodation. The building was unlined at first, and it had no heating. In the early days guests actually came to dinner in their overcoats, and after they finished their dinner they hurried back rather quickly to the fires to keep warm. To this day of course the chalet still has no mains electricity; it relies on an expensive diesel power generator. It has a rather antiquated heating system, which heats the chalet's vast corridors, and it has fairly poorly insulated rooms, costing an enormous amount of money to heat. Indeed one of the far-flung wings was affectionately described as Siberia because when you went into that wing of the building the temperature dropped noticeably. The rooms themselves are small, and the chalet's water and sewerage systems need replacing.

So yes, it is a grand old lady, but let us not kid ourselves here: in order to bring it up to contemporary standards it is going to need an enormous amount of money spent on it. On some floors there is just one shared bathroom. Whilst it started out as a very sought after destination — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Ingram) — Order! The member for Caulfield is out of her place and is interjecting, as is the member for Murray Valley.

Mr HUDSON — Times have changed, and whilst it has been enjoyed for its ambience and its old-world charm, the chalet is now old. The fact of the matter is it is old, it lacks modern facilities and it needs an enormous amount of work. As the member for Murray

Valley rightly points out, some people have estimated that it would require around \$20 million worth of expenditure. That is a significant amount.

Of course in 2006 a back-burn that got out of control destroyed the day shelter, the cafe and the ski lodge at Cresta Valley. That was probably the straw that broke the camel's back for the chalet. But let us not forget that there have been some other significant things working against the chalet in recent times.

Dr Sykes — The Brumby government.

Mr Jasper — The Brumby government.

Mr HUDSON — We will come to that in a minute.

For example, in 2003 the CSIRO and the Australian National University in a study titled *The Impact of Climate Change on Snow Conditions in Mainland Australia* found that by 2020 the average annual duration of snow cover in Victoria will have decreased by between 5 and 48 days, the maximum snow depths will have been reduced, the snowline will have risen and the total area covered in snow will have shrunk by 10 to 40 per cent. That is a very significant reduction in snow.

Honourable members interjecting.

Mr HUDSON — I hear the member for Benalla say it would be great for people to go back there and go skiing. I predict that Mount Buffalo will not be a ski field again, because it is at an even lower altitude than those alpine resorts that were assessed by the CSIRO and it is going to have very limited snow seasons going into the future.

Dr Sykes interjected.

The ACTING SPEAKER (Mr Ingram) — Order! The honourable member for Benalla should not place bets across the chamber. That is disorderly.

Mr HUDSON — It might be good for cross-country skiing, but I doubt very much there will be any downhill skiing at Mount Buffalo. One of the most significant impediments to the redevelopment of the chalet, which most speakers have referred to, has been the length of lease available in national parks, which to date has been 21 years. That limitation was set at 21 years in legislation supported by both sides of this Parliament under the current National Parks Act. That limitation has been cited by investors as a potential impediment to significant private sector investment, and the government recognises that; that is the whole point of this bill. That is why we have brought in this

bill that provides for a 50-year lease. We recognise that the lease needs to be longer. The current lease was only handed back to the government in 2009. Here we are in 2010 considering a piece of legislation to extend the lease.

Really, the contribution by the member for Doncaster, who apparently thinks that all of the woes that confront and affect the chalet are the fault of the Brumby and Bracks governments, was a load of nonsense. There was a lease on the chalet until 2009. From 1993 until 2009 there have been three lessees in the chalet and there were two in the 2000s. If the Liberal and National parties were so concerned about the chalet, what were they doing in the 1990s to upgrade it?

Honourable members interjecting.

Mr HUDSON — Did you ever have any money spent on the chalet? No, you did not. Because it was being leased.

The ACTING SPEAKER (Mr Ingram) — Order! The member for Bentleigh, through the Chair.

Mr HUDSON — I am sorry, Acting Speaker. The opposition did not have any money spent on the chalet because it was under lease and it was being run privately, as the member for Benalla points out. It would have been totally inappropriate for the Kennett government or the Bracks and Brumby governments to interfere in those lease arrangements. These new lease provisions are entirely consistent with the government's policy in relation to longer term leases under the National Parks Act. They will be subject to specific site legislation. It is the same as what has been set up for the quarantine station at Point Nepean National Park, which I believe the opposition supported at the time.

A 99-year lease, which the member for Benalla has argued for, would be totally inappropriate. It would in effect hand freehold of a national park site to a private investor. It would be totally inconsistent with the public use and public purpose of the national park. It is not necessary anyway in order to attract the required level of investment. We now have a tender process on foot, and whilst we cannot talk about the tender process there is a bidder or bidders who are clearly bidding for the chalet; obviously it is an attractive investment opportunity, otherwise there would be no bidders. If we tied the chalet up with a 99-year lease, there would not be the opportunity to test the market for a tender on a periodical basis. We would be putting the chalet in private hands for nearly a century, which would be a totally inappropriate approach.

The member for Benalla has also said some other rather extraordinary things on this matter over time. After a fire at the chalet, according to the *Bright Observer* on 24 March he said:

No doubt many people would think it would be eminently convenient for Parks Victoria if the chalet was to burn down.

That is an outrageous slur on the integrity and good work of Parks Victoria, which has managed this asset through a very difficult time and brought it to the point where now it is going out to tender again. It is an unnecessary slur, and it is like what the member for Benalla does on a lot of things — he speaks first and thinks later. It is very easy to talk about this; it is as if it were as easy as waving a magic wand to get the required level of investment. The government has acted. I commend the bill to the house.

Mr MORRIS (Mornington) — Despite its title, the Parks and Crown Land Legislation (Mount Buffalo) Bill 2010 deals with many other matters as well as Mount Buffalo. It deals with the marine national parks and marine sanctuaries. It provides for the revocation of reserves at Corio Bay, at Shepparton, involving a couple of parcels of land, and at North Park Recreation Reserve in Swan Hill. Schedule 6 makes some changes to the Crown Land Acts Amendment (Lease and Licence Terms) Act, the Forests Act, the Sustainable Forests (Timber) Act and the Transfer of Land Act.

Importantly there are also considerable changes to the boundaries of a number of national parks and reserves. There are changes to the parks in the Bendigo region as well as those in the Castlemaine diggings area and at Great Otway, at Kinglake, in Gippsland and at Numurkah. A total of 820 hectares is added to parks and reserves, and there are some excisions as well. Two of them — in Kinglake and in Beechworth — are relatively minor and are largely to facilitate access or make it easier, and there is a more substantial one in your electorate, Acting Speaker, for the Mallacoota Airport. At 71 hectares that is a substantial area to come off the park, but my understanding is it is critically important to ensure that aircraft can get in and out safely. Mallacoota is relatively remote from Melbourne, so it is important simply from a public safety point of view that access be retained.

In terms of the amendments to the provisions relating to marine national parks there are a number of changes to definitions to ensure consistency with the Fisheries Act, including the definitions of ‘commercial fishing equipment’, ‘rock lobster’, ‘rock lobster fishery access licence’ and ‘rock lobster pot’. There are changes relating to sections 45A, 45B and 45C of the National Parks Act. Section 45A provides for fishing offences in

marine national parks and sanctuaries, section 45B has the provisions relating to Point Hicks and section 45C relates to enforcement proceedings.

The marine parks and sanctuaries involved comprise some 13 parks and 11 sanctuaries across the southern coast of our continent. It is an extensive network — more than 5 per cent of the coast from Discovery Bay in the west to Cape Howe in the east is taken up by the national parks. They include areas that are perhaps the remotest from this part of the state — from the most highly populated part of the state. Some are almost pristine and some are in heavily trafficked areas that are close to home. There is the Port Phillip Heads Marine National Park, which has an issue of incredibly busy maritime traffic, and Yaringa Marine National Park in Western Port just north of the port of Hastings. The parks run the gamut from the most remote to perhaps the busiest sections of our coastal waterways. Often they are incredibly sensitive areas. They are established to ensure that the marine flora and fauna in the parks areas are protected and to provide for use and enjoyment by the population. Significantly I think they are also there to promote an understanding of the marine environment.

Given that many of those parks are within what some may say is a convenient distance from Melbourne — others may say dangerously close to Melbourne — as our population increases there is going to be a lot more pressure on those parks. It is important that they not be locked up and that members of the general population continue to be able to access and enjoy them and to have the educative experience that can come from them. However, in order to achieve that we need to have in place a regulatory and management regime that ensures the parks are managed to protect the environment and the flora and fauna rather than their simply being managed in a sustainable way, which might be more appropriate to fisheries or perhaps to state forest in a terrestrial environment. I think that is certainly the case here — that the changes relate largely to management.

A new offence is created of using commercial fishing equipment in a marine national park or marine sanctuary, which carries a substantial penalty. However, the changes are largely about making the interaction between those who derive their income from the surrounding areas and the marine parks easier.

Clause 6(2) amends section 45A(5) of the National Parks Act. It basically relates to the priority species of abalone and rock lobster — Murray cod, I think, is the other one, though not particularly relevant in this context — that are identified under the Fisheries Act.

All in all those changes essentially make the management work more effectively and hopefully make it easier for those who need to work about them as well. The revocation of the Crown land reserve status and the additions and excisions from the parks are relatively uncontroversial.

I want to spend my remaining time talking about Mount Buffalo and the associated issues of national parks. The members for Doncaster and Benalla covered in some detail the issues of infrastructure, leasing and so on. There has been much discussion on both sides about the length of the lease. In some respects the whole situation of Mount Buffalo is an anomaly. Declared a national park in 1898, it is an entirely different situation to what exists for the rest of the alpine national parks and alpine resorts.

When I grew up and started skiing almost 40 years ago, Mount Buller was managed by the then Forests Commission, Falls Creek was managed by the State Electricity Commission of Victoria, and Mount Hotham was managed by the then Lands Department. In 1975 I was involved in negotiation of a lease with the Lands Department for a lodge at Mount Hotham.

Coincidentally at about the same time the Victorian National Parks Association published its seminal work *The Alps at the Crossroads*, and that in part led to much greater public debate. It led to the Land Conservation Council investigations, which I have to say much of the skiing community viewed with nervousness for some time, but as the process worked through — and I remember attending a number of public meetings — more and more people got on board. Eventually a series of recommendations came out that created a number of parks in the alpine area, though they were not yet linked. The 1983 special investigation created those links, which were put into place in 1989.

The relationship between the alpine resorts and the national parks, particularly in the north of the state, is entirely different to that of Buffalo. What the argument really comes down to is how you deal with the lease; whether the lease term should be 21 years, 50 years, 65 years or 99 years. It is all ad hoc, and that is my concern with this legislation. I am not expressing a view about whether 99 years is appropriate or whether 21 years is appropriate. We simply do not have the framework to make that judgement.

I know an argument was put forward in the briefing — and I thank the minister and the department for the briefing; it was certainly comprehensive — that 99 years is essentially de facto freehold. It may well be the case, but I am not arguing that point. We need to see

a framework that allows us to make an assessment of whether the lease term is appropriate.

We need to ensure that the operators get a reasonable return on their investment, but not a windfall profit. I do not want to stray too much into the recent gaming machines tender, but clearly the state did not get the outcome it could have. In this instance it is important that we get the right economic environment for the operators; that we still maintain the protections for the park, so the area is not alienated.

It is also important that the people of Victoria receive an appropriate return for the concession they are effectively granting in these sorts of situations. I would be keen to see that work done. It needs to be publicly debated and it would be terrific if it could be done before any further leases beyond this one are signed.

Debate adjourned on motion of Ms DUNCAN (Macedon).

Debate adjourned until later this day.

TRANSPORT LEGISLATION AMENDMENT (PORTS INTEGRATION) BILL

Second reading

Debate resumed from 6 May; motion of Mr PALLAS (Minister for Roads and Ports).

Dr NAPHTHINE (South-West Coast) — I rise to speak on the Transport Legislation Amendment (Ports Integration) Bill, the purpose of which is to provide for the Port of Melbourne Corporation to take over the Port of Hastings Corporation; to bring the Port of Melbourne Corporation and the Victorian Regional Channels Authority under the Transport Integration Act 2010; to change the name of the Port Services Act to the Port Management Act; to correct some technical errors in the Transport Integration Act 2010; and in clause 7 of the bill require certain bodies to develop strategy and implementation plans under the Transport Integration Act.

Clause 7 inserts new section 27A into the Transport Integration Act. It states, in part:

- (1) This section applies to the following transport bodies —
- (a) a transport corporation;
 - (b) a transport safety agency;
 - (c) a transport system agency;

(d) a prescribed transport body.

It says those bodies must develop a strategy and implementation plan and have regard to transport system objectives and decision-making principles according to the act. When you read through the act there is a whole raft of them, including the vision statement; the transport system objectives; the social and economic inclusion; economic prosperity; environmental sustainability; the integration of transport and land use; efficiency coordination and reliability; safety, health and wellbeing; and decision-making principles and policy principles; which are all highfalutin terms. I am sure the bureaucrats spent many hours and many dollars developing those concepts.

The reality is that when you are talking about new section 27A, and when you look at sections 26, 27 and 28 of the Transport Integration Act, it is not worth the paper it is written on. Section 26 of the principal act states 'a transport body ... may determine the weight to give to each transport system objective', so it does not really have to account for that. Section 27 says 'a transport body or interface body may determine the weight to give to each decision making principle'. Then, to top it all off, section 28 says 'The Parliament does not intend by this Part to create in any person any legal right or to give rise to any civil cause of action' — in other words, they do not have to do any of it anyway. What you have is a whole series of high-minded objectives which do not have to be implemented.

The government has spent a lot of time, money and effort on the strategy, the implementation plans, the vision statements and all the objectives and the policy ideas, but it will not deliver one extra bus, one extra tram or one extra train. It will not help commuters get to work or home again on time. It will not fix myki. It will not put one extra tonne on our rail freight system. If the Department of Transport and the minister and the government spent as much time and effort on actually improving our transport system, our rail freight system and our train system as they do on drafting these words, then we might have a system that works and we might have a myki that works. But this government is more interested in words than action. It is more interested in wasting money on policies, documents, brochures and spin than in delivering an improved transport service for the people of Victoria. This is simply another example of that.

The major policy decision in this bill is the proposal to abolish the Port of Hastings Corporation and make the port of Hastings the responsibility of the Port of Melbourne Corporation. In the 1970s the potential of

Western Port was identified, with the establishment of large-scale process industries which needed both a deep water port and extensive land adjacent to that port. Today the port of Hastings is one of the four major commercial ports in Victoria. Last year over 200 ships moved in and out of that port, and the port handled over 5 million tonnes of cargo, including 4 million tonnes of petroleum products and 1.2 million tonnes of steel products through the BlueScope Steel wharves.

However, under Labor it must be said the Port of Hastings Corporation has suffered from the effects of a litany of broken promises, ill-conceived plans and poor decisions. That has not been in the interests of the port of Hastings, the people of that region or Victoria as a whole. The best example of one of those poor decisions was the decision of the Brumby Labor government to break a clear election promise to the people of that area and to thumb its nose at the local community by allowing the unpopular and unwanted bitumen storage facility to be built at Crib Point. That was an absolute disgrace and a blatant broken promise to the people of that area.

Now in this bill we have a decision to abolish the independent port of Hastings and make it subservient to the Port of Melbourne Corporation. I argue, and the coalition argues, that this will stifle the opportunity for the growth of a well-managed and a properly developed port at Hastings, which growth is in the interests of that region and of Victoria and Australia as whole. Instead of stifling the development of the port of Hastings, Victoria should be encouraging and fast-tracking the development of Hastings as a major and important port for our state and for Australia. We need a new competitive container port. Western Port needs jobs. Economic benefit would flow from this growth of the port, but unfortunately this government is stifling that development.

The development of the port of Hastings needs to take account of the environmentally sensitive area in which it is placed, and the development must take place in an environmentally, socially and economically sensible manner. But Victoria, Australia and the Western Port region, and our importers and exporters, need this port development to cater for our growing economy and to provide genuine competition to the port of Melbourne, particularly in the container trade. That is why the coalition will be opposing this legislation — we do not see it being in the interests of the port of Hastings or the people of Victoria.

Why do I say this proposal will stymie the growth of the port of Hastings? Let us look at why I say that. One has only to look at the explanatory memorandum to the

bill itself to see it. It says at page 9 that the intention is to grow the port of Hastings ‘over the next two to three decades’, so we are talking 20 or 30 years down the track.

Mr Nardella interjected.

Dr NAPHTHINE — The member for Melton says, ‘Yes, that’s right’, because he wants to stymie the development of the port of Hastings. He does not want jobs in that region. He does not want a commercially competitive container port in the port of Hastings. He wants to stymie the development of the port.

The explanatory memorandum states further on page 9:

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

Mr Nardella — Correct.

Dr NAPHTHINE — The member for Melton says, ‘Correct’. What this government is clearly saying is that there is no opportunity for container trade at Hastings under its plans for that port. It does not want container trade at Hastings.

Mr Nardella — That’s right.

Dr NAPHTHINE — The member for Melton is saying that that is absolutely right.

The ACTING SPEAKER (Mr Seitz) — Order! The member for South-West Coast knows interjections are disorderly, and he should ignore them.

Dr NAPHTHINE — That is why we oppose this legislation: we see a strong future for the port of Hastings as a competitive container port for Victoria and Australia. Indeed if we go further to the government’s document entitled *Port Futures — New Priorities and Directions for Victoria’s Ports System*, we see that it says on page 20:

In relation to competition between Victoria’s ports, the policy settings generally encourage this for the bulk and break bulk trades ... but not for international containers, which are earmarked exclusively for Melbourne until it reaches capacity around 2035 ...

This government is trying to stymie the development of the port of Hastings.

That has not always been this government’s view or the Labor Party’s view. If one looks at the report by a group headed by Professor Bill Russell entitled *The Next Wave of Port Reform in Victoria — An*

Independent Report to the Minister for Ports, one sees that was not its view. The report says at page 92:

... the port of Hastings is a significant strategic asset of Victoria and must be accorded an appropriate management structure.

In the past, the Port of Melbourne Authority discharged that role. However, the review considers that it would not be appropriate to place this function with Melbourne Port and Channels Corporation.

That is what the Russell report said: ‘Do not stymie Hastings; do not put it under the Port of Melbourne Corporation; keep it as a separate viable port’. That was his recommendation, which was adopted by the Bracks government because it was the right recommendation for Victoria and the right recommendation for the port of Hastings.

Professor Russell — and I do not always agree with him — said the port of Hastings needed to be given the opportunity to grow and develop and not be stymied by the port of Melbourne. He said, ‘Do not put it under the Port of Melbourne Corporation’. That was his recommendation, and that was the government’s position at the time. The member for Melton has gone strangely quiet. He has been shown to be a shallow contributor on this issue.

The annual report of the Port of Hastings Corporation (PHC) for 2008–09, which is the most recent annual report, says:

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

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

That is what Professor Russell said — and that is what the government said at the time, but now it wants to stymie the development of the port of Hastings and stifle competition. This great port has natural deep channels and is close to Melbourne, being only an hour away by road. If it had been developed properly it would have great road and rail links to Melbourne, but the government is turning its back on the port of Hastings.

Mr John Lines, the managing director of ANL Container Line, said in an email to me on 18 May:

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

Why should the ports of Melbourne and Hastings be joined together? Why not develop and run them as separate entities through competition which would drive operating efficiencies. These would flow through the whole transport chain.

Rose Elphick from the Victorian Freight and Logistics Council, in an email to me on 10 May, raised concerns about the lack of competition through a proposed merger. She said:

... given this increases market share to PMC, government will need to be vigilant in terms of monitoring pricing and regulating behaviour of this corporation.

The Victorian Freight and Logistics Council is concerned about the lack of competition.

Lindsay Fox, a prominent Victorian who has expertise and skills in the transport area, is quoted in the *Herald Sun* of 14 November 2008 as saying with respect to the congestion around the port of Melbourne:

There are 6000 truck movements a day around the port of Melbourne, and anybody who wants to try and get out of the centre of the city encounters —

heavy congestion. He argued in the same article that we need to develop the port of Hastings as an alternative and competitive port to the port of Melbourne. That is the position the coalition is putting, and that is why we are opposing this legislation.

Members on government benches often say, 'What would the coalition do?'. Let me outline what is already on the record about what the coalition would do. I refer to an article in the *Sunday Age* of 4 November 2007 — so our position was put on the record some years ago — that says:

Dr Naphthine said that despite — —

Mr Nardella — Yourself!

Dr NAPHTHINE — I am telling you.

Mr Nardella interjected.

Dr NAPHTHINE — I am saying what our position is, therefore I quote the shadow minister.

Honourable members interjecting.

The ACTING SPEAKER (Mr Seitz) — Order! Members will let the member for South-West Coast continue.

Dr NAPHTHINE — I am quoting the article.

Dr Naphthine said that despite the Liberal Party's support for the —

channel deepening project — —

The ACTING SPEAKER (Mr Seitz) — Order! The honourable member for South-West Coast should address the bill.

Dr NAPHTHINE — Let us have that on the record — 'Liberal Party's support for the channel deepening project'. That was in November 2007, when the report said how the Liberal Party supported the channel deepening project — so let us not have any of the myths and rubbish that the Labor Party perpetrate about where the Liberal Party stood on channel deepening.

The article goes on to report me as saying that Hastings had to be the government's main focus. It continues:

We believe the development of the port of Hastings should be fast-tracked, but even with fast-tracking it will probably take 8 to 10 years at least before it is a major container port, so you will still need ... channel dredging.

That was our position. Yes, channel deepening was needed but the port of Hastings should be fast-tracked so that there is competition.

I now quote from a letter that I wrote to the *Hastings Independent* which it published on 20 November 2007. It is headed 'Port policy'. The government often says, 'What is the coalition's policy?'. Let me outline it because it has been on the record since 2007. Let me make it very clear that there is no secret about what our policy is. My letter says:

The Liberal Party supports the further development of the port of Hastings. Our support for this project is subject to the satisfactory completion of effective, independent and up-front environmental, economic and social impact studies.

Another aspect of Liberal policy is that all port development be contained to the existing port area north of Hastings.

As a result of this policy no port development or any other ... industrialisation would take place at Crib Point or any other area south of Hastings. A state Liberal government would not allow Boral to establish a bitumen facility at Crib Point.

Liberal policy would favour rezoning the Crib Point area to low-impact residential and tourism. This would favour the development of projects such as the Otama submarine and the Stony Point to French Island and Phillip Island car ferry.

The pivotal aspect of Liberal Party policy regarding development of the port of Hastings would be its commitment to an ongoing, genuine and comprehensive community consultation process. This process would not only operate through the initial planning stages, but throughout any development stages and continue as long as the port continues to operate. It is through this process that a Liberal government would ensure that the port operates in a manner that is acceptable to the community.

In addition, the state Liberal Party supports the development of key transport, both road and rail, along the Western Port Highway corridor.

We totally reject proposals to use the existing Stony Point to Frankston rail line or to create a new railway route through Pearcedale, Devon Meadows and Clyde.

The letter is signed 'Denis Napthine, shadow minister for ports'. We put on the record two and a half years ago our policy for the port of Hastings, clear and in black and white, which is quite different to what the government is trying to do. It has had reports and reviews where it continues to propose unsafe, unworkable systems for servicing the port of Hastings. In its latest document, the *Port of Hastings — Land Use and Transport Strategy*, dated August 2009, it is still saying that its preferred option for rail links to the port of Hastings is to use the Frankston–Stony Point corridor. What a disgrace! It is unsafe, overcrowded and unworkable. This document goes on to say:

For the long term ... to connect the port with the Gippsland region, constructing a new line along the Gippsland corridor as far as Clyde.

They are looking to go through a greenfields site, through Clyde and Officer, which is absolutely opposed by the local community. It is not in the best interests of the port of Hastings.

What we have under this government are misguided policies that will not deliver outcomes for the port of Hastings. We have a proposal to force the port of Hastings into the control of the Port of Melbourne Corporation, which has enough on its plate in managing its own port and port facilities. It should not be acting as Big Brother to the port of Hastings.

What we need, according to Professor Russell, is an independent port of Hastings that can provide strategic vision and long-term growth and development opportunities for the port, but that is not what the government wants. Even when government members talk about what they are going to do at the port of Hastings, they are still 20 years behind the times. They talk about using the Stony Point–Frankston line and about using rail services through the Gippsland corridor, but these options are unacceptable.

Mr Nardella — Where would you put yours?

Dr NAPTHINE — The member for Melton asks me where I would put it. I will refer back to the letter I quoted from before. It says:

In addition, the state Liberal Party supports the development of key transport, both road and rail, along the Western Port Highway corridor.

It is plain and clear. Unfortunately the member for Melton and his government are simply not listening to what is in the interests of Victorian ports.

I move to a number of other issues relating to this legislation. Unfortunately there is a long list of failures and broken promises made by Labor in respect of Victorian ports and access to them. One only has to look at the promise made originally in 2001 as part of Growing Victoria Together to see this is the case. The government promised that by 2010, 30 per cent of freight going to and from our ports would be on rail. That promise was repeated time and again by minister after minister. Last year's budget showed that we have actually gone backwards: only 12.3 per cent of freight going to and from ports is on rail, which is a decline from 20 per cent in 2000, when this promise was originally made. It has gone from 20 per cent to 12.3 per cent — it has gone backwards — and in this year's budget the promise has been dropped. The budget has a line in it that says, 'We have now dropped that promise, fundamentally because we could not keep it'. It sounded like a good idea at the time 10 years ago, but it has simply not been delivered, and the result is more trucks on our roads.

The second issue I wish to raise is the government's failure to support the only port rail shuttle service in this state, which operated from Altona to the port of Melbourne. Because the rail shuttle was transporting containers it took literally thousands of trucks off the roads of the inner western suburbs and the West Gate Bridge. If you look at document after document that the government has produced about the management of the port of Melbourne and access to it, you will see that it keeps talking about having shuttle services to freight centres and distribution centres. However, the only rail freight shuttle service operating in this state was closed down in February 2007 because the government failed to support the service. It failed to give it proper access to the tracks so that the service could have timely access to trains to go from the port of Melbourne to Altona. It sometimes took 2½ hours or 3 hours for trains to go from the port of Melbourne to Altona simply because they got held up at the Tottenham rail yards or were denied access to the track system.

I believe, and the coalition believes, rail shuttle services are one of the keys to improving transport services to and from our ports, to taking trucks off the road and to improving our environment. If you read government documents, you see plenty about Freight Futures and the Melbourne Port@L strategy. The government talks about rail shuttle services, but the only one that was in existence was killed off by the Labor government.

In the 2001 budget the then Treasurer and Minister for State and Regional Development, now the Premier, promised to standardise rail freight lines across Victoria. He said the first cab off the rank would be the

Mildura line to the port of Portland, which would take mineral sands and grain to the port and help it to grow and develop. That was 2001; here we are nine years later, and not 1 centimetre of the track that the former Treasurer and the Labor Party promised would be converted to standard gauge has been converted. It is an absolutely disgraceful broken promise to the port of Portland and western Victoria.

In the 2002 budget the Labor government promised dual-gauge rail access to Lascelles wharf in the port of Geelong. If you go to Lascelles wharf, you will see that there is no such access. It was promised in 2002, but seven years later nothing has been done.

The government has failed to reduce truck numbers on the West Gate Bridge and inner city roads, causing congestion, environmental damage and health issues for local residents. It has actually increased truck numbers. We have had increased activity through the ports, but instead of setting up effective rail shuttle services and improving rail access to the port — keeping the promise of 30 per cent of freight on rail by 2010 — the government has put more trucks on the roads in the inner city areas around the port of Melbourne.

Mr Nardella — Why do you hate trucks?

Dr NAPTHINE — I do not know why the member for Melton hates the people of Yarraville. Why does he hate the people of Francis Street? Why does he hate the people of Footscray? Why did he hate the people of Kensington? They are the people who have to put up with the trucks because the government has failed to act on the matter.

The government has failed to put any new dollars into the green triangle freight action plan, a \$340 million commitment to improve road and rail access to the port of Portland which was announced with great fanfare in April 2009. In this year's budget \$5 million was allocated to the plan, but at a Public Accounts and Estimates Committee hearing the minister admitted that that money was actually allocated last year, and most of it has been spent. So there is no new money; \$340 million was promised but nothing was delivered.

Mr Nardella interjected.

Dr NAPTHINE — Yes, it is already spent. He said it was last year. What we do have under this government is the imposition of a big, new tax on all trucks going to and from the port of Melbourne which will add to the cost of all consumer goods and put lead in the saddlebags of our exporters in a competitive world market, and this tax, the port of Melbourne freight infrastructure charge — —

Mr Nardella interjected.

Dr NAPTHINE — Do you know about it? It is a big, new tax on every truck that goes in and out of the port of Melbourne, and it could be anywhere between \$120 to \$200 per truck; that fee is scheduled to raise \$1 billion over 10 years — in other words, that is \$1 billion that our exporters have to pay and top up, which will make them less competitive on world markets. It is \$1 billion that consumers will have to pay on imported goods that come into this state.

Mr Nardella interjected.

Dr NAPTHINE — It is a new tax. It is a big, new tax. Under the Labor government we have seen a flurry of consultancies — —

Mr Nardella — What are your policies? You have no idea.

Dr NAPTHINE — I have outlined our policy on the port of Hastings. We see a flurry of consultancies, documents and reports but little or no real action. Let us look at some of these. We have had *Shaping Melbourne's Freight Future*, a document produced this year; *Port Futures — New Priorities and Directions for Victoria's Ports System* published in 2009; the Eddington transport report in 2008; *Freight Futures — Victorian Freight Network Strategy* in 2008; 'Draft Melbourne Port@L strategy' in 2006; *Victorian Ports Strategic Framework* in 2004; the Russell report entitled *The Next Wave of Port Reform in Victoria* in 2002; *Port of Hastings — Land Use and Transport Strategy* in 2009 — and we had a consultation document two years earlier; we have a *Port of Melbourne Container Origin Destination Study*; and the *Victorian Supply Chain Excellence Action Plan 2006* and the draft port development plan in 2006.

There are a few more that I have yet to mention — and all that happened in a bit more than 10 years. So what the Labor government is good at is producing reports, discussion papers and consultancies, the same as with the Transport Integration Act which this bill refers to, where we are going to have a whole raft of new reports and new studies, as clause 7 of the bill says. We are going to have a whole new range of strategy implementation plans for every transport corporation and rail corporation. Everything has to have new plans, but no action. We need action, not just reports from this government.

Mr NARDELLA (Melton) — We have just had half an hour of a vacuous contribution by the honourable member for South-West Coast, who had to go to his own printed words in newspapers to back up

his own argument about the lack of policy and the lack of commitment to freight, to the ports and to channel deepening in Victoria. Instead of talking about Martin Dixon, the honourable member for Nepean, who went out there and opposed channel deepening, and opposed the extra jobs and the extra capacity and efficiency in the Victorian freight and transport system, the member for South-West Coast went on about lots of other things.

One of the things he did not talk about was his policy. What is his policy on Hastings? The policy was and is that they are going to find in some way, shape or form \$3 billion to \$4 billion to upgrade the road system and the freeway system, then to duplicate a rail system on that freeway system. That is his idea of how you do this, but he has no idea of how you link into Gippsland through Clyde.

He is talking about how Hastings is critical to his plans and he talks about rail. Let us talk about rail; let us talk about when the member for South-West Coast was sitting around the cabinet table, making decisions about rail and freight, whereas in actual fact he was sitting around the cabinet table when he closed the rail line to Webb Dock. Now he says we are not committed to rail, yet he was one sitting around the cabinet table when they said, 'No, we are going to lock off Webb Dock. This is our commitment to rail — making efficiencies to the port system and the freight system here', all amid the crocodile tears of getting four trucks on the road.

He and his government closed down and decommissioned the rail line from Webb Dock into the port system. So when he comes in here and talks about the policies that he has developed without any funding strapped to that whatsoever, he comes here knowing that he and his government have an unsurpassed record in closing things down and in not supporting the freight and port system here in Victoria. Then he has the audacity of talking about, in this bill, buses, trains and trams, which have nothing to do with the port and freight systems in Victoria. Yet here he is talking about buses, trains and trams.

This bill is all about jobs. It is all about the 1600 extra jobs that we will be creating in the port system and the freight system in Victoria. Some of those jobs, obviously, are going to go to Hastings but you cannot have a situation where — apart from the \$3 billion to \$4 billion that is needed for the transport links, if you are not going to go through the Stony Point line — the \$3 billion or \$4 billion that would be used to create the freeway and the rail system to link in the port of Hastings into the metropolitan system or a hub in Dandenong would become, say, \$10 billion.

You are then talking about a \$10 billion to \$15 billion investment needed to bring the port of Hastings up to container standard, as the member for South-West Coast said, but he did not say how he is going to pay for it. All he could do was refer to letters to the editor — letters that he wrote to himself, because nobody else would have read them. He then put those letters in a filing cabinet and said, 'One day I will go into Parliament and pull this letter out as evidence of my policy'.

He also had the audacity to say that all this government has done is put in place a freight plan, a support plan and other plans and policies, because that contrasts with the record of his own party and the coalition's position of not having any policy. Members of the coalition had seven long, dark years to implement the Hastings option, but they were reducing the number of services and the amount of investment to rail and road infrastructure in Victoria.

The member for South-West Coast went on to talk about the Mildura passenger rail line. If you were a member of the previous government, as was the member for South-West Coast, and you had sat around the cabinet table when that service was closed down, as he did, then you would not mention that matter in Parliament during a debate. The member for South-West Coast tends to have amnesia around these types of matters when we are talking about transport and the rail system in Victoria.

Members of the coalition certainly do not understand that this legislation is all about competition and increasing the capacity of the port of Melbourne. It is about investment that is needed in the port of Melbourne and about the competition that is absolutely encouraged within the current agreements by this government. If you turn to the legacy of the member for South-West Coast and the Liberals when they were in office, one thing they did well was close railway lines.

The problem with the Liberals on this issue is that they have no idea about the competitive pressures faced by the Port of Melbourne Corporation and how getting \$100 billion worth of imports and exports through the port needs to be integrated. They have no idea of the policy that we are putting in place, because all they do is attack it and criticise it. They have no idea of the efficiencies that we are building into the Port of Melbourne Authority to deal with the 4500 containers that go through the port every year, and that number is increasing. They have no idea of the competitive pressures faced by the Port of Melbourne Corporation in competing with other ports on the eastern seaboard and the rest of Australia. Melbourne is not only keeping

pace with but increasing its percentage of the number of containers that come into Australia.

The member for South-West Coast did not take into account that the Port of Melbourne Authority has one of the top 50 ports in the world, and certainly the premier port in Australia. It is in that position because this government has put in place — and this legislation is part of it — the mechanisms to expand the port of Melbourne to increase efficiencies through the truck action plan, through the freight plan and the port plan. We are working in an integrated way to improve the economy and the capacity of the port.

Part of the problem is the risk posed by members of the opposition, who have neither the ideas nor the policies to take to the next election other than the mention of letters to the editor that the member for South-West Coast wrote to himself and which have been read only by him.

This government is creating jobs, including the 35 000 jobs outlined in the budget this year. Part of that component includes jobs in the port of Melbourne, and they are absolutely critical. The real risk for Victoria is that the mob opposite might get into government, because that mob only knows how to shut things down and sell them off. Would they implement any other plan for the port of Hastings? Of course not, because they have not funded any such plan and they have not announced it as policy — the necessary billions of dollars.

The reason the time frame for the plan has moved from 20 to 30 years is because the billions of dollars needed to upgrade the port of Hastings are just not there — like the coalition's policy and its vision on anything to do with jobs and ports here in Melbourne.

Mr WELLER (Rodney) — It is with great pleasure that I rise to speak on the Transport Legislation Amendment (Ports Integration) Bill. As always it is a great pleasure to follow the member for Melton; I have lots to bounce off what he has said. He made the claim that we on this side of the house are in a policy vacuum. Unfortunately he has not been studying the politics of Victoria in the last few months, and he did not listen to the contribution made by the member for South-West Coast.

Let us have a look at what has been happening over the last few months. In January the coalition announced as an election policy the end of suspended sentences — but what happened about a fortnight ago? The Attorney-General, who at the time pooh-poohed the idea and said there would not be enough room in the

jails if suspended sentences were abolished, came out and supported the measure. Now he says the removal of suspended sentences will be government policy — that there will be no more suspended sentences.

Then the coalition came out — on, I think, the Tuesday after Easter — and said it would employ more policemen in Victoria to get on top of the law and order problems that have magnified over the 10 long years of this government. What happened? Labor asked about how those positions would be funded. As we saw in the week before the budget was brought down, Labor announced that it would do as the opposition suggested and put on extra police.

If there are policy vacuums on any side of this house, they are on the side of the Labor government. The coalition, particularly the member for South-West Coast, is being accused of having no policy on the port of Hastings. While the member for Melton was listening intently, the member for South-West Coast read out a 2007 newspaper article that stated our position. He also read out a 2007 letter he had written about the Port of Hastings, which points out the coalition's position. We have been quite clear and open. All we need is for the members on the government benches to listen.

I turn to the bill. Its purpose is to provide for the Port of Melbourne Corporation to take over the port of Hastings, to bring the Port of Melbourne Corporation and Victorian regional channels authorities under the Transport Integration Act and to correct a number of technical errors in the Transport Integration Act. The main provisions require all transport corporations and safety agencies, transport systems agencies and prescribed transport bodies to develop a strategy and implementation plan in accordance with the provisions of the Transport Integration Act 2010.

That all sounds fine, but people who are out there and cannot get on a train or are sitting in a traffic jam on the Eastern Freeway or the Monash Freeway — or even on the Tullamarine Freeway or the Western Ring Road — want action, not another plan. They do not want what we have on page 3 of this bill — that is, 'A new policy framework for transport'. There are lots of words in here, but they will be of no comfort to those who are stuck in traffic or waiting for trains or trams.

The 'New policy framework for transport' has a vision, which is:

... an 'integrated and sustainable transport system that contributes to an inclusive, prosperous and environmentally responsible state.

That is a good vision, but this government has had 10 years and failed to deliver. It has had 10 years to come up with a vision. How much longer does it want?

Under 'Transport system objectives', the bill's explanatory memorandum lists social and economic inclusion; economic prosperity; environmental sustainability; integration of transport and land use; efficiency, coordination and reliability; safety; and health and wellbeing. They are all good words, but once again if you are not going to back them up with action, what is the point of having all these words? As the member for South-West Coast quite rightly pointed out, around every 12 months another report comes out with all these lovely words.

Then we are going to have 'Decision-making principles', and the explanatory memorandum says we will have the principle of integrated decision making, the principle of triple bottom line assessment, the principle of equity, the principle of the transport system user perspective, the precautionary principle, the principle of stakeholder engagement and community participation — I will come back to that one — and the principle of transparency.

Transparency is a good principle. I remember this government coming in and then Premier Steve Bracks saying in 1999, 'We are going to be open and accountable'. Sadly that all fell by the wayside in about 2001. It might have lasted for about the first 18 months, but the government has been on about nothing but cover-up, cover-up and cover-up ever since.

I am getting a little off the topic here, but an example of transparency disappearing is water services committees; they have been sacked for discussing issues with irrigators. Why should water services committees not be able to talk to irrigators?

Then we go back to the principle of stakeholder engagement and community participation. Tonight the member for South West Coast has said that the proposed closing of the connections from the railway lines to the port of Hastings is not what the local community wants. This government has not engaged the local community on where it would be best placed. The government has ridden roughshod over the local community and told it, 'This is where it is going to be'. If that is what you call the principle of stakeholder engagement and community participation, that makes this a farce, which is what this government has been for the last 10 years.

Why are we opposing the port of Melbourne takeover of the port of Hastings?

Mr Holding — Who are you asking?

Mr WELLER — I am asking a rhetorical question. You have to understand that it is very important to my electorate to have a very competitive container port. We have Murray Goulburn Co-Operative, which is the biggest user of the container port of Melbourne. We have Fonterra Foodservices factories in our electorate. We also have the Mulcahy brothers, who are very enterprising farmers and who are now processing their own fresh milk, putting it in containers and exporting it to Singapore. They insist on having a very competitive container port system.

Mr Burgess — They need it.

Mr WELLER — They do. We also have Greenham in our area, which runs abattoirs and processes cows. The cow is shot, she is in the box in 45 minutes and that box is on the way to America the next day. It is a hot-boning system, and it is very efficient. We need to have efficiency when we go through the port. We do not need inefficient ports.

In my electorate we also have horticulture and the wine industry. The Heathcote region exports a lot of wine to many parts of the world, and I must say it is some of the best red wine in the world. We also have WiSA Irrigation Solutions in my electorate which makes soil moisture monitors and automated drip irrigation technology, which it exports to Israel and other parts of the Middle East. It all goes out through the container port of Melbourne. It is very important that these industries are encouraged to export efficiently to the world.

As we go through all these things we need to remember that some of the users of the port of Melbourne have made observations that support the position we have taken — that we need to have a separate port of Hastings, so that we have competition and it is not overtaken and ruled by the port of Melbourne. ANL Container Line said:

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

These providers of services are saying we need to have genuine competition in order to have the most efficient system to get the high-class, world-standard products that we produce in Victoria to the world market, so that we have prosperous primary producers, prosperous secondary industries and prosperous support industries for the good of the whole of Victoria.

Ms BEATTIE (Yuroke) — After all that verbiage I shall give a bit of context to the bill. Both the member for South West Coast and the member for Rodney lamented that in the bill there was nothing about trams, trains or myki. I could not find it either, and is it any wonder because it is the Transport Legislation Amendment (Ports Integration) Bill 2010, so it is all about ports, not trams and trains.

On this side of the house we understand that the opposition has absolutely no idea when it comes to ports. We remember the opposition walking the fine line, not saying it supported channel deepening. Some members of the opposition said they opposed channel deepening; some of them consorted with the Blue Wedges group. They were all over the shop on ports. They have no credibility whatsoever on ports.

This bill recognises the significance of ports and how important they are. The port of Melbourne is the largest container and general cargo port in Australia. It recently ranked in the world's top 50 container ports and more than \$85 billion in trade each year goes through the port of Melbourne alone.

The member for Rodney talked about the importance of having an efficient port and how important it is to the farmers. It was not so important to the farmers in 1999 when they stopped the ports for months in their support of Chris Corrigan during the waterfront dispute. Of course it did not matter then, but we all remember what happened later, and that is another cross on the opposition's list of having no idea about ports.

Victoria's four main ports — Melbourne, Hastings, Geelong and Portland — handle more than 99 per cent by volume and 90 per cent by value of our imports and exports. The combined value of our international and coastal cargo in 2007–08 was more than \$100 billion. That represents about 90 million mass tonnes of cargo carried by 4500 ships.

The opposition talked about the words in the bill. Of course there are words in the bill because the bill delivers on improved port governance. It is a strategy statement about port futures and freight futures; that is what it is all about. It is not about trams and trains and buses. The management of the ports and shipping channels of Melbourne are amalgamated under the Port of Melbourne Corporation and the integrated legal entity that was transferred into the Transport Integration Act 2010. The integration of the ports of Melbourne and Hastings is an effective way to direct and drive future development in the port of Hastings.

The member for South-West Coast talked about Labor's plans for 20 or 30 years away as though that was a dreadful thing. I think planning for the future — planning for so many years out — is a good thing. It is not planning for tomorrow; it is planning for the next decade and the one after that and the one after that. It is those good Labor policies that saw us well through the global financial crisis.

Mr R. Smith interjected.

Ms BEATTIE — It is Ted's imaginary friend again! Of course this is going to provide another 1600 jobs into the area in the long term, so it is a good thing. It will position the ports of Melbourne and Hastings as essential components of the transport system. It is not one or the other, it is both, and of course it completes the consolidation of Victoria's transport agency within a modern policy framework. Again, that was in the Transport Integration Act 2010.

Members have talked about improved rail access, but one of the things that nobody else has talked about is that the staff of the Port of Hastings Corporation will all work within the new entity and will continue to be located at their offices in Salmon Street, Hastings. There is a community reference group, which is a vital part of ensuring that port expansion is consistent with the needs and the aspirations of the local community.

The bill is a good bill. It is a bill for the future of Victoria and for the future of ports in Victoria and Australia. It is a bill about jobs into the future. It is a long-term plan, as the member for South-West Coast acknowledged. It is not just a bill for this decade; it is one for the decade after and the decade after that. I commend the bill to the house.

Mr BURGESS (Hastings) — I rise to speak on the Transport Legislation Amendment (Ports Integration) Bill 2010. The main purpose of the bill is to:

... continue the establishment of an integrated and sustainable transport system in Victoria by amending the Transport Integration Act 2010 and the Port Services Act 1995 to provide for the Port of Melbourne Corporation and the Victorian Regional Channels Authority to continue under the Transport Integration Act 2010 and for the abolition of the Port of Hastings Corporation —

The DEPUTY SPEAKER — Order! Under standing orders it is time for me to interrupt the business of the house. The member for Hastings will have the call when the bill is next before the chamber.

Business interrupted pursuant to standing orders.

ADJOURNMENT

The DEPUTY SPEAKER — Order! The question is:

That the house do now adjourn.

Monash Freeway and Dandenong Road: noise barriers

Mr O'BRIEN (Malvern) — I raise a matter for the attention of the Minister for Roads and Ports, and the action I seek is for the minister to stop his shameful neglect of the Malvern electorate when it comes to ensuring that adequate noise walls are installed along the Monash Freeway and Dandenong Road. As I have informed the house on many occasions, a large number of my constituents who live near the Monash Freeway and Dandenong Road are affected by excessive road noise. They are forced to live with this constantly impacting on their lives 24 hours a day, 7 days a week without respite. But what has the government done to ease their burden? Absolutely nothing.

This is a government that is happy to take tens of millions of dollars in stamp duty from Stonnington residents and tens of millions of dollars in payroll tax from Stonnington businesses but gives nothing back to the area when it is needed. Even when VicRoads acknowledges that road noise levels from inside homes are in breach of government policy, as has happened in the case of Tony de Lutiis who lives in Finlayson Street near Dandenong Road, the government refuses to act. Even while roadworks are being done on the M1 to increase traffic volumes, which will significantly increase in traffic noise, the Brumby government refuses to act.

In this year's budget, which is an election year budget, we see the true colours of this Labor government. The Minister for Roads and Ports put out a press release claiming that \$19.3 million would be spent on noise walls along the Monash Freeway. From that headline you might get the impression that after 11 years of neglect the government was going to do something positive for the people of Stonnington, but that would require a government with a sense of fairness and a sense of decency. As the *Stonnington Leader* put it so well on 12 May:

What price a good night's sleep in residences abutting the Monash Freeway?

Stonnington has been overlooked for a piece of the \$19.3 million pie in the state budget for noise walls.

Neighbours Boroondara have been assured \$8.4 million by Burwood's Labor member, Bob Stensholt.

And Monash, in the Mount Waverley electorate of Labor's Maxine Morand, has \$5.7 million put aside.

It goes on to quote me as saying:

People in East Malvern, people in Kooyong, are just as badly affected by noise coming from the Monash Freeway as in Burwood or Mount Waverley.

This is a grubby government, run by people who do not believe they have any obligation to govern for all Victorians. It is a government that chooses to fund vital road infrastructure on the basis of electoral margins, not merit. The people of my electorate deserve the same consideration as those of Labor seats bordering the Monash Freeway, but they obviously will not get it under a Labor government. The numbers released by the government suggest there is \$5.2 million unallocated from the \$19.3 million contained in the budget for noise walls on the Monash Freeway.

I call on the minister and on the government to immediately commit to allocating that money towards improved noise walls on the Monash Freeway in the Stonnington area. Anything else can only be seen as a deliberate slap in the face to the people of Malvern and the people of Stonnington, and another example of how we have a Labor government which governs on the basis of political margin instead of the merit of situations it is confronted with. On behalf of all of my constituents who literally lose sleep over this problem, I urge the minister to act.

Dingley Village: bus lane survey

Ms MUNT (Mordialloc) — The matter I wish to raise tonight is for the attention and action of the Attorney-General, and the action I seek is for the Attorney-General to investigate whether a breach of the privacy legislation has occurred. Recently it has come to my attention that a number of my constituents have concerns regarding their privacy being breached. A breach of their privacy has certainly occurred, but I seek guidance from the Attorney-General as to whether a breach of the privacy legislation has also occurred.

Some months ago a member for South Eastern Metropolitan Region in the other place distributed a survey to residents of Dingley Village asking them to provide a response to a Centre Dandenong Road bus lane survey. The survey was printed and authorised by Inga Peulich, MP. It included the address of her electorate office, her parliamentary email address and her electorate office fax number as the means by which residents could respond to her survey. Some residents have subsequently reported to me two very concerning results of their response to this survey. Firstly, some responded to the survey by voting yes to the proposal. It

has been reported to me that they promptly received an automated reply from the member for South Eastern Metropolitan Region thanking them for their no vote. It seems that any vote that did not accord with the survey's apparent intentions was promptly binned or in fact counted as a no vote.

However, the main concern of the Dingley Village residents in this matter is that ever since responding to this survey they have been spammed with direct mail and emails from third parties.

The survey I am referring to was clearly identified and sent out by Mrs Peulich in her capacity as a member for South Eastern Metropolitan Region. Nowhere on this survey is it mentioned that the information the respondent constituents were supplying, including personal details such as their names, addresses, email addresses and phone numbers, would be passed on to third parties, yet it seems obvious that this is exactly what the member has done. She has passed on personal details of local residents who responded to her survey in the mistaken belief that their privacy would be respected and protected by a parliamentarian.

Mr McIntosh — On a point of order, Deputy Speaker, as this is clearly a matter dealing with a member of the upper house relating to a breach of the law, it should only be raised by some form of substantive motion. I ask you to warn the member about what she is doing and caution her about transgressing the forms of this house.

The DEPUTY SPEAKER — Order! I do not believe at this stage that the member is — —

Mr McIntosh — She is alleging a breach of the Privacy Act.

The DEPUTY SPEAKER — Order! She is seeking advice from the Attorney-General on a possible breach of privacy legislation. I do not believe at this stage that she is impugning another member; she is raising a matter for advice from the Attorney-General.

The member for Mordialloc's time has expired.

Dr Napthine — On a point of order, Deputy Speaker, in respect of the matter raised by the member, as you said, the member was seeking advice. It is very clear that on the adjournment members must seek action, not advice, and I ask you to rule her adjournment matter out of order on the basis that it did not seek action.

The DEPUTY SPEAKER — Order! I have sat in this chair and heard on many occasions from members

on both sides of the chamber that the action they were seeking was advice from a certain minister. I do not uphold the point of order.

Ambulance services: Latrobe Valley

Mr NORTHE (Morwell) — I raise a matter for the attention of the Minister for Health. The action I seek is for the minister to deliver on his commitment of more than two years ago, when he stated in a media release dated 22 April 2008 that the Latrobe Valley would be the recipient of a mobile intensive care ambulance (MICA) single responder unit (SRU).

This media release announced a boost to Victorian ambulance services and stated:

... new MICA single responder units will be established at Geelong, Bendigo, Ballarat and the Latrobe Valley.

My understanding is that MICA SRUs have been fully operational since earlier this year in the regions of Geelong, Bendigo and Ballarat; however, the Latrobe Valley is still waiting for this important service to be implemented. The minister must explain to the Latrobe Valley community why an SRU is not operational in our region and advise precisely when this service will be introduced. Further to this, the minister must advise whether the SRU will operate 24 hours a day, 7 days a week in the Latrobe Valley once it is operational.

From the outset, on behalf of the Gippsland community, I commend ambulance volunteers who dedicate their valuable time and expertise to the various community emergency response teams. I also commend our amazing ambulance officers and paramedics. They all do a wonderful job providing a critical service to regional communities. In recent times instances where the delivery of ambulance services in regional Victoria has been questioned have been publicly highlighted, with many of the cases referred to having occurred in the Gippsland region. I believe that in all cases there has been no criticism of paramedics themselves but a reflection on the need for more resources and support for regional ambulance services.

Just last week I was contacted by a grandparent living in Churchill who had the need to call an ambulance for a grandchild who was experiencing breathing difficulties during the middle of the night. Without delving into the intimate detail of the case, I will say an ambulance was eventually dispatched from Sale, some 70 kilometres away. Instead of waiting for the ambulance to arrive, the grandparent cancelled it and took the child to the local hospital themselves. Luckily for all involved, the child recovered. However, one has

to ask whether an SRU would have assisted in such a circumstance.

The grandparent in this instance conveyed very strongly to me their appreciation of our paramedics and the esteem in which they hold them. However, they believe there needs to be adequate support provided so these marvellous people are able to do their job to the best of their ability. I endorse this sentiment and support the request of the Leader of The Nationals that the Auditor-General conduct an independent investigation into the administration and operations of Ambulance Victoria, particularly in rural and regional Victoria. One way of improving ambulance services in the Latrobe Valley would be for the Minister for Health to implement urgently a fully operational MICA SRU in the Latrobe Valley, as was promised more than two years ago.

Multicultural affairs: multifaith grants program

Ms MARSHALL (Forest Hill) — I rise to raise a matter for the Minister assisting the Premier on Multicultural Affairs. The action I seek is for the minister to approve the applications for funding under the Promoting Harmony: Multifaith and Interfaith grants program made by two community organisations which service the people of my electorate of Forest Hill and the surrounding area.

The grants program provides funding for a range of projects that bring different faith and community groups together to promote community harmony, celebrate shared values and increase the understanding of and respect for differences.

The government should be commended for funding the Promoting Harmony: Multifaith and Interfaith grants program, as it provides for a greater understanding of the diversity of faiths within Victoria, engages the wider Victorian community and builds on the capacity and sustainability of existing interfaith networks.

The Whitehorse Interfaith Network is an inclusive community group open to persons of any faith who, by their own definition, believe in building a better world. This group is dedicated to facilitating understanding, acceptance, cooperation and trust within our communities. A fantastic program run by the network to further this aim is the Places of Worship Tour program. This program provides places of worship tours to residents within the city of Whitehorse, which encompasses Forest Hill, and the broader community. Four tours have been planned and will be implemented as part of the program when it commences in

November. To assist in the cost of running this great program the Whitehorse Interfaith Network has requested financial assistance under the grants program.

The network is also requesting funding under the grants program for a joint project with the Whitehorse City Council. This project aims to invite local residents and members of faith communities to explore philosophies and approaches of faith traditions in relation to environmental and social care. The forum will be open to the general public.

Another group, the Buddhist Council of Victoria, has applied for funding under the grants program for a forum which explores the meditative practices of different faiths, which is to be held within the city of Whitehorse. Leaders of the different faith groups will be invited to present information on their meditative practices at the one-day forum. The forum will include a presentation by different faith leaders. It is hoped by the Buddhist council that this forum will provide a better understanding of meditative practices amongst faith groups. There is a strong need to acknowledge the significance of faith in our society and encourage dialogue between all sections within the community to facilitate understanding and respect for different practices.

I will quote from Mr M. Ignatieff's book about the conflict in Yugoslavia not so many years ago. It is entitled *The Warrior's Honor*, and it states:

Before the war, he might have thought of himself as a Yugoslav ... rather than as a Serb. Now as he sits in this farmhouse bunker, there are men 250 yards away who would kill him. For them he is only a Serb, not a neighbour, not a friend, not a Yugoslav, not a former team mate at the football club. And because he is only Serb for his enemies, he has become only a Serb to himself.

The DEPUTY SPEAKER — Order! The member's time has expired.

Ambulance services: south and west Gippsland

Mr K. SMITH (Bass) — I ask the Minister for Health to provide a fully staffed and fully equipped ambulance service for south and west Gippsland and to stop playing with people's lives as he and Ambulance Victoria have been doing since the day he became health minister. Recently the minister was in Wonthaggi opening a new ambulance station, and that is great. Unfortunately it has taken many years to commit to providing this facility and our ambulance paramedics have had to work out of substandard accommodation for far too long, which has caused much stress and anxiety to the officers concerned. Their

lives are difficult enough without the added stress of working out of very small, poky accommodation.

Our services need not only staff and equipment but probably more importantly the backup of fully trained MICA (mobile intensive care ambulance) officers who can administer life-saving drugs and carry out technical procedures that paramedics are not able to do. We are very much aware of the recent cases of young children having to wait up to 10 hours to be transported to hospital in Melbourne, where there is more specialist care than some of our smaller country hospitals can offer. The minister thinks he can just send a letter of apology to a young mother who waited for more than 10 hours for an ambulance, or to a Korumburra man who waited 2 hours for an ambulance after he collapsed in his home. But this is not enough, Minister! Then there was the recent death of five-year-old Rupert Rafferty after specialist paramedics took more than an hour to arrive.

We also had the minister going to Grantville to announce a part-time ambulance service with maybe six or seven paramedics — he was not sure — working out there for 12 or 10 hours, he said, at peak times. He will let the local, fantastic community emergency response team continue to service the community for the other 12 to 14 hours as it has for the past five years in a voluntary capacity, doing over 350 call-outs per year — more than a lot of the larger ambulance stations do. We in the Liberal Party have committed to a 24-hour, 7-day per week fully manned and equipped ambulance service in Grantville when we win government in November this year.

What about the lack of MICA officers? In 2008 the government said it would extend MICA services to country Victoria. They may go to some of the big towns but what about some of those smaller towns in south and west Gippsland? We need an SRU (single response unit) MICA in our country towns to support our paramedics. But what has happened? Regional management has said that SRUs should go to south and west Gippsland and has submitted more than two business cases to Ambulance Victoria maintaining the SRUs should go into Wonthaggi and should not sit idle at Morwell. Funding was put in place for this last financial year, but nothing has happened. Why not? The minister and Ambulance Victoria are costing lives through their stubbornness and stupidity in not giving in south and west Gippsland the staff and equipment we need.

The DEPUTY SPEAKER — Order! The member's time has expired.

Metropolitan Fire Brigade: Altona and Laverton stations

Ms HENNESSY (Altona) — I raise a matter with the Minister for Police and Emergency Services. The action I seek is that the minister investigate what infrastructure improvements could be provided to better support the firefighters of Altona and Laverton. Earlier today in a members statement I spoke about the privilege I had in attending an executive officers' commendation at the Altona fire station in which Ken Pannell, Paul Hart and Michael Hanneberry were commended for their efforts in rescuing a man who was injured while diving off the Altona pier. It was a terrific way to celebrate the work of our emergency services personnel. Whilst I was in attendance at the event I had the opportunity to tour the Altona fire station and look at the infrastructure that its staff utilise, and I formed the view that the staff could be well served by some improvements to that infrastructure. Similarly I know that in the Laverton area there is a strong aspiration for infrastructure improvements.

At a general level I would make the following observation: in the growth suburbs in my electorate our aim is to invest in new community infrastructure and to ensure that we are investing in infrastructure in a way that is responsive to the growth. By contrast, in the more established suburbs in my electorate it is important that we continue to invest in the renewal of ageing infrastructure and be responsive to the changing needs of the community and the services the community needs.

The Metropolitan Fire Brigade now provides a range of emergency support above and beyond firefighting, and the location of Altona and Laverton fire stations means they have geographic proximity to major freeways, arterial roads and industrial sites. I have enormous respect for the work our emergency services personnel do and the risks they take in protecting and supporting our community. It is important that they are supported with infrastructure that enables them to do their multifaceted jobs effectively and safely. That is why I ask that the Minister for Police and Emergency Services investigate what improvements could be made to better support the firefighters of Altona and Laverton.

Health: radiology services

Mrs VICTORIA (Bayswater) — Tonight I rise to ask the Minister for Health to investigate the current shortage of radiologists in Victorian hospitals and clinics that is placing an undue burden on the health and wellbeing of patients across the state. I was recently

contacted by a constituent who was told that the results from her breast screen appointment would be unavailable for up to six weeks after her test was conducted. This is supposedly due to the lack of radiologists available to assess test results. Current procedure dictates that a mammogram must be assessed by two radiologists before results are released to the patient. While this procedure ensures the integrity and accuracy of the test, it creates the potential for a dangerous time lag in the event of a second radiologist being unavailable.

Is this another example of this Labor government's failure to adequately resource our health system? The constituent pointed out that there were only two radiologists working at the clinic where the imaging was conducted. If one were to take any sort of leave from work, these tests would simply not be assessed. As with all forms of cancer, the early detection of breast cancer is far too important to be hampered by a lack of resources. Surely the minister sees the benefits of solving this problem. An adequately resourced health system with an appropriate number of radiologists could, at the very least, reduce the agonising wait patients must endure after undergoing a mammogram. More importantly, action on this issue could well save lives. While the Brumby Labor government has been arguing with its federal counterparts over how our health system will be funded, patients from all walks of life have been waiting for treatment in a system that is buckling under the weight of demand.

Radiologists and other specialist medical professionals carry out vital work in the health sector. It is simply not good enough to allow Victoria's health system to reach such a state of decay that results of these tests take several weeks to be forwarded on to patients. Again I ask that the minister immediately take the necessary steps to solve this problem so that our medical professionals can provide comprehensive and timely care to all Victorians.

Plenty Road, South Morang: duplication

Ms GREEN (Yan Yean) — I wish to raise a matter for the attention of the Minister for Roads and Ports. The action I seek is for him to direct VicRoads to undertake an urgent safety assessment of Plenty Road in South Morang and Mernda, where a local woman was tragically killed and five people were injured last Sunday afternoon. Like many locals I use this road almost daily and I see the volume of traffic the road is carrying.

I know the minister understands the pressure of the growing population on the use of this road, which is

why he funded a \$17 million duplication, construction of which is due to commence shortly. That follows the \$32 million duplication of the southern section in 2007. In making the announcement of the \$17 million duplication, the minister noted that about 15 500 vehicles per day were using the road, with 1 in 10 being larger vehicles.

Only 12 months ago 334 extra bus trips were added on the extended bus route 572, which serves Plenty Road, to encourage a modal shift. I note the Minister for Planning announced today the passage of the growth areas infrastructure charge bill through the upper house, which will add an extra \$1.2 billion to be spent on transport projects. Areas like Plenty Road could certainly do with this funding. However, whatever funding is around does not negate the tragedy that occurred with the loss of life on this piece of road on Sunday. Not only was it a tragedy for the family of the woman and the others involved in the accident but it was also a tragedy for everyone who observed it and the emergency services personnel who attended.

I urge the minister to have VicRoads undertake an urgent safety assessment to look at all road conditions, in particular the speed limit, before the duplication project begins. I know the minister understands that with a growing population it is very important to constantly review safety conditions and speed limits to allow for the growing population, and I thank him for his attention to this matter.

Old Gippsland heritage park: funding

Mr BLACKWOOD (Narracan) — I wish to raise an issue for the Minister for Regional and Rural Development, and the action I seek is for the minister to provide \$50 000 per year to help cover the management costs of Old Gippsland heritage park in Moe. Old Gippsland has enormous regional significance, with a very extensive collection of valuable artefacts that are essential in maintaining the rich and important history of Gippsland. It has a significant display of Gippsland's history that we cannot afford to lose.

Old Gippsland has grown since its establishment in 1973 to become a very popular attraction in Latrobe city and Gippsland more broadly. Last year it had over 37 000 visitors, comprising 3000 students from Melbourne and Gippsland and many others from interstate and overseas. It has been able to achieve this growth and development with the help of a loyal team of volunteers, with support from a number of Work for the Dole participants, people from the corrections system and people with special needs. The benefits gained by these individuals personally is immeasurable,

and access to the activities provided at Old Gippstown has had a very positive impact on their lives.

It must be recognised though that the improvements to the facility and the professionalism of the organisation that has underpinned the gain in visitation over the last five years has been a direct result of the efforts of managers Michael Fozard; his wife, Ruth; and the volunteer board of management headed up by chairman Ian Needham. Recognition of Old Gippstown in the recent Gippsland Tourism Awards, winning the best tourism attraction and overall award for all categories, is testament to the hard work and dedication of this very committed management team.

Old Gippstown does not receive any ongoing funding other than \$20 000 per year from the Latrobe City Council. From time to time the park receives grants that are project specific, but sadly it has no support for the operation of the business or development of other opportunities that would enhance the facility. The managers are currently working seven days a week and are paid a set annual management fee that goes nowhere near reimbursing them for the hours they commit each week. The provision of \$50 000 towards the management costs of the facility would allow them to employ part-time managers at weekends, enabling them to reduce their working hours to a reasonable and much more occupational health and safety-friendly level. In the interests of ensuring the ongoing viability of Old Gippstown and to relieve some of the enormous workload undertaken by the management team I call on the minister to provide this funding support as soon as possible.

Exports: India

Mr PERERA (Cranbourne) — I raise a matter for the Minister for Industry and Trade and invite her to take action to establish a round table discussion consisting of leading members of Victoria's Indian ethnic community to develop a road map to improve our trade relations with India. In this day and age Victoria cannot afford to turn a blind eye to the opportunities presented by this very important market.

The Indian economy as measured by its gross domestic product is expected to grow at around 7.2 per cent in the year 2009–10, with the industrial and service sectors growing at 8.2 per cent and 8.7 per cent respectively. The round tables would be the first step towards developing detailed market intelligence on the various opportunities and risks presented by this market before embarking on trade missions. This would enable us to be more effective in our discussions and could

serve to protect our exporters from unnecessary commercial risks.

India is a complex market, and an understanding of the political landscape can help reduce the risk of putting our efforts into opportunities that may be economically sound but politically untenable. In India the role of government is seen as building bridges through high-level political and industry contact and providing a platform for private enterprise to flourish. A failure to understand and act accordingly would be a recipe for disaster. Unfortunately, it has been the case in the past.

It is important that we establish direct closer ties with the Indian politicians who value those links. Victorians of Indian ethnic origin could contribute to facilitating easier access to senior Indian politicians and government officials.

Our competitors in the UK, the US and Canada are very active in this market. They have been capitalising on the business and political connections of organisations of the Indian diaspora such as the Global Organisation of People of Indian Origin (GOPIO), members of Parliament of Indian origin and others with connections in India to promote trade.

Lord Diljit Rana of the House of Lords in the UK is the honorary consul for India in Belfast and has led numerous high-level trade discussions with senior Indian politicians to promote Northern Ireland companies.

The influential US senator Chris Dodd, who is co-chair of the US Senate India Caucus, was recently honoured by GOPIO as a Friend of India for his leadership in advancing economic and political cooperation between India and the United States.

Our competitors spend a greater proportion of their budget for Indian trade promotion on gathering market intelligence than on the politically risky alternatives of travel and trade missions. We need to develop the market intelligence and build bridges to assist our exporters, particularly those from regional areas, to access the Indian market.

The DEPUTY SPEAKER — Order! The member's time has expired.

Responses

The DEPUTY SPEAKER — Order! Prior to calling on the Minister for Health to respond to the members for Morwell, Bass and Bayswater, I indicate that having reconsidered the matter raised by the member for Mordialloc and in consideration of Speaker

Delzoppo's ruling on reflections on a member, I believe that as the member for Mordialloc moved through the matter she was raising it could be interpreted that she reflected on a member of another house. I therefore rule the matter out of order, and the minister in responding should not refer to it.

Mr ANDREWS (Minister for Health) — Firstly, the member for Morwell raised an issue in relation to ambulance service provision in his community. He referred to an expansion of dedicated MICA (mobile intensive care ambulance) capacity in Gippsland and the package funded in the 2008–09 state budget, totalling \$186 million, that saw additional support for Ambulance Victoria, with 258 extra paramedics and the introduction of 59 new or upgraded services in 48 different towns and suburbs — not just in Melbourne and not just in the outer suburbs but in rural and regional communities as well.

The member for Morwell would understand that bringing to country Victoria for the first time a single responder unit — a new model of care, a one-up MICA in a car that does treatment but not transfer — is not an easy thing and that it takes some time. My most recent briefing on this was that we anticipate that that Gippsland service will be up and running by the end of the current financial year. That is the advice I have. Given the seriousness of this matter and the way in which the member for Morwell has raised it, I am more than happy to have Ambulance Victoria (AV) provide him with a detailed briefing in relation to these matters when it is convenient for it and for him.

These are important matters. That package was a very substantial boost to ambulance services across the state. I do not have with me a detailed note in relation to expansions in Gippsland, but there are many new sites and many upgraded sites across Gippsland, the Latrobe Valley and indeed the Bass Coast, which we will come to in just one moment, with more paramedics working from more operational sites than has been the case for some time.

I want to put on the record as well, as I think the member for Morwell did, that I have nothing but the highest esteem and regard for the work of our ambulance paramedics — not just MICA paramedics but, can I say, we have a balanced workforce, so I include advanced life support paramedics — whether they be remote-area nurses, ambulance community officers, community emergency response team (CERT) members or ambulance auxiliaries. Ambulance is first and foremost a partnership, particularly in rural and regional communities, and it is stronger for that partnership.

But in terms of Gippsland and the Latrobe Valley and indeed the Bass Coast, we have been very pleased to provide additional support to AV to grow services and to respond to growing caseload in that part of country Victoria. Every person who lives in Gippsland, the Latrobe Valley and the Bass Coast can be assured that we as a government will continue to make those investments an absolute priority.

In relation to the issue raised by the member for Bass, I was very pleased to be in his local community just a couple of weeks ago, firstly, to open an upgraded station — effectively a brand new station — for Wonthaggi totalling, from memory, \$1.3 million or perhaps \$1.4 million. I think there are 17 effective full-time ambulance paramedics who work out of that branch. It is a busy branch, and it is a stronger branch today because of the investment of our government. That is a fact.

Mr K. Smith — It has taken you nine years.

Mr ANDREWS — That is the fact of the matter.

The DEPUTY SPEAKER — Order! The member for Bass should cease interjecting. The Minister for Health is responding.

Mr ANDREWS — The member for Bass was only too happy to be at the opening and to be celebrating with paramedics and others. It is only when he gets down here to Melbourne that he starts criticising the work of the people who were at that launch.

Mr K. Smith — No, I didn't criticise them.

Mr ANDREWS — Yes, you did. You cannot have it both ways on this.

The DEPUTY SPEAKER — Order!

Mr K. Smith — He's lying to the house.

The DEPUTY SPEAKER — Order! The member for Bass!

Mr ANDREWS — After we had attended that important event, we then went to Grantville for a fantastic occasion — a great meeting of many different people from that local community, principally community emergency response team members. As was noted on that day, the local community — and not just those who live in and around Grantville but those who travel through Grantville — are indebted, as am I as the Minister for Health and as is the broader community, to the community emergency response

team members, those volunteers who work so hard in that local community.

Just as I am indebted to them for the work they do, I was very pleased and proud to be able to announce a substantial financial commitment to build a new branch and to fund a peak-period unit in that local community, in partnership with the CERT, in order to provide even better services to that local community and to more appropriately balance workload, given that there is a growing caseload in that local community, which itself is a growing local community. Some would choose tonight to criticise that. I do not think that is something that ought to be criticised. It is a substantial, meaningful and practical upgrade to services for people in the Grantville community. It is proper support in partnership with that community emergency response team, and it was warmly and universally welcomed at the community event that I had the great privilege of attending only a couple of weeks ago. In contrast to the views of some here tonight, I would prefer to judge that measure by the unqualified and unanimous support provided for that upgrade, as evidenced at that community event in Grantville.

The member for Bayswater raised an important issue in relation to mammography services and availability of radiology services and potential delays. I will have to correspond with the member for Bayswater about this matter. I did not catch whether she gave the name of the clinic that her constituent had attended for a mammogram. I am not sure whether that is a public clinic or a private one. What I would say to the member is that we do take these matters very seriously. Breast cancer is something that affects many, many thousands of women and a very small number of men — but not an unimportant number — each year.

We have seen substantial improvements in terms of five-year survival rates, and again I do not have a note in front of me, but from memory we have gone from something in the order of 74 per cent survival in 1990 to about 87 per cent in 2004. We hope to improve that. Part of improving that is detecting breast cancer earlier. Screening programs have been strongly supported under the Victorian cancer action plan (VCAP) and in other supports we have provided over time to BreastScreen Victoria. We want to continue to provide that support. That is why VCAP now funds an additional 20 000 screens.

As the honourable member would know, under both our government and more recently in partnership with the commonwealth government a substantial amount is being provided — \$10 million from us and something in the order of another \$30 million from the

commonwealth — in relation to the rollout of digital mammography, which is important hardware and software, across the network to support the more rapid screening of women and then subsequent diagnostics.

If the member has any further information about her constituent, I am more than happy to follow that through. There are different protocols and practices for asymptomatic and symptomatic women, but if I am furnished with some more detail, I will be happy to avail myself of advice from my department and correspond with the member in due course.

I should also note that the member for Bass raised a range of other issues in relation to his community more broadly, and I will be pleased to correspond with him as well around a number of the other ambulance matters that he raised.

On other matters, the member for Malvern raised a matter for the Minister for Roads and Ports in relation to noise walls.

The member for Forest Hill raised a matter for the Minister Assisting the Premier on Multicultural Affairs in relation to harmony and interfaith grants.

The member for Altona raised a matter for the Minister for Police and Emergency Services in relation to support for firefighters in her local community.

The member for Yan Yean raised a matter for the Minister for Roads and Ports around local road safety.

The member for Narracan raised a matter for the Minister for Regional and Rural Development in relation to the Old Gipps town centre in his community.

The member for Cranbourne raised a matter for the Minister for Industry and Trade in relation to the Indian ethnic community and improvements in trade between Australia and India.

They are all important matters, and I will refer them for the attention and action of the relevant ministers.

The DEPUTY SPEAKER — Order! The house is now adjourned.

House adjourned 10.38 p.m.