PARLIAMENT OF VICTORIA

PARLIAMENTARY DEBATES (HANSARD)

LEGISLATIVE ASSEMBLY

FIFTY-FOURTH PARLIAMENT

FIRST SESSION

22 March 2001

(extract from Book 2)

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By authority of the Victorian Government Printer

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JOHN LANDY, MBE

The Lieutenant-Governor

Lady SOUTHEY, AM

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Legislative Assembly Committees

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Standing Orders Committee — Mr Speaker, Mr Jasper, Mr Langdon, Mr Lenders, Mr McArthur, Mrs Maddigan and Mr Perton.

Joint Committees

Drugs and Crime Prevention Committee — (*Council*): The Honourables B. C. Boardman and S. M. Nguyen. (*Assembly*): Mr Cooper, Mr Jasper, Mr Lupton, Mr Mildenhall and Mr Wynne.

Environment and Natural Resources Committee — (*Council*): The Honourables R. F. Smith and E. G. Stoney. (*Assembly*): Mr Delahunty, Ms Duncan, Mr Ingram, Ms Lindell, Mr Mulder and Mr Seitz.

Family and Community Development Committee — (*Council*): The Honourables E. J. Powell and G. D. Romanes. (*Assembly*): Mr Hardman, Mr Lim, Mr Nardella, Mrs Peulich and Mr Wilson.

House Committee — (*Council*): The Honourables the President (*ex officio*), G. B. Ashman, R. A. Best, J. M. McQuilten, Jenny Mikakos and R. F. Smith. (*Assembly*): Mr Speaker (*ex officio*), Ms Beattie, Mr Kilgour, Mr Leighton, Ms McCall, Mr Rowe and Mr Savage.

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Library Committee — (*Council*): The Honourables the President, E. C. Carbines, M. T. Luckins, E. J. Powell and C. A. Strong. (*Assembly*): Mr Speaker, Ms Duncan, Mr Languiller, Mrs Peulich and Mr Seitz.

Printing Committee — (*Council*): The Honourables the President, Andrea Coote, Kaye Darveniza and E. J. Powell. (*Assembly*): Mr Speaker, Ms Gillett, Mr Nardella and Mr Richardson.

Public Accounts and Estimates Committee — (*Council*): The Honourables D. McL. Davis, R. M. Hallam, G. K. Rich-Phillips and T. C. Theophanous. (*Assembly*): Ms Asher, Ms Barker, Ms Davies, Mr Holding, Mr Loney and Mrs Maddigan.

Road Safety Committee — (*Council*): The Honourables Andrew Brideson and E. C. Carbines. (*Assembly*): Mr Kilgour, Mr Langdon, Mr Plowman, Mr Spry and Mr Trezise.

Scrutiny of Acts and Regulations Committee — (*Council*): The Honourables M. A. Birrell, M. T. Luckins, Jenny Mikakos and C. A. Strong. (*Assembly*): Ms Beattie, Mr Carli, Mr Dixon, Ms Gillett and Mr Robinson.

Heads of Parliamentary Departments

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

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Hansard — Chief Reporter: Ms C. J. Williams

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FIFTY-FOURTH PARLIAMENT — FIRST SESSION

Speaker: The Hon. ALEX ANDRIANOPOULOS

Deputy Speaker and Chairman of Committees: Mrs J. M. MADDIGAN

Temporary Chairmen of Committees: Ms Barker, Ms Davies, Mr Jasper, Mr Kilgour, Mr Loney, Mr Lupton, Mr Nardella, Mrs Peulich, Mr Phillips, Mr Plowman, Mr Richardson, Mr Savage, Mr Seitz

Leader of the Parliamentary Labor Party and Premier:
The Hon. S. P. BRACKS

Deputy Leader of the Parliamentary Labor Party and Deputy Premier:
The Hon. J. W. THWAITES

Leader of the Parliamentary Liberal Party and Leader of the Opposition:
The Hon. D. V. NAPTHINE

Deputy Leader of the Parliamentary Liberal Party and Deputy Leader of the Opposition:
The Hon. LOUISE ASHER

Leader of the Parliamentary National Party:
Mr P. J. RYAN

Deputy Leader of the Parliamentary National Party:
Mr B. E. H. STEGGALL

Member	District	Party	Member	District	Party
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Allen, Ms Denise Margret [4]	Benalla	ALP	Lenders, Mr John Johannes Joseph	Dandenong North	ALP
Andrianopoulos, Mr Alex	Mill Park	ALP	Lim, Mr Hong Muy	Clayton	ALP
Asher, Ms Louise	Brighton	LP	Lindell, Ms Jennifer Margaret	Carrum	ALP
Ashley, Mr Gordon Wetzel	Bayswater	LP	Loney, Mr Peter James	Geelong North	ALP
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Barker, Ms Ann Patricia	Oakleigh	ALP	McArthur, Mr Stephen James	Monbulk	LP
Batchelor, Mr Peter	Thomastown	ALP	McCall, Ms Andrea Lea	Frankston	LP
Beattie, Ms Elizabeth Jean	Tullamarine	ALP	McIntosh, Mr Andrew John	Kew	LP
Bracks, Mr Stephen Phillip	Williamstown	ALP	Maclellan, Mr Robert Roy Cameron	Pakenham	LP
Brumby, Mr John Mansfield	Broadmeadows	ALP	McNamara, Mr Patrick John [3]	Benalla	NP
Burke, Ms Leonie Therese	Prahran	LP	Maddigan, Mrs Judith Marilyn	Essendon	ALP
Cameron, Mr Robert Graham	Bendigo West	ALP	Maughan, Mr Noel John	Rodney	NP
Campbell, Ms Christine Mary	Pascoe Vale	ALP	Maxfield, Mr Ian John	Narracan	ALP
Carli, Mr Carlo	Coburg	ALP	Mildenhall, Mr Bruce Allan	Footscray	ALP
Clark, Mr Robert William	Box Hill	LP	Mulder, Mr Terence Wynn	Polwarth	LP
Cooper, Mr Robert Fitzgerald	Mornington	LP	Napthine, Dr Denis Vincent	Portland	LP
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Delahunty, Mr Hugh Francis	Wimmera	NP	Pandazopoulos, Mr John	Dandenong	ALP
Delahunty, Ms Mary Elizabeth	Northcote	ALP	Paterson, Mr Alister Irvine	South Barwon	LP
Dixon, Mr Martin Francis	Dromana	LP	Perton, Mr Victor John	Doncaster	LP
Doyle, Robert Keith Bennett	Malvern	LP	Peulich, Mrs Inga	Bentleigh	LP
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Hamilton, Mr Keith Graeme	Morwell	ALP	Ryan, Mr Peter Julian	Gippsland South	NP
Hardman, Mr Benedict Paul	Seymour	ALP	Savage, Mr Russell Irwin	Mildura	Ind
Helper, Mr Jochen	Ripon	ALP	Seitz, Mr George	Keilor	ALP
Holding, Mr Timothy James	Springvale	ALP	Shardey, Mrs Helen Jean	Caulfield	LP
Honeywood, Mr Phillip Neville	Warrandyte	LP	Smith, Mr Ernest Ross	Glen Waverley	LP
Howard, Mr Geoffrey Kemp	Ballarat East	ALP	Spry, Mr Garry Howard	Bellarine	LP
Hulls, Mr Rob Justin	Niddrie	ALP	Steggall, Mr Barry Edward Hector	Swan Hill	NP
Ingram, Mr Craig	Gippsland East	Ind	Stensholt, Mr Robert Einar [2]	Burwood	ALP
Jasper, Mr Kenneth Stephen	Murray Valley	NP	Thompson, Mr Murray Hamilton	Sandringham	LP
Kennett, Mr Jeffrey Gibb [1]	Burwood	LP	Thwaites, Mr Johnstone William	Albert Park	ALP
Kilgour, Mr Donald	Shepparton	NP	Trezise, Mr Ian Douglas	Geelong	ALP
Kosky, Ms Lynne Janice	Altona	ALP	Viney, Mr Matthew Shaw	Frankston East	ALP
Kotsiras, Mr Nicholas	Bulleen	LP	Vogels, Mr John Adrian	Warrnambool	LP
Langdon, Mr Craig Anthony Cuffe	Ivanhoe	ALP	Wells, Mr Kimberley Arthur	Wantirna	LP
Languiller, Mr Telmo	Sunshine	ALP	Wilson, Mr Ronald Charles	Bennettswood	LP
Leigh, Mr Geoffrey Graeme	Mordialloc	LP	Wynne, Mr Richard William	Richmond	ALP

[1] Resigned 3 November 1999
[2] Elected 11 December 1999
[3] Resigned 12 April 2000
[4] Elected 13 May 2000

CONTENTS

THURSDAY, 22 MARCH 2001

QUESTIONS ON NOTICE

TUESDAY, 20 MARCH 2001

Thursday, 22 March 2001

The DEPUTY SPEAKER (Mrs Maddigan) took the chair at 9.35 a.m. and read the prayer.

ABSENCE OF SPEAKER

The DEPUTY SPEAKER — Order! I advise the house that the Speaker is unwell and will not be in the chamber today.

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Victorian universities: superannuation

Mr LONEY (Geelong North) presented report, together with appendix and minutes of evidence.

Laid on table.

Ordered that report and appendix be printed.

PAPERS

Laid on table by Clerk:

Financial Management Act 1994 — Reports from the Treasurer that he had received the annual reports for the years ended 30 September 1999 and 30 September 2000 of the:

Faraday Arch Pty Ltd

Florida Banner Pty Ltd

Statutory Rules under the following Acts:

Accident Compensation Act 1985 — SR No. 21

Accident Compensation (WorkCover Insurance) Act 1993 — SR No. 21

Fisheries Act 1995 — SR No. 20

Subordinate Legislation Act 1994 — Minister's exception certificate in relation to Statutory Rule No. 20.

BUSINESS OF THE HOUSE

Adjournment

Mr BATCHELOR (Minister for Transport) — I move:

That the house, at its rising, adjourn until Tuesday, 3 April.

Motion agreed to.

MEMBERS STATEMENTS

Australian International Airshow

Mr LONEY (Geelong North) — About a month ago the Australian International Airshow was held at Avalon, in my electorate, and was again a great success. It was a wonderful airshow. I extend my congratulations to the chief executive officer, Ian Honnery, and the board of the airshow, the staff and the hundreds of volunteers from the Geelong region, who made this an absolutely fabulous event over the week that it was held.

Both the trade show and the public airshow held over the weekend attracted some 200 000 people into other areas. It was of great benefit to our local region, resulting in local accommodation houses being booked out, restaurants getting great use and other facilities in the Geelong area also being heavily used throughout that period. The event has also been of great benefit to Victoria generally, with hundreds of millions of dollars worth of trade being transacted during the trade portion of the show.

I might say that this year there was the additional difficulty of competing with road construction. I thank the Minister for Transport and his staff for the work they did in ensuring that the disruption to the airshow from road construction was kept to a minimum.

Seniors: Wangaratta concert

Mr JASPER (Murray Valley) — I bring to the attention of the house the successful launch of Senior Citizens Week for country Victorians last Sunday by the Minister for Aged Care, the Honourable Bronwyn Pike. This was an excellent function attended by more than 500 senior citizens prior to the concert provided by the Victorian Concert Orchestra.

The minister also acknowledged the difficulties experienced last year by country senior citizens accessing public transport to Melbourne from north-eastern Victoria and confirmed that additional seating had been made available on passenger rail services backed up by coach services where required. I applaud the action by the Minister for Aged Care and the Minister for Transport so that country senior citizens are not disadvantaged and are able to utilise free travel arrangements during Senior Citizens Week.

Senior citizens at the Wangaratta town hall were entertained during the afternoon by the Victorian Concert Orchestra, which was established in 1926, supported by three highly acclaimed soloists. It was a feast of entertainment for more than 500 senior citizens.

It was sponsored by the Rural City of Wangaratta and supported by the Wangaratta Lions Club. Last year some $35 000 was provided for the orchestra through the Minister for the Arts. Continuing funding will be required from the Victorian government to ensure this high standard of musical entertainment will continue to be provided by the Victorian Concert Orchestra to country Victorians at a minimal charge.

Terry Wilkinson

Mr MAXFIELD (Narracan) — I pay tribute to Terry Wilkinson, the officer in charge of the Warragul police station, who died in February. I extend my condolences to his wife Judy and his family.

Terry was the officer in charge of the police station in his home town of Warragul. He was also the officer in charge of the Moe police station. However, Terry was not only a great police officer but was also immensely involved in the community. Even though he could have gone on to greater things within the police force, he chose to stay in the country. He was a mentor to all he worked with. He gave tremendous talks on drugs to a wide range of community groups in the region and was a great source of inspiration for people involved in the area. He also had a strong involvement in the police search and rescue unit and was an expert in that field in the Gippsland area. His expertise was constantly called on. Terry's involvement in the community was also shown through his hobbies of shooting and fishing. He was involved with the Warragul Lions, the football club and the Blue Rock Motorcycle Club.

We will all miss Terry — not just his family and friends but the entire community that he loved and served so well.

Wyndham: Domestic violence

Ms BURKE (Prahran) — Disturbing figures on domestic violence in the Wyndham area have been passed on to me as shadow Minister for Women's Affairs. There were 258 cases of domestic violence reported in the area between February and November 2000. In the period September to November 2000 the percentage of females who were victims of domestic violence in the area increased to 77 per cent of all such victims. Of those female victims, 61 per cent were in Werribee, 6 per cent in Wyndham Vale, 29 per cent in Hoppers Crossing and 4 per cent spread throughout the area.

The Bracks government made funds available for two houses to be bought to be used as women's refugees. Houses were purchased in the Maribyrnong and Footscray areas, but no funds were available for houses in the Wyndham area. The area also needs hostel accommodation for homeless youth.

The Bracks government would be soundly advised not to overlook the women and youth in Wyndham or the need for infrastructure and services in the area. It is a growth corridor and a place where prevention strategies would have a significant outcome for victims in the community. Any help would be greatly appreciated by that community.

Amsleigh Park Primary School

Ms BARKER (Oakleigh) — As I stand in the house this morning a great event is occurring in the electorate of Oakleigh at the Amsleigh Park Primary School. The school is officially launching a fundraising community project that has been under way for some time called 'Aussie flags by Aussie kids'. One of the parents at the school, Catherine Dennis, last year attended the Anzac Day parade and noticed that the flags used were made in Hong Kong. This year she undertook to get the school involved in making Aussie flags for Anzac Day. The school is now the only accredited flag seller for the Anzac Day parade. The War Widows Association, the local Returned and Services League, local Vietnam War veterans and members of the community have been at the school every day with parents and children making flags with material that was donated by local businesses. It is a great program and I am sure it will be successful.

Amsleigh Park Primary School is a great school. It has a fantastic principal in Pauline Cripps and should be congratulated for initiating the program, which, as I said, I am sure will be very successful. It involves both the school community and the broader community. I believe they will all have a great day on Anzac Day when they sell the flags they have made themselves.

Greek war of independence anniversary

Mr KOTSIRAS (Bulleen) — This weekend Victorians will celebrate the 180th anniversary of the Greek war of independence. Victorians from across the state, including the Leader of the Opposition and other political leaders, will attend the Shrine of Remembrance to pay tribute to the heroes of 1821. After 400 years of slavery the Greeks decided to take up arms and fight for their freedom — 25 March 1821 marked the beginning of the Greek revolution, and eight years later the modern Greek state was created.

Victorians will pay tribute to heroes such as Kolokotronis, Papaflesas and Makriyannis, who

sacrificed their lives so Greece could be free today. The concept of freedom and a fair go for all is part of the Australian culture. Victoria is the most multicultural state and is where people, regardless of their racial or religious backgrounds, are able to live peacefully as one. That is one of the state's greatest strengths and assets.

Member for East Yarra Province: conference attendance

Mr HOLDING (Springvale) — Honourable members will be interested to learn that recently public accounts committees from across Australia conducted a highly successful conference in Canberra. New Zealand, South Africa and Hong Kong were also represented. Unfortunately, as often happens with committees that have a heavy workload, not all members of the Victorian Public Accounts and Estimates Committee were able to attend. However, one member of the committee who was listed to attend the conference and on whose behalf flights, accommodation and registration were paid did not attend. It was none other than the chairman of the opposition's waste watch committee, the Honourable David Davis, a member for East Yarra Province in the other place.

Ms Asher — On a point of order, Deputy Speaker — —

The DEPUTY SPEAKER — Order! I remind the honourable member for Brighton that the Speaker has ruled that points of order should be taken at the end of members statements because of the time limit imposed.

Ms Asher — My point of order relates to the proceedings of parliamentary committees, which I understand are not the province of the — —

The DEPUTY SPEAKER — Order! There is no point of order. The matter does not relate to the proceedings of a parliamentary committee.

Mr HOLDING — My inquiries of Rydges Hotel in Canberra, where most delegates stayed, revealed that the government rate per night is $147 and the cost of a return airfare to Canberra, departing from Melbourne, is $537 with either Qantas or Ansett. An added expense was the $150 registration fee for delegates to the conference. Given that the proceedings required delegates to spend two nights in Canberra my estimate is that close to $1000 of taxpayers' money has been wasted due to the discourtesy of the opposition's so-called waste watch committee spokesperson.

The DEPUTY SPEAKER — Order! The honourable member's time has expired.

Mirabel Foundation

Mrs ELLIOTT (Mooroolbark) — On 6 February this year, Jane Rowe, the chief executive officer of the Mirabel Foundation, wrote to the Minister for Health formally requesting access to approximately $172 600 in core funding from the Victorian government's $77 million drugs strategy. The Minister for Community Services had previously indicated she was unable to provide such funding.

What is the Mirabel Foundation? It attends to the needs of children who have been adversely affected by parental illicit drug use, many of whom have lost both parents to fatal overdoses. Many children are referred by the state government through child protection services and the Coroners Court. They are the most vulnerable of children, who are in danger of losing their childhood and repeating the cycle of addiction to drugs or of committing suicide.

I have visited the Mirabel Foundation as has the shadow Minister for Health. Jane Rowe has received no response from the Minister for Health. In light of yesterday's joint parliamentary sitting on drugs, I ask that he give the Mirabel Foundation's request his immediate attention. After yesterday's sitting the community will be demanding action and not just words and more words.

Dandenong Benevolent Society

Mr LENDERS (Dandenong North) — I place on the record the fantastic efforts of the Dandenong Benevolent Society, which operates in my electorate. The society has been in operation for a long time and is one of those community groups through which a lot of absolute human treasures put a lot of effort into making life better for their neighbours and compatriots.

In this Year of the Volunteer I wish to pay particular tribute to four local people on the executive, Janet McPartlane, Marg Langdon, Pat Dillon and Gael Munroe. Those four women, along with many other people, run an opportunity shop and distribute benefits on behalf of the City of Greater Dandenong and other charities. They put in a lot of time and recently cleaned out the opportunity shop, as well as cleaning and marking all the clothing. They operate a food bank in the area. They are wonderful human beings and their efforts are appreciated in a community that is suffering from the ravages of the goods and services tax. They improve people's lives and their efforts should be

appreciated. This house should note their wonderful achievements.

Upper Yarra: health services

Mrs FYFFE (Evelyn) — It is very important that the Minister for Health and members of this house are alerted to the situation facing the people of the Upper Yarra Valley. The Warburton Hospital has closed. We now do not have syringe exchange facilities; we do not have access to physiotherapy or to home and community care; but, more importantly, we do not have any emergency services in the Upper Yarra region.

Maroondah Hospital is 55 minutes away. In an emergency that is far too long. It is urgent that the Minister for Health react to the council's request and arrange for meetings to happen immediately. We cannot wait. There is an industry in the region that has quite a high accident rate, and the area has the highest road casualty rates for any shire in the state, yet it is now left without any emergency care. The lack of a needle exchange program in this part of the Shire of Yarra Ranges is highlighted especially after yesterday's drug summit.

Drugs: Ballarat services

Ms OVERINGTON (Ballarat West) — Following the historic drugs debate in the house yesterday, it is timely to pay tribute to the many wonderful people in Ballarat from youth centre care workers to those in the other agencies who work passionately with people and families affected by drug abuse. They work collaboratively to provide much-needed support and advice. Although Ballarat's drug scene is perhaps not as visible as that of metropolitan Melbourne, it is indeed still there.

A number of leading agencies, including the Uniting Care Outreach Centre, the Ballarat Community Health Centre and Ballarat Child and Family Services and Centre Care work together to provide counselling and support to people who may be affected by drugs. It is interesting to note that within this professional work in Ballarat — and no doubt throughout the state — people affected by drug abuse are treated as humans. They have a human face, and sometimes that is what is missed. We hear the terms 'clients' and 'patients' used to refer to these people, but they are human beings: they are people's sons, daughters, mothers and fathers. I think it is time we brought the debate back to recognising that we are dealing with individuals who have family histories and who need to be supported at all times.

The DEPUTY SPEAKER — Order! The time has expired for taking members statements.

Mrs Peulich — Madam Deputy Speaker, on a point of order, when the Deputy Leader of the Opposition attempted to take a point of order in relation to the deliberate flouting of standing order 108 by the honourable member for Springvale, you refused to take the point of order, which it is every member's right to raise, irrespective of what time of the day or during which part of the debate that point of order is taken on.

Despite the Speaker's statement that he would desire that points of order not be taken, his desire does not overrule the standing orders of this house. In addition, I believe the Chair has erred in allowing the honourable member for Springvale to continue flouting standing order 108 by reflecting on a member of the upper house, and I would like this most serious matter to be referred to the Speaker for his very serious and immediate consideration and report to this house, because should matters continue in this vein no honourable member will be afforded protection and no standing order will deserve the respect of this house that it has had for many decades.

Madam Deputy Speaker, I think this is a most serious breach of standing orders and that if we continue with your rulings, members statements and perhaps other debates will end up being a free-for-all. I do not believe that will serve this house or any honourable member on either side.

Mr Batchelor — On the point of order, Honourable Deputy Speaker, the honourable member for Bentleigh has raised a point of order that was adequately dealt with during the 90-second members statement period in the house. The honourable member for Brighton raised a point of order with you during that period. You advised the honourable member of the earlier statements by the Speaker in relation to this matter wherein the Speaker asked for points of order to be deferred until the end of the 90-second statement period because of the ability to consume, deliberately or otherwise, a member's entitlement.

Notwithstanding that, the honourable member for Brighton persevered with the point of order and it was adequately dealt with. It is inappropriate for the honourable member for Bentleigh to attempt to construct events differently after the event. You have ruled on it, Deputy Speaker, and I put to you that the matter is now closed.

Ms Asher — On the same point of order, Deputy Speaker, I raise the issue about the timing of my point

of order. I am well aware of the Speaker's view, and everyone in this house would know that I do not have a track record of raising frivolous points of order. I think it was appropriate at that time to raise the point of order.

My understanding of the Speaker's request was that obviously he did not want the time wasted. I place on record, particularly in response to the comments made by the Minister for Transport, who is responsible for government business, that my point of order was a genuine one relating to the standing orders of this house.

In her point of order, the honourable member for Bentleigh has made a very specific request — that this matter be investigated by the Speaker. I ask that you refer the matter to the Speaker. I believe it is a reasonable request and a reasonable way of resolving this issue.

The DEPUTY SPEAKER — Order! I do not uphold the point of order, but I am more than happy to refer it to the Speaker. In fact, the Leader of the House did reflect on what I did: I gave the warning, which was the Speaker's ruling in relation to members statements.

I then allowed the Deputy Leader of the Opposition to make her point of order in relation to whether or not it was a committee proceeding. I then ruled against that point of order and explained to the Deputy Leader of the Opposition when she asked me why I ruled that way.

However, I am more than happy to refer it to the Speaker. I understand the information that was being provided by the honourable member for Springvale was not an attack on a member but was factual information relating to a conference. If that is proved to be incorrect, I am sure we can refer that to the Speaker as well.

Mr McArthur — On a point of order, Deputy Speaker, I seek clarification on your advice that an issue raised by a member in relation to another member which is factual material does not breach standing order 108 or the Speaker's ruling of, I think, earlier this year that it is only by way of substantive motion that a member can bring information into this place that is critical of another member, even if it is critical of that member's performance prior to becoming a member of this place.

Given the Speaker's ruling on those things, it appears to me that that ruling and standing order 108 together clearly indicate that it is immaterial whether the matter that a member raises about another member is factual or fanciful. The issue is whether it is a reflection on the other member's performance, either as a member of Parliament or prior to becoming a member of Parliament.

I seek your clarification of this matter. Does the Speaker's ruling earlier this year still stand, or are we operating under another set of rules?

Mr Batchelor — On the point of order, Deputy Speaker — —

Mrs Peulich interjected.

The DEPUTY SPEAKER — Order! Points of order should be heard in silence.

Mr Batchelor — The honourable member for Monbulk tried to suggest that under standing order 108 it was not appropriate for members of this house to talk about factual matters in relation to other members of this house and other chambers. If that proposition were to proceed members would not be able to ask questions, answer questions, or enter into the cut and thrust of political debate here.

Standing order 108 is specific and relates to members of the chamber using offensive or unbecoming words in referring to another member. It does not relate to issues of fact. The real issue here is the motive that lies behind this attack and this sudden flurry of interest in the standing orders.

We on this side of the house are aware that this is a diversionary tactic on the part of opposition members to take the heat away from their own failings and from their squabbling and fighting among themselves.

The DEPUTY SPEAKER — Order! I ask the Leader of the House to refrain from debating the issue.

Mr Batchelor — I make that factual statement, Deputy Speaker — and if you were to uphold the point of order raised by the honourable member for Monbulk I would be banned from saying it! You obviously cannot do that, Deputy Speaker, as the place would grind to a halt if you did. I suggest that you desist from further hearing the point of order raised by the honourable member for Monbulk and sit him down.

Mrs Peulich — On the point of order, Deputy Speaker, I refer to a ruling made by Deputy Speaker Maddigan on 24 November 1999 as outlined in *Rulings from the Chair — 1920 to 2000*:

> Imputations against members. During a member's speech, in light of general comments he was making about an 'individual's' behaviour, the Deputy Speaker read to him SO 108, reminded him of the provision, and warned that if he made any personal reflections on members, she would no longer hear him. The member continued and, almost at the

conclusion of his speech, connected his remarks with a member of the house. The Deputy Speaker refused to hear him any longer.

In the interests of consistency and of the fairness of applying the rulings of this house, Madam Deputy Speaker, I suggest you have no option but to uphold the point of order and refer the matter to the Speaker in order to have the ruling reinforced to all members of the house.

The DEPUTY SPEAKER — Order! I do not uphold the point of order. The matter to which the honourable member for Bentleigh was referring involved a member of the house inferring criminal behaviour in relation to another member of the house. That is different from the situation here, where no imputation of that sort of behaviour was made in relation to the member.

BUSINESS OF THE HOUSE

Notices of motion

Mr BATCHELOR (Minister for Transport) — Deputy Speaker, I have a motion — —

Ms Asher — Do you know what you're doing?

Mr BATCHELOR — Yes, of course I do. Do you? I will remind you all day long of the squabble between you and the honourable member for Berwick last night. That's what I am doing. What are you doing?

The DEPUTY SPEAKER — Order! I ask the house to come to order.

Ms Asher interjected.

Mr BATCHELOR — Talk about it all you like. You wouldn't be the first, you won't be the last!

The DEPUTY SPEAKER — Order! I ask the house to come to order.

Mr BATCHELOR — I move:

That the consideration of government business, notices of motion nos 1 to 5, be postponed until later this day.

Motion agreed to.

PARLIAMENTARY PRECINCTS BILL

Second reading

Mr BRACKS (Premier) — I move:

That this bill be now read a second time.

Honourable members will be aware that in the Parliament the Presiding Officers of both houses of Parliament hold ultimate authority over, and responsibility for the security of the Parliament. This is one of the privileges of Parliament, namely, the ability of Parliament to secure itself against outside interference. In this way, Parliament is the only place of its kind in which the Presiding Officers have exclusive jurisdiction. The police are subject to the authority of the Presiding Officers and they cannot perform any duty within the Parliament without the Presiding Officers prior consent. This parliamentary privilege is a longstanding principle; however its nature and extent remain obscure.

When the Scrutiny of Acts and Regulations Committee reviewed the Unlawful Assemblies and Processions Act 1958, the committee received a submission from the Presiding Officers recommending that specific legislation which clarified the area of the parliamentary precincts and the authority of the Victorian Parliament to provide for the security of that area was needed. The committee accepted that submission and recommended the enactment of parliamentary precincts legislation.

This bill implements each of the objectives of the legislation recommended by the committee. The existing parliamentary privilege will be modified only to the extent that this bill gives additional powers to the police and protective services officers.

The area of the parliamentary precincts is specified with more precision, removing former doubts concerning the Spring Street boundary. The incorporation of the Surveyor-General's plan into this bill clarifies that the precincts commence at the first step adjoining the footpath at Spring Street. I am sure every honourable member will be pleased about that. The bill also provides for additional premises used by the Parliament to be added to the area of the parliamentary precincts by order of the Governor in Council.

The bill enhances the ability of the Presiding Officers to secure the Parliament by giving them clear responsibility for the control and management of the parliamentary precincts. The Presiding Officers can grant leases or give licences to enter parts of the precincts and make arrangements for entry into the precincts for works to be performed. These powers do not interfere with the role of the House Committee to

manage the refreshment rooms within the Parliament and supervise maintenance works.

The Presiding Officers and senior parliamentary officers, such as the Usher of the Black Rod, the Serjeant-at-Arms and the Clerks of both houses are granted specific powers to secure the Parliament. More importantly, these powers are also granted to police and protective services officers and are exercisable without the Presiding Officer's prior consent. The crucial power is the ability to direct persons to leave or not enter the parliamentary precincts. Persons who do not comply with these directions can be forcibly removed or arrested. Offences are prescribed for failing to comply with a direction from an authorised officer to leave or not enter the precincts.

In addition to the granting of specific powers to the police the bill also enables the Presiding Officers to enter a memorandum of understanding with the Chief Commissioner of Police. This memorandum can contain an agreement as to the manner of exercise of any powers granted to the police or protective services officers or give them additional powers by agreement. Any powers granted by this bill to the police or parliamentary officers remain subject to the overall supervision of the Presiding Officers.

The powers of the Presiding Officers to grant leases or licences or make arrangements for entry into the precincts for works to be performed cannot be delegated. Otherwise the powers of the Presiding Officers under this bill may be delegated to senior parliamentary officers, save for their overall supervision of the precincts.

Finally, the bill repeals the restrictions on assemblies around Parliament House imposed by the Unlawful Assemblies and Processions Act 1958. A prohibition on groups which assemble around the Parliament to protest or raise awareness of public issues is completely inconsistent with a democratic society.

I am sure that all members will support the clarification of the powers of police and parliamentary officers in this bill to secure the Parliament without impairing Parliament's inherent privileges to protect itself from outside interference. Additionally, I am sure that all members will agree that the repeal of outdated and undemocratic restrictions on the right to protest is long overdue.

I commend this bill to the house.

Debate adjourned on motion of Mrs ELLIOTT (Mooroolbark).

Debate adjourned until Thursday, 5 April.

STATE OWNED ENTERPRISES (AMENDMENT) BILL

Second reading

Mr BRUMBY (Treasurer) — I move:

That this bill be now read a second time.

The current Victorian state equivalent tax regime operates under section 88 of the State Owned Enterprises Act 1992 (SOE Act) and is administered by the Treasurer or delegate. The Treasurer has the power to direct entities to comply with this section and tax equivalent is payable to the Treasurer in a manner and at times determined by the Treasurer in accordance with the Treasurer's Instructions.

More recently, all Australian jurisdictions have undertaken to establish a national tax equivalent regime (NTER) under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations (IGA). The NTER will largely replace the current state and territory regimes, which are generally, based on commonwealth tax laws. Whilst the Bracks government is opposed to the commonwealth government's goods and services tax (GST) the Victorian government is committed to honouring its obligations under the Intergovernmental Agreement on the Reform of Commonwealth–State Financial Relations, agreed by the previous government.

Consistent with national competition policy principles, the NTER will introduce a more standard and uniform income tax framework for government business enterprises (GBEs) by more closely approximating commonwealth tax laws faced by the private sector. The NTER will over time remove tax law inconsistencies applying to entities within and between jurisdictions and assist in business decisions being made on a more consistent basis.

The major principles of the NTER may be described as follows:

Each jurisdiction will be responsible for determining which of their entities will be included in the NTER and, under the proposed coverage, there will be broad consistency across major contestable industries such as electricity, water, urban transport, ports and rail.

It is based on commonwealth income tax laws but remains an equivalent tax regime. GBEs in NTER will remain exempt from actual commonwealth income tax.

The Australian Taxation Office (ATO) will administer the NTER on a cost recovery basis.

All tax equivalent revenues of entities participating in the NTER will continue to be paid to their owner governments.

The NTER is scheduled to commence operation from 1 July 2001.

Legislative amendments are required for Victoria to fully meet its commitments under the NTER.

I now turn to the particulars of the bill.

Commonwealth sales tax

The bill repeals references to sales tax in the SOE Act, as from 1 July 2000 it no longer applies under commonwealth law.

Power of direction

The bill provides the Treasurer with the power to direct state owned enterprises to comply with and withdraw from the NTER.

Delegation

The bill allows the Treasurer to delegate certain powers, under section 88 of the SOE Act in relation to state owned enterprises that have entered the NTER, to persons employed in the administration of the NTER.

Review

The Treasurer's review mechanism under the SOE Act will not apply to state owned enterprises directed to enter the NTER as the NTER will contain its own review mechanism.

This bill is a consequence of national taxation changes and is necessary to complete one of Victoria's commitments under the IGA.

I commend the bill to the house.

Debate adjourned on motion of Mrs ELLIOTT (Mooroolbark).

Debate adjourned until Thursday, 5 April.

CITY OF MELBOURNE BILL

Second reading

Mr CAMERON (Minister for Local Government) — I move:

That this bill be now read a second time.

The purpose of this bill is to implement representational reform to the City of Melbourne and give the city a fresh start.

The bill will provide the best opportunity for a newly elected council to achieve internal stability, be more reflective of the diversity of interests within the city and work constructively with the state government to provide the vision, focus and leadership expected of Victoria's capital city.

The bill responds to the extensive consultations carried out by the ministerial working party earlier this year and built upon findings of the city's own facilitation panel which was engaged to advise it on means to improve governance within the council.

The council's facilitation panel provided a valuable insight into the problems within the council and made two recommendations which required state consideration — a legislated partnership between the state government and capital city, and reform to the representational structure to foster more effective representation.

The changes outlined in this bill address these issues and provide for a fresh start at the City of Melbourne.

A government working party, set up to advise on an appropriate representational structure for the City of Melbourne and on opportunities to strengthen the relationship between the state and the city, consulted with relevant stakeholders and undertook research into capital city models existing in other jurisdictions.

The government's consultation process proved invaluable and identified a number of recurrent themes. City stakeholders want stability, improved representation and good governance in their council. They want their councillors to be able to represent a diversity of views and to balance business interests and city revitalisation with residential needs.

In essence, stakeholders wanted a strengthened city council that could work with the state government to deliver an internationally competitive and livable city.

Overwhelmingly, stakeholders stressed the importance of encouraging quality candidates, able to effectively represent their constituency with a whole-of-city focus.

This bill provides a means to achieve the vision so candidly expressed by the city's constituent groups. The government firmly believes that this bill provides the best opportunity for a newly elected council to deliver stable governance, strong leadership and strategic focus.

The nature of the relationship between the city and the state government is of critical importance to the economic development of the whole of the state.

Groups representing Melbourne retail, business, property and government sectors all emphasised a need for the state government and city council to work in partnership on policies and projects of significance.

The way that Victoria is projected nationally and internationally relies in part on the level of cooperation and shared strategic vision between the state's capital city council and the state government.

To this end the bill provides for the City of Melbourne to have certain objectives above and beyond those applying to Victoria's other local governments. The bill sets out specific objectives aimed to align the strategic directions and policies of the city with those of the state. Provision is made for the city and state to meet, on a flexible basis, on relevant issues. I envisage that as the cooperative relationship beds down, the city may establish stronger links with its constituents and convene, as needs might arise, consultative meetings with its diverse community.

In order to ensure that the vision for the City of Melbourne can be effected as promptly and effectively as possible, the bill entails legislative mechanisms which will: bring about an early election, abolish the current district-wide ward and replace the dual system with one, simple unsubdivided municipality. There will be no alteration to the current number of councillors (nine), but they are to be elected with a leadership team consisting of a lord mayor and deputy lord mayor and seven other councillors.

The bill provides for the filling of any absences or vacancies in the offices of both the lord mayor and his or her deputy, and also provides for the grouping of candidates.

There remains the right of candidates to nominate as individuals and to elect the direction that their preferences, in the proposed Senate-style proportional representation system, be allocated to other candidates.

The bill provides that the mayoral leadership team is elected on a separate ballot paper on the basis of exhaustive preferential voting.

As in the Australian Senate there will be the simple option of above and below the line voting. The government recognises that simplicity is an important aspect of any electoral process which aims to maximise the validity of votes — all the more important in city elections which will be held, as at present, by postal ballot.

Once an order in council sets the polling day, nominations for candidacy must follow promptly and the community is advised to familiarise itself with the nomination process, with the candidates and their groups if applicable and to gear up to vote early.

The government looks forward to working with the newly elected Melbourne City Council once the voters have made their determinations at this most significant poll.

I commend the bill to the house.

Debate adjourned on motion of Ms BURKE (Prahran).

Debate adjourned until Thursday, 5 April.

CORPORATIONS (COMMONWEALTH POWERS) BILL

Second reading

Debate resumed from 20 March; motion of Mr BRACKS (Premier).

Dr DEAN (Berwick) — The Corporations (Commonwealth Powers) Bill is not one of the trivial measures that those opposite tend to get caught up in. The bill is one of those important and incredibly complex measures that have to be dealt with. Often when people say, 'Thank God there are only a few lawyers in Parliament' — although others suggest that perhaps there should be more — I wonder how Parliament can pass such complex measures when it is quite clear that a number of members in the house not only do not know but do not want to know what is in a bill. Therefore a heavy burden falls on the shoulders of those who have the expertise in the area and I certainly address the task very seriously, as I am sure other members do.

Mr Baillieu — What about the architects?

Dr DEAN — They are also the architects of their own downfall!

The bill arises as a consequence of thoughts and actions of 100 years ago. As we approach the centenary of Federation it is a good idea to note that so much legislation has to be introduced because we have a constitution that is not easy to change. As the world around us modernises and people, cultures and attitudes change, we find that our constitution makes it difficult for us adapt to those changes.

One feature of our country that must be adapted is the relationship between the states and commonwealth. It is a moving feast, so to speak. The relationship between the states and the commonwealth is in a constant state of change. The requirements, obligations, pressures and burdens on Australia change and so the need for the states and the commonwealth who share the jurisdiction of power must change as well.

In this particular case, given the interrelatedness of the states and the commonwealth, for some time it had been considered perfectly appropriate and necessary in a modern community to have a court that decides disputes based on federal law and courts deciding disputes based on state law to be able to hear each other's cases. It was considered necessary for the state to allow a federal court, which hears matters in the federal jurisdiction, in some cases to hear matters in the state jurisdiction, so through a cross-vesting power conferred to each other's courts this was allowed to happen.

Everyone considered that to be a happy compromise and a good result in a modern community. Then, as they are wont to do, lawyers fought hard in a particular case in their wish to find a way to protect their client. I notice that today there is someone sitting in the parliamentary gallery who is well aware of the capacity to protect clients by going to the very heart of constitutional jurisdiction.

Mr Baillieu — And he wants to be an architect!

Dr DEAN — And he is an architect who builds his own house on his own foundation!

The ACTING SPEAKER (Mr Lupton) — Order! The honourable member for Berwick will cease referring to people in the gallery and get on with debating the bill. The New South Wales Parliament passed the bill in record time and I hope this Parliament can do something similar.

Dr DEAN — I certainly take your point, Mr Acting Speaker.

As a consequence of the work of the lawyers, one case went to the High Court, where it was argued that cross-vesting is unconstitutional. It was put that, unlike the plenary powers of the states, the power of the commonwealth is set out word for word in the Australian constitution and the document provides no power to the commonwealth to allow federal courts to exercise power in a state jurisdiction. Then, of course, all the cases that over the years had been decided by federal courts based on state jurisdiction suddenly were in turmoil.

All sorts of suggestions were made about how the problem could be overcome, and a few bandaid measures were introduced. It is amusing to find that even when the commonwealth and a state want something and they agree on that, they cannot have it because of a document that was created 100 years ago. It is a very interesting situation. It was not that they were fighting each other; everybody wanted a certain result but it was not possible to achieve it.

As I said, bandaid solutions were quickly found. They were known to be a bit shaky and in a very short time they were proved to be so. A way had to be found around the problem. The Robert Dean, shadow Attorney-General solution, which was the famous — or infamous — proposal of a merger of the state Supreme Court and the Federal Court of Australia into one superior Australian court body, has not yet hit the ground running, but it is definitely still in the race!

In the meantime lesser solutions have been contemplated, one of which is that the states give the necessary power to the commonwealth so that it can confer on its courts jurisdiction to hear cases based on what would then be commonwealth power. One might well ask: since when have states been happy to give power to the commonwealth? The answer is never, and they never will be!

The current solution has been arrived at because for the good of the country it is necessary that cases can be heard in federal courts, even though they are exercising state jurisdiction. However, there are some riders. The first is that the power can be taken back at any time. The next is that there is a sunset clause so unless the power is initiated again it will automatically come back to the state. There is no power in the commonwealth to change legislation unless the matter goes to the ministerial council of the commonwealth and the states.

The states have indicated that they will assist in finding a solution to the problem. They have agreed to give the commonwealth the power they have had all this time, but on the basis that there are checks and balances all the way down the line. However, they are not handing over the power so that the commonwealth has it and the states do not. It is a solution for a while but there are so many areas apart from Corporations Law where there is the same problem, and in the end it cannot possibly be solved entirely by this process. Obviously Corporations Law is important and must be fixed.

Mr Baillieu interjected.

Dr DEAN — It is funny that honourable members should be clamouring for the Dean solution!

Sooner or later it will be realised that it is not such a great problem and that if a court is exercising both state and federal jurisdictions within the one court, those matters can be heard and the proper results achieved. However, there must be the will of the courts to come together in that way.

It is important for history to note one rider, because it has been going on for a long time. I have been a great proponent of cooperative federalism as distinct from competitive federalism or federalism that is based on an adversary approach. It is one of the reasons why the states agreed all of a sudden to allow the corporations power to go across in this way.

I was once associate to Sir Reginald Smithers, who was a great man, and I remember him saying that he often wondered why it was that the federal government, which has corporations power, had not pressed to the full extent of that power to gain more power for itself. That government does have corporations power, and it is the view of many that if it pushed the issue it would have the power relating to the starting up and closing down of companies.

One of the things that got the states cracking was that clearly if they did not do so the commonwealth might decide to introduce the legislation itself, say it had the power, and see whether in the courts it actually did have the power. Apart from the desire to cooperate and get together to do the right thing there was also a bit of a twist in the tail for the states, because if they did not cooperate maybe the commonwealth, with the help of a High Court minded to expand power, would take more of the power than it already had or would prove it already had that power.

The game is not over yet, but I am pleased that the state government is proceeding in a cooperative manner, because it is the way of the future for this country. There is no way Victoria will be able to grab the future it is entitled to unless federalism becomes cooperative federalism and the Premiers and the Prime Minister operate together on national issues within the Council of Australian Governments on a regular basis and with a proper executive. COAG must become a body of great significance rather than an ad hoc body that tends to work with conflict rather than with cooperation. I have no doubt that sooner or later Australia will go down the line of cooperative federalism. It will be the dawning of a new age, and the Dean proposal will be — —

Mr Baillieu — The Deaning of a new age!

Dr DEAN — Yes, the Deaning of a new age. It is going to be an exciting time. I look forward to it.

Mr RYAN (Leader of the National Party) — The National Party supports the legislation. There is a sense of urgency about it for the reasons that appear in the second-reading speech. By way of a caveat, it is important to recognise that this is a cooperative effort by the government, the opposition, the National Party and the Independents to get the legislation through immediately, for the reasons that have been explained.

It is an evolution of laws and another step in a journey that is far from complete. It arises because of the basic notion of the respective states and territory jurisdictions wanting to have their own place in things while simultaneously recognising the benefits of being able to come together in other environments for the purpose of the national interest.

There is an apparent dichotomy that has been part of the history of this great nation since the Federation. The passage of the legislation and the case law that has been decided since the complications arose reflect the desire of each of the respective state and territory jurisdictions to be a law unto itself and yet be prepared to come together with the others for the purpose of the greater good of all.

The National Party supports the bill. It is prepared to cooperate in this instance in exempting it from having to comply with the usual time frames and mechanisms involved in passing a bill, because otherwise the process would have taken much longer. It is another example of the parties in this place coming together to enable the bill to pass quickly for the common good.

Mr WYNNE (Richmond) — I support the Corporations (Commonwealth Powers) Bill, and I thank the honourable member for Berwick and the Leader of the National Party for their contributions.

Mr Ryan — Brief contributions!

Mr WYNNE — Indeed, they were brief contributions. As has been previously indicated, the purpose of the bill is to give effect to the compromise proposal reached by the Prime Minister, our Premier and their respective Attorneys-General to facilitate the referral of powers by the state to the commonwealth Parliament in relation to corporations legislation.

Victoria has certain obligations under the corporations agreement to ensure the effective ongoing operation, administration enforcement and uniform application of the national Corporations Law scheme. However, recent legal challenges and decisions of the High Court

of Australia have cast doubt on the constitutional framework that supports the Corporations Law. The court cases in question are the Wakim case and *Queen v. Hughes*. The effect of these cases has been to introduce uncertainty and inefficiency into the operations of the Corporations Law, and in turn and most particularly, provide the potential for adverse impacts on investment in Australia. It is a significant piece of legislation.

Although under the previous scheme Corporations Law was a national system, it operated as a law of individual states or territories rather than as a law of the commonwealth. Essentially the court cases question the ability of the commonwealth to undertake or administer a function of what is, in effect, a state law. They also question the ability of the Federal Court of Australia to have jurisdiction in relation to a law which, in effect, is not a law of the commonwealth Parliament.

The response of the Victorian government has been twofold: there is general agreement by Attorneys-General that this long-term problem can be fixed only by a national referendum, but I am cognisant of the position put by the honourable member for Berwick that we will have to see how that pans out over time. In the meantime, a number of legislative options have been put forward, including the cross-vesting legislation the Bracks government passed very soon after coming to office.

Last year Victoria led the process in developing the latest solution, which is to refer powers to the commonwealth and, indeed, at the meetings of Attorneys-General from across Australia the Victorian Attorney-General was the leader of that discussion. This was done on the basis that the laws, including and most particularly those relating to industrial relations and the environment, would not be abused by the commonwealth. Last December a meeting occurred between the Premiers and Attorneys-General of Victoria and New South Wales and the Prime Minister, who agreed on the way forward.

The states are protected in a number of ways, including the provisions of clause 4. For those who are interested I turn briefly to clause 504A of the intergovernmental agreement between Victoria and the commonwealth, which particularly excludes from any consideration by the commonwealth industrial relations or environmental matters. Subclause (c) specifically refers to:

> any other matter declared unanimously by the members of the Ministerial Council representing referring States be a matter to which this clause applies.

There are significant protections for the state in terms of the handover of powers. Most particularly, in their negotiations the Attorney-General and the Premier have insisted that industrial relations powers and environmental laws be specifically excluded.

Further safeguards include an objects clause in the legislation which protects against abuse, and I have already referred to clause 504A of the intergovernmental agreement. Of course, the states have the ability to terminate their involvement, although if a state seeks to do so it will obviously fall out of the scheme as a result and be the subject of the potential deleterious impacts that will ensue from that. Another safeguard is the ability of four or more states to terminate the whole scheme if it is their view that an issue is serious enough. Suitable checks and balances are included in the bill. It mirrors legislation that has already been passed by the New South Wales Parliament and brings into line that state and Victoria.

I commend the speedy passage of this bill to the Parliament. It is important that we show leadership on this matter and that we can bring certainty to this vexed area of commonwealth–state relations. I am sure the house sincerely wishes the Attorney-General a speedy recovery from his illness, and on his behalf I thank the honourable member for Berwick and the Leader of the National Party for their contributions. I commend the bill to the house and wish it a speedy passage.

Mr HAMILTON (Minister for Agriculture) — It was pleasing to note not only the accord among the speakers on this bill but also their commitment to its need for a speedy passage by making very short speeches. That is always a pleasing part of the operation of Parliament. No doubt it was due to the good advice given by the clerks and the staff of this Parliament.

I thank all the speakers for their contributions and the spirit with which they have adopted support for this very important piece of legislation.

The ACTING SPEAKER (Mr Lupton) — Order! I am of the opinion that the second reading of this bill requires to be passed by an absolute majority. As there is not an absolute majority of the members of the house present, I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

Motion agreed to by absolute majority.

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

Third reading

Motion agreed to by absolute majority.

Read third time.

Remaining stages

Passed remaining stages.

FORESTRY RIGHTS (AMENDMENT) BILL

Second reading

Debate resumed from 2 November; motion of Ms GARBUTT (Minister for Environment and Conservation).

Government amendments circulated by Ms GARBUTT (Minister for Environment and Conservation) pursuant to sessional orders.

Mr PLOWMAN (Benambra) — The opposition does not oppose the bill, which is clearly designed to encourage not only investment in the growing of trees but also the provision of a carbon sink. The bill also promotes the mitigation of greenhouse gas emissions and attempts to bring balance to the debate as brought about by the Kyoto agreement.

However, this is clearly a case of putting the cart before the horse. With the best of intentions the government has introduced legislation that has stirred up a deal of criticism, and on reading some of the responses that criticism appears to be justified.

Until programs exist to enable trading in carbon credits the bill will be totally ineffective. It will do nothing to overcome the problems of greenhouse gas emissions and what they purportedly do to Australia's atmosphere and climate. The whole argument is based on whether greenhouse gas emissions are effecting climate change and, as a consequence, will adversely impact on the environment in which we live.

It is too early to make a judgment on that issue. The bill is based on historical records of climate changes over a 50 to 100-year time frame, whereas if you look back in history you will see that climate changes and the resultant environmental changes have happened over millions of years. What we are looking at now may well bring about a degree of change, but that change has been overstated. The climate change we are experiencing is more likely to have been effected by normal occurrences that are not instigated by greenhouse gas emissions.

I do not in any way resile from the fact that if we are to be responsible about this issue we must look at greenhouse gas emissions and do our best to reduce them, because they impact on the environment and may cause climate change. Although the opposition supports the government's approach to the bill, some of the beliefs espoused about climate change are based on too little knowledge. As I said, given the climate changes that have occurred over millions of years, 100 years of records are not sufficient to make a clear judgment.

The scientific world is also divided on this issue. Although it is becoming evident that we are experiencing a degree of climate change, how much of that can be directly pinned on greenhouse gas emissions and how much of what we are proposing to do to mitigate the situation will have an impact on climate and therefore environmental change is unclear.

As I said, numerous concerns have been expressed about the bill. I will read some extracts from letters and emails that have been received. Richard Elkington from Loy Yang Power states:

> It is not clear where plantings for Landcare or other environmental purposes fit within this framework.

That is a good point. Substantial Landcare plantings are occurring throughout Australia, but particularly in Victoria. Given that Victoria is a leader in Landcare and initiated the Landcare program, it is important to look at such plantings to see where they fit into the formula. The legislation does not contain a specific area for those sorts of plantations. Mr Elkington continues:

> The bill talks of carbon sequestered in trees. What about the soil which can contain more carbon than the vegetation?
>
> The bill should therefore more clearly address the issues of soil carbon and other commercial plantations.

I will make that point more clearly later because it is important that the legislation separates the property value of the land from the property value of the trees or the plantations. However, when one looks at the additional amendments to the bill, it can be seen that there is a further separation of the carbon credit or the carbon sequestered in the tree as a property value separate from the tree and from the land.

The third point in Mr Elkington's email is:

> The bill obviously has the issue of carbon credits in mind. This is in itself a political and legal minefield littered with uncertainties such as:
>
> > no international or domestic rules established yet;
> >
> > cannot yet 'bank' carbon credits;

> still considerable conjecture on whether a tonne of carbon, from a commercial plantation, can be sequestered in under 100 years — i.e. from a number of planting/harvesting rotations.

It continues:

> … creation of a commodities market in carbon — too early — will provide impetus for an early establishment of an emissions trading market which, in the absence of an international scheme would be extremely damaging to the national and state economy.
>
> The bill also seems to cut across the consultation process established by the state government for preparation of a state greenhouse response strategy.

I refer back to the point I just made: it is putting the cart before the horse. It could bring in a market for carbon before the emissions trading market is established. In the absence of an international scheme it could be damaging to the national and state economy. Those remarks draw a lot of interest and should be considered by the house and by all those involved in the development of the legislation and of a carbon credit market.

I refer to a letter from Roger Holloway, who is an expert in this area. His letter states:

> Creation of carbon sequestration rights must involve the landowner.

I hark back again to the fact that we are separating the rights and the tree and looking at the carbon sequestration right of the tree and not of the land. Mr Holloway makes it clear that it must involve the landowner. The letter continues:

> Section 15 states that a forest property right granted under a forest property agreement in force immediately before the commencement of the act is deemed to include a carbon sequestration right.
>
> For temporary sinks (any single rotation tree plantation) it will be noted that no such benefit will arise (and indeed there may even be a liability) for all normal cases under section 15. In other words, if the purpose of the act is to be fulfilled in a positive manner, the carbon sequestration agreement must refer to rights and obligations that extend beyond the term of a (normal) forest property agreement;

We are looking at forestry property agreements that could be as short as 20, 25 or 30 years. Mr Holloway continues:

> … and involve more parties, both in relation to the forest property itself and to the soil.

We get back to that point again, that you cannot separate carbon sequestered in a tree because, as has been indicated in earlier correspondence, there is also carbon sequestered in the soil. In many cases it can be shown that more carbon will be sequestered in the soil than in the tree.

I refer to a letter from John Sparkes from Harris-Daishowa and quote from part of that correspondence:

> We are happy to earn carbon credits while we are growing the trees, however, we will lose them all when we cut the trees down at harvest time.

He is making the point made by Roger Holloway that you cannot rely on a single rotation; you have to have an agreement that binds in a continuation of rotations. The letter continues:

> Carbon credits may be valuable for people who are prepared to grow trees and leave them in the ground permanently.

In looking at forestry plantations, which the bill is designed to look at, that is not the aim. The aim is to plant a tree, to grow it out, and then to harvest it, as you would any other crop. If the bill is designed only to look at those trees that are going into the ground and will stay there permanently, obviously the whole basis is headed in the wrong direction. The basic legislation is designed to encourage plantation forestry and to encourage investment in it.

I note further correspondence from Amanda Mackey that states:

> In particular, there are some potential challenges surrounding the issues of insurance risk, i.e. how would a credit purchaser gain a replacement for credits traded on a forest that has burnt down?

Again, I cannot see any part of the agreement that recognises what happens if a forest or a plantation that is part of a carbon credit arrangement under the legislation burns. Obviously the carbon is emitted to the atmosphere. How do you accommodate that situation and should the legislation encompass those sorts of concerns?

Mr Mulder interjected.

Mr PLOWMAN — That is a concern. If a body, firm, business or individual wishes to join this carbon credit trading arrangement as envisaged under the legislation and they purchase carbon credits from a forest that burns down before the carbon credit arrangement time expires, what happens when an emitter, a business that is looking for a carbon credit because of the emission it has, actually causes or is party to a further emission by way of the carbon credits it has bought into?

The next response is from the Environment Liaison Office (ELO). It states:

> The ELO group is concerned at the pre-emptive nature of the legislation. The recent conference of parties to the Kyoto protocol failed to achieve an agreement on carbon sink activities and significant definitional uncertainties remain (to be negotiated in May 2001).
>
> Until the Kyoto protocol is ratified, nations will not have access to an international emissions trading market.
>
> …
>
> 'We would not support the issuing and trading of carbon credits from sinks until a set of robust, widely agreed principles and criteria for assessing sink activities has been established' … the restriction of forest sink activities to revegetation of native ecosystems, 'where revegetation is geared towards biodiversity enhancement and amelioration of land degradation'.

Honourable members can gather from that criticism that the Environment Liaison Office believes there should be a 'restriction of forest sink activities to revegetation' that is designed to ameliorate land degradation, but clearly that is not the intent of the bill. The office goes on to say:

> … the groups insist on a limit of 10 per cent being placed on the amount of emissions that could be offset by investment in sinks.

I do not think the bill is designed in any way to determine how the company that has an emission of carbon dioxide should trade in carbon. Once again that identifies clearly that until we have trading rules on carbon credits the development of this bill will be seen by people across the spectrum, from the Environment Liaison Office to commercial traders, as pre-emptive and as having been designed to do something within a market that has not yet been established to handle it. The bill will create more uncertainty than clarity in the market.

A final point from the ELO is that this concept:

> … might prompt clearing of native vegetation for conversion into 'carbon sink' projects.

Of course, the ELO group is opposed to that.

The other area I wish to cover is not only property owners' rights but the ability of trees to sequester carbon and the fact that they cannot do so if they do not gain sustenance from the soil. So in the case of the separation of a property between the landowner and the owner of the forest or the trees, if we look at a third party coming in and providing a windfall gain to the owner of the forest or the trees we must consider whether we are being fair to the other party. Given that the land is sequestering carbon in its own right and supporting and sustaining the trees that are sequestering the carbon itself, shouldn't the landowner also benefit from the windfall gain coming from the carbon credit?

A number of people have commented on this matter. Ross Blair from McKean and Park, a consulting company, says:

> Section 3 definition of 'carbon rights agreement'
>
> It is strenuously contended that a carbon rights agreement should be capable of being entered into by landowners as well as by forest property owners. There will be many cases where trees are being grown by a landowner on the landowner's own property. There seems to be no reason why in these circumstances the landowner cannot either grant carbon rights directly or alternatively enter into a forest property agreement whereby the landowner is both landowner and forest property owner.

You have to doubt the wisdom of the bill if the owner of the land who has planted the trees cannot enter into a property rights agreement in respect of the carbon sequestered by those trees but in fact has to enter into an agreement with himself under the forest property agreement. This seems to be a totally unnecessary requirement of a property owner who will want to use the legislation to enjoy the opportunity of trading in carbon credits.

I shall quote from an email sent by Mr Peter Lowenstein to the shadow minister for conservation and environment:

> From a reading of the bill there appear to be illogical inconsistencies between the rights of owners of land and forest property owners to deal with carbon sequestration rights. As presently drafted, the bill does not allow an owner of land to deal with carbon sequestration rights independently of a forest property agreement.

That again highlights the point I have just made: the property owner is left out of this equation. If the property owner is also the owner of the trees, the bill does not accommodate his taking out an agreement. The email also states:

> … it would be best for the legislation to be referred to a parliamentary committee or for major industry players to be consulted about how the legislation might operate.

That in itself is a clear indication that some people in the industry believe the legislation is premature — and it is not just because it is putting the cart before the horse or because we do not have carbon trading rules or national and international agreements. Mr Lowenstein is saying that not enough work has been done on the way the legislation will work. Being in a position where they would seek to be major players in respect of any benefits coming from the legislation, Mr Lowenstein and his associates believe it should be referred to a

parliamentary committee or at least to major industry players to ensure that it is workable.

I turn now to advice from Roger Holloway, the director of Treebank Carbon Services. He says:

> Soil carbon is a major pool (it might contain twice as much carbon as vegetation).

This is the point. If we are looking only at the value of the carbon in the tree, we overlook entirely the value of the carbon that is sequestered in the soil.

> It is considered most likely that carbon accounting requirements under the land use change and forestry and agriculture sectors will require soil carbon stock changes to be measured, monitored and verified for project performance to be credited or debited against national emissions targets.

This is a very interesting view because it clearly shows that it is not just a matter of measuring the growth of a tree and determining from that the amount of carbon sequestered by the tree. In a situation like this the soil should also be measured to determine the change of the carbon that is stored in the soil as a result of the plantation activity on top of it. Mr Holloway says:

> By focusing only on the trees pool and allowing separation of titles between trees and soil (land), and by not specifying carbon rights in relation to soil, I believe the legislation is flawed.

It is for all those reasons that I believe the bill is limited in its ability to look at the broader aspects of the way carbon sequestration will work. Although I had heard of the word 'sequestration' before I saw it in the bill, I thought I had better look up what it meant. The definition of 'sequestrate' is 'to confiscate, divert, or appropriate income or property to the satisfaction of claims against its owner'.

Mr Smith interjected.

Mr PLOWMAN — As my learned friend says, it is a court order. When I saw that definition I was immediately concerned, representing as I do those people who own the property on which the trees are being grown, that it suggests that the desire of the bill is to 'confiscate, divert or appropriate income of the property to the satisfaction of claims against its owner'. When reading the definition I was concerned that it gave the third party the power to give the benefit to the owner of the forest with no benefit accruing to the property owner.

I then wondered about the term 'carbon sink', a term we have heard being bandied around since the Kyoto agreement was made, so I thought I would look up the definition of 'sink'. I could certainly not find a definition of a 'carbon sink'!

Mr Hamilton interjected.

Mr PLOWMAN — The Minister for Agriculture and I have something in common — we are both ruled by petticoat government. Yes, I know what that sink is! However, I thought I would see whether there were other definitions of the word. There is, of course, the definition that the minister referred to, but there are others, such as to 'fall slowly downwards' and 'disappear below horizon'. The dictionary even talks about a 'sinking feeling' and a 'sinking fund'. Some members of the opposition have quite a sinking feeling at the moment!

Other definitions of 'sink' include 'to bore or construct a shaft or a well' — I think we all recognise that one. Another I was not aware of is 'to invert (capital) so it is not readily realisable or is lost'. The warning bells again started to sound, representing as I do the owners of property, because in my view the investment of capital should reflect a benefit that should certainly not be tied up or lost.

I then reached the final definition, 'to conceal or ignore or neglect or treat as non-existent', which is obviously what the word 'sink' means in the context of the bill — that is, some non-defined body into which an amount of carbon can be placed and then traded.

While I was consulting the dictionary I noticed a reference to a 'sink of iniquity'. The meaning of that came home to me very clearly, as it would to the Minister for Agriculture, because a sink of iniquity is a place where rascals congregate. I wondered about this place when I read that definition.

Mr Hamilton interjected.

Mr PLOWMAN — There is no doubt about that, either. The purpose of the bill is to encourage investment in the establishment of carbon sink trading in Victoria and encourage the greenhouse gas mitigation programs. I am sure that initiative will, if handled properly, generate further investment in forestry. Each of us would see that as a good aim, not just for the sake of carbon credit trading but also, and more pertinently, for the environmental benefit of the state, the farms on which the trees are planted, and the surrounding area.

I firmly believe that an increase in private forestry is a means of overcoming the problems Victoria faces as a result of the environmental degradation caused by the loss of trees. I am also certain that we are winning the

battle in Victoria. We are planting more trees; and the amount of country that is reverting to vegetation coverage is greater than the amount that remains lost through clearing.

That is something all Victorians should take heed of and be proud of. Victoria, like every other Australian state, went through a necessary clearing phase that was promoted by government. That was in many respects brought about by the incredible amount of mining that took place, with its need for timber.

I do not look at that clearing phase with any concern at all, and I believe the phase Victoria is now going through will be beneficial. This bill will certainly assist that process and in that sense should be commended.

Although we in the opposition will try to support the proposed legislation, we believe a lot of work still needs to be done on it. As I said, until a carbon credit trading arrangement is made, until national agreements are struck, and until international agreements are fully understood, the legislation in itself will not achieve anything.

Mr STEGGALL (Swan Hill) — The National Party welcomes this bill. It is legislation that we considered when in government to see whether there was a way in which carbon trading could be introduced in Victoria and Australia. Time did not allow that to happen, just as time will not allow this legislation to have proper effect. As the honourable member for Benambra has mentioned, there are still many agreements to be reached before carbon trading is a commercial operation throughout the world.

However, the legislation is in place awaiting those times. It could almost be called legislation-in-waiting, because it is waiting for the rules to be written, for the acceptance of carbon trading, for an understanding to be reached on what it all means, and for the science of measurement to catch up. The honourable member for Benambra mentioned the impact carbon has on soil, but he left out its impact on oceans. The impact of carbon on both is not yet fully understood.

The purpose of the bill is to amend the Forestry Rights Act of 1996 and to create property rights for carbon sequestered by trees, which allows the ownership of carbon to be held or traded separately from both the timber and the land in both existing and new forest property agreements. The bill also says that before a forest property agreement can be entered into, consent must be obtained from an owner of a registered mortgage. The minister circulated an amendment that requires the holder of a registered mortgage to be notified before a forest property agreement can be entered into. The government has introduced some subtle changes to the bill that will affect those who hold a mortgage interest over land or timber.

The bill aims to create a legislative environment in Victoria that will capture venture capital now available for carbon sink investment under the Kyoto protocol. The proposed legislation will facilitate agreement between investors and large state and commercial forest owners. However, farmers are unlikely to benefit as carbon trading has little relevance to them at the moment, given the high costs associated with legal ownership and the measuring and selling of carbon units, which will cancel out most of the income from carbon farming in small individual lots, and that is a pity. I hope we will overcome that as we go on.

The formal emissions trading system will eventually supersede what is provided for in this bill. However, Australia and Victoria will not pre-empt an international emissions trading system, and global agreement is a long way off.

The proposed legislation is based on a couple of assumptions. The first assumption is that global warming is human induced and is not a natural phenomenon. That debate has raged and is still raging around the world. At the moment we do not know the answer, but it is believed humans have a pretty big impact because of their actions.

The second assumption is that the international community can reach agreement on an action plan. The honourable member for Benambra has mentioned that there is no international agreement on carbon trading, which is a pity. If there were agreement it would seem that carbon trading would be the way governments would choose to go, in a system in which big carbon emitters would pay others to sequester or retain precisely measured amounts of carbon as a trade-off. So, there has to be a way of measuring not only carbon sequestration but also — and I believe it has been done in the major areas — the emission of carbon into the atmosphere.

At the 1996 Kyoto conference agreement was reached on the concept of carbon sinks and ways to measure emitters in relation to trade, but that agreement has yet to be ratified. Just before last Christmas discussions at The Hague again broke down and agreement was not reached by the international representatives. However, they have agreed to meet again in June. I understand that the British and the Australian delegations were very close to reaching agreement, but it failed on the last day. Although that agreement is not in place today,

when agreement is reached this legislation will be in place and will be able to operate.

There is nothing to stop people who wish to sell a carbon right to someone else from doing so, as New South Wales has been doing. Although there is nothing to stop carbon trading happening in Australia today, the commercial risk involved would be high.

I will go through some of the points that are thrown up for debate by the proposed legislation. It appears that global warming is really on us. A recently released report of the United Nations Intergovernmental Panel on Climate Change made the following suggestions. Over the next century global temperatures could rise by more than 10 degrees — a frightening thought — and human-caused climate change will persist for many centuries. We have started something that will not be turned around easily.

The 1990s was the warmest decade and 1998 the warmest year since instrument recording started in 1861. The thickness of the Arctic ice has declined by as much as 40 per cent, and the concentration of carbon dioxide has increased by 31 per cent over the past 250 years and is now at a level which has not been exceeded in the past 420 000 years and which it is likely has not been exceeded during the past 20 million years.

The scientific argument involves facts and figures and people who argue that global warming is a human-induced operation have a strong case. Australia will be especially vulnerable to a rise in sea levels and the impact on the urban coastal fringe is expected to be severe, particularly because 85 per cent of the population lives in major cities on the seaboard.

Global warming is also expected to have a heavy impact on scarce water resources, with a diminishing amount of water being available to an already arid continent, something of which the nation is very much aware. I suppose Australia will continue to wrestle with the problem of how to handle future water shortage issues. If the changes continue in the way scientists believe they might and those changes have a negative impact on rainfall, there will be a long way to go and we will leave our grandchildren with a very challenging situation.

This is a complex debate. Recently a senior official in the Clinton administration in the United States of America commented that providing an adequate greenhouse response is probably the most complicated scientific, economic and political challenge in history. I believe that is right. I am not as confident of the new Bush administration entering into an agreement along the lines of that sought under the Clinton administration. I think the American attitude to these issues will be the clincher as to how they are dealt with. But for America and Australia to be able to implement scientific, economic, and particularly political changes will be extremely difficult. The opposition's experience after seven years in government is that when change is brought about some people do not react in a friendly manner. Any government around the world looking at introducing the changes that will be necessary to properly tackle this operation will face an enormous challenge in the reactions of its people.

From looking at the debates on the issue that are taking place in places such as Europe, America and Japan, it can be seen that politicians in democratic systems are not really equipped to handle the issue today. I believe that will change as education changes. If you want an interesting debate, you should have it in a few African or Pacific island countries, and along the way a solution may be achieved. I suggest that the Chinese attitude to the issue makes it difficult to see how a positive solution could be achieved.

It is a complex debate. Media hype suggests that carbon trading is just around the corner, but that is not so — the issues are too complex, and there are too many players and too large a stage. There is a long way to go. Before the Kyoto protocol can come into force it must be ratified by 55 countries. Australia has not yet ratified it, nor has any other developed country. Talks collapsed at the recent summit at The Hague. The carbon trading debate alone is bogged down in technical argument. The parties cannot even agree on a basic definition for what is a forest.

The European Union, Canada and the United States of America are not on target to meet their assigned emission reductions. On 1990 levels the EU will miss by about 16 per cent and the US and Canada by 30 per cent. The emissions in the US and Canada are huge. Australia has already increased its emissions by 16.9 per cent above the 1990 levels, and is way over its target. Honourable members might remember that Australia attracted some criticism from developed countries around the world when it successfully argued for 108 per cent of emissions, based on 1990 levels, to be delivered in the first commitment period of 2008–12.

Just listing the seven elements required to establish an effective national emissions trading system in Australia, which will not be begun until the international agreement is reached, gives some indication of the complexities of forming an approach to the matter. Firstly, we must comply with international

undertakings ratified by Australia. Secondly, the system must be implemented at least cost. Thirdly, the costs must be distributed equitably and across the community. It will be interesting to see Melbourne and Sydney apply that. When the political issues involved in the matter are dealt with, I do not believe the Australian cities, particularly Melbourne and Sydney, will be comfortable in taking an equitable approach. The politics of the matter is very difficult. Fourthly, it must capture all sources of emissions and all sinks — which is a problem science is wrestling with. Fifthly, it must be implemented at the most opportune time. Sixthly, it must help manage uncertainty with respect to international commitments. Seventhly, it must protect Australia's international competitiveness.

If you look at Australia, and particularly Victoria and its reliance on brown coal, which is a most inefficient burning fuel, you can see its vulnerability in the international debate. One of the issues that was debated strongly when the former government privatised the electricity industry was the ownership of the power-generating units in the Latrobe Valley, including the fact that if Australia was not careful other countries could gain an emission advantage by closing down those coal-burning generators.

New South Wales has seized the initiative on big joint venture forestry investments. It is a bit different from us; it is a bit more gung-ho. Premier Carr was looking for a few political advantages. He and his government were prepared to take the risk and people were prepared to go with it. Pacific Power and Delta Electricity have struck deals with State Forests of New South Wales to buy carbon rights to eucalypt and pine plantations. Pacific Power will buy the carbon rights of 1000 hectares of eucalypt plantations on the north-west coast and Delta Electricity will establish 41 hectares of new softwood plantation near Lithgow. The giant Tokyo Electric Power Company has signed a letter of intent with State Forests of New South Wales to plant 40 000 hectares over the next 10 years, and other big deals have also been done in New South Wales. So that has started.

As I said, there is nothing to stop carbon credit trading today. It is just one hell of a risk when there is no international agreement or market. The national emissions trading system will create that.

I refer to the issue of carbon credits and the farmer, in which the National Party has been most interested. It has been involved in the discussion right from the start of the debate back in the early 1990s. This carbon credit legislation, although necessary, will have little impact on agriculture in Victoria. It is unlikely to make farmers more profitable or to have a major effect on agricultural land use. The beneficiaries of carbon credits are likely to be large plantation owners in high rainfall areas. The high cost of legal ownership and of measuring and selling carbon credits will probably cancel out most of the income from carbon farming in small lots. That is the science and information available today. It is a pity, and I hope that will change as the ability to measure and handle the issues surrounding carbon credits increases.

In the early 1990s, when the concept first came up and the arguments were being put for the Kyoto conference, the National Party hoped it could get a natural advantage for Australia through the process. Any honourable member who has been involved in any debate or discussion with scientists around the world will have found it is difficult to pin them down. As agreement on the matter comes closer the worlds of science, academia and law are able to put spanners in the works and put it further out of reach. I hope it will be possible to overcome that problem. Australian federal and state governments should be doing a lot of work towards achieving agreement. I will refer to that again later.

The 1999 *Greenhouse, Carbon Trading and Land Management* report of the Land and Water Resources Research and Development Corporation predicts that carbon trading in the wheat belt as a stand-alone activity will not be viable. In conjunction with other activities that are already profitable, the trading of carbon credits may prove to be a small additional benefit, but carbon farming will not compete with cropping and is unlikely to contribute to sustainable land management in lower rainfall areas because of slow growth, low timber values and high costs. For someone from the Mallee, that is a great pity. I am sure you, Mr Acting Speaker, will join with me in expressing the hope that methods will be found to turn that around. That will be watched with interest.

The government may be barking up the wrong tree, so to speak, in claiming that the proposed legislation will be significant in environmental enhancement or greenhouse abatement. Research suggests that the answers to the greenhouse issues are likely to be found in other areas. Some are quite frightening to people in farming areas.

The first is the removal of ruminants. The livestock sector is the biggest agricultural producer of greenhouse gases, being responsible for about 14 per cent of total emissions, which is something we do not like to talk about too much. When talking about how some of these things are going to be done, the matters I am referring

to will be the subject of political decisions. Fermentation by ruminants produces methane, which is significant because it has 21 times the greenhouse warming potential of carbon dioxide. Reducing cattle and sheep numbers could easily be verified and offers the best possibility for trading in carbon credits. Interestingly, the Australian Greenhouse Office does not list ruminant reduction as an area of interest. The reason for that is that politically we just could not do it in Australia. That is what I was talking about before — it is doubtful whether politicians using the available processes in democratic countries around the world could implement such a thing.

An alternative answer to greenhouse problems is that work by the Commonwealth Scientific and Industrial Research Organisation suggests that methane mitigation in livestock industries could have a big impact on mitigating global warming. It could also bolster farm profits and productivity by increasing the efficiency of an animal's digestion. Currently management changes, feed additives and a vaccine are under investigation. So the world of science in Australia is looking at and working on that.

Another answer is that judicious land use and proper soil management, such as encouragement of minimum tillage, development of native grass pastures and retention of native vegetation, would either store many tonnes of carbon or reduce net emissions. All honourable members, or at least those from the country, know about the huge issues associated with native vegetation.

In the past 10 years this Parliament and this state have come a long way in the understanding of native vegetation clearing, and in the measures being put in place in country Victoria and the trade-offs there. Anyone who considered the issues in Queensland and northern New South Wales would be horrified and ask why we in Victoria are worried. The Queensland government in particular has been unable to wrestle with the problem of the retention of native vegetation because of the politics of that state. While in the past 10 years power there has been shared by those on both sides of politics, neither side has been able or willing to address the issue.

In Victoria we have set the rules on our little bit of native vegetation, and there is new investment and development in the Murray Valley, and that all has trade-offs. Where any native vegetation is touched there is a major trade-off of planting new native vegetation in those areas. As I said, Victoria is doing very well on that, but in other states the situation is very difficult.

I welcome the proposed legislation, so far as it goes. If it brings large-scale forestry investment to Victoria, it will have succeeded in what it was intended to do. However, the government needs to recognise that the measure hardly scratches the surface of the global warming problem. Victoria must work much harder and look wider to help Australia meet its international commitments on greenhouse gases, especially in the area of bringing farmers on board.

A successful land use change has to be commercially beneficial to the managers of the land — and in Australia most of the land managers where benefit can be gained are farmers. If we are to change our environment and tackle the salinity and degradation problems, it must be commercially favourable to landowners. Neither Australia nor Victoria has ever been able to come to grips with that fact.

I have mentioned before the European multifunctionality policy, which provides subsidies, grants and financial incentives to farmers to carry out a range of things, including looking after the hedgerows, roadsides and the culture of the local area, paying their rural labour reasonable rates and enabling them to stay in and occupy the isolated areas that still exist in Europe. It is interesting to see how that is being done.

It was easy for the Europeans. At the end of the Second World War people were starving, so they understood the value of their farmers. When I was first in Europe in the 1960s I was amazed by how passionate the young city people were about farmers and how important they thought farmers were because they provided the food. Most of their parents remembered the starvation of Europe, something Australia has never experienced. We have never been short of a feed, and we have never valued our agriculture base as we should. The degradation in some areas is a result of that.

Although it will be difficult politically for Sydney and Melbourne, the legislation has the potential to turn that around. The National Party has some answers-in-waiting that go with the commercial benefit to agriculture. If the commercial benefit can be incorporated into forestry rights and carbon credits, Victoria will be on its way to a successful outcome. It can happen politically if we tap into international agreements.

Answers to environmental problems need to be provided. In most parts of Australia there is a strong understanding of the need for environmental sustainability and for improvements in our land, soil and waterways. If the legislation can be made to work,

with commercial benefits to agriculture, it will provide huge benefits to the environment.

We are waiting for the scientists to formulate the costs and develop the measurement accuracy that will benefit agriculture. Our governments should be doing the thinking, a concept that is part of the discussion paper on agriculture put out by the National Party. The legislation is good and should be passed; but as I said, it is legislation-in-waiting. If in the meantime it can be made to work for the benefit of agriculture and to get a commercially positive outcome, Australia will end up having a great role to play. At the moment only large forestry owners in high-rainfall areas will benefit from the legislation. Although that too is good because it will provide some benefits, the bill will not get to where we would like it to be. International communities would like to address the same issues.

Emission levels in many countries are blowing out way beyond their targets for 2008 through to 2012. Australia is already 8 per cent over its target, and it is not yet 2008. How many of our commitments mean anything? It rests on the ability of political structures in democratic societies to implement their commitments. The issues will have to be tackled by the countries who are signatories to international agreements. A start must be made. Many politicians will lose their seats — or in some parts of the world their heads — as we try to balance the global accumulation of carbon.

The National Party supports the legislation and wishes it well. There are many benefits in it for us all, and I hope that some of my comments will be picked up and challenge people throughout Australia.

Mr HOWARD (Ballarat East) — I am pleased to speak in support of the Forestry Rights (Amendment) Bill, which will work to alleviate problems caused by the increase in greenhouse gases. This is a global issue that should be of great concern to all around the world.

In terms of scientific analysis, it is clear that over the past century in particular there has been an increase in the production of carbon dioxide, methane and other gases, which is increasing the Earth's ability to absorb the sun's rays and therefore heat its atmosphere. It is predicted that if nothing significant is done, over the next 100 years the global temperature could increase by as much as 5.8 degrees Celsius. As a resident of Ballarat, while on some mornings, especially our winter mornings, I would quite welcome the effect of greenhouse gas warming, I can see that it would not be in the interests of the whole state and the rest of the world because of its effect on our coastal and more arid areas.

Like other members of the government, I support actions that aim to reduce the amount of CO_2 going into the atmosphere. As the honourable member for Swan Hill pointed out, the production of methane gas, which is produced by animals and humans, continues to add to the amount of greenhouse gases in the air and is a matter that will need to be looked at.

The increasing amount of CO_2 in the air is an issue that can be tackled. It works on a simple scientific principle. Honourable members have heard of the carbon sink whereby plants have the ability to photosynthesise to absorb carbon dioxide from the air. Over the last century as trees were being chopped down and as the amount of fossil fuels being burned around the world increased, the amount of carbon dioxide being pumped out increased enormously. In a balanced situation the natural cycle would apply whereby carbon dioxide would continue to be absorbed by plant material. However, that cycle is clearly out of balance at the moment.

This legislation helps to put in place a system to encourage the planting of more trees in our state. As honourable members have heard, the concern about greenhouse gases is a global one. Since the early part of the 1990s, groups within the United Nations had already started to talk about this issue and what could be done across the world to address the imbalance of greenhouse gases. That built from 1992 when the United Nations first developed its framework convention for climate change and was highlighted by the Kyoto protocol in 1997. At that time it was recognised that countries around the world, especially developed countries, needed to work to reduce the amount of CO_2 and other greenhouse gases going into the air.

As honourable members are aware, the Kyoto protocol did not solve the problem and many issues still need to be sorted out before the types of agreements outlined in Kyoto are finalised. Another round of discussions are scheduled for Bonne in July. I trust that on that occasion we can move further down the track of more countries around the world acknowledging that they need to work to reduce their greenhouse outputs and to find ways of committing themselves to doing so.

Australia is a signatory to the Kyoto protocol. However, many would be disappointed that the federal government did not go far enough in terms of recognising what Australia could and should do as a responsible country to respond to its greenhouse emissions. Rather than accepting the original Kyoto proposition, the federal government has agreed to set limits on the level of emissions but has not agreed to

reduce them from current levels. Many would have hoped that Australia would have gone further in accepting its responsibility in that regard to ensure we are working more seriously to control and reduce our greenhouse outputs.

Certainly the Victorian government under Premier Bracks recognises that it is vitally important that we play our role as a state to reduce greenhouse output. This legislation is a small but significant part of our overall strategy to work towards a living and environmentally sustainable system. That requires procedures to be put in place across all government departments and all aspects of our lives.

This legislation looks at what we can do to promote growth of forests in this state and follows on from the discussions in Kyoto and since then about carbon sequestration. It recognises that there are opportunities for people to invest in carbon rights. This legislation is being put in place to ensure that Victoria is a place where people can invest in carbon rights, thereby creating the opportunity of increasing the amount of forest being planted and also attracting investment to the state, especially overseas and venture capital investments. Such investments will increase the number of timber plantations in Victoria. The bill moves us further down the track to ensure we do not miss out on taking advantage of proposals for carbon sequestration.

Like other members of the government, I am pleased that members of the opposition support the legislation. As the honourable members for Benambra and Swan Hill said, issues about the way carbon rights trading will work globally are still unclear. There is a need to keep abreast of those issues as further agreements following on from Kyoto are established. The bill is interim legislation that recognises that carbon rights can be traded in Victoria. As further discussions concerning emissions trading are tied down internationally the results can be built into it.

As other speakers have said, the bill provides an opportunity for the planting of more trees, which will not only have the benefit of reducing greenhouse gas emissions or absorbing emitted gases but also provide potential opportunities to reduce salinity and provide greater habitat protection, as well as providing economic benefits for regional communities and so on.

I commend the bill to the house. It provides an essential legal basis for investment in carbon rights and is a further aspect of the way the Bracks government is acting in an environmentally responsible way.

Mr SPRY (Bellarine) — The Forestry Rights (Amendment) Bill addresses a fascinating subject for people who are interested in the health of the global environment, which should include everyone.

The bill is anticipatory in that it provides for the concept of global emissions trading — that is, the offsetting of so-called greenhouse gas atmospheric pollutants, particularly carbon dioxide, with pollutant reduction measures, some of which can be traded.

The bill is drafted in specific response to the as yet unratified 1997 Kyoto agreement between participating nations, which was referred to by other speakers. A core element in the design of the Kyoto draft agreement was the reduction of greenhouse gas emissions in recognition of the fact that they were creating an ever-increasing blanket of insulation over the planet, which it is claimed is already harmfully altering weather patterns and global temperatures.

There are several sources of greenhouse gases. Firstly, ruminant sheep and cattle produce vast quantities of methane in their gut and release it through their biological exhaust systems, which the honourable member for Ballarat referred to earlier, although he can speak for himself so far as the same exhaust emissions in humans are concerned! Secondly, and perhaps more importantly, fossil fuel burning by industry produces vast quantities of exhaust carbon dioxide.

It is hard to do much about animal exhaust, except to somehow grant emission credits through reduced stocking rates for farm animals, the effects of which would be difficult, if not impossible, to quantify, as was referred to earlier by the honourable member for Swan Hill. However, it is possible to be positive about assisting in the absorption of greenhouse gases by planting more trees! Trees need carbon dioxide to survive, and according to one learned expert who published a paper on the subject they convert it into carbon in the living form of cellulose and lignin. In effect, trees create a living carbon bank or so-called carbon sink.

The carbon involved is quantifiable, although at some considerable cost, which has been estimated by an economist to be in the vicinity of $20 per hectare a year. Nevertheless the credits are tradeable, which is what the bill is about. It recognises a further property right in carbon credits as an add-on to existing forestry rights for owners of plantations or natural forest trees. As the owner of most of the latter, the state has a huge stake in this issue by virtue of its potential tradeable rights.

As I said, the bill is anticipatory. In explaining this, I refer to the remarks of the Minister for Environment and Conservation on emissions trading in her second-reading speech. The speech states:

> An emissions trading system is not imminent …

The speech further states:

> However, in the event that international and national emissions trading practices are established in the future, this legislation would need to be replaced or augmented with nationally consistent legislation to support the trading scheme.

That is patently obvious to people who are taking an interest in this legislation.

The bill is not without its critics. However, as the honourable member for Benambra said, the opposition will not oppose the bill, because despite its flaws it is enabling legislation.

Among other concerns, the Environment Liaison Office, as the representative of the Australian Conservation Foundation, Friends of the Earth, Environment Victoria, the Victorian National Parks Association and the Wilderness Society, has described the bill as putting the cart before the horse. Its comments on the bill state:

> The Victorian government has not yet finalised its greenhouse strategy which will take account of numerous public submissions.

One of those submissions, to which I will refer later, is a comprehensive submission from Alcoa Australia. The ELO further states:

> The submission from the peak environment groups in Victoria states:
>
> > We would not support the issuing and trading of carbon credits from sinks until a set of robust, widely agreed principles and criteria for assessing sink activities has been established.

It is patently obvious from the remarks of earlier speakers that that detailed legislation is not in place here and is unlikely to be in place in other jurisdictions for some time to come.

On another aspect of the bill, at least one lawyer has major concerns about its effect on mortgagees who hold titles to plantation and forest land, in particular. Some of those issues may have been addressed to his satisfaction in the government's further amendments, which were tabled this morning, but I have been unable to contact him to ascertain whether or not that is so. Also, the windfall rights aspects of forest property ownership including landlords as landowners, which was mentioned previously by the honourable member for Benambra, must be addressed.

I refer to the lawyer who addressed an email to the shadow minister. His remarks were:

> … this is an admirable piece of legislation —

I presume he means in principle —

> but the concepts it embodies and the manner in which it attempts to deal with them are ill defined, convoluted, and make for complexity and unnecessary expense. In my view, it would be best for the legislation to be referred to a parliamentary committee and for major industry players to be consulted about how the legislation might operate. Ultimately, this may mean the bill will require redrafting to achieve its intended aims with clarity and — so far as it is possible to do so — with simplicity.

He makes a very pertinent point.

Earlier I mentioned Alcoa, which has a huge stake in this issue. Because of its reliance on vast quantities of heat-producing energy in the smelting process, aluminium is sometimes described, in its molten form at least, as liquid electricity. It might surprise some people to learn that Alcoa uses about 15 per cent of Victoria's electricity output, which is mostly the product of brown coal generators in the Latrobe Valley, although it owns its own power generating facility at Anglesea. Directly or indirectly, therefore, Alcoa is rightly called to account for its atmospheric emissions. Yet the legislation is introduced before the government's so-called greenhouse strategy, to which Alcoa made a significant submission, has been finalised.

On the Bellarine Peninsula, and in the Geelong region generally, Alcoa has had a huge impact and made an enormous contribution to the prosperity of the whole of the state. It has adapted to global changes and met the challenges of global competition. It has provided secure and well paid jobs — in some cases very well paid jobs — for thousands of people in the region since it commenced its operations at Point Henry in the 1960s. Above all, in recognition of its corporate responsibilities, Alcoa has been a leader in corporate environmental accountability. Anyone who knows its history and has studied its record in the Geelong region would agree with that sentiment.

Alcoa knows the value of and recognises the effect of perceptions and has worked hard with the community to address environmental issues associated with a major metal producing smelting enterprise. At the same time Alcoa, and ultimately the future of its employees and their families, are subject to the vagaries of global metal

prices on the London Metal Exchange as its product is traded at London Metal Exchange prices.

Alcoa is in fact in competition with producers in countries — and this is important in terms of the debate — where exemptions under the Kyoto protocol have given their competitors a distinct potential advantage.

In concluding, therefore, and while acknowledging the potential of carbon credit legislation to generate significant new investment in Victoria's wealth-generating forest industry in the future, I ask the minister and the government to take particular account of the Alcoa-type factor when addressing industrial greenhouse emission issues while developing further associated legislation.

Mr HELPER (Ripon) — I am pleased to join the debate on the Forestry Rights (Amendment) Bill. I commend the considered contributions made by all honourable members so far. I particularly refer to the contribution made by the honourable member for Benambra. The honourable member dwelt on the fact that the bill is being presented in a vacuum in that the Kyoto protocol has not been signed off, as regrettable as that is, and as a consequence the bill is relatively inconsequential.

I found much of the information referred to by the honourable member for Benambra interesting, but I differ with him on this point. It is relevant to describe the bill as forward looking. It puts in place a regime of carbon trading, the rights and responsibilities of plantation growers and plantation developers and land-holders, which are necessary if and when — I hope the latter — an international regime of carbon trading comes about.

It is fair to draw an analogy between the bill and what may have happened in the 1850s and 1860s if our legislative forefathers had said that as there was no international worldwide trading regime for gold in place it would not establish miners' rights and responsibilities. Our gold-focused community of that era would have been very disappointed about that, and it would have left the community a weaker place. As it applies to carbon sequestration in plantation forestry or other forms of forestry as an international trading regime that may or may not come about, I see the bill as putting in place a framework similar to the introduction of miners' rights and responsibilities in the 1850s.

The purpose of the bill is to clarify the ownership rights and trading responsibilities in forestry. It provides for Victorian forestry to be on the front foot in carbon trading when those regimes come about.

Many issues raised by honourable members from both sides of the house during the debate have been put forward in good faith, and I commend the Deputy Leader of the National Party for his appraisal of the incredibly difficult issues that rural and regional Victoria will face as greenhouse effects take their toll on climate frameworks and climate change.

In closing, I commend the minister and the government for putting forward something that puts Victoria on the front foot, rather than being, as often seems to be the case, a legislative response to something. Here we are taking one step ahead. I commend the bill to the house and look forward to listening to further contributions.

Mr THOMPSON (Sandringham) — The opposition does not oppose the Forestry Rights (Amendment) Bill. The main purpose of the bill is to amend the Forestry Rights Act of 1996 to provide for rights to the commercial exploitation of carbon sequestered by trees and to provide for consent of holders of registered mortgages or charges to be obtained in relation to certain forest property agreements.

The overriding purpose of the legislation is to encourage investment in carbon sink establishment in Victoria. It might also be noted that the development of greenhouse gas mitigation programs, specifically carbon sequestration, has been identified as offering the potential to generate significant additional investment in forestry and wood-based industries in the future.

Historically forestry has been an important industry in Victoria, and we have been fortunate to have had a forests commission that undertook excellent work in the management of Victoria's state forests. In particular this bill will create explicit and separate property rights for carbon sequestered in trees to enable ownership of carbon to be held or traded separately from the timber or the land.

The opposition has had widespread consultation with a number of stakeholders, ranging from the Victorian Farmers Federation to a number of power companies, the Australian Conservation Foundation, different community energy action organisations, the Victorian Chamber of Mines, local government, Timber Communities Australia, the Environment Liaison Office and, as I indicated, a number of other organisations.

Concerns have been expressed about the general construction of the bill and its pre-emptive nature; that

there is no national or international protocol for emissions trading; that it is not clear where plantings for Landcare and environmental purposes fit within the framework; and that the bill may discourage the use of the Forestry Rights Act 1996 and impose processes that may delay the implementation of contracts.

There are concerns about matters including the dispute settlement procedures and claims that they are slow and cumbersome; that carbon rights agreements should include the landowner as a party to the agreement; that there is insufficient emphasis on greenhouse outcomes in relation to carbon rights arising from land use; and that carbon sequestration rights should be defined more broadly to cover soil carbon, tree carbon and project management emissions.

My contribution to the debate today is in place of that of the shadow minister for conservation and environment, who unfortunately has not been able to make it to the chamber today. He may have a similar ailment to that afflicting the Speaker of this house. However, I would like to raise for the parliamentary record a number of remarks that have been directed to the attention of the opposition by a Melbourne lawyer who has had considerable experience in dealing with these issues in country Victoria. In my following remarks I will principally quote from his submission to the opposition's conservation and environment policy committee.

The gentleman concerned noted that Victoria is embarking on what he understands to be the world's first real carbon rights legislation that will have the effect of legally severing carbon rights from trees that have already been severed from land. The net effect of this is to render carbon rights as chattels, which has the following benefits: the law of chattels is universal, therefore, for the first time we have an ability to look at all carbon sinks as a single category; the law of chattels is capable of handling the ownership of carbon sinks that are not attached to land; the law of chattels can provide security in respect of assets that are moveable — this is exactly what is required in respect of carbon sinks in order to have reasonable protection from the wrongful acts or omissions of either the landowner or the tree owner.

It has been submitted to the opposition that for these reasons the legislation is of world significance and that in the circumstances the legislation which is finally passed needs to be the best that can be devised. As I said in my opening remarks, there are a number of concerns about the bill. However, the opposition will not oppose it today.

I turn now to the definitional issues. The submission refers to the definition of 'trees' in section 3. That may perhaps relate to the principal act as in part amended by this bill. As the wording stands at present, the definition of 'trees' can include vegetation that would not normally be classified as trees. Because carbon sequestration rights are now being established for the first time and because, at least at present, these should be restricted to genuine trees, it is the belief of this lawyer that the definition should be amended to read:

> 'Trees' means in the form of trees, shrubs, bushes, seedlings, saplings and reshoots whether alive or dead.

He believes that under the definition of 'carbon sequestration rights' it is open to conclude that a carbon sequestration right gives the holder ownership of the carbon in a tree. He gives the following example to illustrate his point. He says this would be identical to granting ownership of the eggs in a sponge. To stretch this analogy, if it were possible to grant separate ownership rights of the eggs in a cake from the cake itself, neither the egg owner nor the cake owner would be capable of extracting his property from the property of the other. However, the owner of the eggs would be capable of preventing the owner of the cake from selling it, and vice versa. The lawyer suggests an alternative definition that would read:

> 'Carbon sequestration right' means a right to commercially exploit the sequestration of carbon by trees.

Finally, he notes in his submission that a third paragraph has been added to the definition of 'forest property'. In light of what has been said earlier in the submission, he suggests that should read '(c) carbon rights'.

As I said earlier, the opposition will not oppose the bill. It covers some important issues in relation to sustainability for the future, and I am pleased to represent the shadow minister in my contribution to this debate.

Ms DUNCAN (Gisborne) — It gives me great pleasure to speak on this bill and join with previous speakers in the debate on this important issue. I do not think we need to argue the importance of global warming, or rather the threat that it presents to us. The intergovernmental panel on climate change in its third assessment report stated the following key findings. Globally average surface temperatures are projected to increase by 1.4 degrees to 5.8 degrees from 1990–2100. The new evidence is that most warming over the past 50 years is attributable to human activities; that the 1990s was the warmest decade; and that 1998 was the warmest year recorded since 1861. The sea levels are

also projected to rise by 0.09 metres to 0.88 metres from 1990.

An examination of the impact of these findings suggests that southern Australia would be likely to experience increased droughts and higher average temperatures as a consequence of this climate change, and it has highlighted the subsequent vulnerability of a number of natural communities and human systems. So Australia has at least as much to fear from the increase in global warming as any other place in the world.

If there are currently disincentives to investing in carbon sinks, we must remove those disincentives. That is the purpose of this bill. As I said earlier, we do not need to emphasise the importance of investment in greenhouse sinks, but the point that I make is that the bill does not set up a carbon or greenhouse gas emissions trading system. I believe that is one of the criticisms of the bill, but it is enabling in nature and it simply seeks to clarify the ownership of those carbon rights.

The bill does not attempt to establish carbon credits, impose a value for carbon or support an emissions trading regime. A chief aim of the bill is to increase certainty and encourage further investment of the kind that is already occurring. It is likely that once emissions trading is established internationally and nationally there will be a need to introduce specific legislation to support this.

So, although we acknowledge the criticisms from some environmental groups, many issues are still to be resolved. The bill does not aim to resolve them all at this time. However, it will allow continuing development of private forestry while we continue to deal with these issues.

There are a number of other advantages in encouraging this sort of investment. The encouragement of carbon sinks has a number of other benefits: the protection of biological diversity, which I believe other speakers have emphasised, is one, but it also includes the protection of biological diversity through creating, maintaining and restoring habitat. It will improve the value of farm and plantation forestry and give great encouragement to those industries. It will also reduce the recharge of ground water, which will lead to reduced levels of waterlogging and salinity. That is a major problem in this country, and will continue to be so. It will also have the impact of reducing wind and water erosion, which is another incredible problem for this country.

The bill may not address all the issues surrounding carbon sinks, but those it does not address are still being developed, as are the protocols. It is a very important step towards Victoria's being able to meet the outcomes of the ongoing protocols that are being developed as part of the international effort to reduce global warming. I commend the bill to the house.

Mr MULDER (Polwarth) — I will make a brief contribution to debate on the bill because my electorate covers a huge amount of not just state government forest but also plantation timber, which has taken over in the south-west of Victoria as a result of land change and people exiting the rural pursuits they have engaged in in the past.

Several speakers have raised the issue of the pre-emptive nature of the bill, given that there are no national or international protocols for emission trading. One would think that at this point, given the number of issues in the public arena facing the government of the day, the house would have legislation before it other than this bill. The Victorian community would appreciate more.

Today's *Age* states:

> The government is tentative, its spread of talent is thin and its legislative agenda is far from comprehensive.

That is the reason we have legislation of this type before us. As a member representing rural Victoria I understand the importance of the bill, but again I wonder how it came about, given the number of issues floating out in the community at the moment.

The purpose of the bill is to create explicit and separate property rights for carbon sequestered by trees, and that will be accomplished by an amendment to the Forestry Act to enable ownership of carbon to be held or traded separately from the timber on the land. The impact of that amendment on rural Victoria is best summed up in an article by Genevieve Barlow in the *Weekly Times* of 15 November 2000, which states:

> Farmers should be planting trees now to be ready for carbon rights trading, possibly starting in 2008.
>
> That's the opinion of Melbourne lawyer Ross Blair.
>
> Mr Blair said amendments to the State Forestry Rights Act now before the Victorian Parliament would open the way to establish carbon rights, separate to the ownership of trees in Victoria.
>
> 'Carbon credits do not exist and won't exist until the federal government legislates for them, but this sets the way for them in Victoria', he said.

He said the implications for farmers were good, with industry and government demand for rights likely to be high come 2008 when carbon trading could begin.

Buying rights now would be like buying a cow at a lower price now to milk later.

Mr Blair said if he were a farmer, he would be planting trees now to reap the benefits of a future trade in carbon rights.

'These trees have to be of sufficient height to be accredited as carbon sinks and they take a while to grow', he said.

Environmental planters had much to gain but farmers would benefit in having carbon rights to trade in return for greenhouse gas-creating activities, he said.

'We are starting into a new realm of environmental property and it's going to revolutionise the way we do things', Mr Blair said.

That article highlights the issue of carbon credits.

Under the proposed legislation, a landowner is able to enter into a legal agreement and confer ownership of forest property to another party, and that will continue. In a similar way the bill will allow the owner of a forest property to enter into a legal agreement with another party and confer ownership of the carbon sequestration rights. Under the new arrangements, the owner of the trees and not the owner of the land can enter into a legal agreement of the sort currently in place whereby the owner of a property has agreed to have his or her property planted out in trees and the ownership of the carbon sequestration rights has gone to the owner of the plantation.

I discussed this issue with the honourable member for Benambra, who rightly asked what protection is given to the landowner and why should the landowner not be in a position to share in the profits of any future carbon trading. Agreements that are entered into from this time on will cover such issues. However, people have been leaving and leasing out the land for a number of years, possibly due to the legislative changes made by various governments that have over time altered the profitability of their land. The legislative changes proposed by the bill could provide windfall profits for forest owners, but they were not aware when they left the land that this type of legislation would be introduced and that the properties they left may produce windfall profits. Those people will not have any opportunity whatsoever to share in those profits.

If there is to be a carbon credit or profit, what will happen if a liability arises? If you put a value on a carbon sink and the forest or plantation in question burns down, have you created a scenario in which there will be a liability because the carbon has been dispersed into the atmosphere? That issue does not appear to have been addressed. Whether it can be addressed in the agreements arrived at down the line between the owner of the trees and the purchaser of the carbon rights is a matter for the legal fraternity to work through when the legal consequences of the legislation are determined.

The closest thing to what we are seeing with this bill — I know the banks have taken a particular interest in it — is what happened when water trading came into being, when water rights were separated from the value of properties and farmers were given the right to sell them off. However, the financial institutions holding mortgages on those properties may not have been aware at the time the mortgages were entered into that this could take place. Subsequently, the banks have taken a considerable interest in the issue of carbon sequestration rights because the selling off of those rights could have implications down the line for the security they hold over particular properties.

That raises the issue of the value of properties with plantations, which governments will have to grapple with down the line. Will the future value of those forests be in their being cut down for woodchip and paper production, or will their value as carbon sinks be far greater? That could have a major impact on land use around the state. That issue has possibly not been taken into consideration.

In the past there has been a lot of conjecture, debate and concern about plantations being used for woodchips and about the state's hardwood industry — about whether those resources are being sold off at a value that does not put any profit or benefit back into the community. But will this piece of legislation and the ability to trade in carbon sequestration rights change the woodchip debate issues? Will the trees be left standing? This will be an interesting process for us all, including the industry in its own right, to grapple with down the line. All of a sudden there will be a product with an add-on profit that no-one ever considered existed. It is an interesting scenario.

The opposition has no problem supporting this bill, because it provides for an additional form of income for property owners and addresses the problem that all countries are facing with greenhouse emissions. I commend the bill to the house.

Mr HARDMAN (Seymour) — It is always a great pleasure to speak on bills such as the Forestry Rights (Amendment) Bill, the result of another of the Bracks government's commitments to deal with the greenhouse problem that faces people in Australia and all around the world. It supports previous bills that have been passed by this house, such as the Renewable

Energy Authority Victoria legislation and the $1000 solar hot water rebate. I have noticed that my local solar hot water supplier advertises on the back of his ute that there is a $1000 government rebate for installing solar heaters. It is a marvellous thing, and it will encourage more people to think about energy alternatives and the environment.

The bill makes a lot of sense. It not only aids us in meeting the Kyoto protocol on reducing greenhouse gases but also provides many other benefits to our community, our environment, and hopefully our economy. Obviously it will have a great effect on our regional areas. This government is aware, as are all sides of politics, that our regional economy is an important part of our state and needs to be able to develop, progress and generate as much wealth as possible.

The government talks about the triple bottom line of social, economic and environmental effects and benefits. This bill will aid in the development of all those aspects.

The bill clarifies the ownership of carbon rights, which allows investors to have some security of funds and encourages further investment in forestry in Victoria. From a social point of view, forestry jobs created through rural industry are great for our community. From following the newspapers and talking to timber community representatives I know that ensuring sustainable resources for the timber industry is a major issue.

From an economic point of view this bill encourages investment, because the carbon sequestration rights can be owned by a third party that does not own the trees. Mention has been made of the Tokyo Electric Power Company, which recently invested $30 million in New South Wales — which is obviously great for its economy and which I believe could go up to $130 million. That aspect is important for investment.

In regard to the environment, issues such as biodiversity, land degradation through erosion or salinity, and general stream management will be aided in the long term by this bill, which is marvellous. Climate change will eventually affect all of us due to its effects on agriculture and developments in our coastal areas and alpine snowfields. So a great deal of benefit will come from the bill.

Some people are concerned about native vegetation. As the removal of native vegetation after 1990 will be counted as land-use change emissions, there is no advantage in clearing land to plant trees or other vegetation, so our native vegetation is protected, which is a wonderful thing.

The major reason I wanted to speak on this bill is that the forestry industry and the protection of the environment are important to people in my electorate. Most of the time I spend with those people is spent on talking about issues concerning land management, land use and land care — from the protection to the sustainable use of our environment.

The bill is tied in with all those matters. On top of that, issues concerning water use, creation and salinity are also greatly affected by the bill, which I commend to the house.

Mr VOGELS (Warrnambool) — There is no doubt that the world is confronted by important global environmental challenges. The Forestry Rights (Amendment) Bill sets out to address a couple of issues. Firstly, it amends the Forestry Rights Act 1996 to provide for rights to the commercial exploitation of carbon sequestered by trees; and secondly, it provides that holders of registered mortgages should be notified in relation to certain forest property agreements. The general concept of the bill is good. However, the minister sounds like an American Wild West medicine man extolling the virtues of a medicine or mixture, hoping for a good outcome but not really knowing what will happen.

The Kyoto protocol has some huge loopholes, the worst being that developers are now clearing areas of old growth forest to provide for the future planting of carbon sinks. That clearing results in increasing emissions of greenhouse gases. I believe carbon sequestration rights should be defined more broadly to cover soil carbon, tree carbon and project management emissions.

In her second-reading speech the minister uses words such as ‘encourage’, ‘potential investment’, ‘competition’ and ‘venture capital’. There are many unknown elements involved. The principles, modalities, rules and guidelines for international emission trading have yet to be negotiated. Although the protocol provides for emission trading, Australia has not made any decisions on the introduction of a national emission trading system.

Another issue still requiring close attention is how carbon emissions will be handled if the previously sequestered carbon is released to the atmosphere — for example, by fire. Investors and potential investors need to view the carbon credit system in its entirety. There

could be potential financial benefits, but also a liability if the land is subsequently burnt or destroyed.

New investors and farmers need to take out insurance and hedging to cover fire, drought and other natural hazards. What about legislation — for example, the Labor government's proposed land tax? How will that or any legislation that might be dreamt up in the future impact on these commercial decisions?

It is a difficult area, and I support the government in starting the ball rolling. There are risks with early action, but there are larger risks in doing nothing. The government needs to monitor this issue closely, and no doubt amendments will need to be made to the legislation as new protocols are developed. There is no doubt that to ensure good growth rates from 2008 to 2012 trees will need to be planted over the next few years.

Ms BEATTIE (Tullamarine) — It gives me great pleasure to join the debate on the Forestry Rights (Amendment) Bill. The genesis of the bill can be found in the Kyoto protocol that allows for developing countries to participate in emission trading for the purpose of meeting their assigned targets for reducing greenhouse gas emissions.

Article 3.3 of the Kyoto protocol recognises carbon sinks as acceptable ways for countries to offset greenhouse gas emissions. This bill amends the Forestry Rights Act of 1996 to provide for rights to claim ownership of the carbon sequestered in growing trees. This can be achieved by allowing the carbon to be owned and traded separately from the timber and the land.

The bill also provides that the owner of the forest property under the act is also the holder of the attendant carbon rights. The forest property owner is able by means of a carbon rights agreement to divest the ownership of the carbon sequestered by trees. I am sure all honourable members share the concern about global warming by the building of greenhouse gases, particularly carbon dioxide. Plants absorb carbon dioxide — commonly known as CO_2 — during photosynthesis, resulting in the removal of carbon dioxide from the atmosphere. Therefore, growing plants provide what is referred to as carbon sink. Human activities that contribute to carbon sink include tree planting and pasture improvement in agriculture.

The overriding thrust of the bill is to encourage investment in carbon sink establishment in Victoria. The benefits of encouraging this investment will be both economic and environmental. As I said in a previous contribution, I am concerned that we leave this earth a better place for future generations, and the environment will be the big winner with the passing of this bill.

We all need to contribute to protecting the environment. When opposition members say they are committed to the environment it must be humiliating for them to watch their federal Liberal colleagues slither and slide all over the place with their non-commitment to the Kyoto protocol. I am sure the green movement will call them to account for that later.

Clause 9 inserts proposed sections 7A and 7B in the principal act. Proposed section 7A sets out the process and requirements for a landowner to request consent to a forest property agreement or an amendment to a forest property agreement from the holder of a registered mortgage or charge. The section also provides that if the holder of the registered mortgage or charge fails to respond to a request for consent within 28 days after being served with the notice the holder is deemed to have consented to the agreement or amendment. It also specifies that the holder of a registered mortgage or charge must not unreasonably withhold consent.

The bill aims to implement the Bracks government's election policy commitments and a decision taken earlier this year to endorse the preparation of carbon rights agreements. The legislative changes are a demonstration of the Bracks government's commitment to implementing cost-effective responses to greenhouse and climate change.

I look forward to the federal Liberal government firming up its commitment to the Kyoto principles by enacting them and leaving this world a better place. I am sure it will leave this world a better place in November when the electorate calls that government to account. I commend the bill to the house.

Mr SMITH (Glen Waverley) — The concept of the commercial exploitation of carbon sequestered by trees is difficult for anyone to understand at first blush. Most people would think it probably had something to do with the conjugation of French verbs, but we in this chamber have become educated. We take the same view as we have taken with information technology : it is a new concept that is to be applauded. However, it is sad that we are dashing ahead as the first state in Australia to introduce this sort of legislation but we are not looking after our bread-and-butter issues such as those concerning orphans and widows.

The government trumpets this legislation as a first in Australia or even the world, but the important issues are

those like the drug problem. We had the debate on drugs yesterday, but we still do not have the drug tsar called for by the *Herald Sun* or legislation that encourages people like many honourable members to get involved and gain first-hand experience of the drug trade, and we have not considered rehabilitation issues. It is easy for the government to boast about such issues: it claims the information technology legislation is a good idea, but we have not thought that one through properly, either.

At first this legislation will sound good to farmers. But as the honourable member for Warrnambool said, they have not thought about where they will go when there is a bushfire; will they have to take out insurance? That problem is not addressed by the bill, and obviously the government does not want it to be. Talking about leaving the world a better place is easy. Of course we all want to do that; it is not as if the Labor Party has a monopoly on that. The government heralds this legislation as a world first, but for goodness' sake, it should get the bread-and-butter issues like the drug problem debated yesterday right first. The government should ensure that enough money is being spent on addressing those issues. Few speakers yesterday spoke about rehabilitation, which is the most important consideration. Any professional can sort out detoxification issues, but it is the next step that is important: namely, getting young people back on track.

We should look carefully at getting our priorities right in this place first. Trumpeting about things may sound good initially, but they are being put in front of the real issues.

Ms GARBUTT (Minister for Environment and Conservation) — I thank the considerable number of honourable members who contributed to the debate on the Forestry Rights (Amendment) Bill. The overriding purpose of the bill is simple: that is, to encourage investment in carbon sink establishment. The bill sends the important message that the government is committed to the carbon rights and greenhouse issues so it can play its part in reducing greenhouse gas emissions. On a global scale our greenhouse gas emissions are fairly small, but they are nevertheless significant. We must play our role, and the government believes we should show some leadership in the effort.

The benefits to Victoria of encouraging such investment, largely in plantation trees, will be considerable. Our plantation industry will receive a significant boost through an additional source of income. Planting plantation trees, or farm forestry, is also important because it has multiple benefits. The timber value of the trees is the traditional way of gaining value from plantations, but we are beginning to see their multiple benefits. The legislation will reflect a further stage of that development. We will have not just the timber value but also the carbon credit of the tree. People are looking to the future and realising that that may be established on a global scale. So we will have plantations with value for timber and carbon credits.

In addition, we know that plantation trees — or any sort of forestry, particularly revegetation — will have value in salinity mitigation, land protection and biodiversity. In future farmers will be able to gain value from a whole range of sources, including farm forestry or plantations. They may be able to sell the timber to a sawmiller or a carbon right to a national or an overseas company that is trying to mitigate its greenhouse gas emissions. It might have value in salinity mitigation for that farmer or others in the broader area or another part of a catchment who are experiencing the effects of salinity. That is something we need to do a lot more work on. It is recognised that we need to work out how to get the best value from that benefit of private forestry.

As I said, farm forestry, revegetation and plantations have benefits for biodiversity protection.

Mr McArthur interjected.

Ms GARBUTT — It is a matter of some debate, but clearly there are other possibilities that need to be examined. Everyone knows the value of revegetation and farm forestry for land protection, whether it is to address soil erosion or other problems.

The bill is a first step in adding value and multiple benefits to the traditional advantages we already know about. This is interim legislation, because a lot more work on carbon rights trading needs to be done at the global level. If that happens — that is, if the international and national emission trading practices are established — the legislation would need to be replaced or amended with nationally and internationally consistent legislation that supports such a scheme and its various carbon accounting practices.

In the meantime the legislation will allow carbon rights to be separated from timber and property rights. Importantly, any risks associated with making investments in carbon will be borne by the parties to an agreement, not by the state. However, the legislation will provide an added incentive for new conservation-based planting. It states that property right agreements, of which carbon rights are a subspecies — that is appropriate language, as we are talking about vegetation — are to be notified on the title to ensure

that any potential purchaser is alerted to the existence of an agreement.

A question was asked about why the land-holder will not be allowed to enter directly into an agreement on carbon rights. The answer is that that would establish competing rights over the same trees. The most effective way of avoiding such a conflict of interest between the management of trees for timber and for carbon is to make the rights derive from the forest property agreement. Otherwise there would be two classes of carbon right — one derived from the forest property right and the other from the independent right. That would lead to a difficult and confusing situation.

The legislation will provide great benefits. It demonstrates the government's commitment to addressing the greenhouse gas emission issue. It arguably puts in place an interim position, but it also provides for the recognition of carbon rights separate from timber rights. That will allow those who want to accept the risk of purchasing carbon rights or investing in replanting, revegetation or plantations to do so. As I said, it will have multiple benefits for biodiversity, salinity mitigation and land protection.

Mr McArthur interjected.

Ms GARBUTT — I would not go into conflict of interest. You, consistent with the previous government, obviously never understood conflict of interest, so you would not know! You are demonstrating that you are absolutely consistent — you obviously have not learnt a single thing.

There will be big benefits from the legislation. It demonstrates leadership; it will have the multiple benefits I have described; and it will allow those who wish to make investments in carbon rights to do so. Systems will be established nationally and internationally, and indeed that has happened in New South Wales and to some extent in this state. It is good legislation that we need to pass.

Motion agreed to.

Read second time.

Sitting suspended 1.00 p.m. until 2.02 p.m.

QUESTIONS WITHOUT NOTICE

Judge Robert Kent

Dr NAPTHINE (Leader of the Opposition) — I refer the Premier to the fact that County Court Judge Robert Kent had six prior tax-related convictions before his appointment to the bench and I ask: was the government aware that Judge Kent had prior convictions before appointing him to the bench?

Mr BRACKS (Premier) — It is a matter of public record now that that fact was not disclosed as it was appropriately required to be disclosed — —

Dr Dean interjected.

Mr BRACKS — Sorry, the honourable member for Berwick was saying something? The honourable member was interjecting, Deputy Speaker. I would have thought that this was a day when the honourable member for Berwick would keep himself very quiet!

The matter is one to be dealt with appropriately by the Chief Judge. He has made some recommendations to the Attorney-General and they are being considered.

Barley: industry deregulation

Mr RYAN (Leader of the National Party) — My question is to the Premier. Given the fact that more than 90 per cent of Victorian barley growers supported motions for the retention of the single desk for export barley marketing at this week's Victorian Farmers Federation conference, will the government end its arrogant dismissal of growers' concerns and support the bill introduced by the National Party to retain the single desk?

Mr BRACKS (Premier) — I highlight the question to the house which was about arrogantly dismissing Victorian barley growers. From memory the National Party supported the deregulation! What is arrogant now must not have been arrogant then, is that the case? The reality is that the National Party has done a policy backflip. It went along with the Liberal Party: it was in place anyway so the growers knew that it was coming. The government has adhered to existing proposals; which would be expected of any continuation of policy, including competition policy. The government assessed the matter on its merits. The government has kept a commitment of the previous Liberal and National parties; a commitment the industry had taken into account.

Honourable members interjecting.

Mr BRACKS — Sorry? More National Party flips? The government has taken appropriate steps to ensure that the economic benefits of deregulation will accrue to the Victorian barley industry. It can see a very rosy and positive future for the barley industry in the state.

Film and television: industry development

Mr ROBINSON (Mitcham) — I refer the Premier to the importance of the film and television industry to the future of the Victorian economy and ask: will the Premier inform the house of the latest action taken to facilitate growth in this important industry?

Mr BRACKS (Premier) — As an initial response to the film and television task force headed by the actor Sigrid Thornton which reported to the government at the end of last year, I am pleased to say that the government has today taken the first important steps in re-establishing the film and television industry. Some 10 years ago, 28 per cent of all the film and television production in Australia was conducted in Victoria. When the Labor Party came to office in 1999 that share of production had gone down to a miserable 17 per cent. Victoria had lost its way in an important industry that had always been one of its icon industries. Victoria has the talent and the abilities and historically it has had some of the best productions in film and television. It is still the centre of children's television and animation, but with the talent and abilities available Victoria can again be the centre for production.

I was therefore pleased to announce today that the government has agreed to the recommendations in the Thornton report. It will set up a new body called Film Victoria to focus on the development of the film industry. It needs to be remembered that the former Film Victoria organisation was abolished by the previous government which turned its back on the film industry and got rid of it! Victoria had always been a leader in the industry because it had the talent, the abilities and the potential. It is a labour-intensive industry which is part of Victoria's culture and economic future.

The government will establish two bodies. It will split Film Victoria from the existing Cinemedia function and set up Screen Culture Victoria, a body which will focus on delivering the Australian Centre for the Moving Image at Federation Square and the functions required for that. It is an important step and one that the industry has been calling out for for some time. In the rush to move to an integrated model the previous government lost its way on film and television. It had little regard for the industry and, as a consequence, we have seen film and television go up north to New South Wales and Queensland as well as out west to Western Australia. Victoria has lost its competitiveness. I am pleased to have taken this first step.

The second step is that the government has also accepted the other task force recommendation to extend the Department of State and Regional Development's strategic initiative industry program to the film and television production industry. It has agreed to enter into direct negotiations with the ABC about its plans for Victoria and to pursue increased production in Victoria through SBS.

The government has also agreed to approve the investigation of a partnership between the Victorian College of the Arts School of Television and the Australian Film Television and Radio School and it is monitoring the securing of affordable high-speed band connections for the industry.

Mr Honeywood interjected.

Mr BRACKS — The honourable member for Warrandyte is interjecting. The Leader of the Opposition has already chastised him, and I am sure he does not want to be censured by the house as well!

This step is a great one for the film and television industry, which was neglected by the former government. It is an industry with enormous potential for job growth and value for the cultural icons in this state. I am pleased the government has taken these steps in conjunction with the Sigrid Thornton review.

MAS: royal commission

Mr DOYLE (Malvern) — I refer the Premier to his answer in the Parliament on 1 March when he claimed that the total gazetted cost of the Metropolitan Ambulance Service royal commission was $15 million. Will the Premier advise the house whether that figure includes the $2 million so far spent by the service on legal costs alone?

Mr BRACKS (Premier) — The gazetted cost before the latest extension to the Intergraph royal commission was $15 million; it has now risen by $2.3 million. The new gazetted cost is $17.3 million in accordance — —

Honourable members interjecting.

Mr BRACKS — That is a new one; that was made public. The gazetted cost — —

Honourable members interjecting.

Mr BRACKS — Yes, that is the gazetted cost. As is the case with all royal commissions, the cost of parties representing themselves is met by those parties.

Dr Napthine — On a point of order, Deputy Speaker, the question was: does the gazetted cost include the $2 million? Do I conclude that the Premier's real answer is no?.

The DEPUTY SPEAKER — Order! There is no point of order. A point of order is not an opportunity to restate the question.

Public transport: seniors concessions

Mr MAXFIELD (Narracan) — I refer the Minister for Aged Care to the fact that this week is Senior Citizens Week, and I ask: will the minister inform the house of the latest action taken by the government to make public transport more affordable for senior citizens in country Victoria?

Ms PIKE (Minister for Aged Care) — Since the introduction of the Seniors Card in 1991, cardholders have been able to use their cards for metropolitan transport services during the week and for limited country services on Tuesday, Wednesday and Thursday only. Older people, particularly those in country Victoria, have had a limited capacity to travel to visit their families and friends or attend medical appointments when those occasions occurred on Monday and Friday. As an election commitment the government undertook to negotiate with V/Line and private transport operators to extend to all Seniors Card holders the same concessions available to other pensioners on Mondays and Fridays.

Together with the Minister for Transport I am pleased to announce today that the government has successfully concluded an arrangement that fulfils this commitment to older Victorians. From 1 July all Seniors Card holders will receive the same transport concessions as pensioners on five days a week, which will be backed by a government commitment of $250 000 a year.

More than 200 000 older Victorians will benefit from this initiative. Travel will be available across the state from Bairnsdale, Lakes Entrance, Paynesville, Warrnambool, Maryborough, Mildura and wherever seniors travel. Mildura is a case in point. The return fare on Mondays and Fridays will drop to $59. The honourable member for Mildura has been a strong advocate for this change, which will benefit thousands of older Victorians. It will also encourage those who live in the metropolitan area to travel into country Victoria, which will delight the Minister for Major Projects and Tourism!

In Senior Citizens Week I am delighted to make this announcement and celebrate its achievement.

Gas: Gippsland supply

Ms DAVIES (Gippsland West) — I refer the Premier to the fact that industry, individuals and families in the shires of Bass Coast and South Gippsland are penalised because they have no access to natural gas and bottled gas prices are exorbitant. Will the Premier advise the house what steps his government will take to redress that severe inequity?

Mr BRACKS (Premier) — I thank the honourable member for Gippsland West for her question and continued support and interest in country Victoria. The question was in two parts: one part was the extension of natural gas to areas which currently have liquefied petroleum gas (LPG) and the other part referred to the concession difference between those who have natural gas and those who have LPG.

It is true that there has been and continues to be an inequity in the concession arrangements between natural gas and LPG or bottled gas. I can report to the house that the government has taken action to reduce that gap, although recognising that a gap still exists and there is still more work to be done.

Since coming to office the government has increased the concession available to LPG users by 39 per cent. The concession of $48 has been increased to a new concession of $66. That is a cost to the budget of some $375 000, but it is a cost well worth meeting because it helps bridge the gap between those on natural gas and those on LPG.

The government also has linked further concessions on LPG to the cost of LPG on an annual review basis, which is important because the relativity of that concession is reduced as the cost of LPG rises. If the cost of LPG goes up but the concessions are not changed, the concession is worth much less. The government is instituting an annual review where the prices will be reviewed because it wants to make sure there is no net loss in LPG price increases, which is important.

The government has taken steps on two levels: firstly, to increase the concession by 39 per cent; secondly, to review it as LPG prices increase; and thirdly — in answer to the second part of the question — on the extension of natural gas. It is a privatised system which we inherited from the previous government. It is under the control of the Office of the Regulator-General.

Mr Spry interjected.

Mr BRACKS — I thank the honourable member for Bellarine for his interjection. They are looking for further input into the front bench. Maybe you are frontbench material up there.

Thirdly, the business case that needs to be established for the extension of natural gas is one on which we are

prepared to support and assist the Gippsland community, and we are prepared to support and assist the honourable member and her constituents who are working on that matter. The Office of the Regulator-General has guidelines to assist the business case for extensions of natural gas, and we are happy to facilitate that for those groups the honourable member is working with.

Rail: St Albans crossing

Mr LEIGH (Mordialloc) — I refer the Minister for Transport to the level crossing at Main Road, St Albans, and the comments by the honourable member for Keilor that the actions of Vicroads were slanted against the people of St Albans and that at Vicroads there is the typical *Yes, Minister* situation. As the government is planning to build high-speed regional rail links with trains travelling through the suburban level crossings at high speed, I ask the minister whether he intends to build an underpass or an overpass.

Mr BATCHELOR (Minister for Transport) — The honourable member for Mordialloc asked me about the level crossing at St Albans. Vicroads is carrying out a survey looking at what treatments are appropriate for this level crossing to meet the needs now and into the future.

Mr Leigh — On a point of order, Deputy Speaker, I asked specifically what the minister was going to do. The former government made $100 000 available. It is now a year late and I asked the minister what he is prepared to do.

The DEPUTY SPEAKER — Order! I do not uphold the point of order. The minister has barely been speaking for 1 minute. I ask the Minister for Transport to continue.

Mr BATCHELOR — He is a premature interjector! As I said, a study has been carried out to identify the most appropriate options for this level crossing. When a decision has been reached we will inform the people of St Albans and the honourable member for Mordialloc.

Drugs: methadone program

Mr LONEY (Geelong North) — I refer the Minister for Health to yesterday's joint sitting of the Parliament on drugs which heard from Professor Margaret Hamilton about an increase in requests for methadone treatment. I ask the minister what the government is doing to improve the provision of methadone treatment.

Mr THWAITES (Minister for Health) — Getting people who are abusing heroin into a methadone treatment program is one of the most effective things we can do to treat that addiction. Demand for methadone programs is increasing by at least 15 per cent per year. As Professor Hamilton said, there has been an increased number of requests over the past six months.

I am pleased to advise the house of a number of initiatives the government is taking to significantly increase the provision of methadone around the state. Firstly, we have a program to increase the number of doctors who are prepared to prescribe methadone. We want to increase the number of doctors by 50 per cent, and we have entered an agreement with the Royal Australian College of General Practitioners and Turning Point Alcohol and Drug Centre to train those extra 144 doctors in methadone provision. On top of that training, we are expanding a mentoring initiative where we are getting GPs who are already prescribing methadone to mentor other doctors who may be nervous about taking this on as a new program.

In addition, the government is aware of the issue in country Victoria. It is true that there is sometimes a hidden problem of drug abuse in country Victoria. We are piloting methadone outreach workers in country regions who will work with pharmacists and doctors to help them set up methadone programs. Already those outreach workers are set for Gippsland, Shepparton, Bendigo and Mildura, and we will be expanding them around the state.

Further, we are working to improve the specialist methadone program. Funding for that has doubled since the 1999 year from $722 000 to $1.3 million. I am pleased to advise that the waiting times for the specialist methadone program have now decreased from seven days to three days. There are improvements. The government is meeting the increased demand and it is a positive sign that more people are seeking to get on the methadone program so they can get off heroin.

Gaming: venue lighting

Mr BAILLIEU (Hawthorn) — Will the Minister for Gaming confirm that the government has advised gaming venues that they will be able to satisfy the government's natural lighting requirement by installing a closed-circuit television in gaming rooms with an external camera pointed at the sky?

Mr PANDAZOPOULOS (Minister for Gaming) — If only they were serious about tackling the gambling industry in the past when they were in

government! As the regulator, the Victorian Casino and Gaming Authority, on instruction, is consulting the industry at the moment about how to implement natural light. The government has gone beyond its policy, which was a code of conduct, to actually make it a requirement because it believes that there is a false atmosphere in gaming venues. It has said it needs to go beyond a code of conduct and make it compulsory because it believes there are real benefits in improving lighting standards. It is going beyond natural light. Why? Because venues also have a false internal atmosphere when it is dark outside. That is why the government is talking about a natural light equivalent.

The Victorian Casino and Gaming Authority is consulting the industry. It will advise me — —

Honourable members interjecting.

Mr PANDAZOPOULOS — They never want to know! Were they serious about tackling the lighting issues — natural light — or regulating the industry? No! They have all these fantastic ideas in opposition, I think — —

Honourable members interjecting.

Mr PANDAZOPOULOS — No, they do not have any fantastic ideas!

The regulator will advise me of the regulations it will recommend. As usual, under the Subordinate Legislation Act there will be a regulatory impact statement and the government will consider that. However, at this stage I have not been advised by the Victorian Casino and Gaming Authority of the regulations it suggests.

Tertiary education and training: apprentices and trainees

Mr LIM (Clayton) — I ask the Minister for Post Compulsory Education, Training and Employment to inform the house of the latest information on apprenticeship and traineeship growth in Victoria.

Ms KOSKY (Minister for Post Compulsory Education, Training and Employment) — I thank the honourable member for his question. I had hoped the honourable member for Hawthorn would ask a similar question, but obviously he is too focused on whether or not he should shake the hand of the honourable member for Mordialloc.

There has been a fantastic increase in apprenticeship and traineeship numbers in Victoria. In terms of commencements, in the first two months of this year 7726 new employees took up an apprenticeship or traineeship — that is up 22 per cent on the figure for the same time last year. There has been a 22 per cent increase in just 12 months in the number of people who have taken up an apprenticeship or traineeship. In regional Victoria, which the government is very concerned about, commencements increased by 32 per cent over the same period. There has been a substantial increase in the opportunities for people in Victoria who want to be involved in training. I should say that Victoria is leading the field in training.

As this house knows, Victoria has had excellent results in employment growth and in the economic data that has been coming through. The government knows that training and skills development are absolutely critical for economic development in Victoria, and it is absolutely committed to making sure that it puts in the money for training. It is very pleased that the uptake has been so strong.

Figures have come through today that add to the terrific employment figures for last year, which show that unemployment is at 6.3 per cent. In the past month employment in country Victoria rose by 1.1 per cent to be 5.7 per cent higher than it was a year ago. In regional Victoria there are significant improvements in the employment uptake, which is fantastic for the regional economy. In the past 12 months, 32 200 new jobs have been created in country Victoria, with the highest growth in the Barwon south-western region. There is fantastic news right around Victoria and the government is very pleased it can assist not only with its employment and investment programs, but also by providing training. However, it is unfortunate that Dr Kemp, my federal counterpart, does not share the same enthusiasm for making sure that funding is put into the training system.

Only last week Dr Kemp put on the table an additional $20 million nationally for the first year, and $5 million for the two years afterwards — that is for the whole of Australia, the entire country. The Victorian government puts in an additional $40 million each year in Victoria, yet the federal minister can put in only a lousy $20 million nationally. This means that in Victoria we would be able to train only an additional 1600 trainees and apprentices in the following year, and almost 10 000 Victorians would miss out on training opportunities.

The government rejected the offer because it is not worth the effort Victoria would have to put in. I call on the Victorian opposition spokesperson for training to assist this government to gain further funding from the federal government for traineeships.

An honourable member interjected.

Ms KOSKY — The government would love to lift the freeze if it had federal government support. Unfortunately it does not have that support from the federal government, or from the Victorian opposition.

I compare the offer on the table from the federal government with the additional $6.5 million that was announced last week by the Victorian Minister for Health and the Victorian Minister for Aged Care for division 2 nurse training — an additional $6.5 million was put in last week on top of the $40 million I referred to. The federal government can put in only $20 million across Australia. It is a lousy offer. However, the government is pleased that we are seeing training continuing to grow in Victoria.

The DEPUTY SPEAKER — Order! The time for questions without notice has expired and 10 questions have been asked.

Mr Pandazopoulos — On a point of order, Deputy Speaker, I seek some clarification from the Chair on the protocols of the house in relation to conflicts of interest and members declaring those. The honourable member for Hawthorn is a shareholder of Fosters, which owns Australian Hospitality and Leisure, which owns gaming venues, and of course this natural lighting issue will affect gaming venues. I am seeking advice from the Chair about members having to declare pecuniary interests before they ask questions.

The DEPUTY SPEAKER — Order! I do not uphold the point of order. On the point of clarification, a member is required to declare an interest only at the time of a vote.

FORESTRY RIGHTS (AMENDMENT) BILL

Committed.

Committee

Clause 1

Ms GARBUTT (Minister for Environment and Conservation) — I move:

1. Clause 1, page 2, line 1, omit "consent of" and insert "notification to".

2. Clause 1, page 2, line 3, omit "obtained" and insert "given".

These are consequential amendments that are required as a result of the proposed amendments to clause 8. The amendments to clause 8 remove the requirement for consent to be obtained from mortgagees before somebody can enter into or amend a forest property agreement and replaces that requirement with a requirement for notice to be provided to mortgage holders before an agreement is entered into.

Mr PLOWMAN (Benambra) — I ask the minister how that clause can provide for rights to the commercial exploitation of the carbon sequestered by trees. The carbon cannot be separated from the trees, yet the clause contains the words 'to provide for rights to the commercial exploitation of carbon'. For the clause to be correctly worded it should say something to the effect that it will 'provide the rights to the process of carbon sequestration and the commercial exploitation of the process of sequestration by trees', not by the carbon itself, because the carbon cannot be separated from the trees.

Ms GARBUTT (Minister for Environment and Conservation) — The answer lies in the purpose of the bill, which is to provide 'rights to the commercial exploitation of carbon sequestered by trees'. We are talking about rights, not the actual carbon. That is made clear in the name of the bill and in its purposes.

Mr PLOWMAN (Benambra) — It is not the rights we are talking about, it is the opportunity for the commercial exploitation of something. The bill provides rights to that commercial exploitation, but it speaks of 'the commercial exploitation of carbon', not of the process of sequestration, which is what I suggest we are talking about. I do not argue with the provision of rights — I agree with that — but I do argue with what the bill provides rights to. You cannot have the right to the commercial exploitation of the carbon in a tree, you can have the right only to the process by which that carbon is sequestered.

If the bill were worded in that way, we would all understand exactly what is being traded. However, as it stands what is being traded is the commercial exploitation of the carbon.

Ms GARBUTT (Minister for Environment and Conservation) — I draw the attention of the house to the fact that we are debating the purposes of the bill. As is clearly stated in clause 1(a), one purpose is:

> to amend the Forestry Rights Act 1996 to provide for rights to the commercial exploitation of carbon sequestered by trees.

I invite the honourable member to look at that purpose.

We are also talking about amendments to clause 1(b), which as amended will read that a main purpose of the act is:

> to provide for notification of holders of registered mortgages.

The amendment changes 'consent' to 'notification'. The honourable member has not addressed that issue. However, we are not talking about the ownership or possession of the trees, we are talking about the carbon rights — and not the carbon itself.

Mr STEGGALL (Swan Hill) — It is an interesting discussion, given the way the minister has just explained the amendments. As I understand it, there are three players with property rights covered by the bill — the owner of the land, the person who owns the timber, and the person who can own the carbon. A person wishing to own the carbon can do business only with the person who owns the tree, and the bill gives to the person who owns the timber and who has a forestry right to it the right to trade with the person who wishes to buy the carbon right.

That is the theory behind where we are going. The National Party said during the second-reading debate that it is hoped the bill will lead to the benefits we all want to see. We are getting back to the good old days when discussion of the purposes of a bill gave us another run at the second-reading debate — while bringing only the purposes into play, of course. However, I am interested in the change from 'consent' to 'notification', which is a big lowering of the test. I seek the advice of the minister about what type of advice she received in lowering that test.

I am not opposed to it, I am just fascinated to know how registered mortgage holders could have offered advice to the government to take that action.

Ms GARBUTT (Minister for Environment and Conservation) — I can advise the honourable member that bankers would like total control of this process. However, the bill retains the intent of the original part 3 by allowing mortgagees to invoke the terms of their mortgage contracts should they believe the agreements they are being notified of will have some detrimental impact on the value of their security. While I am sure mortgagees would go for something as strong as possible, I am advised that the bill as amended will still ensure the integrity of what is intended.

Mr McARTHUR (Monbulk) — I ask the minister to assure the house that she has received an assurance from the appropriate peak representatives of the finance industry that they will be prepared to continue to allow mortgages to run even if they are to receive only notification of the trade of the carbon sequestration rights in the trees for which they may have mortgaged their forest property rights.

Ms GARBUTT (Minister for Environment and Conservation) — The mortgage documents will protect the bankers, insurance companies or whoever, and that is what is needed. The notification going to the holders of mortgages will alert them to look at their mortgage documents and take whatever action they deem necessary if they believe there will be some detrimental impact. My advice is that that retains the intent of part 3 and should be fine.

Mr SPRY (Bellarine) — In relation to the definition of 'sequestration', many stakeholders are interested in the way this bill will be implemented. Much has been written about quantifying the measurement of carbon rights. I ask the minister to give those interested stakeholders some indication of her interpretation of the mechanism for measuring those rights.

Ms GARBUTT (Minister for Environment and Conservation) — I have explained before that measurements, accountability requirements, carbon emissions, carbon right trading and so on are on the international agenda. Those aspects have not been agreed and finalised.

What we have in front of us is an interim arrangement which protects investors and forest timber property owners who wish to take the risk and enter into agreements on trading carbon rights. This is by way of interim legislation, and when or if international agreements are put in place that include how you measure carbon sequestered by trees or other ways, there will have to be further legislation — national legislation would be appropriate — to reflect those international agreements. At the moment what is put in place is what has been agreed by the investors. This bill offers them a framework in which to operate.

Mr STEGGALL (Swan Hill) — I am a little hesitant about accepting the minister's answer with regard to the consent that the finance industry has given to the government and the acceptance of the amendment regarding the notification. Like a lot of others in this legislation, that is an interesting area and one that I guess will have to be developed. It would appear to me that the minister and the government do not have any information with which to assure the house that the finance industry will accept this operation — or this notification — instead of the consent.

During the debate several members raised the issue of the definition of trees that the purposes clause uses. Will the minister comment on some of the issues raised by honourable members during the second-reading debate about the definition and the advice that quite a

few members have been given about the definition of trees in the act?

Ms GARBUTT (Minister for Environment and Conservation) — I take up the first point and indicate that the banks are happy with the — —

Mr Steggall interjected.

Ms GARBUTT — They are happy with the term 'notification'.

Mr Steggall interjected.

Ms GARBUTT — I don't think you were listening. The banks are happy with 'notification' rather than 'consent'. I think that is now clear to all.

The definition of trees goes back to the principal act. To make amendments would have the consequence of amending the principal act as well as consequences right through to the right to timber and the right to carbon.

Amendments agreed to; amended clause agreed to; clauses 2 to 5 agreed to.

Clause 6

Ms GARBUTT (Minister for Environment and Conservation) — I move:

3. Clause 6, page 5, lines 5 and 6, omit "as soon as practicable" and insert "in writing within 28 days".

Proposed section 13 requires that a notification that a carbon rights agreement has been entered into must be given to the Secretary of the Department of Natural Resources and Environment as soon as practicable after the carbon rights agreement is entered into. This amendment changes that to 'within 20 days' of entering into the agreement. That provides for greater than 28 days — —

Mr Steggall interjected.

Ms GARBUTT — Did I not say '28 days'?

Mr McArthur interjected.

Ms GARBUTT — You have to listen harder.

Mr McArthur — We were.

Ms GARBUTT — Like the way you were listening to the people of Victoria before the election — not carefully enough! The wording will be changed to say that notification must be given in writing within 28 days after the agreement is entered into.

Mr PLOWMAN (Benambra) — Following the question from the honourable member for Bellarine about the way the sequestration rate can be measured, the minister's answer, as I recall it, was that we would have to wait for those sorts of things to be worked out, such as the trading of carbon credits and so on. I accept that we have to wait to get the trading rules right. But this legislation contains no recognition of sequestration and the soil.

Although I listened to what the honourable member for Swan Hill had to say about the three clear parts — the separation of the property of the land, the separation of the property of the tree, and now the alternate property of the carbon that is sequestered by the tree — there is plenty of evidence to suggest that the soil is sequestering carbon at the same time as the carbon is being sequestered by the tree and that the tree cannot do it without nourishment from the soil. Therefore, there should be some recognition of the right of the principal owner of the land in an agreement.

I ask the minister to give the house an assurance that when further consideration is given to this or any other legislation that introduces or discusses the trading of carbon credits, the rights of the property owner to the carbon sequestered by the soil is given due consideration.

Ms GARBUTT (Minister for Environment and Conservation) — I can reassure the honourable member that that and all other aspects will be taken into account if there is further legislation following the making of international and national agreements. The issue of soil carbon is not in the legislation because it is beyond the scope of the principal act, which is a forestry act that deals exclusively with forest property — namely, trees and their products. It is not in this legislation — that would not be appropriate — but it can and will be taken into account in subsequent legislation.

Mr PLOWMAN (Benambra) — I thank the minister for that answer. I forget the very words she used, but she said it was inappropriate. However, it is appropriate, because you cannot separate the two parties — the soil and the tree. Nonetheless, I recognise her response and thank her for it.

Mr MULDER (Polwarth) — I refer to clause 6, which deals with carbon rights agreements and provides that a forest property owner may enter into an agreement with a person to grant the forest property owner's carbon sequestration rights to that person. How does that apply to state-owned forests and the regional forestry agreements that have been signed? In my electorate 27 000 cubic metres of timber is allocated to

the licence-holders. Who owns the rights to the carbon in these particular cases?

Mr Howard — On a point of order, Mr Acting Chairman, the committee is talking about an amendment to clause 6. The question does not relate to the amendment, which simply changes the current wording to 'in writing within 28 days'. I ask that you ask the honourable member to contain his remarks to the issue, which is the change to the clause.

Mr McArthur — On the point of order, Mr Acting Chairman, I distinctly heard the Clerk say 'Clause 6'. I put it to you that that allows members to debate issues and raise matters about clause 6 — not just the wording of the amendment.

Mr Richardson — On the point of order, Mr Acting Chairman, the honourable member who raised this frivolous point of order is simply trying to be mischievous.

Honourable members interjecting.

Mr Richardson — For the information of the honourable member for Ballarat East — who ought to sit there, be quiet and listen and learn so he does not make as big a fool of himself again — this is the committee stage of the debate.

Mr Howard interjected.

Mr Richardson — Oh do be quiet, you silly little man!

This is the committee stage of the bill, and a particular clause has been called. Honourable members on this side of the house are raising legitimate issues and asking questions of the minister, who is answering them. The honourable member for Ballarat East is being just as impertinent to his own minister as he is being stupid to himself.

The ACTING CHAIRMAN (Mr Nardella) — Order! I have heard enough on the point of order. I do not uphold the point of order. The committee stage is about dealing with both clauses and amendments, and it is appropriate that questions be asked on the clause as well as on the amendment.

Ms GARBUTT (Minister for Environment and Conservation) — The answer for the honourable member is that this applies to private forestry land.

Mr SPRY (Bellarine) — In relation to clause 6, which deals with carbon rights agreements, I refer the minister to Alcoa, a company about which I was speaking in my contribution to the debate earlier, and to the Alcoa World Aluminium Australia response to the invitation to submit comments to the Victorian greenhouse strategy discussion paper — I presume she is at least aware of that. I refer her also to the Australian Aluminium Council's set of principles that have been adopted in relation to emissions trading, particularly principle 5, which refers to any provision:

> … designed and introduced to recognise and reward firms and sectors that have taken early abatement actions (that is, since 1990) and not penalise or disadvantage them —

by the introduction of legislation such as this bill, which provides for the ability to trade in carbon rights. I seek her assurance that that principle, which is one of eight principles embodied in the Australian Aluminium Council's document on emissions trading, will be taken into consideration in the implementation of the bill. I ask that the minister — —

The ACTING CHAIRMAN (Mr Nardella) — Order! The honourable member for Ballarat East may not have discussions with strangers in the gallery. I ask him to desist.

Mr SPRY — I ask the minister to comment, if she has sufficient information on it, on principle five, which I have just outlined to her.

Ms GARBUTT (Minister for Environment and Conservation) — I thank the honourable member for his comments, but he is talking about emissions reductions and we are now talking about carbon sequestration, so it will not have an impact.

Mr SPRY (Bellarine) — Emissions trading is the generic term under which carbon trading rights and carbon sinks — or carbon banks — fall. It is directly connected with the bill and the clause we are discussing. For the sake of clarification I will try to encapsulate the question: Alcoa and other members of the Australian Aluminium Council seek to ensure that any provision designed and introduced by way of legislation recognises and rewards firms and sectors that have taken early abatement actions and does not penalise or disadvantage them.

Ms GARBUTT (Minister for Environment and Conservation) — The bill is not about emissions trading; it is about carbon sequestration. The government is setting up a framework that will encourage investment in plantations and farm forestry by investors who are prepared to take on the risks associated with investment and international agreements being reached on these issues. The

government is putting in place a framework that will allow that investment to take place.

Amendment agreed to; amended clause agreed to.

Heading preceding clause 7

Ms GARBUTT (Minister for Environment and Conservation) — I move:

4. Part heading preceding clause 7, omit "**CONSENTS TO**" and insert "**NOTIFICATION OF**".

This amendment refers to the removal of the requirement for consent to be obtained from mortgagees before entering into an agreement and replaces that requirement with the requirement for notice to be provided.

Amendment agreed to; amended heading agreed to.

Clause 7 agreed to.

Clause 8

Ms GARBUTT (Minister for Environment and Conservation) — I move:

5. Clause 8, line 1, omit "***Consent***" and insert "***Notification***".

6. Clause 8, line 7, omit "unless — " and insert —

   'unless at least 14 days before the agreement is entered into, the owner of the land has notified the holder of the registered mortgage or charge that it is proposed to enter into the agreement.".'.

7. Clause 8, lines 8 to 17, omit all the words and expressions on these lines.

8. Clause 8, line 24, omit "unless — " and insert —

   'unless at least 14 days before the agreement is amended, the owner of the land has notified the holder of the registered mortgage or charge that it is proposed to amend the agreement.".'.

9. Clause 8, lines 25 to 34, omit all the words and expressions on these lines.

These amendments also refer to the removal of the requirement for consent to be obtained before entering or amending a forest property agreement and replace that requirement with the requirement for notice to be provided.

Amendments agreed to; amended clause agreed to.

Clause 9

Ms GARBUTT (Minister for Environment and Conservation) — I move:

10. Clause 9, line 1, omit "***Obtaining consent***" and insert "***Form of notification***".

11. Clause 9, line 3, omit "***Consent***" and insert "***Form of notification***".

12. Clause 9, lines 4 to 9, omit all the words and expressions on these lines and insert —

    "A notice given under section 5(2) or section 7(2) must be in writing and must — ".

13. Clause 9, lines 19 to 26, omit paragraph (c) and insert —

    '(c) state that it is a requirement of the Act that at least 14 days notice in writing is given to the holder of a registered mortgage or charge before a forest property agreement is entered into or amended.".'.

14. Clause 9, lines 27 to 33 and page 10, lines 1 to 20, omit all the words and expressions on these lines.

Again, these amendments refer to the change from consent to notification, which we have discussed. The amendments are required as a result of that proposed change.

Amendments agreed to; amended clause agreed to.

Long title

Ms GARBUTT (Minister for Environment and Conservation) — I move:

15. Long title, omit "consent to" and insert "notification to be given for".

This amendment is required as a result of the amendments stemming from the change from consent to notification.

Amendment agreed to; amended long title agreed to.

Reported to house with amendments, including amended long title.

Remaining stages

Passed remaining stages.

ENVIRONMENT PROTECTION (LIVEABLE NEIGHBOURHOODS) BILL

Second reading

Debate resumed from 21 March; motion of Ms GARBUTT (Minister for Environment and Conservation).

Mr KILGOUR (Shepparton) — The Environment Protection (Liveable Neighbourhoods) Bill is an important measure that proposes to extend past

arrangements that were made for the protection and support of our environment. It is interesting to consider what the government is proposing in extending environmental plans from the commercial area to the neighbourhoods of our communities.

I am concerned that there has been little consultation with the people who will help to administer the legislation — that is, local council officers. I am disturbed to hear that the Municipal Association of Victoria heard about the bill only two days before it was brought on for debate.

Mr Plowman — Without consultation.

Mr KILGOUR — Yes, debate on the bill has been brought on without consultation not only with the Municipal Association of Victoria but with the community. That is not surprising, given how the government works. Now, faced with debating the bill, members of the opposition parties have had to ask people in the community what they think about the proposal, and they have said they have not had time to look at it.

The minister cannot feel happy about the way in which her department and the government have introduced the bill. It seems they wanted to introduce the bill but did not have it ready in time. It was probably delayed in getting to cabinet, and now it has been delayed in getting to people for discussion. The fact that no notice was given of the amendments before the debate was resumed shows a contempt for Parliament. There has been no public consultation in the neighbourhoods affected.

I refer to how the provisions in the bill will unfold to help our neighbourhoods. It proposes introducing neighbourhood environment improvement plans into the Environment Protection Act. Over the years the Environment Protection Authority (EPA) has been given many tools, which it has used to reduce emissions from industry, and especially from larger industrial sites. Those well-developed statutory tools include licences, work approval notices and so on. Over the past 20 years or so we have come a long way in ensuring that the people running our industries do the right thing and think about how those industries affect communities. That includes the emissions and the quality of the water that comes from industry.

The bill introduces some environmental protection principles. I heard one person describe them as wanky motherhood statements, and after reading them I have to concur. I wonder what use they are, because some of them are vague and all of them are almost meaningless. However, that is how the government has decided to introduce them. I do not have any great problem with them, but it would have been better to have left them out, because then we would all have a much better understanding of what the bill is all about.

Mr Plowman interjected.

Mr KILGOUR — I am pleased that the honourable member for Benambra agrees with me. He probably tried for some time, as I did, to work out what some of the provisions mean.

Mr Plowman — Except you and I might have thought of a different term!

Mr KILGOUR — I will leave it at 'wanky motherhood statements', if the honourable member for Benambra is happy with that, and move on.

No examples have been given of where the proposed environment improvement plans will be used. There is no identification of major problems in the community that need to be addressed. I do not have a problem with the plans; they will be good. Communities will be encouraged to get together to support plans to help with their improvement. It is disappointing that the very bodies who will help to develop the plans — that is, the councils — have been overridden by the government. There has been very little accommodation of and no consultation with local councils.

As I said, the plans will build on the success of the industrial site environment improvement plans which were introduced into the principal act in 1989 and which have resulted in many changes in the way industrial companies have managed their waste. A company may voluntarily initiate an industrial site agreement, and the act allows the EPA to direct that a company develop one. If the EPA considers that a company is not doing the right thing by the environment, it can direct the company to do something about its waste. In most cases, there have been discussions between the EPA and the companies involved, which have voluntarily initiated the action needed — and I have heard of some good examples.

An environment improvement plan is a public commitment by a company to enhance its environmental performance. It outlines the areas of a company's operations that need improving, and it is usually negotiated in conjunction with the local community, including the local council, as well as the EPA and other relevant government authorities — for instance, the water board or water authority.

The *Information Bulletin* provided by the EPA states:

Where possible, an EIP —

an environment improvement plan —

contains clear time lines for completion of improvements and details about ongoing monitoring of the plan.

This ensures that the company does not slip back to what was happening before. The bulletin continues:

Improvements may include new works or equipment —

possibly from overseas with the latest technology —

or changes in operating practices. Monitoring, assessments and audits are undertaken to plan and support these improvements ….The EIP approach brings local community, industry and government into closer cooperation to resolve issues of mutual concern. It addresses the environmental concerns of the community, and increases community acceptance of an industry operating in their area.

Industry is to be encouraged to undertake the plans on a voluntary basis.

The bulletin continues:

In some cases EPA can require a company to conduct a statutory EIP. EPA can tighten the waste discharge licence conditions of a company with a poor environmental record. It can also require the company to conduct an environmental audit using an external, qualified environmental auditor …

It is good to note the benefits that can come from these plans. Industry and the community can benefit in many ways from the development of a plan. Perhaps the most significant is the greater understanding of industry practices and processes and the resultant environmental effects. This can lead to more cooperation and an informed debate about the issues of concern.

In many cases the plant improvements have also entailed improved waste minimisation and cleaner production for the company, resulting in cost savings. A company in my electorate called Tatura Milk Industries is one of the great dairy companies of this land that has a niche market and is now providing baby formula to the Japanese. Quite frankly, there was a time when Tatura Milk Industries was causing trouble in its community. I was attending a meeting in Tatura one night and my car was parked opposite the factory, and when I came out my car was covered in a white powdery substance that was being emitted from the Tatura Milk stack. Something had gone wrong and the dryer had spewed powder out of the factory and all across the neighbourhood. As the local member I received complaints about it.

There was no doubt that Tatura Milk Industries needed to do something to overcome the problem, and it certainly did. It had a plan approved by the EPA and the emissions are no longer seen coming from the factory.

As well as emissions in the air, there are also emissions from under the ground. Tatura is one of the best towns in country Victoria for the production and processing of food, with companies such as Rosella Food and Tatura Milk Industries, but a situation arose where Tatura Milk was not monitoring the type of liquid waste that was coming out of its factory. The liquid it was putting down the drains had a pH level that was eating the concrete pipes under the town. Seven million dollars worth of damage was done to the pipes sending the waste water out of the area. At one stage a whole road in Tatura subsided because the pipes had been eaten away and disappeared. The honourable member for Benambra may have been in Tatura with one of the previous government's committees — —

Mr Plowman — In a bus.

Mr KILGOUR — And the Honourable Geoff Coleman was with the committee looking at a massive hole in the road caused by the pipes disintegrating because of the emissions from the factory.

This has now been fixed. Not only did the factory improve the emissions from liquid waste but it also put in a process with newer technology that enabled a lot of the waste to be recycled and reused — and made money out of it! Those sorts of things can benefit the company as well as the community. It is pleasing to see that companies like Ford, BHP and Riverland Oilseed Processors Pty Ltd in Numurkah also have their own plans.

In Shepparton a company called Ducats Food Products, which has been in business for about 85 years, has now entered into an agreement with the EPA. It is one of the great milk supply companies of Victoria, and it was because of Ducats that Big M flavoured milk was introduced. Over the years the company has been providing the best quality product that can be supplied out of country Victoria. The managing director of the company, Ray Ducat, said that there was no substitute for quality and that under no circumstances would he allow anything to be done in his factory that reduced the quality of the product. His role has now been taken over by his daughter Michelle Ducat, who has continued to work with the EPA, the local council and the local water board on the issue of the emissions from the factory. It is a good example of how a company can benefit the community by what it does. The company believes the audit has been worth while and is working on audit plans to ensure that it complies with requirements.

I will move on from the issues that have come about because of industry to the neighbourhood improvement plans. While we are not necessarily sure of what this means, in country Victoria these types of plans have been operating for many years.

Landcare groups consisting of people in the community who come together and care for their neighbourhoods are leading the way. They examine what is needed to ensure a better neighbourhood for people to live in. Country people have been working together for many years, and people in the towns and municipalities now also have an opportunity to come together and work on a neighbourhood plan in conjunction with water boards; the Environment Protection Authority; protection agencies, including municipal councils and catchment management authorities; Vicroads and the Department of Natural Resources and Environment. Although the EPA can direct a community to act, most plans will come from a community saying, 'We have a problem and we will work with the council'. Each council will have a lot to do with whether these plans come to fruition. In most cases, councils already work towards the improvement of the environment and will assist the neighbourhoods in their plans.

I am concerned about the staffing of the EPA. In my area it has an office in Wangaratta and it is almost impossible to get a staff member to monitor a problem in my electorate of Shepparton. The EPA says that the local council should take control, but the council says it is a problem for the EPA. There is a demarcation dispute about who should be monitoring the issue. More people are desperately needed in the EPA to work on the ground and in cooperation with councils. More monitoring by the EPA will be necessary if more communities have neighbourhood plans.

I wish the project all the best. I hope it will not be foisted on communities and that plans will instead be born in the community and supported by the EPA and councils to ensure that everybody works together. The community must agree on any improvement plan, and that will not always be easy. No matter what you do in the community — whether it be pulling down a fence or cutting off a piece of property — somebody will not like it. Neighbourhood plans will probably concentrate on social and environmental issues, and extensive work by councils will be needed to bring the community together. Three or four voluntary neighbourhood plans will be piloted in the coming 12 months. I wish the EPA all the best in bringing those forward. I hope they will be successful, enabling their extension into other areas.

I refer briefly to the system of environmental audits, which has grown markedly over the past 10 years. More environmental auditors will probably be needed. I hope that the government will heed the current problems in its programs caused by a lack of staff and will engage more auditors to redress the situation.

I hope the pilot programs are successful. It is not easy to get neighbourhoods to come together on environmental issues because somebody might be affected in a way they do not like. If they are not successful I hope the minister will come back to Parliament to have another look at it.

Mr HOWARD (Ballarat East) — I am pleased to speak in support of the Environment Protection (Liveable Neighbourhoods) Bill, which brings to the fore many aspects of the Bracks Labor government's promises to Victorians before the election. Before it came to office, the Labor Party promised a platform that would advance ecological sustainability and ecologically sustainable development across the state. It was also elected on a platform that promised to empower communities by ensuring they were consulted on issues of importance. The legislation is a giant step forward in bringing into play both aspects of those significant promises.

I will outline a couple of the general aspects of the legislation. As both previous speakers have said, the bill improves some aspects of the way in which the Environment Protection Authority can work. The early part of the legislation sets in place principles by which the EPA works, so that people reading the legislation may gain a greater appreciation of its nature and background. Although the honourable member for Shepparton spoke of those principles in a colloquial way, they are internationally agreed principles and draw together several key elements that will provide guidance for people when they are dealing with the legislation.

Significantly, the bill brings into place advancement in the way neighbourhoods can set plans in place to improve their environments through neighbourhood environment improvement plans (NEIPs). The community should be excited about the opportunities presented in this aspect of the bill.

Part 4 of the bill relates to environmental audits and provides opportunities for the improvement of such audits.

The legislation comes before the house after significant consultation and with the support of many community groups, whether they be individuals, local government

groups or industries. I will refer to some examples of the support the legislation has gained. For example, to demonstrate the way the government consulted before the legislation was introduced, the bill was outlined in a three-page spread in the December 2000 issue of the newsletter published by the Environment Institute of Australia.

In the article, Simon Molesworth, QC, the national president of the Environment Institute of Australia, focused much of his attention on the environment protection principles in the bill. It states:

> It is laudable that a state government has decided that its principal environmental agency should act within and in accordance with such principles.
>
> Some might be surprised that such a step was not taken years ago.

That type of national exposure further underpins the importance and the credibility of the bill.

As well as support from the environmental arena, the bill has gained significant support from industry. In a letter of 23 February to the Minister for Environment and Conservation, the general manager of Australian Environment Business Management, Mr John Newton, states:

> The neighbourhood environment impact plan (NEIP) concept is very promising as it will allow statutory plans to be developed dealing comprehensively with both point and diffuse sources of emissions. This will complement the suite of tools already dealing with industrial point sources. I am also pleased to see that it is proposed to pilot a small number of NEIPs during the first year to allow for further refinement of the concept.

Further support has come from other companies, such as Boral. On 4 December Boral wrote to the EPA. The letter states:

> Allowing for neighbourhood plans is the natural next step in Victoria after the success of the industrial site environment improvement plans.

The government has consulted widely from the early stages of the drafting of the bill. It has included local government in that consultation on a number of occasions through both the Victorian Local Governance Association and the Municipal Association of Victoria (MAV). The EPA signed a memorandum of understanding with those associations to ensure any impacts on local councils would be adequately addressed.

I was concerned to hear the honourable member for Doncaster while speaking on the bill on two occasions — yesterday and 27 February — misrepresent many aspects of the consultation that has taken place and some aspects of the content of the bill. I will refer to a few of those comments. It is unfortunate that the honourable member did not seem to understand the nature of the consultation that had taken place with the MAV, which is a major body representing local government across the state, when he suggested that the government had not consulted with it until the last minute. That is incorrect.

The bill was introduced into Parliament on Wednesday, 1 November, last year. The second reading took place the following day. The first of the briefings that took place between the EPA and the MAV occurred on 11 October last year. Since that time a number of meetings have taken place between different members of the EPA and the MAV at which various aspects of the bill have been discussed.

There are a number of issues involved, and I do not have time to go into how wrong the honourable member for Doncaster was in his comments about the lack of consultation with the MAV. A number of meetings took place over that time. Even before the honourable member for Doncaster spoke in this place on 27 February, at a meeting on 23 February a memorandum of understanding was agreed to between the chief executive officer of the MAV and members of the EPA. The CEO was surprised to hear it had been suggested there was any disagreement between the EPA and the MAV on the matter.

I would have liked to have referred to a number of other issues, but I want to allow some time for other honourable members to speak on the matter. I reiterate that there has been support for the legislation from local government, industry and environmental groups. Consultation has been very thorough and has involved many groups, and it is disappointing to hear opposition members misrepresenting the facts about that.

The bill is sound legislation and offers opportunities for communities to move forward with environmental plans into which they will have the opportunity of providing input. I commend the bill to the house.

Mr THOMPSON (Sandringham) — I wish to take up from where the honourable member for Ballarat East left off. I am sure the Housing Industry Association and the Municipal Association of Victoria (MAV) do not mind being quoted by him, but they would prefer some things to be quoted accurately. I refer to a press release from the HIA dated 22 February. It quotes Mr Gaffney and states:

> Our concerns relate to the fact that the proposed legislation is another layer of land use control that does not integrate well

into the planning system. Local government and industry have been working towards a fully integrated land use planning system only to have the liveable neighbourhoods bill appear out of left field. We really need to stop and ask ourselves if there isn't a better way to achieve what is being proposed.

We want to make sure the legislation truly works in the best interests of industry and the community but we expect some formal consultation in order to fully understand the implications of the bill.

In correspondence to the honourable member for Doncaster dated 22 February, the MAV noted:

The MAV has major concerns about a number of elements, none the least the inadequate consultation with local governments that has gone into its development. Key concerns of the MAV are that:

The bill does not reflect the needs of local governments who have a range of existing processes and legislation in place that are adequate to involve and consult the community on environment and pollution issues.

The proposed legislation gives the EPA the power to direct local government to develop neighbourhood environment improvement plans, without any consideration of the resource implications on councils of such a direction.

The legislation also assumes current local government processes are not meeting the needs of the community and are inadequate for the task of working with local communities to resolve community environment issues. This is something we would strongly dispute and seek evidence that this is the case.

The MAV does not feel there was adequate time given to consultation with local government on some key aspects including resource implications, review procedures, links to municipal planning processes, and local government community processes.

I turn to my overview of the Environment Protection (Liveable Neighbourhoods) Bill. The purpose of the bill is to amend the Environment Protection Act. I note that that act was developed on a visionary basis by a former Liberal government. It was pioneering in a world sense in what it was able to achieve in the monitoring of land, air, and water quality issues.

The Environment Protection Authority has been assisted over the years by some outstanding people who have worked for it. Those people have assisted in the ongoing development of its programs and provided an ongoing corporate or government-orientated understanding of a range of issues that are important to the improvement of environmental quality.

Just on those standards, on a scan of the bill I noted part 2, clause 3, which inserts proposed section 1B(2). There appears to be some sort of typographical error in that which still has not been picked up through the drafting process. If a bill like this had been circulated and discussed widely with the various stakeholder groups that provision may have been noted. The word 'and' has been used in the last line of proposed section 1B(2), whereas it might read more sensibly if the word 'for' were used instead.

In general terms I comment on the omission of a particular provision relating to international competitiveness. One comment is that principles such as environment protection are sensible motherhood-type statements that most people would agree with. Most of the principles appear to be based on the intergovernmental convention agreed to in 1992. But why has the government left out the principle relating to the need to retain international competitiveness? Doesn't it see this as important?

It is all very well having a range of stringent requirements that relate to international issues — global warming, greenhouse emissions and the non-discharge into the waterways, rivers, streams and seas of harmful pollutants — but another factor to consider is that if industries shut down in Victoria and relocate to another environment or to other countries and jurisdictions where there are not such principles in place, it may be that the net impact in global warming terms or harm to the environment will be greater than the objectives being fulfilled.

In relation to the guiding principles, I shall make some general comments. On proposed section 1C, which carries the heading 'The precautionary principle', one submission made to the opposition was in the following terms:

No-one has ever agreed on what the precautionary principle means in any practical sense. It can mean everything or nothing depending on how interpreted. The problem is that 'deep greens' tend to read it as meaning, 'let us be totally risk averse, especially where quantification of risk is somewhat uncertain', in which case it has obvious potential to perversely unbalance decision-making. Obvious example is the possibility of ruling out mining adjacent to heritage sites because of very small but non-zero risks of environmental contamination (e.g. Kakadu, goldmining and arsenic).

This contributor also writes:

Note particularly that 'serious' and 'irreversible' (damage) do not belong in the same phrase, as the implications are quite different. W. Kip Viscusi (a world expert on risk analysis and benefit/cost methodologies) argues that the precautionary principle either means nothing more than adopting the (standard in economics) expected value calculation, or else it means abandoning EV —

expected value —

> in favour of some other, unstated and probably irrational alternative.

The author says this is something that may not improve legislation.

In relation to the principle in proposed section 1D concerning intergenerational equity, the author says:

> What does this mean? Viscusi, again, argues that forgoing consumption in favour of consumption by one's (almost certainly) richer descendants is hard to justify. The more so when future technological change renders our conceptions of 'sustainability' little more than idle crystal ball gazing. Ask the historical question: what irreversible harms of great magnitude have been done in the past from which we all continue to suffer?

The author noted the example of the famous Club of Rome bet, where the environmentalist bet the economist that a basket of commodities would be much more expensive in 20 years time. He comments:

> Of course, they all turned out to be cheaper, which is why the A$ has suffered long-term decline. The point is, technology and substitution works around what would otherwise be increasing relative scarcity. Given this, what does a strategy to promote 'intergenerational equity' mean? Should we, for example, limit absolutely our petrol consumption, to leave some for the grandchildren, notwithstanding that they're likely to drive in hydrogen-powered fuel-cell cars?

In relation to the conservation of biodiversity, the question arises of what the conservation of ecological integrity means. In relation to the principle of shared responsibility, what does this mean — that producers should produce goods that satisfy human needs? The honourable member for Doncaster gave the example of the production of plastic Pokémon.

There are two comments I will make in relation to general principles. The first is the principle of waste hierarchy. It is suggested by this author that:

> It is a statement of ideological preference, rather than a principle of efficient/effective ecological management. If the value of a 'recovered energy' option is greater than one of reuse or recycling, say, on what grounds should we prohibit it?

An example to hand was one in which the burning of old tyres for energy for cement kilns was to be ruled out by the EPA regulations so they could be crumbled into playground padding of lower value. Where was the benefit?

> EPA officers could explain it only in ideological terms — until they got to the part about the … agreement they'd done to encourage the plant that would recycle tyres to locate in Victoria by agreeing to pass such regulations.

There is also the principle of integrated environmental management, which the author says could be construed as being a motherhood statement.

I now turn my focus to the issue of neighbourhood environment improvement plans. There are a range of questions to be asked here, and they have been asked by a number of general contributors. Why are they needed? How will they work? And what purpose will they serve?

There are many examples where the role of the EPA has been of great value to the community. One is in relation to toxic landfill. There was an example reported in the *Age* in 1988 where a major construction company was found to be cutting costs at the public's expense, according to the headline at the time. It was because of lack of foresight by the Labor Party in relation to toxic landfill and its banning of those projects in the west of Melbourne that now the Lyndhurst site has been directed to the public's attention by the honourable members for Mordialloc and Cranbourne as the site for toxic waste landfill. This raises important questions as to what the local members in that region will do about it and what the government's response will be on this important issue.

Unfortunately, there has been a not-in-my-backyard approach, but the question is that if communities act according to self-interest rather than from a statewide interest perspective, it will be a matter of just shifting the location of some of these important waste disposal facilities which are necessary as part of a developed economy in the 21st century.

The EPA has done some excellent work on the toxic legacies that relate to petrol stations where there have been leakages. It has been able also to give some excellent audits of the sites, so that the purchaser of such land in future is aware of the environmental quality of the site being acquired. There have been problems where petrol containers on petrol station sites have leaked.

Another example of important work done by the EPA in which the local communities have an interest is the discharge of sewage as a result of inappropriate waste systems, of untreated effluent flowing into streets and into the sea. There are a number of towns where there is a reliance on septic tanks and there are sometimes overflows as a result of high usage. Local communities and the EPA have an interest in ensuring that the community is protected.

Also in relation to pollutants that would be in our waterways, creeks, canals and drains the EPA has been

highly responsive to community concerns. Another example where the EPA had an interest on behalf of the community was in regard to the Gippsland Lakes, where there was a concern about the approach of a timber operator who, it was suggested, was using practices that may have been deleterious to the environment.

There are a range of other examples where the EPA has endeavoured to work with local industry. One case is that of Nestlé, which was being investigated by the EPA following dozens of complaints about malodours coming from its factory near Warrnambool.

The purpose of the bill is to try to achieve some practical objectives regarding neighbourhood agreements and principles.

I will raise a couple of other questions about the neighbourhood environment improvement plans, in particular their status in relation to the state environment protection plans and the industrial waste management plans, as well as other EPA-created instruments. A view is held that the EPA seems to wish to rule through uncertainty by creating such a vast thicket of legal powers of such varied and uncertain status that interlock in such arcane ways as to make them impossible for people to understand, let alone challenge. It is important that these proposed reforms do not create a bureaucratic impost that will ultimately avoid scrutiny and accountability in the cause of promoting a particular mission.

Another concern held about the bill relates to the appointment of auditors. Following the establishment of the process of full accreditation of environmental auditors by the EPA, which process has been quite stringent — and reasonably so — only a limited number of fully fledged auditors are currently available in Victoria. An imbalance in the supply and demand for such skills could initially prove costly and act as a disincentive to those seeking to develop environment improvement plans in a local area.

Concern has also been raised that as a consequence of the proposed legislation a significant number of requests on a sub-municipality scale could be made for environment improvement plans, which would place a burden on the EPA's current auditing capacity.

For the purposes of debate I will raise a range of ancillary issues which I trust we will have time to go through at the committee stage. Does proposed section 1G(2) imply that companies should not be producing a particular range of products that tend to waste the time of children in the community? What does the government intend that provision to mean?

There is also concern about what is meant by the term 'ecological integrity' and a range of other provisions in the bill. I trust we can advance through those concerns during the committee stage.

The opposition is concerned about the lack of overall consultation within the proposed process and would encourage both the government and the EPA to work with all stakeholders in the preparation of legislation so that when it comes before the chamber there is no need to introduce last-minute amendments such as those introduced in the house only yesterday to address and resolve concerns raised in the debate by important stakeholders.

Ms LINDELL (Carrum) — It gives me great pleasure to speak on the Environment Protection (Liveable Neighbourhoods) Bill. The Bracks government, as we all know, is an inclusive and caring government that is constantly looking at ways to provide opportunities for greater community participation in decision making. That is what the bill we are debating is all about.

Its title clearly reflects its aim — that is, to improve the liveability of our neighbourhoods, which is an integral part of the Bracks government's commitment to provide a safe, liveable and environmentally sustainable environment and to ensure that local needs and the views of local communities on environment protection and enhancement are fully heard and properly heeded. In marked contrast to what happened in the Kennett years, the Bracks government is listening to and working with the community.

The neighbourhood environment improvement plan (NEIP) provisions of the bill are all about meeting those commitments. A neighbourhood environment improvement plan is an innovative tool that assists all members of the community to address local environmental plans that result from multiple sources. The NEIPs are all about establishing partnerships, empowering local communities and working collaboratively with those who live in our neighbourhoods to address local environmental problems.

I will talk a little about my own electorate, which honourable members know has been left with some grave environmental concerns: the Mordialloc Creek; the acid sulphate soils that were dumped in Governor Road as landfill; the quiet Patterson Lakes; and the eastern treatment works. My electorate is an

environmentally sensitive area with a number of very important waterways and drainage systems where some inappropriate landfill was dumped during the years of the Kennett government.

Opposition members interjecting.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Carrum will continue, without assistance.

Ms LINDELL — Members of my community, like the members of many other communities across Victoria, will be pleased about the passage of this bill. It gives them a way forward to work with local government and other instrumentalities to address the serious problems that confront our area and to formulate some plans.

It was interesting that the honourable member for Sandringham raised the Lyndhurst landfill. The solution of the honourable member for Mordialloc to the grave problem of hazardous waste is simply to say, 'Let's build another toxic dump, but let's put it over in the north of Melbourne'! His solution is not to work towards an overall solution of a grave problem but rather to play petty political games.

Mr Leigh interjected.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Mordialloc will cease interjecting. I have had enough.

Ms LINDELL — The honourable member for Mordialloc has no intention of working with anyone to solve the problem. Instead, he runs around making petty little political points, scaremongering among his own community and providing no answer whatsoever to the grave problem that confronts us.

An opposition member interjected.

Ms LINDELL — I will return to the bill in my remaining 3 minutes. I am aware that my very good friend the honourable member for Polwarth would like to make a contribution and I will continue with my remarks and give him the opportunity to do so too.

The neighbourhood environment improvement plans will act as a vehicle for bringing industry, community and government together. Won't Victorians be overjoyed when they see that! The plans will provide a statutory mechanism to enable those contributing to and affected by local environmental problems to come together in a constructive forum at which all stakeholders can agree on environmental priorities in a practical manner.

I am pleased by the level of community support for neighbourhood environment improvement plans. Some of the biggest supporters of this bill are those who have seen the benefits of the industrial site-based environment improvement plans, and that includes not only members of the broader community but also industry.

Cognisant of the fact that the honourable member for Polwarth is anxious to make some comments, I commend the bill to the house. I am pleased and proud to be part of the Bracks government introducing this bill.

The ACTING SPEAKER (Mr Richardson) — Order! The honourable member for Polwarth has 1 minute and 20 seconds!

Mr MULDER (Polwarth) — I appreciate the graciousness extended to me by the honourable member for Carrum for the minute she has given me to deliver my 42-page contribution.

There is no doubt that the bill before us will offer some great incentives to communities, and I will briefly mention some community groups in my electorate. A group in Colac called the Friends of Lake Colac is headed by a gentleman by the name of Richard Riordan, who has been involved with Ian Kiernan in trying to get a program established to deal with the environmental issues of Lake Colac.

Lake Colac services a yacht club, a rowing club and an anglers club, it has several walking tracks and is one of the most beautiful and spectacular lakes in the region. Unfortunately it suffers difficulties with water levels, carp and sediment intrusion, and there was an old tip on the side of it at one stage. However, the issue that concerns me is that we go through the entire process of setting up these organisations, we put in place auditing structures, but finally someone has to commit to funding the programs that come out of them.

It is no good building another authority and setting in place another whole host of auditing processes unless we get very sound and solid commitments from the state government to back those programs.

Debate interrupted pursuant to sessional orders.

The ACTING SPEAKER (Mr Nardella) — Order! The time allotted under sessional orders for this debate and for government business has expired.

Motion agreed to.

Read second time.

Circulated amendments

Circulated government amendments as follows agreed to:

1. Clause 8, page 13, line 27, omit "The" and insert "After consultation with a protection agency, the".

2. Clause 8, page 13, line 28, omit "a protection" and insert "the protection".

3. Clause 8, page 18, line 9, omit"'.".

4. Clause 8, page 18, after line 9 insert —

"19AK. ***Consideration of guidelines by Parliament***

(1) The Authority must ensure that a copy of every guideline issued by the Authority under section 19AE, 19AF(3) or 19AG(2) is laid before both Houses of Parliament on or before the sixth sitting day after the guideline is issued.

(2) A guideline laid before Parliament under sub-section (1) may be disallowed in whole or in part by either House of Parliament.

(3) Sections 23 and 24 of the Subordinate Legislation Act 1994 apply to a guideline laid before Parliament under sub-section (1) as if references to a "statutory rule" under those sections were a reference to such a guideline.'.".

Remaining stages

Passed remaining stages.

Remaining business postponed on motion of Mr PANDAZOPOULOS (Minister for Gaming).

ADJOURNMENT

Mr PANDAZOPOULOS (Minister for Gaming) — I move:

That the house do now adjourn.

Taxis: Mornington Peninsula

Mr DIXON (Dromana) — I raise for the attention of the Minister for Transport taxi services on the Mornington Peninsula. I ask the minister to speed up the provision of extra licences for taxi services on the peninsula.

Taxi services are important on the southern peninsula because it has poor public transport. A plan to improve that situation is also currently before the minister. The area has the largest population of seniors in the state, many of whom rely on taxi transport for medical appointments and shopping, and use them as part of their basic way of life. The young people in the electorate rely on taxi services, especially after hours, when they want to get around to socialise, visit their friends, get out and about and enjoy their lives.

Taxis are an important aspect of the tourism industry, which a number of taxidrivers have recently pointed out to me. They take a lot of tourists around the peninsula and are great ambassadors for the tourism industry. There is definitely a great shortage of taxi services on the peninsula.

Over two years ago there was a review of taxi services, and the youth council in my electorate made a submission to the then minister requesting that extra licences be issued. A decision to provide those extra licences was welcomed not only by the community but also by the taxi industry, because it knew it was stretched and that there was room for more licences down there.

The community has been waiting patiently for those taxis to get on the road. People are now starting to ask me what is going on. When I made inquiries about why the promised licences had not been issued, I was told there is now another review of taxi services. The elderly, the young and operators in the tourist industry have to wait yet again for at least another 12 months for those extra licences. The need has already been established, and the community and the industry want the licences to be provided.

I therefore ask the minister to please speed up the provision of those desperately needed licences.

Royal Dental Hospital

Ms DUNCAN (Gisborne) — I ask the Minister for Health to take some action in regard to access to the Royal Dental Hospital for country people.

A number of constituents have spoken to me about this issue. All honourable members appreciate that dental care is a critical element in one's health and wellbeing. It is a shame that the Howard government did not appreciate this when it decided to slash the commonwealth dental health program. Consequently, public dental waiting lists have blown out.

Constituents have reported to me that often when they ring the dental hospital they have to wait on the phone for quite long periods while they are transferred to the appropriate department. Calling during the day when STD rates are at their highest can often substantially add to their telephone bills. People in country areas who

have to access Melbourne services by phone are already seriously disadvantaged. Although people appreciate that they pay higher costs for a whole manner of services because they live in those areas, if there is anything that can be done to mitigate that I think it should be done.

The concerns relate to the time it takes to access services at the dental hospital and how long people are kept waiting on the phone to be transferred from reception to the various departments to make their appointments. Even after accessing the approximately 60 community-based clinics that exist across the state, people often also have to visit the Royal Dental Hospital to complement the general dental care that has been provided in those clinics. The hospital provides specialist and general dental services that are not always available to people in country areas. Each year something like 4000 country patients seek access to the hospital, so the issue affects many people in country Victoria who need dental services.

I ask the minister to take action that will reduce costs and make it easier for country people to get access to the Royal Dental Hospital.

Hospitals: nurses agreement

Mr MAUGHAN (Rodney) — I raise for the attention of the Minister for Health the nurses enterprise bargaining agreement (EBA), and the government's commitment to fully fund that agreement.

As the house will be aware, industrial action by nurses in the latter half of 2000 was resolved by the government's intervention in the matter and its referral of it to be arbitrated by Commissioner Blair. Honourable members would also recall that in the latter part of last year the Premier indicated on radio that the outcomes of the commissioner's findings would be fully funded, a statement that was relayed to the industry by the Department of Human Services.

In October Commissioner Blair handed down his finding, which essentially recommended a ratio of nurses to patients of 1 to 4. A number of issues still need to be resolved. As at today the department's advice of full funding has not eventuated. The matter is so serious that some country hospitals have refused to implement the EBA. Some country sources suggest that the government has underestimated its cost by anything between $100 million and $500 million.

Even more concerning is that funding was promised to country hospitals — the figure that was talked about was 1000 WIES (weighted in-line equivalent separation) units, or about $2 million — to pay for hospitals that were treating cases in excess of those they were being funded for. I understand that at a recent meeting Mr Chris Brook indicated that that money would now be redirected into funding the EBA.

The regional hospitals are suffering most, because the cost of employing nurses is much higher in country Victoria because of the age profile and so on. In the case of the Kyabram hospital in my electorate there is a deficiency of about $100 000 between what the hospital has in revenue and what it needs. Many hospitals that have already implemented the EBA in good faith on the basis of, firstly, Commissioner Blair's determination, and secondly, the Premier's assurance that it would be fully funded, have now been left out in the cold.

I therefore seek an assurance from the minister that the Premier's commitment to fully fund Commissioner Blair's determination will be honoured.

Alexandra Primary School

Ms ALLEN (Benalla) — I refer the Minister for Education to the outstanding and beautiful little Alexandra Primary School, which is near Lake Eildon in my electorate.

I attended Alexandra Primary School throughout the whole of my primary school years, where I was even dux in grades 1, 3 and 6. My father, who was the secretary of the school's parents committee, took a delegation to see the then education minister, Lindsay Thompson, to fight for funds to build a new school in the town. Even back in those days the Liberals were denying country schools quality funding. As a result of the Bracks government's initiatives the school's class sizes are decreasing.

The school is also assisted by a committed staff. Mrs Chris Varker, the principal, runs an efficient and well-oiled little school. I direct the minister's attention to the fact that I have been increasingly disturbed by the misrepresentation of the school's class sizes by the honourable member for Warrandyte. Will the minister inform the house what action is being taken to ensure that the great work at the school can continue unimpeded by an opposition that slashed and burnt education for seven years?

Honourable members interjecting.

Mrs Peulich — On a point of order, Mr Acting Speaker, the matter raised by the honourable member for Benalla was in the form of a question without notice. I suggest you rule the matter out of order.

The ACTING SPEAKER (Mr Nardella) — Order! I could not hear what action the honourable member was seeking. I was about to start pulling honourable members up. I ask the honourable member to seek — —

Mrs Peulich interjected.

The ACTING SPEAKER (Mr Nardella) — Order! Yes, I could not hear the action she requested.

An opposition member interjected.

The ACTING SPEAKER (Mr Nardella) — Order! Yes, I will. I ask the honourable member for Benalla to quickly seek action.

Ms ALLEN — Before I answer I would like — —

Opposition members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! No, I ask the honourable to inform the house of the action she is seeking, because I could not hear over the noise honourable members were making.

Ms ALLEN — I am not surprised. I direct the minister's attention to the fact that I have been increasingly disturbed by the misrepresentation of the class sizes at Alexandra Primary School by the honourable member for Warrandyte. Will the minister inform the house of the action that is being taken to ensure that the great work at the school can continue unimpeded by an opposition that slashed and burnt education for seven years?

Housing: Floyd Lodge estate

Mrs SHARDEY (Caulfield) — I direct to the attention of the Minister for Housing a matter concerning housing maintenance. I ask her to take action on this matter and also to address the other housing maintenance issue I raised in the house previously, as I have not yet had a response.

A government member interjected.

Mrs SHARDEY — I will ignore you, because that is all you are worth!

The issue concerns the fact that elderly residents of Floyd Lodge in Williamstown have complained that they have suffered power blackouts while a big emergency generator stands idle in the grounds of their block of flats. Mr Les Anderson, who is 86 years of age, said an auxiliary generator was installed some 14 months ago, but the only time it ran was when it was being tested. Mr Anderson said that since then there have been several interruptions to the power supply but the emergency generator has not been used.

When the power stops the lifts stop. In a 12-storey building, 80 per cent of whose residents are disabled in some way, that is a serious situation. It means that residents are virtually locked in their rooms or locked out until the power supply resumes. The gentleman said that when he came back Floyd Lodge was shut down because the power was off. About 30 elderly people were in the foyer because the power was out and lifts were not working. He could not get to his room, so he had to arrange to sleep elsewhere during the night.

I ask the minister to investigate this serious situation and come back to me with an answer.

International Year of Volunteers

Mr MILDENHALL (Footscray) — I ask the Minister assisting the Premier on Multicultural Affairs to take action to ensure that our heroic volunteers from multicultural backgrounds are recognised during this International Year of Volunteers.

One in five adults in the community do some form of voluntary work. Last year's Olympic Games were an outstanding example of the incredible job volunteers do in the national interest and how they inspire people in their everyday lives to contribute to the community.

In my electorate a number of people from different backgrounds have carried the western region community in many ways. Sika Kerry was the first female councillor of the former City of Footscray. Her ancestors were refugees from Russia, leaving during the October 1917 revolution. She has made an enormous contribution as a volunteer in the Footscray and Keilor areas.

Many people from other backgrounds have also contributed greatly to the community. They include Joe Attard, who is the pillar of the Westgate Migrant Resource Centre; Abraham Hadgu, who is the current chair of the Inner Western Migrant Resource Centre and established the first Eritrean support group in the western suburbs, which provides an amazing range of services; the late Antonio Esmaquel, who established the Filipino community services in my area; Mrs Licia Bazzara, an Italian woman who set up the Footscray elderly seniors group; Mrs Anna Krokos, who started the Yarraville Greek Club for elderly citizens; Mrs Janina Kominska, who set up the Polish community services and seniors group in Nicholson Street, Footscray; and the Venerable Thich Phuoc Tan, who set up the Quan Minh Temple in Braybrook and

does an enormous job feeding hundreds of elderly people each week.

The community is enriched by the amazing contribution of these people. In this International Year of Volunteers it is timely for them to be appropriately recognised.

Workcover: compensation payment

Mr ROWE (Cranbourne) — I raise for the attention of the Minister for Workcover the plight of Mrs Pip McGeochin of Blind Bight in my electorate. Tragically, Mrs McGeochin's husband was killed in a motor vehicle accident in November last year, which honourable members may remember. It occurred on Thompsons Road, Cranbourne, when a rubbish truck went over the railway line, lost control on the verge of the road and hit a tree. Mr McGeochin was a passenger in the vehicle and tragically was thrown out through the windscreen. The problem is that today Mrs McGeochin still has not received any compensation from Workcover.

In late November of last year, some two weeks after the death of Mr McGeochin, my office intervened with Workcover. We received assurances from the officers handling the case that after they were sure that Mr McGeochin was dead, they would pay out the money within a fortnight. That seems a cold and heartless attitude on the part of Workcover officers, as Mr McGeochin was pronounced dead at the scene of the accident. Mrs McGeochin has had to struggle to make mortgage payments while supporting two children and trying to get their lives back in order, with no support at all from Workcover.

I am now told that it will be another two to three months before that money is paid. I ask the Minister for Workcover to intervene on behalf of Mrs McGeochin and her family.

Housing: East Preston estate

Mr LEIGHTON (Preston) — The matter I raise for the attention of the Minister for Housing relates to the East Preston public housing redevelopment under the federal Better Cities program. I call on the minister to ensure that the lessons we have learnt from the project, especially the design initiatives and the community building focus, are incorporated in any further public housing redevelopment programs that are being undertaken or contemplated by the Bracks Labor government. I will come to some of those positives in a moment.

Briefly, the East Preston estate was traditionally a vast public housing estate. Much of the stock was concrete houses built in the 1950s. My predecessor, Mr Carl Kirkwood, created a storm when in the 1970s he referred to the area as Little Chicago. By the 1990s the stock was cracking and the estate's population was ageing. Much of the stock comprised houses on large blocks. Under a partnership between the federal government, the state government and the local council the redevelopment was initiated under the Better Cities program. It involved putting in millions of dollars and created hundreds of units of new stock. Typically, where there might have been an old concrete house that was cracking, three or four elderly persons units were put on one block. If there were a couple of blocks beside each other, a number of units were built.

One of the positives was bringing in private money and private development so that there was a spread — a mix of private and public development. For example, recently a two-storey townhouse in East Preston sold for $320 000. While that might ultimately present other problems, it is wonderful that there is now a mix in what was a traditional public housing estate.

The driving forces behind the project included Brian Howe, a former federal member and minister, and Andrew McCutcheon, a former minister in a previous state Labor government. They, the current state government and the previous federal Labor government are to be congratulated. I hope the Minister for Housing can ensure that the lessons learnt from the project are incorporated in any future public housing project. The development in East Preston is certainly a beacon for what can be done in public housing.

Pride of Place program

Mr McARTHUR (Monbulk) — I raise for the attention of the Minister for Planning an application by the Belgrave Traders Association for funding of $130 000 under the Pride of Place program, which has been supported by the Shire of Yarra Ranges. The application has substantial local support to the tune of $170 000, including from the Puffing Billy Preservation Society, so it is matched more than dollar for dollar.

This is a terrific project that follows the 1998 Belgrave urban design plan program, which was carried out to improve Belgrave and which received funding by the previous government under the Pride of Place program. This very good project will improve the shopping precinct and the commercial area of Belgrave to the benefit of traders, local residents and the hundreds of thousands of visitors each year to Puffing Billy. It is an

important precinct, given that Puffing Billy has tourist icon status in Australia.

The minister's department has been in receipt of the application for quite some time. Recently the minister made announcements on successful applications in the shires of Gannawarra and Mitchell and in the Borough of Queenscliffe, among others. I call on him to ensure that his department quickly examines the application and gives it the approval it deserves so that the people of Belgrave and the hundreds of thousands of visitors to the town can enjoy a much-improved shopping precinct, local residents can have a greater pride in their shopping area, and traders can get on with improving the shopping area and providing more jobs, more economic benefits and more growth for the local community.

Aged care: Burwood

Mr STENSHOLT (Burwood) — I ask the Minister for Aged Care to ensure that aged people and their carers in my electorate benefit from any additional funding for adult day care centres. The population of my electorate includes many aged people, and many of them are quite frail. Generally Victoria has an ageing population and it behoves us to look after them. These people rely on support services to remain living independently in the community. Many of them, particularly the more frail, have their spouses or other carers living with and supporting them and their independent lifestyle. It is important for those people to take an active role in community activities, because those activities give them a life and company, and indeed make their older years much more comfortable.

This week is Senior Citizens Week, and there are many activities available for seniors in my electorate and elsewhere around Victoria. Late last week I attended a barbecue lunch for senior citizens at the Surrey Hills neighbourhood centre, where we were well entertained. Next week I will go to a function for seniors run by the Salvation Army in Box Hill South and to another lunch at the Box Hill senior citizens centre, where several senior citizens groups, including the Chinese senior citizens group, get together. They combine their efforts for the benefit of members of their communities.

The needs of the aged and their carers vary quite substantially. The aged rely on the support provided by unpaid carers and often go to adult day centres. I have been to a large one at St Mark's Uniting Church in Chadstone in my electorate, which is now operating from 10.00 a.m. until 3.00 p.m. on five days a week. While I was there as one of their guests we exchanged comments on the best place to have our hearing aids fixed, so it was a quite interesting discussion.

I understand that the home and community care program is the major provider of services to the centres, particularly their funding. I ask that the minister take action to ensure that older people and their carers in my electorate benefit from any additional funding.

Rail: graffiti

Mr BAILLIEU (Hawthorn) — I invite the Minister for Transport to acknowledge the government's responsibility for the removal of graffiti on public railway infrastructure and to support and join the City of Boroondara in its efforts to establish a graffiti management program.

I refer specifically to the Myrtle Road railway underpass in Canterbury. In November of last year I wrote to the minister about the issue and received a response from the department that the graffiti on the Myrtle Road underpass, which is a large underpass and is covered in unsightly graffiti, was not a responsibility of the government. A subsequent letter, received just a couple of weeks ago, has now conceded that the graffiti is the government's responsibility, but states that it is a matter for the community to do something about it.

The City of Boroondara has established a graffiti management program on a 24-hour response basis, which all honourable members would applaud and which is welcomed by the residents of Boroondara.

I invite the minister to contemplate those responsibilities and to join the City of Boroondara in supporting the program financially and making every effort to ensure that the government's responsibilities on graffiti are met.

Bendigo: police and emergency services

Ms ALLAN (Bendigo East) — I ask the Minister for Police and Emergency Services to outline the action he and his department are taking to boost police and emergency services both in Bendigo and throughout country Victoria. The minister already has a fine record of boosting services in country Victoria. Funding for a new fire station in Strathfieldsaye, which is an important part of my electorate, was recently announced. I was delighted to inform the community that the minister had agreed to that funding.

The minister was able to hear first hand how pleased the community was with the government's decision to boost funding for the Country Fire Authority across the board when he opened the annual state fire brigade

championships in Bendigo over the long weekend in March. It was a fantastic weekend for the CFA and the volunteers. I am pleased to report that a local brigade from Golden Square in the electorate of the honourable member for Bendigo West took the honours for the weekend.

There has been a good funding boost to the CFA — —

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

Mrs Peulich — On a point of order, Mr Acting Speaker, I believe that in an attempt to waste as little time as possible during the adjournment debate you overlooked ruling on my point of order relating to the adjournment matter raised by the honourable member for Benalla. I have listened carefully to her question twice and I am strongly of the opinion that she framed her adjournment matter in the form of a question without notice.

As the Speaker explained to those of us who recently attended the procedural seminar, and I commend the Speaker for holding it, he wants to clamp down on the abuse of the adjournment debate. It is a pity that the honourable member, with her lack of knowledge of procedure, did not find the time or make the effort to attend the seminar. After 18 months she is still obviously struggling with procedure.

Should you, Mr Acting Speaker, show latitude in allowing her matter to stand, I ask you, either yourself or through the Speaker, to counsel the honourable member for Benalla and give her guidance on how to handle the adjournment debate. The Speaker might even be urged to hold another procedural seminar so that the honourable member can bring herself up to speed and ensure that the people of Benalla get effective representation, which clearly they are not getting at present.

The ACTING SPEAKER (Mr Nardella) — Order! I did not hear the question on which the first point of order was raised because of the noise coming from both sides of the house. I requested the honourable member for Benalla to seek the action she required, which she did, and I will request the minister to respond accordingly.

I note that the adjournment debate is an opportunity for members to seek action from ministers, and I uphold that part of the point of order. Certainly members need to phrase the action they require appropriately.

Responses

Ms PIKE (Minister for Housing) — The honourable member for Preston asked me about the lessons that have been learnt from the development of the East Preston estate through the federal Better Cities program and the ongoing work the government is doing to rejuvenate and redevelop a number of its ageing public housing estates.

As the honourable member noted, the government has this year committed $183 million towards the redevelopment of its ageing public housing estates in both the metropolitan and rural and regional communities. I recently had the pleasure of marking the completion of the Better Cities project in East Preston. It was one of the three Better Cities projects undertaken, the other two being in Norlane and the Hotham estate in North Melbourne.

The East Preston redevelopment cost $29 million and at the time was the biggest single — —

An honourable member interjected.

Ms PIKE — The North Melbourne one is in my electorate, yes.

It was the biggest single urban renewal project ever undertaken by the Office of Housing, whereby 452 public housing units were replaced with 504 new developments. I encourage any honourable members who are interested in urban redevelopment to have a look at what was done in East Preston. It is a very creative project that moved linear public housing into a much more integrated development. The improvement in the amenity of the area will surely contribute to enhanced lifestyles for the people who live there.

The Better Cities project was a partnership between three levels of government, and at the time $209 million was allocated to Victoria. The aims and objectives — —

Mrs Shardey — A federal government project.

Ms PIKE — It was a federal government project. It brought together the resources of the federal and state governments. It reflected one of the fundamental aims of the Bracks government, which is to develop sustainable communities and create diversity within them.

The East Preston estate is a wonderful example of such a community. It is a success story in urban consolidation and is consistent with what the government is doing to ensure that Victoria's ageing

public housing estates are retained in the urban community where people can be kept close to their community and have access to resources such as transport, health services and education.

The honourable member for Burwood reminded the house of the significance of the home and community care program (HACC) in supporting aged and disabled people in the community and the important role played by the program in assisting carers who make a great contribution by caring for their friends and relatives. As all honourable members know, having a break from caring is important. Recently I announced a boost to the home and community care program of $8.3 million, which includes $5.62 million to expand services and a further $2.7 million for one-off projects. The expansion of adult day care centres was an integral part of that expansion.

As a result of the boost, some 140 agencies across Victoria received funding and 132 agencies will be funded to deliver new or expanded services. The government allocated $750 000 specifically for people from culturally and linguistically diverse communities, and $130 000 to expand services for people from the Aboriginal community. I am pleased to advise the honourable member for Burwood that in his electorate more than $193 000 was provided to several agencies to expand these services, which is good news for the people of Burwood, as it is for people right across the state.

I remind the house that $41 million of additional funding provided by the Bracks government has not been matched by the commonwealth government. The federal and state governments jointly fund HACC, and while the Victorian government puts in additional resources, in this instance the federal government has decided not to match the funding in spite of vigorous approaches to it. The federal government is currently denying additional potential funding of $63 million available to Victorians. Local councils and other providers will continue to vigorously pursue additional funding for HACC services.

The honourable member for Caulfield raised the impact of blackouts on public housing residents in Floyd Lodge. The question may well have been more appropriately put to former colleagues of the honourable member who, in their obsession for privatising the Victorian electricity industry, ensured that power blackouts will now be a feature of the future.

The people in Floyd Lodge have experienced blackouts. The generators referred to by the honourable member for Caulfield were purchased by the Office of Housing for the Y2K situation to ensure that people in public housing were not affected by potential difficulties at the turn of the millennium. I will investigate the matter and give her some further information.

Ms DELAHUNTY (Minister for Education) — The honourable member for Benalla raised for my attention a disturbing case of an opposition member harassing a school and misrepresenting in public the circumstances of that school even though he was given the correct information the night before he went on radio. How low will the opposition go? It tried to destroy education when in government, and the honourable member for Warrandyte, supported by his cheer squad, is now trying to spoil — —

Honourable members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! I know it is late in the afternoon, but I wish to hear the minister. I ask honourable members to come to order and we can all then leave quickly!

Ms DELAHUNTY — The government lifted the gag and opened the school gates when it came to power. It also opened access to members of this house to see what is happening in their schools. When I was first appointed shadow Minister for Education I remember that I was banned by the Kennett government from going into a school to see what was going on. These decisions by the Bracks government have been warmly welcomed by school communities and by parents and principals.

We now have a case — this is not the only one, but is one of the most serious examples — where an honourable member is purposely and cynically manipulating and misrepresenting figures about a school when he knew — —

Mr Honeywood — On a point of order, Mr Acting Speaker, I take offence at the minister's remarks. I visited that school and sat down with the principal, and the Minister for Education is well aware of that. The honourable member for Benalla entirely misrepresented the situation and was forced to retract her remarks in the Alexandra newspaper.

Honourable members interjecting.

Mr Honeywood — My point of order is that I take offence at statements by the minister that I purposely misrepresented the situation, and I ask her to withdraw.

The ACTING SPEAKER (Mr Nardella) — Order! The honourable member for Warrandyte has

taken offence at the minister's words. The normal custom and practice of the house is that the words be withdrawn.

Honourable members interjecting.

The ACTING SPEAKER (Mr Nardella) — Order! Both sides of the house should come to order! I ask the Minister for Education to withdraw.

Ms DELAHUNTY — I accept your advice, Mr Acting Speaker. If what I have said has caused — —

Honourable members interjecting.

Ms DELAHUNTY — If what I have said has caused more offence than what occurred, I withdraw.

Mr Honeywood — On a further point of order, Mr Acting Speaker, the honourable member for Benalla also yelled out that I purposely misrepresented the situation. I heard her clearly. Given that she has had to retract her statement in the local paper, I demand that she retract as well.

The ACTING SPEAKER (Mr Nardella) — Order! On the further point of order, because of the excessive noise on both sides of the house I did not hear those words being said. I do not uphold the point of order. I seek the assistance of honourable members from both sides so that we can complete the adjournment debate as quickly as possible.

Ms DELAHUNTY — The honourable member for Warrandyte was invited to appear on ABC regional radio earlier this year, when he discussed some figures about the class sizes at Alexandra Primary School. The next day the principal of the school rang ABC regional radio and made these comments:

> Ben, I wanted to respond to Mr Honeywood's comment in regards to my school on your show last Wednesday. Even though Mr Honeywood contacted me the night before and I gave him accurate information, he actually gave you inaccurate information on your show …

Inaccurate information! The honourable member for Warrandyte phoned the primary school, fishing around for negative stories as school resumed, and was given the accurate story about the class sizes. The principal rang ABC radio to correct the misinformation that was put out by the opposition member. That is cynical; that is manipulative. The principal went on — —

Mrs Shardey interjected.

Ms DELAHUNTY — That's an allegation you ought to withdraw.

Mrs Peulich — On a point of order, Mr Acting Speaker, apart from the minister being in breach of standing order 108, I draw your attention to the ruling of Speaker Coghill on 19 March 1992, which says:

> A member is not allowed to make imputations against members of this house and the other place in debate by using documents prepared by someone else or in someone else's name.

I suggest you bring the minister into line.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order. The minister was responding to the adjournment matter raised by the honourable member for Benalla. She was being accurate according to the information provided to her about the radio program, and I do not uphold the point of order.

Ms DELAHUNTY — They don't like to hear the truth. The principal went on to say on ABC regional radio:

> Mr Honeywood said that we had five grades with 31 children in it. We don't.

She had the night before told him an accurate story about class sizes, yet the honourable member for Warrandyte went on ABC radio and deliberately misrepresented those facts.

Mr Honeywood — On a point of order, Mr Acting Speaker, I refer to your previous ruling. The minister knows the facts of the case. She knows full well that the school has 31 students in several classes. I have been there, and I have counted the 31 students in each class.

You can play fast and loose with the truth as much as you want, but I ask you to withdraw the deliberate misrepresentation yet again, you gut grovelling minister!

Mr Batchelor — On the point of order, Mr Acting Speaker, the honourable member for Warrandyte has had a bad day. I understand he has received a dressing-down from his own leader today, which is clearly reflected in his antagonistic and belligerent approach.

There is no substance to his point of order. Standing order 108 is specific. Honourable members cannot come in here and take offence at language that is part of the general cut and thrust of debate. That can be done only if personal reflections on a member are made through the use of offensive or unbecoming words. The words used by the minister do not fall within the ambit of the standing order, so there is no point of order.

Mr McArthur — On the same point of order, Mr Acting Speaker, the Leader of the House is entirely wrong. There are numerous Speaker's rulings by both Labor and Liberal Speakers going back decades now that clearly state that no honourable member can make an allegation of deliberate misrepresentation against another honourable member other than by way of a substantive motion. If the minister wants to make such an allegation, the option of moving a substantive motion is clearly open to her. But in general debate, whether in the adjournment debate, a second-reading debate or in question time, she is clearly prohibited from saying that another member of this place has deliberately misrepresented the truth.

Mr Acting Speaker, I refer you to a number of rulings — Speaker Edmunds in 1983, twice; Speaker Coghill in 1988, twice; Deputy Speaker McGrath in 1994; Speaker Plowman in 1996; and Deputy Speaker McGrath in 1996. Imputations against members can be made only by way of substantive motion. It is immaterial whether or not the member is personally making that imputation or doing it by reading into the record a quotation from a third party.

There are numerous rulings on the issue. The rules are clear, and I ask you to bring them to attention of the minister. She may be unaware of them, and I am sure she will be guided by your ruling.

The ACTING SPEAKER (Mr Nardella) — Order! I do not uphold the point of order in that the honourable member for Warrandyte responded to the matter that was raised by the minister. I take on board the comments by the honourable member for Monbulk. At this late stage in the evening I seek the assistance of the house and the minister in tempering their comments so we can get through the rest of the proceedings.

Mr Baillieu — On a point of order, Mr Acting Speaker, the minister is quoting from a document that I note has yellow and pink highlighting on it. I ask her to table the document.

The ACTING SPEAKER (Mr Nardella) — Order! I ask the minister whether she is quoting from a document and, if she is, whether she will make it available to the house.

Ms DELAHUNTY — Yes, absolutely. I am very happy to make it available.

So, Acting Speaker, what we have here — —

Honourable members interjecting.

Ms DELAHUNTY — It is extraordinary the length they will go to try to avoid the fact that the opposition has misled the people of Victoria. I shall go on.

The principal interviewed on radio said in reference to the honourable member for Warrandyte:

> He said that schools and school communities have been told, and I quote, stack your higher grades in order to make your lower grades look good and have a lower number. And I can categorically state that I've never been told anything that remotely resembles that instruction. No principal or school community would tolerate, let alone enforce, such a notion.

The principal went on to say:

> Our school council and our teachers made the choices that we did this year, and we actually have a ratio of 1 trained teacher to 21 children.

As was mentioned in the newspaper, the school council president, Mr Stuart Walls, also said he was angrily refuting the suggestions made by the honourable member for Warrandyte.

I understand that as a result of a dressing-down by his leader — the honourable member for Warrandyte was actually carpeted over this issue, not only today but a couple of weeks ago — he was told to go to the school and apologise for misleading so seriously with the information that he was given by the principal of Alexandra Primary School. Obviously we have a serious matter to deal with. The honourable member for Benalla is quite right: we open the gates to our schools and invite members of Parliament in, and we do not allow any member of Parliament to deliberately use the access that we are giving them in a politically cynical way.

I look forward to speaking to representatives of the Alexandra Primary School, and I hope that a letter of apology, which has been asked for by the Leader of the Opposition, will be forwarded by the honourable member for Warrandyte to the Alexandra Primary School.

Mr PANDAZOPOULOS (Minister assisting the Premier on Multicultural Affairs) — The honourable member for Footscray, who like many members of this place is a good supporter of multiculturalism and his community, makes a timely comment. Not only is this the International Year of Volunteers but yesterday was Harmony Day, which the state government was pleased to support. It is a commonwealth government initiative, and we believe it is worth while for the states to join with the commonwealth to remind us all of the importance of Harmony Day. That is what the volunteerism awards are all about: recognising the people out in the community who through their work

for ethnic community or other volunteer organisations include members of culturally and linguistically diverse backgrounds in their communities. In the end, all that work is about ensuring that we enjoy diversity and celebrate harmony.

I was disappointed with the way the honourable member for Shepparton started the day off yesterday — criticising what was happening at Parliament House with the wrapping of ribbons around the pillars. In fact, the commonwealth government suggested that these things be done. I guess it is just indicative of more division in the National Party between Victoria and the federal coalition. Nonetheless, we think Harmony Day is a worthwhile initiative because we believe all our ethnic community organisations are contributing to the harmony we all enjoy in Victoria.

Of course, the day started badly and ended badly for harmony in the opposition. We know what the honourable member for Berwick and the honourable member for Brighton got up to — and they are certainly not setting a good example. Parliament should be setting a good example on issues of harmony, whether it be out on the balcony or wherever, let alone within their own party.

The Victorian Multicultural Commission (VMC) has to be commended on the work it has been doing to ensure these multicultural volunteer awards happen in the International Year of Volunteers. I look forward to seeing them continue into other years.

I formally announced in November last year that the multicultural commission had received state government approval for the awards to proceed. The awards are not only for volunteerism in ethnic communities; they also encourage volunteer agencies to attract volunteers from culturally and linguistically diverse communities. We are working with organisations like Volunteers Victoria and the Red Cross because they have done pioneering work involving members of different ethnic communities in their broader efforts and researching best practice in recruitment of volunteers from culturally diverse communities and targeting diverse communities to increase volunteering rates. It is part of encouraging ethnic communities to be involved in volunteering efforts not only within their own communities but in other broader community projects.

The awards also recognise people in ethnic community organisations who volunteer. That is the bread and butter of all their work. Without the volunteers we would not have all the great work being done. For example, we have the Antipodes Festival this weekend, which is run by volunteers. People are out there because they are totally committed to expressing their culture and having others being able to participate, enjoy and appreciate that. That has to be recognised by the government.

I am alerting all members of this house and the other chamber that there are three categories broadly available, including the Premier's special commendation award. The VMC has distributed nomination kits and nominations close on 30 April. So I encourage all members of this house to communicate via their local media and community organisations so we get hundreds of nominations and will be able to recognise the great contribution that volunteers are making.

The International Year of Volunteers is for everyone. So much is going on this year to recognise the work of volunteers. The Minister for Aged Care announced the aged care awards and the Senior Citizen of the Year awards, and as part of that many good things are happening. Congratulations go to the Victorian Multicultural Commission, and I thank the honourable member for Footscray for the great work he is doing with ethnic communities in his local area and representing the Premier at many other ethnic functions that I cannot attend.

Mr THWAITES (Minister for Health) — The honourable member for Gisborne raised the issue of people in country areas contacting the Royal Dental Hospital. I should say that members in this house often do things for their own constituents, and successfully so, but the honourable member for Gisborne has achieved something not only for her own constituents but for people right around country Victoria. The issue she raised was that people ringing the dental hospital from country Victoria to get an appointment have often had to wait for very long periods and have been charged STD rates.

As a result of the strong lobbying by the honourable member for Gisborne I am now pleased to advise that we have made arrangements for the dental hospital to provide an 1800 number — it is 1800 833 039 — that can be called at no cost so that people ringing the dental hospital from all around the country can have access to the appointment services system without having to pay STD rates.

It is probably not a big-ticket item, but it is important to a lot of people. I congratulate the honourable member on that initiative and on ensuring that people in her electorate and other country electorates have access to that appointment system.

The honourable member for Rodney raised the same issue that the Leader of the National Party recently raised — that is, the nurses enterprise bargain agreement. He referred to the concern of country hospitals that the number of extra nurses that are needed could be well in excess of 1300, up to 2000 or even 3000. That was a concern a number of hospitals had, and it was also a concern of the government's, which is why it took the matter to the Australian Industrial Relations Commission.

I am pleased to advise the honourable member that as a result of that action the industrial relations commission has amended its original orders to make it clear that there is a cap of 1300 on the number of extra nurses to be employed across the state. The worry that 2000 or even 3000 extra nurses may be needed is unfounded. That assurance will clearly settle the concerns of a lot of country hospitals.

The government has said it will fund the employment of an extra 1300 nurses, which is a good news story. This state has had a desperate shortage of nurses — and it has not been able to retain the nurses it had. One of the key factors behind that is the pressure on the nurses working in our hospital system.

The government is now doing what people have wanted for years — that is, recruiting an extra 1300 nurses for our hospital system, which is a great thing to do. I am sure the honourable member for Rodney is pleased about that, because he is someone who genuinely cares about his local area and does not simply play politics.

Mrs Shardey interjected.

Mr THWAITES — The honourable member for Caulfield says they are coming from the aged care sector. In fact, most of them are coming from the pool of nurses who have left nursing — many of them because of the cutbacks under the Kennett government. Under the Bracks government 700 nurses are already undertaking refresher and re-entry courses, with another 300 to 400 booked to do so. Through its refresher and training courses the government has got 1100 nurses back into the system from the pool of those who were not working as nurses. What a good job that is! Nurses want to work with this government.

Mrs Shardey interjected.

Mr THWAITES — The honourable member for Caulfield again says they are coming from nursing homes, which are a commonwealth responsibility. Perhaps she should raise with the federal minister responsible for aged care the situation in Victoria's nursing homes and ask her to improve it by attracting and retaining nurses. The federal minister is not doing her job.

The honourable member for Monbulk referred to a Belgrave Pride of Place proposal. As he said, it is a good proposal that involves paving, a pedestrian ramp and fencing to create a better civic space. It is also a program that the council strongly supports and is proposing to put funds into. As he said, an application has been made for government support under the Pride of Place program. I am confident that government support will be forthcoming and that a positive announcement will be made in the near future.

Mr McArthur interjected.

Mr THWAITES — I will ensure that the honourable member is invited to the launch and that we join with the local council in a productive and positive announcement.

Mr BATCHELOR (Minister for Transport) — The honourable member for Hawthorn raised with me the impact of graffiti in the City of Boroondara. Graffiti is an antisocial and inherently destructive activity that not only damages property and diminishes urban amenity but also unsettles and unnerves many people. It creates a negative atmosphere around the place. He asked how the interaction between the government, with its responsibilities, and Boroondara, with its graffiti management plan, could be better organised. I will ask the transport department to look at that to see whether it can clarify the areas of responsibility so that those responsible can get on with their respective tasks.

The honourable member for Dromana raised with me the need for additional taxis on the Mornington Peninsula. This is not the first time he has raised the issue either with me or with the previous government. I am aware of the issue and acknowledge the genuine way in which he has raised it. The difficulty the government faces in dealing with the issue is that it is required under the national competition review of the taxi industry to undertake a broad-ranging review of the industry, which it is doing at the moment.

We do not want to go ahead and issue additional licences in one geographic area or in the city itself without fully understanding the implications for the industry of the national competition review. The review is drawing to a conclusion, and once the government has identified its response it will be in a position to deal with requests such as the one put forward by the Dromana taxi industry for additional services. We will have a look at that in the post-national competition review environment.

The honourable member for Cranbourne raised a Workcover matter on behalf of a constituent, a Mrs McGeochin. I will ask the Minister for Workcover to investigate it. If the honourable member has any additional information he should make it available to the Minister for Workcover to assist and expedite his examination of the matter.

The honourable member for Bendigo East raised for the attention of the Minister for Police and Emergency Services a matter relating to Country Fire Authority volunteers. I will ask the minister to take up the matter and get back to the honourable member.

Motion agreed to.

House adjourned 5.10 p.m. until Tuesday, 3 April.

QUESTIONS ON NOTICE

Answers to the following questions on notice were circulated on the date shown.
Questions have been incorporated from the notice paper of the Legislative Assembly.
Answers have been incorporated in the form supplied by the departments on behalf of the appropriate ministers.
The portfolio of the minister answering the question on notice starts each heading.

Tuesday, 20 March 2001

State and Regional Development: technology commercialisation program

31. MR PERTON — To ask the Honourable the Minister for State and Regional Development with reference to Victoria's technology commercialisation program —

1. What funds will be made available under this program in the financial years 1999–2000 to 2002–03 inclusive.

2. In respect of such funds what percentage will be given for — (a) international marketing support; (b) strategic planning for growth; (c) intellectual property management; and (d) business packaging for investment.

3. With reference to the stated main outcome of the program, namely a rise in the level of venture capital investment in innovative technological companies, what is the forecast rise of venture capital investment in Victoria attributable to the program by 1 July 2000, 2001, 2002 and 2003 respectively.

4. What are the names of the 'potential partner organisations' referred to in the Minister's press release of 23 November 1999.

ANSWER:

Funds of $5 million per annum are being made available for the financial years 1999–2000 to 2002–2003.

As at 26 July 2000, the Department of State and Regional Development has contracted seven partner organisations to deliver elements of the Technology Commercialisation Program. These are the Anztek Group (a three way joint venture between Anztek Pty Ltd, Industrial Research Ltd and Rabobank), Australian Innovation Investments Pty Ltd, Freehills Technology Services Pty Ltd, Melbourne Enterprises International Ltd, E-Merge CMC Ltd, Biocom International Ltd and the De Bono Centre for Innovation.

Negotiations continue with several other organisations. The contracted delivery organisations will assess the specific requirements of each technology business and determine the support to be provided on a market-tested case by case basis.

One of the desired outcomes of the Technology Commercialisation Program is an increase in the amount of venture capital available for the start-up phase of technology businesses. The support offered under the Technology Commercialisation Program will raise the quality of technology business investment deals on offer. It is anticipated that this will lead to an increase in venture capital invested in technology businesses.

State and Regional Development: Connecting Victoria

33. MR PERTON — To ask the Honourable the Minister for State and Regional Development with reference to the Minister's statement 'Connecting Victoria', that the Government will 'provide export development services through an online Electronic Export Assistance Centre' —

1. What budget will be available for this Centre in the financial years 1999–2000 to 2002–03 inclusive.

2. What will be the form of the Centre.

3. What are the targets for delivery by the Centre.

4. Having regard to the comment by the Australian Interactive Multimedia Industry Association's Victoria President on the Centre proposals that 'I'd go further than that' — (a) what objectives will be set for the Centre; and (b) by what date should such objectives be achieved.

ANSWER:

Responsibility for the Electronic Export Assistance Centre project is being taken by my colleague, the Honourable Minister for Small Business, with whom I have consulted.

Funding for the Centre was $100,000 in 1999/2000 and will be $200,000 each year for the next three years to 2002/2003.

The Centre is a web site that provides easy access to information and referral services on export by small and medium enterprises, especially regional businesses.

The Centre is known as Vic Export and is located at www.export.vic.gov.au on the Internet.

Stage 1 of the initiative was launched by the Minister for Small Business in October 2000 as a component of the Government's Showcasing Small Business strategy.

Specifications for succeeding phases of Vic Export are being developed.

State and Regional Development: Connecting Victoria

34. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference to the Minister's statement 'Connecting Victoria' that the Minister wants 'to see more schools like' Apollo Parkways Primary School and others and that 'We need to go a lot further', what steps and finance will be made available to meet this objective.

ANSWER:

The Government has made excellent progress in building a learning society, one of the key elements of the 'Connecting Victoria' strategy, including through funding and support of information and communications technologies (ICT) in schools.

At January 2001, there were 160,578 computers in State Government schools, including curriculum and administrative computers. A total of 31,272 teachers in State Government schools had laptops, and it is envisaged that all teachers in these schools will have laptops by the end of 2001.

The personal computer to students ratio in State Government schools is now 1 computer to 4.65 students, which is seen internationally as a benchmark.

The level of skill of students and staff in the use of these new technologies can be gauged from the fact that approximately 17 million Internet requests are made each day from Victorian State Government schools (this includes student emails). Computer and Internet use are very much a feature of today's Victorian State Government school system.

State and Regional Development: Connecting Victoria

35. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development with reference to the Minister's statement 'Connecting Victoria' that the Government will establish an 'Information Community Technology Skills Taskforce' — (a) who will be appointed to the task force; and (b) what budget will the task force be given.

ANSWER:

As announced in *Connecting Victoria*, I established an Information and Communications Technologies (ICT) Skills Taskforce in April 2000 to assist the Government to develop practical initiatives for joint implementation with the ICT industry. The Taskforce was supported within the existing resources of Multimedia Victoria.

The Taskforce findings and the Government's Statement on ICT skills, titled *Skills x Knowledge = Growth*, were released on 22 November 2000.

State and Regional Development: Koori Internet access

43. MR PERTON — To ask the Honourable the Minister for State and Regional Development with reference the Government's policy on Skillsnet and public access to the Internet, what plans the Government has to extend the Internet in the indigenous community throughout Victoria.

ANSWER:

The Skills.net program currently has four indigenous community projects. These are:

(i) *Koorie Cousins* Leader Project — coordinated by the Victorian Aboriginal Community Controlled Health Organisation which has Skills.net venues at its centres across the State;

(ii) *Djeetgun Kurnai Women's Corporation* General Project in East Gippsland which is run by the regional traditional indigenous women's community in Bairnsdale and Bruthen;

(iii) *Koori connect – Loddon Mallee* Level 1 Project — coordinated by Allinjarra Aboriginal Association operating out of 6 locations including Bendigo, Robinvale, Mildura, Echuca, Kerang and Swan Hill; and

(iv) *Konnected Kurnai 2000* Level 1 Project — coordinated by Djeetgun Kurnai Women's Corporation focusing on providing Internet training and access to unemployed indigenous people within the East Gippsland region.

The expanded Skills.net program which was announced in *Connecting Victoria* targets those Victorians who are hardest to reach in terms of access to technology. Victoria's indigenous community will again be invited to apply for Skills.net funding in the next funding round.

State and Regional Development: Indonesian food aid program

65. MR WILSON — To ask the Honourable the Minister for State and Regional Development —

1. What total Government funding will be provided in each of the financial years 1999–2000 to 2002–03 inclusive for Victoria's food aid program to Indonesia.

2. Will the Government continue funding assistance to enable distribution of the Vita Victoria high protein biscuit in Indonesia; if so, how many Indonesians are expected to be assisted in each of these financial years.

3. Will the Victorian Government office in Jakarta remain open and how much funding will be provided in each of these financial years.

ANSWER:

I refer the Honourable Member to my answer to Question No. 53.

[*Hansard reference: Legislative Assembly, Vol. 450, 28 February 2001, page 249*]

State and Regional Development: multimedia production funding

68. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development in relation to the Minister's decision to remove Cinemedia from his responsibility to that of the Minister for the Arts, will he make a commitment to Victorian multimedia producers that Government financial support for multimedia developers will not be reduced.

ANSWER:

The Government strongly supports the development of a dynamic Victorian multimedia industry, the production of multimedia content for Australian and international consumers and maximisation of the economic and cultural benefits of new media arts and technologies to the State.

The total amount of funding for multimedia development will not be diminished. Multimedia Victoria will continue to support industry development programs. For example:

- the Government has released Game Plan, a major statement of practical support on issues helping the Victorian Computer Games industry to grow; and

- small to medium sized Victorian ICT businesses are being assisted to present on the world stage through the Trade Fairs and Missions program.

State and Regional Development: electronic service delivery

69. **MR PERTON** — To ask the Honourable the Minister for State and Regional Development in relation to the Minister's speech in Canberra on 22 November 1999 in which he praised the previous Coalition Government's award winning Electronic Service Delivery Program —

1. On what date will the Education, Transport, Tourism, Legal and Arts Channels go online.

2. What is the target for visitors to each channel in June 2000, 2001 and 2002 respectively given the Minister's statement that the Business Channel, Land Channel and Better Health Channel received over 16,000 visitors in October 1999 and are growing at approximately 10% per month.

3. Given the Minister's comment that 'we are committed to reducing the regional and rural price differential' of VicOne, what is the target for such reduction.

ANSWER:

The Government is proceeding with the Government Online program. The scope and development schedules for prospective channels are being determined in consultation with the respective customer groups.

Multimedia Victoria has reviewed the VicOne infrastructure and has examined ways of reducing the regional and rural price differential. As a result, in November 2000, AAPT announced a major network upgrade resulting in a 70% reduction in regional data tariffs.

Major Projects and Tourism: full-time equivalent staff

227. **MRS FYFFE** — To ask the Honourable the Minister for Major Projects and Tourism with reference to full time equivalent staff in Tourism Victoria — what is the average number of hours lost due to sick leave taken each month since November 1999 — (a) with a medical certificate; and (b) without a medical certificate.

ANSWER:

I am advised that the answer is as follows:

Tourism Victoria
Average Sick Leave Taken

	Average Hours Taken WITH Certificate	Average Hours Taken WITHOUT Certificate
Nov 99	2.4	0.5
Dec 99	1.8	0.5
Jan 00	2.8	0.4
Feb 00	2.7	0.7
Mar 00	1.9	0.7
Apr 00	1.4	0.5
May 00	3.0	1.3
Jun 00	2.9	0.9
Jul 00	3.5	0.9
Aug 00	6.4	1.8

Multicultural Affairs: FYROM

235(i). MR KOTSIRAS — To ask the Honourable the Minister for Multicultural Affairs —

Will the Minister issue a directive or instruction to their department and its agencies as to the terminology to be used when making reference to the language spoken by people originating from or associated with the former Yugoslav Republic of Macedonia; if so, what will that instruction or directive be.

ANSWER:

I am informed that:

This issue has been addressed across all Departments and Agencies of the Victorian Public Service.

A determination regarding the language spoken by people living in or originating from the Former Yugoslav Republic of Macedonia (FYROM) was made by the Human Rights and Equal Opportunity Commission on 8 September 2000. As a result of this determination, the Secretary of the Department of Premier and Cabinet directed all Victorian Public Service Departmental heads to distribute within their organisations instructions withdrawing the previous government's 1994 directive on the use of the term Macedonian (Slavonic) with reference to the language.

Guidance on the revised policy was drawn from nomenclature utilised by the Commonwealth, including use of the terms Former Yugoslav Republic of Macedonia (FYROM) and Slav Macedonian in describing the country and people of that region. With reference to the language itself, and in the absence of a definitive precedent in Commonwealth practice, Departments and Agencies have been advised to consult among their clients within the communities concerned to identify and adopt appropriate descriptors for future use.

State and Regional Development: e-commerce group

257. MR PERTON — To ask the Honourable the Minister for State and Regional Development — what were the criteria and processes used to put together the Government's e-commerce group connected to Multimedia Victoria, as referred to by a member of the group, Owen Richards, at the Interact 2000 conference.

ANSWER:

The e-commerce branch was established within Multimedia Victoria to further the Government's *Connecting Victoria* strategy and facilitate a coordinated approach to encouraging the uptake of electronic commerce in this State.

The Group was established and staffed in accordance with standard Public Service procedures and Departmental practice.