



Hansard

LEGISLATIVE COUNCIL

60th Parliament

Tuesday 14 May 2024

Members of the Legislative Council

60th Parliament

President

Shaun Leane

Deputy President

Wendy Lovell

Leader of the Government in the Legislative Council

Jaclyn Symes

Deputy Leader of the Government in the Legislative Council

Lizzie Blandthorn

Leader of the Opposition in the Legislative Council

Georgie Crozier

Deputy Leader of the Opposition in the Legislative Council

Evan Mulholland (from 31 August 2023)

Matthew Bach (to 31 August 2023)

Member	Region	Party	Member	Region	Party
Bach, Matthew ¹	North-Eastern Metropolitan	Lib	Luu, Trung	Western Metropolitan	Lib
Batchelor, Ryan	Southern Metropolitan	ALP	Mansfield, Sarah	Western Victoria	Greens
Bath, Melina	Eastern Victoria	Nat	McArthur, Bev	Western Victoria	Lib
Berger, John	Southern Metropolitan	ALP	McCracken, Joe	Western Victoria	Lib
Blandthorn, Lizzie	Western Metropolitan	ALP	McGowan, Nick	North-Eastern Metropolitan	Lib
Bourman, Jeff	Eastern Victoria	SFFP	McIntosh, Tom	Eastern Victoria	ALP
Broad, Gaëlle	Northern Victoria	Nat	Mulholland, Evan	Northern Metropolitan	Lib
Copsey, Katherine	Southern Metropolitan	Greens	Payne, Rachel	South-Eastern Metropolitan	LCV
Crozier, Georgie	Southern Metropolitan	Lib	Puglielli, Aiv	North-Eastern Metropolitan	Greens
Davis, David	Southern Metropolitan	Lib	Purcell, Georgie	Northern Victoria	AJP
Deeming, Moira ²	Western Metropolitan	IndLib	Ratnam, Samantha	Northern Metropolitan	Greens
Erdogan, Enver	Northern Metropolitan	ALP	Shing, Harriet	Eastern Victoria	ALP
Ermacora, Jacinta	Western Victoria	ALP	Somyurek, Adem	Northern Metropolitan	DLP
Ettershank, David	Western Metropolitan	LCV	Stitt, Ingrid	Western Metropolitan	ALP
Galea, Michael	South-Eastern Metropolitan	ALP	Symes, Jaclyn	Northern Victoria	ALP
Heath, Renee	Eastern Victoria	Lib	Tarlamis, Lee	South-Eastern Metropolitan	ALP
Hermans, Ann-Marie	South-Eastern Metropolitan	Lib	Terpstra, Sonja	North-Eastern Metropolitan	ALP
Leane, Shaun	North-Eastern Metropolitan	ALP	Tierney, Gayle	Western Victoria	ALP
Limbrick, David ³	South-Eastern Metropolitan	LP	Tyrrell, Rikkie-Lee	Northern Victoria	PHON
Lovell, Wendy	Northern Victoria	Lib	Watt, Sheena	Northern Metropolitan	ALP
			Welch, Richard ⁴	North-Eastern Metropolitan	Lib

¹ Resigned 7 December 2023

² Lib until 27 March 2023

³ LDP until 26 July 2023

⁴ Appointed 7 February 2024

Party abbreviations

AJP – Animal Justice Party; ALP – Australian Labor Party; DLP – Democratic Labour Party;

Greens – Australian Greens; IndLib – Independent Liberal; LCV – Legalise Cannabis Victoria;

LDP – Liberal Democratic Party; Lib – Liberal Party of Australia; LP – Libertarian Party;

Nat – National Party of Australia; PHON – Pauline Hanson’s One Nation; SFFP – Shooters, Fishers and Farmers Party

CONTENTS

BILLS	
Energy and Public Land Legislation Amendment (Enabling Offshore Wind Energy) Bill 2024.....	1485
National Electricity (Victoria) Amendment (VicGrid) Bill 2024.....	1485
Royal assent	1485
Estate Agents, Residential Tenancies and Other Acts Amendment (Funding) Bill 2024	1485
Council's and Assembly's amendments	1485
QUESTIONS WITHOUT NOTICE AND MINISTERS STATEMENTS	
Mental health workforce.....	1486
Housing.....	1487
Ministers statements: child protection.....	1489
Mental health services.....	1489
Housing.....	1490
Ministers statements: eating disorders.....	1492
Country Fire Authority funding.....	1492
School violence.....	1493
Ministers statements: TAFE funding.....	1493
Community safety	1494
Housing.....	1495
Ministers statements: housing	1496
Written responses	1497
CONSTITUENCY QUESTIONS	
Northern Victoria Region	1497
Northern Metropolitan Region.....	1498
Western Victoria Region	1498
Northern Victoria Region	1498
Southern Metropolitan Region.....	1498
Northern Victoria Region	1499
Southern Metropolitan Region.....	1499
North-Eastern Metropolitan Region	1499
Western Metropolitan Region.....	1499
Western Metropolitan Region.....	1499
Northern Victoria Region	1500
Eastern Victoria Region.....	1500
Northern Metropolitan Region.....	1500
Eastern Victoria Region.....	1500
North-Eastern Metropolitan Region	1501
PETITIONS	
Short-stay accommodation	1501
Gender identity	1501
COMMITTEES	
Scrutiny of Acts and Regulations Committee	1502
Alert Digest No. 6.....	1502
PAPERS	
Budget papers 2024–25	1502
Papers.....	1503
PETITIONS	
La Trobe–Victoria streets tram stop	1503
Response.....	1503
BUSINESS OF THE HOUSE	
Notices.....	1503
General business	1503
COMMITTEES	
Legal and Social Issues Committee.....	1504
Reporting dates	1504
MOTIONS	
Middle East conflict	1504
PRODUCTION OF DOCUMENTS	
Production of documents	1504
MEMBERS STATEMENTS	
Andrew Suggett.....	1513
Energy policy.....	1513

CONTENTS

Organ and tissue donation	1513
First Nations health care	1514
Climate change	1514
Budget 2024–25	1515
William ‘Billy’ McLean	1515
Middle East conflict	1515
Community Advocacy Alliance.....	1516
IDAHOBIT	1516
Live exports.....	1517
Paynesville Bowling Club	1517
Paynesville Primary School.....	1517
Shepparton and Rutherglen road infrastructure	1517
Brahmin Sabha Australia.....	1518
BUSINESS OF THE HOUSE	
Notices of motion	1518
BILLS	
National Energy Retail Law (Victoria) Bill 2024	1518
Second reading.....	1518
Committee.....	1536
Third reading.....	1536
Commercial and Industrial Property Tax Reform Bill 2024.....	1537
Second reading.....	1537
Committee.....	1558
Third reading.....	1562
Appropriation (Parliament 2024–2025) Bill 2024	1562
Introduction and first reading	1562
Statement of compatibility.....	1562
Second reading.....	1563
Appropriation (2024–2025) Bill 2024.....	1563
Introduction and first reading	1563
Statement of compatibility.....	1564
Second reading.....	1564
Appropriation (2024–2025) Bill 2024.....	1571
Budget papers 2024–25	1571
Cognate debate.....	1571
Confiscation Amendment (Unexplained Wealth) Bill 2024.....	1571
Introduction and first reading	1571
Statement of compatibility.....	1572
Second reading.....	1576
ADJOURNMENT	
Goulburn Valley Health.....	1578
Drug harm reduction	1579
TAFE sector	1579
Non-emergency patient transport review	1580
Zoonotic diseases.....	1580
Wallan road infrastructure	1581
Energy policy.....	1582
Suburban Rail Loop	1582
Victoria Police	1582
Pyrenees Highway.....	1583
Water policy.....	1584
Wonthaggi planning	1584
Sick pay guarantee.....	1584
Heritage protection	1585
Bendigo housing.....	1585
Ballan Road, Wyndham Vale.....	1586
San Remo Primary School.....	1587
Responses	1587

Tuesday 14 May 2024

The PRESIDENT (Shaun Leane) took the chair at 12:03 pm, read the prayer and made an acknowledgement of country.

Bills

**Energy and Public Land Legislation Amendment (Enabling Offshore Wind Energy) Bill 2024
National Electricity (Victoria) Amendment (VicGrid) Bill 2024**

Royal assent

The PRESIDENT (12:03): I have a message from the Lieutenant-Governor, dated 7 May:

The Lieutenant-Governor informs the Legislative Council that he has, on this day, given the Royal Assent to the under-mentioned Act of the present Session presented to him by the Clerk of the Parliaments:

14/2024 Energy and Public Land Legislation Amendment (Enabling Offshore Wind Energy) Act 2024

I have a further message from the Lieutenant-Governor, dated 14 May:

The Lieutenant-Governor informs the Legislative Council that he has, on this day, given the Royal Assent to the under-mentioned Act of the present Session presented to him by the Clerk of the Parliaments:

15/2024 National Electricity (Victoria) Amendment (VicGrid) Act 2024

Estate Agents, Residential Tenancies and Other Acts Amendment (Funding) Bill 2024

Council's and Assembly's amendments

The PRESIDENT (12:04): I have received a message from the Legislative Assembly:

The Legislative Assembly returns 'A Bill for an Act to amend the **Residential Tenancies Act 1997** in relation to funding dispute resolution and advocacy services, to amend the **Estate Agents Act 1980** in relation to funding dispute resolution and advocacy services and to abolish the Estate Agents Council, to amend the **Business Licensing Authority Act 1998** to facilitate closure of the Sex Work Regulation Fund, to amend the **Public Records Act 1973** and for other purposes' and informs the Legislative Council that the Assembly has:

- (1) agreed to the amendments; and
- (2) made a further amendment with which agreement is requested.

Jaclyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (12:05):
I move:

That the message be taken into consideration forthwith.

Motion agreed to.

The PRESIDENT: The Assembly has returned the bill agreeing with the amendment made by the Council but has made a further amendment to which it requests agreement. Before I call the minister in a moment to move that the Assembly's amendment be agreed to, I just remind people the debate will be limited to the actual amendment to the bill and not be opened up to a whole second-reading debate, which we acquitted in the previous sitting week.

Amendment as follows:

1. Clause 19, omit this clause.

Jaclyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (12:06):
I move:

That the further amendment made by the Assembly be agreed to.

As has transpired, an error has been identified. It is regretful, but I appreciate the chamber's indulgence in enabling that to be fixed as easily as possible.

David DAVIS (Southern Metropolitan) (12:06): I too support the further amendment – that is, the omission of clause 19 from the bill. That clause would remove part of the establishing machinery of the Public Records Advisory Council in the 1973 bill, and the removal of that clause stops the removal of those key points with respect to the Public Records Advisory Council. The Public Records Advisory Council has a very important role in protecting public records in this state. It is chaired, I might add, by a former Labor MP, who does a very good job. The current council is a very strong council. It sets direction for the protection of documents statewide, and I think this is a very important additional amendment.

Jaclyn Symes: It doesn't work without it.

David DAVIS: It does not work well without it, I agree. I think the parliamentary counsel are very aware of this point, and we are conscious of the great work that they do and the complexity of some of the bills that are involved here. The fact that the Assembly has made the additional amendment is something that the Council agrees with.

Katherine COPSEY (Southern Metropolitan) (12:08): The Greens will also be supporting the further amendment that has been returned from the Assembly. We thank the Assembly for the speedy resolution and just acknowledge that this is consistent with the position that was put during the second-reading debate on the effective retention of the Public Records Advisory Council.

Motion agreed to.

The PRESIDENT: A message will be sent to the Assembly informing them accordingly.

Questions without notice and ministers statements

Mental health workforce

Georgie CROZIER (Southern Metropolitan) (12:09): (517) My question is to the Minister for Mental Health. Minister, the 2024–25 budget papers state:

In order to deliver this reform, Victoria will require an additional 2,500 mental health workers – from psychologists to psychiatrists, mental health nurses to support workers.

Minister, how many of the 2500 mental health workers needed will be recruited through initiatives in the 2024–25 budget?

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (12:09): I thank Ms Crozier for her question, and of course at the outset I would like to thank all of our mental health workers right across the system, whether that is in community mental health or in our acute settings. They do very challenging but incredible work every day. Like a number of workforces around the country and indeed around the globe, they have faced significant challenges coming through the pandemic. There have been some workforce shortages that the government is very mindful of, and that is why we have invested over \$600 million in programs that are all designed to attract and retain the mental health workforce that we know we are going to need given the scale of the reforms that the government is implementing as a result of the recommendations of the royal commission. 2500 new early-career roles have been funded across the mental health sector between 2023 and 2026, and that includes roles across nursing, lived experience, medical, psychology, social work, occupational therapy, speech pathology, exercise physiology, physiotherapy and clinical pharmacy disciplines in both graduate and transitional programs.

There are many, many different initiatives that we are pursuing. Between 2021 and 2023 we added around 1700 additional FTEs to our reformed mental health and wellbeing system, and that is an increase of more than 17 per cent. But of course we know we have more work to do to continue to

build that strong pipeline of workers to be able to staff the critical service uplift that we are providing through the work of implementing all 74 recommendations of the royal commission.

Georgie Crozier: On a point of order, President, I want to thank the minister for that level of detail, but the question was really specific around this year's budget and how many will be actually recruited from the 2024–25 budget.

The PRESIDENT: I thought the minister was relevant to the question, but I will call the minister to continue.

Ingrid STITT: Thank you, President. I was outlining for Ms Crozier not only in relation to the budget we have just announced, but the forward estimates do provide a number of ongoing programs, which I was in the process of detailing. Of course Ms Crozier would be aware that we have also in this year's state budget invested \$15.8 million to continue to build that dedicated workforce for a number of initiatives, including our mental health and wellbeing local services. I think I have given quite a bit of detail in response to Ms Crozier's question, and let me make it very clear: the government understands the pressures on the workforce in the mental health system, and that is why we will continue to invest in the initiatives that will ensure that we are building the workforce of the future.

Georgie CROZIER (Southern Metropolitan) (12:13): I note the minister's answer, and she did not actually answer the question, so I will ask: Minister, the royal commission delivered its first interim report five years ago, and of the nine recommendations, over half related to the urgent need to increase the mental health workforce to ensure the final recommendations could be implemented; why did Labor fail to build Victoria's workforce when five long years ago the royal commission was so specific that without the workforce, mental health reform would fail?

The PRESIDENT: I am concerned that that should have been the substantive question, but I will call the minister.

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (12:14): In the 1 minute that I have got to answer Ms Crozier's question, I would just point her to the answer I gave to her substantive question, which was to outline a number of important investments – \$600 million worth of investments, including an additional \$15.8 million in the 2024–25 budget. I have already indicated that of the 2500 jobs that have been targeted and we have invested in delivering, we have already to date delivered 1700 FTEs across the system.

Housing

Samantha RATNAM (Northern Metropolitan) (12:14): (518) My question is to the Minister for Housing. Victoria has the largest public housing waitlist of any state or territory. More than 120,000 people are currently waiting for housing security, all the while homelessness is rising, the housing crisis worsens and more people are priced out of even the private housing market. Yet at the same time Victoria has the highest public housing vacancy rate in the country, according to Productivity Commission data. Last year alone more than 4000 public housing dwellings sat empty as the waitlist continued to balloon. It is worth noting that this is not some new statistical anomaly either; Victoria's public housing vacancy rate has been higher than the Australian average since 2018. Minister, why are there so many unoccupied dwellings in Victoria when vulnerable people and families are in desperate need of a home right now and over 30,000 people are homeless in Victoria on any given night?

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:15): Thank you very much, Dr Ratnam, for your interest in housing. As I keep saying, I am always very, very happy to provide you with a briefing. Again I note that you are yet to take me up on that offer. Perhaps your schedule might enable that to happen now.

What I do want to acknowledge is that across the board social housing investment is being rolled out like never before, and that is not happening by accident. It is happening because we are investing

billions of dollars into making sure that housing is fit for purpose; complies with modern standards around fire, flood and seismic risk; and has the energy efficiency standards built into it. We know that where we have older housing, maintenance is necessary and upkeep is necessary. It is important that we are in a position to be able to make sure that where housing is not fit for purpose – where needs are not being met within existing configurations – we are making sure that people are able to get that, including through being relocated to enable housing improvements to take place.

It was just a couple of weeks ago, Dr Ratnam, that we saw at Park Towers, for example, that the ageing sewer stacks in those buildings required people to be relocated in order for those deficiencies to be rectified. As we see with ageing stock, it is necessary to undertake works to make sure that maintenance needs are able to be met and that people are able to live in their homes – homes that are to a standard that one should be able to expect. That in and of itself, Dr Ratnam, whether you like it or not, answers fundamentally the question as to why our investment in new social housing across the board is such an important part of providing people with the standard of living that they should rightfully expect.

We do want to make sure that we have modern and fit-for-purpose housing for people, and that is why as of 31 March less than 1.8 per cent of public housing homes were vacant and in the re-letting process. This compares to a private market vacancy rate of 2.1 per cent for metropolitan Melbourne in December last year and 2.2 per cent for regional Victoria in December 2023. We also had 2.3 per cent of homes being held for asset management related purposes that were not available to re-let. That also includes a focus on making sure that the condition of people's homes is improved.

Dr Ratnam, we are not doing this for purposes associated with denying people homes in a mischievous way. There is no ulterior meaning here. This is about making sure that the homes that we provide are fit for purpose, and that is why we have made record investment into maintenance. But we are dealing with old and ageing stock, which again, needs and deserves to be upgraded so that everybody has the right to a home which meets the standard that you would apply to your own circumstances.

Samantha RATNAM (Northern Metropolitan) (12:18): Thank you, Minister. I am actually not talking about temporary events that are giving rise to some of those vacancy rates. My concern stems from just how long a high vacancy rate has been an issue here in Victoria. The vacancy rate has increased every year since 2016, and other states just do not seem to have the same problem. Queensland and New South Wales have both managed to keep their vacancy rates at around 2 to 3 per cent for the past eight years. Meanwhile, despite the figures that you are touting here today, Victoria's rate is currently sitting at 6.3 per cent vacancy. If the condition of buildings has been consistently preventing thousands of people from accessing public housing over the past eight years, it would indicate chronic underfunding in the maintenance of Victoria's public housing stock. This is confirmed by the Productivity Commission's data, which tells us the government's spending on the maintenance of social housing is the lowest per capita in the country. We are in the midst of a housing crisis. What are you doing to make sure people can live in these 4000 homes?

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:19): Thank you, Dr Ratnam. Again, I am just going to pull you up on a number of the assertions in your supplementary question. I am not sure whether you were as interested in the state budget last week as you will probably be in the federal budget this evening, but this budget commits \$18.7 million in additional funding to deliver modern maintenance IT systems and triage to improve maintenance services for public housing renters, and we also have planned maintenance services being provided to over 67,000 dwellings at a cost of \$315.5 million. There are 350,000 maintenance activities undertaken per year, Dr Ratnam, and when you compare the statistics of what you have just talked about, these include maintenance requirements for jobs involving tiles falling off or indeed corridors not being fit for purpose because they are situated in ageing, outdated properties, such as the towers that are no longer fit for purpose and no longer comply with disability access standards. Dr Ratnam, you cannot have it both ways, much as you would like to.

Ministers statements: child protection

Lizzie BLANDTHORN (Western Metropolitan – Minister for Children, Minister for Disability) (12:21): I rise to update the house on our continued investment in the child protection and family services system in the most recent budget. The budget papers clearly demonstrate the investment in outputs – in this case child protection and family services – through both budget paper 3 and the ‘Department Performance Statement’. Both of these documents, if you know how to read them, show that for the child protection family services output there is an increase from the 2023–24 target, which was \$2.022 billion, to the 2024–25 target of \$2.124 billion. That is an increase. Helpfully, this increase outlined in the DPS has a footnote to assist in explaining the target increase, stating:

The higher 2024–25 target primarily reflects additional funding provided for continuation of Government policy commitments and indexation.

I was therefore curious to read last week a press release from those opposite, which said:

Child Protection – cut by \$141 million or 6.2 per cent

I was confused. How could that be? So I had another look at the budget papers, assuming those opposite did not want to be dishonest. If you look at the budget papers – if you actually know how to read the budget papers – the expected outcome had exceeded the 2023–24 target, but they ignored the footnote that explained why. For the benefit of the house:

The 2023–24 expected outcome is higher than the 2023–24 target due to additional funding provided for Government policy commitments including the Victorian Redress Scheme for historical abuse and neglect in institutional care and Civil claims costs for historical institutional child abuse and carer leavers.

This mistake could be excusable if the footnote was not on the exact same page in the DPS as the figures that they cited. But they could not read that. To assist those opposite, it is page 39 of the ‘Department Performance Statement’. As I said last week, those opposite must be missing Dr Bach. Not only was he an actual advocate for children and young people, but he could also read the budget papers. There has not been a cut to the funding.

Mental health services

Georgie CROZIER (Southern Metropolitan) (12:23): (519) My question is again to –

Tom McIntosh interjected.

Georgie CROZIER: Are you right, Mr McIntosh? My question is to the Minister for Mental Health. Minister, mental health related –

Members interjecting.

The PRESIDENT: Can you start from the start, Ms Crozier.

Georgie CROZIER: Thank you, President. It is a serious question. Minister, mental health related presentations to emergency departments are surging, with around 370 more presentations to our overwhelmed emergency departments every week compared to last year. At a time when demand for mental health care has never been higher, why has Labor broken its promise and delayed essential mental health reforms to increase mental health services to support those in need?

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (12:24): I thank Ms Crozier for her question. Of course the government remains absolutely focused on delivering all 74 recommendations of the royal commission’s final report, because we understand and accept that people in need of mental health support need that intervention regardless of what their circumstances are – their economic circumstances – and indeed their postcodes. So I reject the premise of Ms Crozier’s question that we are not getting on and doing the hard work of reforming the mental health system. We have invested over \$6.5 billion in that effort to date, and we continue to implement the royal commission recommendations in a way that not only

targets where the needs are but also recognises that the pace of the reforms and building the necessary infrastructure and workforce to deliver on the reforms are key parts of success.

We have taken the time necessary to make sure that our budget initiatives are getting to the heart of the services and mental health supports that the community needs. That has included delivering 15 local mental health and wellbeing hubs across the state. That has included a number of emergency department facilities which make sure that people who are presenting with mental health and AOD issues are dealt with in an appropriate setting. That has included a significant commitment, as I have already outlined in answer to a different question from Ms Crozier today, to workforce investments to make sure that we have got the skilled mental health frontline workers that we need both now and into the future.

The reality is that the opposition might not like the fact that we are getting on with this reform. We have implemented a large number of the recommendations, and work has commenced on 90 per cent of the 74 recommendations that are outlined in the royal commission's final report. I am absolutely committed to and focused on continuing that work, and those opposite might not like that. But we are not going to get distracted. We are going to get on with delivering the reforms that we know the community needs.

Georgie CROZIER (Southern Metropolitan) (12:26): Minister, these are the statistics and the data, so you are not actually understanding exactly what is happening within our emergency departments and what is happening to those that are seeking care. Readmission rates for the same mental health patients to the same hospital emergency departments within 48 hours are the highest over the past five years, so clearly whatever you are doing is not getting better outcomes for Victorians. Minister, five years after the royal commission handed down its first report, how has Labor failed so catastrophically and made it harder for Victorians to get the mental health support they need when they need it? They are going back into our emergency departments at record rates.

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (12:27): I thank Ms Crozier for her question. Of course we are always concerned when there is an uptick of emergency presentations. This can be driven by a number of different factors, and we should not make assumptions about what is driving those statistics. We know that there are significant cost-of-living pressures in the community, and we know that that may well be a factor in increased need for mental health supports in our community. We also know that our hospital system has been recovering over the last few years from record demand, and the mental health services of our health system are no different to this. This is not a phenomenon that is unique to Victoria. This is something that is happening right across the country and indeed the globe. I reiterate that \$6.5 billion of investment, the fact that the government has had – (*Time expired*)

Housing

Rachel PAYNE (South-Eastern Metropolitan) (12:28): (520) My question is for the Minister for Housing, Minister Shing. Victoria is set to transition out of the Victorian Homebuyer Fund and into the Commonwealth government's Help to Buy scheme. The exposure draft of Help to Buy shows an income cap of \$90,000 for individuals and \$120,000 for joint buyers. Compared to the Victorian fund, this is \$40,000 less for singles and \$88,000 less for joint buyers. Help to Buy proposes a property cap in Victoria of \$850,000 for metro areas and \$550,000 for the rest of the state. Compared to the Victorian fund, this is \$100,000 less for metro areas and \$150,000 less for regional areas. My question is: will the minister advise how many Victorians are expected to miss out on buying their first home under this proposed change?

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:29): Thank you, Ms Payne, for that question. Technically it does fall within the remit of the Treasurer and also the Minister for Planning as far as the design of this particular product goes. What I can, however, provide you with some context on relates to the home equity scheme, which we know has helped thousands of Victorians to be able to purchase a home, and last week the Treasurer

was pleased to confirm that there is an additional \$700 million available for that scheme to assist people with a deposit of as little as 5 per cent to buy their first home. This makes a really significant difference for people experiencing the challenges of not just affordability but availability, and that is where the housing statement comes in – making sure that we can address that need from the middle of Melbourne right out to the edges of the state. We know also that the scheme, which has been continued here in Victoria, enables First Nations people to access the scheme with a deposit of as little as 3.5 per cent, with 35 per cent government equity being able to be provided there. There is a later option for people to buy out the government's share at those market rates.

As you flagged, there is a change for the purposes of making the Commonwealth a player in this particular scheme, with the changes to the access being outlined by you. This is something which has been identified by the Grattan Institute and others as a sensible reform in making sure that federally this is able to be rolled out around Australia. The federal scheme will be capped at the lower rate, as you have identified, topping out at \$90,000 for singles and \$120,000 for couples. Housing Australia would provide eligible participants with a Commonwealth government contribution of up to 30 per cent. Again, there are changes that will be introduced through the federal space.

We are really pleased to be able to continue the rollout of this scheme here in Victoria until 2025. It has been a really important driver of ensuring that thousands of Victorians have been able to purchase their first homes, and it sits alongside a raft of other products that we have developed, again, to ease the challenges for first home buyers in an increasingly competitive market, where upward pressure on home prices has meant that the proportion of savings to income and expenditure has continued to ever widen. This is something we will continue to work with the Commonwealth on. The Treasurer has already indicated in the budget speech and again in further conversations with stakeholders, as well as to housing ministers, that this work will continue to make sure that Victoria gets the share of investment and funding that we require. I am looking forward to tonight's budget being able to continue that work and to provide the support that homebuyers are looking for.

Rachel PAYNE (South-Eastern Metropolitan) (12:32): I thank Minister Shing for her response. My supplementary may also be referred to the Treasurer, but you may have input into this question as well. By way of supplementary: Help to Buy is not yet legislated, and it is unclear if it will have sufficient support to pass through the Commonwealth Parliament. It is great that this government has committed to staggered monthly allocations, which would ensure funding is available until the establishment of Help to Buy, but there is a real possibility that Help to Buy will not secure enough support to be passed into law. So will the minister commit to continuing the Victorian Homebuyer Fund if the Help to Buy program is not legislated?

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:33): Thank you very much for that supplementary. Again, I will refer that question on to the Treasurer. What I would say, though, in relation to Commonwealth legislation is what a great shame it would be if certain parts of the political landscape, in the upper house in particular, were to block the delivery of support for people to purchase their first home. What a great wasted opportunity it would be for certain parts of the political spectrum to effectively hold first home buyers to ransom in seeking to access the sort of scheme that we know here in Victoria has worked so well. It is a shame that we are losing the opportunity for a consensus approach, where Victoria has led the way in developing products that make a real difference. Let us see if those behind you can talk to their colleagues about facilitating this legislative process at a Commonwealth level.

The PRESIDENT: I am sorry, Ms Payne, I probably should have asked you to rephrase, because that was a hypothetical question.

Harriet Shing: And a hypothetical answer there too, yes.

The PRESIDENT: I was going to say I think you got a hypothetical answer. I do not think there is any great harm, but I apologise to the chamber, because that is one that probably I should not have put.

Ministers statements: eating disorders

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (12:34): I rise to update the house on the significant investment our government is making to support Victorians struggling with eating disorders. We know that there has been a rise in the demand for eating disorder support in the last few years – a statistic that is sadly replicated across the world. That is why in the 2024–25 Victorian budget we are investing \$25.6 million into services and treatment options for eating disorders to make sure Victorians can get the care they need no matter where they live.

Our investment this year includes \$6.4 million to deliver 10 dedicated early intervention professionals in the communities that need them most, delivered through area mental health and wellbeing services. And for regional Victorians we are investing \$6.9 million to establish an eating disorders day program in regional Victoria, allowing consumers to remain at home while accessing life-changing care, including group therapy, medical consultation and supervised meals. A further \$6.5 million will fund two in-house intensive early engagement and treatment programs tailored to the specific needs of each young person who accesses this care, supporting young Victorians closer to their homes and families. We will also provide \$5.8 million to support the important work of Eating Disorders Victoria, helping to continue its role supporting Victorians experiencing eating disorders, and their family and carers.

Importantly, this investment supports the release of the forthcoming eating disorders strategy. We are taking a system-wide approach to prevention, early intervention and treatment for Victorians living with debilitating eating disorders.

Country Fire Authority funding

Evan MULHOLLAND (Northern Metropolitan) (12:36): (521) My question is to the Minister for Emergency Services. The 2024–25 budget shows there will be a massive increase of \$186 million of revenue raised from an increase in the fire services levy, yet the CFA will receive almost none of these additional funds, with only \$106,000 budgeted for next year for trucks. Minister, how can the state of Victoria maintain its fire truck fleet with so little budgeted for replacement?

Jaclyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (12:36): I thank Mr Mulholland for his question and the opportunity to talk about this government’s support of the CFA. It was actually budget day when I was able to join with volunteers and paid staff from CFA in Shepparton to make the budget announcement of 15 world-class replacement pumpers in this year’s budget – \$15.4 million. We will have more to say about the locations of those pumpers in the coming weeks; we are just having some conversations with CFA to make sure they are placed in the most appropriate places in the state, responding to risk and the needs of our hardworking volunteers. This is in addition to several other vehicles that have been rolling out since 2018 – 29 ultraheavy tankers, 48 heavy tankers and two light tankers. I have had the pleasure of being around the state and talking to those brigades that have been the beneficiaries of those vehicles, and obviously they are always welcome. Of course there are always brigades that are in need of additional support, and we continue to have those conversations.

What is really important when you have new tankers that go out to the CFA is that the older tankers that perhaps are at a busier station then are made available for either training purposes or can be relocated to some of those really small brigades that perhaps do not have the reliance or the need to turn out as often as perhaps some of the larger brigades or those that are in areas of higher risk do. So that is a really good way of ensuring that those assets are kept in the state. Indeed even for those smaller brigades, when those trucks are replaced they often go to farmers and personal properties, and you will

see time and time again farmers joining with CFA with their own assets in relation to responding to bushfires and the like.

You have touched on the fire services property levy and the changes that have been announced in relation to the budget, and I think what is really important to continue to explain is that each year the government spends significantly more on fire services than it collects through the levy. It is not a case of 'the levy funds fire'; the levy goes to consolidated revenue and is a contributor to the funds that go to fire services, but we spend a lot more than what the levy brings in. It is a common misconception that it is paying for fire services. It is contributing to fire services, but we can certainly contribute over and beyond what that important levy brings in. I think people who pay the levy can be assured that time and time again – (*Time expired*)

Evan MULHOLLAND (Northern Metropolitan) (12:40): Thank you, Minister. I am glad you mentioned the 48 heavy tankers. I know it is something that has been mentioned by my colleague Mrs Broad and Mrs McArthur as well. This budget makes no mention of when the 48 heavy tankers promised in the last two budgets will be fully delivered. In response to questions at PAEC, Victoria's emergency management commissioner Rick Nugent stated that the rollout of the remaining tankers will be complete by June 2024. Does the minister expect this rollout to be complete by June 2024?

Jaelyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (12:40): Thank you, Mr Mulholland. I do not have the rollout locations on me, but obviously, as I indicated in my substantive answer, it has been a pleasure to join with brigades that have been the recipients of these vehicles. I can assure you that it is not a lack of commitment or funding from the government that has led to any delays in relation to the rollout. There have been some manufacturing delays, but the deadline, as I understand it, that was extended and announced will be met.

School violence

Jeff BOURMAN (Eastern Victoria) (12:41): (522) My question is for the minister representing the education minister. Minister, violence in our education system is becoming problematic. We have videos posted online of serious assaults being perpetrated by minors on minors on school premises. What is also happening is that violence against educators is on the increase. As we know, the schoolyard is a workplace for the educators, and they should be safe. A disturbing incident that recently happened was that a female educator in a regional primary school was seriously assaulted by a grade 6 student. That is right – a grade 6 student. My question is: what is the minister doing about violence against teachers to give them a safe workplace as well as giving the students a safe environment in which to learn?

Lizzie BLANDTHORN (Western Metropolitan – Minister for Children, Minister for Disability) (12:41): I thank the member for his question. It is indeed an important question, and I am happy to pass it on to the Minister for Education for an answer. For the benefit of the house, this was a topic at the recent education ministers meeting that both the Deputy Premier and I attended and the minister for skills and training as well, and it is an important issue across all three levels of our education system and one that is being given due consideration. I will happily forward your question to the Minister for Education.

Ministers statements: TAFE funding

Gayle TIERNEY (Western Victoria – Minister for Skills and TAFE, Minister for Regional Development) (12:42): I rise to update the chamber on how the 2024–25 budget continues to back Victoria's world-class skills and TAFE system. A cornerstone of this budget is delivering a pipeline of skilled workers for the jobs of today and tomorrow, with a total of \$555 million for the TAFE and training system. This includes \$394 million to boost access to VET and free TAFE. Free TAFE has saved 170,500 Victorians more than \$460 million in fees, with eligibility expanded to even more Victorians since last year, removing financial barriers to TAFE and ensuring more Victorians can access training for in-demand jobs and skills.

As reported in the *Ranges Trader Star Mail* today, a local qualified electrician and apprentice plumber described free TAFE as ‘a blessing’ and went on to say:

Wealth shouldn’t be a barrier to education.

...

Without free TAFE, it would have been probably almost impossible for me to make a sacrifice to upskill.

We need a pipeline of workers to build Victoria’s future infrastructure, and that is why we are investing over \$11 million to continue to support apprentices, trainees and their employers. This includes funding for Apprenticeships Victoria and also funding for our highly successful apprenticeship support officer program. It has never been more important to have an adaptive, responsive training system on the balls of its feet. This is why \$32 million over two years will also support retraining for high-priority industries.

Since 2014 this government has invested \$4.6 billion into the TAFE and higher education system. By putting TAFE at the centre of our school system we are investing in training and skills in our community that our economy needs now and into the future.

Community safety

David DAVIS (Southern Metropolitan) (12:44): (523) My question is to Minister Tierney, the Minister for Skills and TAFE. I refer to your response to my question last sitting week regarding the deteriorating situation on the University of Melbourne campus and in particular to numerous examples of antisemitism. Last week you refused to use the powers you have under section 55(2) of the University of Melbourne Act 2009. I therefore ask: will you now finally act and use those powers to restore order and stop the antisemitism, or will you continue to dither, wring your hands and sit on the fence?

The PRESIDENT: Mr Davis, I have got a concern – and I appreciate you quoting the act – as to whether this falls under the minister’s remit or if it is the federal minister’s issue.

David DAVIS: The minister has powers under the act that she administers to issue guidelines and statements to the university.

The PRESIDENT: I will call the minister to answer as she sees fit.

Gayle TIERNEY (Western Victoria – Minister for Skills and TAFE, Minister for Regional Development) (12:45): I thank Mr Davis for his question. Again, as I did the last time you asked me this question, I start by saying I absolutely condemn, and so does this government condemn, antisemitic behaviour anywhere but particularly at our universities. Of course we are absolutely opposed to any racist behaviours that may occur, and we believe that all students should feel incredibly safe on campus. Given the situation that we have on many campuses in Victoria and indeed in Australia and overseas – there are protests in relation to events that are occurring in the Israel– Hamas conflict; we know that. The fact of the matter is that most of the behaviours that have occurred on our campuses have been peaceful and to a certain degree quite respectful, and I think most people do support the fact that protests can and should occur, because we live in a democracy. What we do not tolerate is violence, what we do not tolerate is antisemitic behaviour – and we do not tolerate racism at all. When you asked me that question last sitting week, I gave an answer that is consistent with the answer that I give again today in that we believe that every student should feel safe and secure, as well as the academics and the support staff, on all of our university campuses.

I have taken legal advice, and I am advised that as Minister for Skills and TAFE and the minister responsible for higher education in the state I do not have relevant powers or responsibilities under the Education and Training Reform Act 2006 or the Monash University Act 2009 in relation to these matters. Furthermore, I have no powers to direct universities. I am advised that, as proprietors of the land, universities have the right to control who is on the land. Furthermore, university councils have the power to make university statutes and regulations regarding any person entering or on the land or

other property of the university. I have encouraged universities to make appropriate use of these existing powers and continue their close engagement with Victoria Police to support the wellbeing and safety of the university community and minimise public safety risks. This could include sharing risk management plans and mitigation activities.

David DAVIS (Southern Metropolitan) (12:48): The minister has powers to issue guidelines, there is no question about that. But I further state in response to her answer just now: Minister, some vice-chancellors, particularly interstate vice-chancellors like Jennifer Westcott, have said we need leadership from our vice-chancellors. In Victoria deputy vice-chancellor of Deakin University Kerrie Parker today warned pro-Palestinian protesters that freedom of speech does not extend to the establishment of unauthorised camps, and she sought the immediate dismantling and removal of the current encampment at Morgan's Walk at the Burwood campus. Minister, given the weak leadership provided at the University of Melbourne by the chancellor, isn't it time you used your authority through the University of Melbourne Act to demand leadership?

Gayle TIERNEY (Western Victoria – Minister for Skills and TAFE, Minister for Regional Development) (12:49): This issue is too important for those opposite to grandstand on. This is incredibly important. It is about a whole range of issues, but I have ensured in terms of the legal aspects of it I have received the clarity in the legal advice that I have as the responsible minister.

In respect to behaviours, these are matters for the universities. They have statutes that govern what they can and cannot do, and some of those universities have undertaken certain measures as recently as this morning, is my understanding. I also understand that the federal government has announced that it will unveil an inquiry in relation to antisemitism and racism. I look forward to seeing the details, as do the wider community, on what that inquiry might contain – its terms of reference, its timeframes and indeed the content of that inquiry. I look forward to that engagement.

David DAVIS (Southern Metropolitan) (12:51): I move:

That the minister's answer be taken into account on the next day of meeting.

Motion agreed to.

Housing

Aiv PUGLIELLI (North-Eastern Metropolitan) (12:51): (524) My question is to the Minister for Housing. According to the recent state budget, your government is currently demolishing and selling public homes at a rate that is not far behind the pace at which new ones are being built. Only 1554 additional homes were added to the social housing stock in the past year, while 1296 were either demolished or sold. Given the waitlist currently totals more than 120,000 people, at the current rate it will take at least 31 years to clear the waitlist – assuming that list does not grow, which of course it will. Minister, how are you ever going to reach your social housing targets given you are knocking down or selling almost as many homes as you are building?

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:52): Thank you, Mr Puglielli, for at least your demonstrated interest in social housing. What I want to do is perhaps take you through the work that is happening across the register and the work that we are doing to address priority areas of applications and transfers. As you know, we are in the process of undertaking the largest renewal project in Australia's history of social housing, and it means that we will deliver more than 15,000 new social housing dwellings across the state in line with the record investment of \$6.3 billion as part of making sure that we are replacing old stock that is no longer fit for purpose; that we are making sure that we are getting into rural and regional Victoria, including through the work that Minister Tierney is doing through the worker accommodation fund of \$150 million; that we are increasing by at least 1300 the number of social and affordable homes in rural and regional Victoria as part of the \$2 billion regional package; and that we are continuing to develop a range of products that are ensuring that more people can move into homes that meet their needs.

I was just earlier this week and indeed last week at a range of estates, including Markham estate in Ashburton. Mr Puglielli, you were not in this place, but your predecessors from the Greens joined up with the Liberals to block that particular development. This is a really wonderful example of a community that is delivering housing for people most in need. Last week I was at Box Hill – again, the site of two disused council car parks – to deliver around 73 social homes, with about 158 affordable and private market rental homes.

Samantha Ratnam interjected.

Harriet SHING: Sorry, I will take you up on that interjection, Dr Ratnam; it is important that we do address this. You talked about land. It is being referred to by you as no longer being available for social housing. They were empty council car parks – literally zero homes on council car parks – and now contain hundreds of homes, including at least 73 social housing homes for people most in need. This is about taking the numbers that are on the register and reducing them by putting people into social housing.

Mr Puglielli, I welcome the departure of this ridiculous, divisive narrative since the leadership change in your particular party. I am looking forward to being able to continue to deliver thousands of new social homes. We will do this in partnership with the community housing sector. We will do it despite the demonstrated record of blocking and of opposition to housing estates just like Markham, and we will continue our record investment to make sure that what we are building now and into the future meets the needs of Victorians in the way that they deserve.

Aiv PUGLIELLI (North-Eastern Metropolitan) (12:55): Thanks, Minister. To reduce the waitlist and to address the housing crisis, surely we need to be building at 10 times the current rate. So I guess my question is: will you commit to building 10,000 public homes next year? For context, Berlin just built 16,000 in a year, and they have got about half our population, so I reckon we could do 10,000.

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:55): Thank you very much for that question. Again, I am not going to give you a dissertation on the distinction between the social housing policy frameworks in Berlin as they operate; I am very happy to take that offline. There is a very lengthy process of history around the way in which that has been developed across the area of Berlin – Brandenburg in particular – so let us take that offline when we have got a few hours one day. What I will say, Mr Puglielli, is we are working to the best efficiency that is available to us at the moment in allocating record investment and in also making sure that we are enhancing the availability and the opportunity for affordable housing.

Mr Puglielli, one of the things that is really important to note is that when we take pressure off a range of parts of the housing market, this continuum, we are also then reducing the strain on other parts of the system. For example, 30 per cent of people accessing homelessness services for the first time are coming from the private rental market. We also know that around 5 per cent of people are experiencing profound rental distress in the private housing market. We have got a lot of work to do. It takes place across the continuum.

Ministers statements: housing

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (12:56): It seems to be a bit of a theme today, but I do want to talk as Minister for Housing around the work that we have done in light of last week's budget and the allocations that we are making. Across all levels of government, and in partnership with industry, we know that there is no one single answer to the challenges of affordability and availability. As Melbourne grows to be the size of London by 2050, we know that fixing the housing supply shortage across the state, as it takes place here and indeed interstate, requires a range of different engagements and processes, including through the affordability partnership and the work we are doing with industry, with the community housing providers and indeed with communities and local councils, where they are coming on board.

We are pulling every possible lever that we have available to us to build more homes for more Victorians and providing the care and the services required to keep people safely in their homes.

In the portfolio of housing we have invested \$217 million extra in this budget in social housing and homelessness. This includes \$197 million to fund the state's most crucial homelessness frontline services: Launch Housing, the Salvos, Kids Under Cover, Sacred Heart Mission, Anglicare, MacKillop Family Services, Queerspace – and the list goes on. Thank you so much to everybody across the sector who is doing such profoundly important work to support people in their time of greatest need. There is \$19 million for additional improvements to the maintenance systems and processes across public housing rentals. We know we need to respond faster, and that is what we are doing. We want to make sure that people can live safely and comfortably, including by way of renewal in this housing stock. There is more than \$1 million for food relief to support tenants in social housing. This investment is on top of our government's \$9.8 billion record-setting investment in housing and homelessness since 2014. Nearly \$2 billion was added in just the last 12 months.

We are making sure that we are pulling every lever available to us. These are the levers that we are pulling. This is what we are building. It is difficult work, it is long-term work and it is work that involves engaging carefully with families, with households and with communities about what it is that they want as we meet the challenges and the opportunities of population growth and the ever-important need for people to have connectivity, pride of place and community, which are all so important in making sure that everybody has rights and opportunities. I am looking forward to seeing the federal budget handed down tonight so that we can build on that \$451 million under the new agreement over the five-year term of its duration. *(Time expired)*

Written responses

The PRESIDENT (12:59): Minister Blandthorn will get an answer to Mr Bourman's question from the Minister for Education under standing orders. I also note Ms Shing – outside the standing orders – will get an answer to Ms Payne from the Treasurer.

David Ettershank: On a point of order, President, on 7 February I raised a question for the Premier via the Attorney-General in relation to the government's memorandum of understanding with the Israeli Ministry of Defense. My question to the Premier sought a response to whether the Premier would heed the demands for transparency and release that MOU. You ordered that a written response be provided on 9 February. No response has been forthcoming. It has been three months since that question was raised, and I ask that the Premier respond to my question as a matter of priority.

The PRESIDENT: Thank you, Mr Ettershank. I ask one of the ministers if they would mind following it up. Considering it was me that ordered it, I will follow it up as well.

Constituency questions

Northern Victoria Region

Gaelle BROAD (Northern Victoria) (13:00): (841) My question is to the Minister for Planning regarding the Victorian Building Authority. My constituent is a builder who is in his 80s and is ready to retire. He has been building for the past 60 years and has evidence of payment of his membership to the VBA over many years. Why should he be required to renew his membership for a mandatory five-year period at a cost of \$1052.40 rather than having the option to pay for a 12-month period, when all he requires is a certificate of occupancy to complete his current build? Also, as he has not been able to resolve his inquiry with the VBA, why is he being charged an overdue fee of \$315.70? He has been advised this is rarely waived without providing evidence of hardship. Given this builder is prepared to pay for a 12-month renewal of his membership to the VBA, I would appreciate the minister's support to resolve this issue.

Northern Metropolitan Region

Samantha RATNAM (Northern Metropolitan) (13:01): (842) My constituency question is for the Minister for Education. On 26 May our community will celebrate Ballerit Mooroop Day at the Ballerit Mooroop (Strong Spirit) Site in Glenroy on Wurundjeri land. The day celebrates this landmark, which holds immense spiritual and historical importance to the Wurundjeri Woi Wurrung people. Last year's event was a fantastic success for the community, with shows of deep respect and love for this special place. The First Nations community is hopeful that the site can become a first-of-its-kind community health, education and cultural hub. The current lessee of this site, the City of Merri-bek, supports the vision and has advocated for this site to be transferred to the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation. Currently the site is sublet to the corporation, but this is set to expire in October. Minister, will you provide a commitment to facilitating the transfer of this site to the Wurundjeri Woi Wurrung Cultural Heritage Aboriginal Corporation and provide funding to help achieve their inspiring vision?

Western Victoria Region

Bev McARTHUR (Western Victoria) (13:02): (843) My constituency question is for the Minister for Emergency Services and concerns this government's appalling disregard for VICES volunteers and units. They are incredibly important to communities in regional Victoria. Over 4800 volunteers last year contributed 287,373 hours of their time responding to accidents, floods, storms, landslides and the like. Yet despite experiencing one of their busiest ever years, Labor's recent budget gave zero new funding for equipment or infrastructure. Worse, pre-election commitments have still either not been funded at all or will be delayed yet further. Despite the new \$186 million hike of the fire services levy, VICES volunteers get nothing. I want to thank the volunteers who have contacted me from units across Western Victoria, including Ararat, Ballarat, Bellarine, Lismore, Lorne, Marong, Maryborough, South Barwon and Wedderburn, and ask the minister: when will you give these volunteers the support they deserve?

Northern Victoria Region

Rikkie-Lee TYRRELL (Northern Victoria) (13:04): (844) My constituency question today is for the Minister for Emergency Services. Last week on budget day constituents in the Goulburn Valley found themselves without any available ambulances. Ambulances were ramped at GV Health for up to 9 hours. A constituent has reported that he called for an ambulance during this time and was told none were available and they would call him a taxi instead. There was not a single ambulance available from Numurkah, Shepparton or Tatura due to this ramping. The recently released budget shows a cut to ambulance funding of around \$20 million from last year. The question my constituents want to ask is: when will the Allan Labor government stop putting their lives at risk and fix the crisis in our ambulance system?

Southern Metropolitan Region

David DAVIS (Southern Metropolitan) (13:04): (845) My constituency question is for the Minister for Skills and TAFE, and it concerns the deteriorating position on a number of our campuses, including in my electorate. Today we have heard the deputy vice-chancellor of Deakin University Kerrie Parker state that:

... freedom of speech does not extend to the establishment of unauthorised camps ...

and she has sought the immediate dismantling and removal of the current encampment at Morgan's Walk at the Burwood campus of Deakin. What I seek from the minister is action: I ask the minister to act – to use the powers that she has – to deal with these toxic tent cities, which are actually a hotbed of antisemitism that actually need to be closed down and moved on. People are entitled to protest, but they are not entitled to be antisemitic.

Northern Victoria Region

Georgie PURCELL (Northern Victoria) (13:05): (846) My constituency question is for the Minister for Environment. There are currently 30-tonne machines destroying native habitats to salvage logs in the Wombat State Forest. In 2021 the government responded to the central west investigation, accepting most of its recommendations to protect Wombat State Forest. They include expansion of the Lerderderg State Park, new conservation parks in Daylesford and the Cobaw State Forest and a substantial addition to Hepburn and Macedon regional parks. I am sure no-one is surprised to hear that none of this has happened. In fact we are now experiencing the longest delay in the legislating of parks following a government response in the past 30 years. Nearly three years after the investigation northern Victorians are still waiting for their promised parks as salvage operations continue. My constituents want to know when the government will legislate new and expanded protections in the Wombat State Forest.

Southern Metropolitan Region

Georgie CROZIER (Southern Metropolitan) (13:06): (847) My constituency question is for the Minister for Health. Currently local governments receive a \$10.94 subsidy to administer the flu vaccine, whereas pharmacies receive an \$18.85 subsidy for the same service. I recently spoke to Boroondara council about this issue, and they are concerned that councils receive less than 60 per cent of the rebate for providing the same service. Victorian council immunisation programs provide important services, especially for young children and those getting vaccinated within school programs. These programs help keep our communities healthy. The government must ensure that councils receive the appropriate funding to deliver this service, so the question I ask is: will the minister commit to increasing flu vaccine funding to councils to achieve parity with pharmacists?

North-Eastern Metropolitan Region

Aiv PUGLIELLI (North-Eastern Metropolitan) (13:07): (848) My question today is to the Minister for Tourism, Sport and Major Events, and it relates to crumb rubber, which is used on synthetic sporting fields across my electorate, including in Eltham, for example. These become tiny bits of rubbish that manage to travel many metres from their respective sporting pitch and not only make a mess of their local environment but also end up in our waterways. In fact there have actually been studies that have found that crumb rubber can impact on our aquatic environment and even enter the food chain; I am visualising a little fish choking on one of these – you get the picture. What are you doing to ensure that crumb rubber from sporting grounds in the north-east of Melbourne is not contributing to the pollution of our waterways?

Western Metropolitan Region

Trung LUU (Western Metropolitan) (13:08): (849) My question is for the Minister for Prevention of Family Violence regarding an increase in demand for sexual assault and family violence services being experienced by the western region at the Centre Against Sexual Assault, with an urgent need for additional funding to support their delivery. Can the minister please update my constituents on the government's plan to address the heightened demand for family violence and sexual assault services for some of the most vulnerable and culturally diverse individuals within my electorate of Western Metropolitan Region? I recently met with Annette Vickery, the CEO of Western Region Centre Against Sexual Assault, an organisation based in my electorate which is essentially a support service for victims of sexual crimes and family violence. It has come to my attention that current demand far exceeds their capacity to deliver trauma-informed support to victim-survivors. This is long overdue for the waiting list of Western Metropolitan Region, which will have a population expansion of over 50 per cent over the next 15 years.

Western Metropolitan Region

David ETTERSHANK (Western Metropolitan) (13:09): (850) My constituency question is for the Minister for Roads and Road Safety. My constituent is one of hundreds of cyclists who commute

to the CBD from the west and is concerned that Footscray Road will again be closed due to works on the West Gate Tunnel Project, with cyclists forced to use Dynon Road. Last week a cyclist was seriously injured by a B-double at the intersection of Dynon Road and CityLink. Just like when the death occurred of Angus Collins on Footscray Road in February last year, cyclists and traffic have the same simultaneous green lights. Freedom-of-information documents show that safety concerns raised by the community are well and truly on the department of transport's radar, but no action has yet been taken. My constituent asks: will the minister instruct the department of transport to urgently reconfigure the light sequencing at this intersection to protect cyclists from trucks?

Northern Victoria Region

Wendy LOVELL (Northern Victoria) (13:10): (851) My question is for the Minister for Police. Minister, will you guarantee the Rochester police station will be finished by quarter 4, 2024–25, as originally promised? The devastating floods of October 2022 damaged Rochester's police station, and a new station was announced as part of the town's recovery works. In the 2023–24 budget there was an individual line item for replacement of critical police facilities for Rochester, with a total estimated investment of \$1.3 million and an expected completion date of mid-2025 – in fact quarter 4, 2024–25. That line item has disappeared in the 2024–25 budget. The money for Rochester police station has been folded into the new police station infrastructure delivery fund for statewide projects. This fund has an expected completion date of mid-2026 – quarter 4, 2025–26 – one year later than the original Rochester police station funding. The Rochester rebuild is a top priority for Victoria's post-flood recovery works, and the minister must give clarity to local police officers and residents on the completion date for their new police station.

Eastern Victoria Region

Melina BATH (Eastern Victoria) (13:11): (852) My constituency question is to the Minister for Agriculture. I ask the minister: will she provide fair compensation to my constituents Jeff and Kristy Coster? Jeff and Kristy have worked in the native timber industry for 30 years. They do not hold a VicForest contract licence. They work for a VicForest contractor. In the negotiations with the Allan government they accepted a payout and had put into their bank account 20 cents as a pathway for the remaining \$197,000. That was in February. That payment has not gone through, and the government is saying that there is an argy-bargy with the Australian Taxation Office. My constituents – and they are not alone in this plight – are bereft and beside themselves. I call on the minister to find a pathway so that these people, who have been displaced by the government, actually get fair compensation.

Northern Metropolitan Region

Evan MULHOLLAND (Northern Metropolitan) (13:12): (853) My constituency question is to the Minister for Planning, and it concerns the proposed footbridge from Kalkallo connecting to Donnybrook station. As the minister would know, in several of my constituency questions and adjournments I have advocated for this essential footbridge connecting the Kalkallo Cloverton estate to Donnybrook station by foot so people can actually walk to the train station. I am asking the minister to provide details on when the construction of this footbridge will begin. As the minister knows, this government has been hoarding growth areas infrastructure contribution funds that were meant to be delivered to my community for over two years and has only just delivered some of them to growth areas. A simple footbridge over the Merri Creek connecting Kalkallo to Donnybrook is a no-brainer, yet it has become another entry on Labor's long list of infrastructure failures in the north alongside bus routes, train stations, pavements and roads. The residents of Kalkallo needed this footbridge yesterday and want to know when construction will begin.

Eastern Victoria Region

Renee HEATH (Eastern Victoria) (13:13): (854) My question is for the Minister for Children. Emerald Community House has served families in the local community for nearly 50 years through food relief, emergency preparedness, vocational training, workshops, children's education and care,

disability support programs and family violence support. The Department of Families, Fairness and Housing has announced that it will discontinue funding for Emerald Community House in July this year. So my question is: what has the department done to ensure that the families and children currently supported by Emerald Community House will continue to receive the assistance that they need?

North-Eastern Metropolitan Region

Richard WELCH (North-Eastern Metropolitan) (13:14): (855) My question is for the Minister for the Suburban Rail Loop. Last week I met with Gina Zhang, the owner of Sharetea on Coleman Parade in Glen Waverley. Gina has sold delicious bubble teas to the community for over four years, and until recently her business was thriving. A short time ago Coleman Parade became a building site for the SRL station in Glen Waverley. This has significantly reduced foot traffic for all businesses on Coleman Parade, with some businesses' revenue decreasing by \$10,000 a month. Meanwhile the only compensation offered was \$300 of SRL-branded shopping vouchers. She was told by an official representative of the SRL there is no other compensation because everyone benefits from the SRL. To an experienced business owner this is a contemptuous and insulting answer. My question to the minister is: how will the government compensate Gina and other local business owners who are impacted by the SRL works?

Petitions

Short-stay accommodation

Georgie CROZIER (Southern Metropolitan) presented a petition bearing 598 signatures:

The petition of certain citizens of the State of Victoria draws to the attention of the Legislative Council that owners have a right to quiet enjoyment and safety in their own home. We need changes to the Owners Corporation Act 2006 in relation to short-term accommodation (STA) to protect owners and residents' safety and well-being. Based on the increasing issues of STA properties, made available by Airbnb and other platforms, being used as unregulated party venues we are requesting that owners and residents should be granted the right to decide over their own building. Leading tourist destinations around the world and Australia, including New York City, Amsterdam, Paris, Florence, Mornington Shire, Byron Bay and many others, have already taken drastic steps to curb these issues, while Victoria still has the weakest laws in Australia when it comes to controlling STA. The current state laws are inadequate. Despite more than 50 cases against STA being heard since 2019, no hosts have been fined or suspended through VCAT under the current laws. The constant parties, antisocial behaviour, noise, and loss of amenities that residents are suffering from all over Victoria is taking up unnecessary resources in VCAT, local government and Victoria Police. A simple change to the Owners Corporation Act 2006 will free up a lot of government resources and improve residents' well being and safety. Owners should not have to spend years in a slow VCAT system, spending hundreds of thousands of dollars in legal fees, while simultaneously suffering through noise and anti-social behaviour that impacts sleep and mental health on a weekly basis. Sections 159A to 159F of the Owners Corporation Act 2006 need to include a section allowing owners corporations the right to democratically limit or ban short-term rentals within their own building, taking back control over their own homes.

The petitioners therefore request that the Legislative Council call on the Government to amend the Owners Corporations Act 2006 to allow owners corporations to have the option to decide whether short-term accommodation is allowed in their building, including but not limited to all past, present and future short-term accommodation, made effective by a 75 per cent democratic vote by owners.

Gender identity

Bev McARTHUR (Western Victoria) presented a petition bearing 1437 signatures:

The Petition of certain citizens of the State of Victoria draws to the attention of the Legislative Council grave concerns that medical treatment protocols initially designed for genuine gender dysphoric adults are being implemented upon a demographic of children and adolescents who for reasons unexplored wish to self-identify as transgender or gender diverse. Nordic countries and the United Kingdom have introduced limits on these interventions and have stopped routinely administering puberty blockers due to uncertain long-term outcomes, broad knowledge gaps, and lack of clarity and rationale in this novel area of medicine. Meanwhile treatment continues in Australia. Our country's busiest gender clinic, Melbourne's Royal Children's Hospital, has reportedly seen over 10 years, a dramatic 1100 per cent increase of children on their waiting list. An

interviewee on Channel 7's Spotlight program De-Transitioning stated that "I was totally lied to, even by doctors. I was sold this thing that isn't possible", while another shared that her diagnosis took "under an hour" and that she was "worse off" from taking testosterone and undergoing a double mastectomy. A paediatrician on the program stated that "sterilising children and leaving them sexually dysfunctional for the rest of their lives on the basis of their declared identity is a medical scandal." Our children deserve better. A thorough investigation is required into the current clinical evidence upon which gender treatments are founded including profits involved and evidence-based clarity and rationale around why gender ideation is medically fixed for children, yet gender ideation is touted as also being fluid.

The petitioners therefore request that the Legislative Council call on the Government to implement an urgent, impartial, transparent, ethical, independent inquiry into gender identity services for children and adolescents, and consult with medical professionals and young people and their families who have lived experiences about the current end to end treatment process.

Bev McARTHUR: I move:

That the petition be taken into consideration on the next day of meeting.

Motion agreed to.

Committees

Scrutiny of Acts and Regulations Committee

Alert Digest No. 6

Sonja TERPSTRA (North-Eastern Metropolitan) (13:17): Pursuant to section 35 of the Parliamentary Committees Act 2003, I table *Alert Digest* No. 6 of 2024, including appendices, from the Scrutiny of Acts and Regulations Committee. I move:

That the report be published.

Motion agreed to.

Papers

Budget papers 2024–25

The Clerk: Pursuant to sections 27E and 40 of the Financial Management Act 1994, I table the 2024–25:

budget paper 2, 'Strategy and Outlook';

budget paper 3, 'Service Delivery';

budget paper 5, 'Statement of Finances' (incorporating quarterly financial report 3); and

'Department Performance Statement'.

Lizzie BLANDTHORN (Western Metropolitan – Minister for Children, Minister for Disability) (13:18): I move, by leave:

That the 2024–25:

(a) budget paper 1, 'Treasurer's Speech';

(b) budget paper 4, 'State Capital Program';

(c) budget 'Overview'; and

(d) budget information paper, 'Gender Equality Budget Statement'

be tabled.

Motion agreed to.

Lizzie BLANDTHORN: I move:

That the budget papers 2024–25 be taken into consideration on the next day of meeting.

Motion agreed to.

Papers

Tabled by Clerk:

Crown Land (Reserves) Act 1978 – Order of 10 May 2024 giving approval to the granting of a licence at Lower Maribymong Riverlands.

Independent Broad-based Anti-corruption Commission – Report to the Attorney-General, 1 July 2019 to 31 December 2022, under section 464ZP of the Crimes Act 1958.

Interpretation of Legislation Act 1984 – Notice under section 32(3)(a)(iii) in relation to Obligations of managers of land or infrastructure (Urban stormwater management and On-site wastewater management) (*Gazette S230, 9 May 2024*).

Planning and Environment Act 1987 – Notices of approval of the –

Ballarat Planning Scheme – Amendment C246.

Boroondara Planning Scheme – Amendment C387.

Hume Planning Scheme – Amendment C267.

Kingston Planning Scheme – Amendment C203.

Melbourne Planning Scheme – Amendment C440.

Strathbogie Planning Scheme – Amendment C89.

Victoria Planning Provisions – Amendment VC255.

Yarra Planning Scheme – Amendment C308.

Statutory Rules under the following Acts of Parliament –

Crimes Act 1958 – No. 29.

Financial Management Act 1994 – No. 28.

Transport (Safety Schemes Compliance and Enforcement) Act 2014 – No. 30.

Subordinate Legislation Act 1994 –

Documents under section 15 in relation to Statutory Rule Nos. 29 and 30.

Legislative instruments and related documents under section 16B in respect of –

Order for Obligations of managers of land or infrastructure (Urban stormwater management and On-site wastewater management) under the Environment Protection Act 2017.

Revised Health Complaint Handling Standards 2023 under the Health Complaints Act 2016.

Surveillance Devices Act 1999 – Report, 1 July 2023 – 1 February 2024, under section 30L of the Act, by the Office of the Special Investigator.

Petitions

La Trobe–Victoria streets tram stop

Response

The Clerk: I have received the following paper for presentation to the house pursuant to standing orders: Minister for Public and Active Transport's response to the petition titled 'Retain tram stop number 9 on La Trobe–Victoria streets', presented by Ms Lovell.

Business of the house

Notices

Notices of motion given.

General business

Aiv PUGLIELLI (North-Eastern Metropolitan) (13:35): I move, by leave:

That the following general business take precedence on Wednesday 15 May 2024:

- (1) order of the day 1, listed for a future day, resumption of debate on the second reading of the Hemp Industry Bill 2024;

- (2) order of the day 6, resumption of debate on the Residential Tenancies Amendment (Rent Freeze and Caps) Bill 2023;
- (3) notice of motion given this day by Georgie Crozier on the 2024–25 budget; and
- (4) notice of motion 369, standing in Evan Mulholland’s name, on the building and construction industry.

Motion agreed to.*Committees***Legal and Social Issues Committee***Reporting dates*

Trung LUU (Western Metropolitan) (13:36): I move, by leave:

That the reporting date for the Legal and Social Issues Committee’s inquiry into the state education system in Victoria be extended to 15 October 2024.

Motion agreed to.*Motions***Middle East conflict**

Aiv PUGLIELLI (North-Eastern Metropolitan) (13:36): I move, by leave:

That this house:

- (1) notes that since the Council’s resolution on 17 October 2023 concerning Israel and Gaza, which stated that this house stands with Israel, the following has occurred:
 - (a) Israel has ordered the evacuation of Rafah, where 1.2 million Palestinians are sheltering, despite there being nowhere safe to go;
 - (b) children are starving to death as Israel continues to block aid, with a famine now projected;
 - (c) there have been disturbing reports of abuse of Palestinians in Israeli detention centres;
- (2) recognises the ongoing protests in Victoria against Israel’s war on Gaza, including the student encampments;
- (3) does not support the state of Israel’s continued invasion of Gaza; and
- (4) supports calls for an immediate and permanent ceasefire.

Leave refused.*Production of documents***Production of documents**

David DAVIS (Southern Metropolitan) (13:37): I move:

That this house suspends the Leader of the Government from the service of the Council for the remainder of today and for the next two subsequent sitting days.

I am sorry to be standing and moving this motion today given the failure of the government to provide the list of documents that the chamber has sought. Some of these documents go back up to one year into the past, and the government has had plenty of time to comply with the orders of the chamber as outlined by the standing orders of the chamber. This motion as it currently reads would remove the Leader of the Government from the chamber for three days. It is our intention to move an amendment to that motion, a more modest amendment, to actually allow a period – and Ms Crozier will talk at length about this – to 18 June and to also bring on a debate to take note of the outstanding documents on 18 June. That is, I think, a very reasonable way forward.

I do want to indicate that there are a number of aspects in the context here. We think the government has yet again failed to bring forward documents in a sufficient way. I do not think I am foreshadowing anything that I cannot say, but I understand that the Greens have had some discussions with the

government and the government has said – I am paraphrasing here because obviously I am not privy, and no doubt Dr Mansfield will have more to say on this – that it will discuss with the whole chamber some potential changes. We stand ready to have such a discussion. However, I do put on record my concern that a plug in the middle of the process could simply give the government more capacity to delay and fudge the provision of documents. I make the point that the standing orders here are explicitly modelled on the New South Wales Legislative Council and that those standing orders work perfectly and adequately in New South Wales. There is no reason at all why the documents orders here should not be treated with similar respect to the documents orders in New South Wales.

We start from a position that the standing orders are fine, the documents orders are fine. The government has not provided a large tranche of those documents, and I am not going to rehearse all of them, but some of them, as I said, go back more than a year. The government has also not been honest and direct with the chamber. If there is some particular problem, they could come to the chamber and say, ‘This particular documents motion is a problem for this particular reason.’

Members interjecting.

David DAVIS: No, that is not what you have done in many of the cases. Actually, in many of the cases there is a long list of them where all the government has said is, ‘We haven’t had time.’ That is all the government have said, and some of them go back, as I said, for more than a year. The truth of the matter is that the government is trying to slow this process down and not comply with the orders of this chamber.

I will let Dr Mansfield put her case in the way that she outlined to me earlier to the whole chamber so that we have an understanding of what the Greens are thinking on this point. We remain ready, as Ms Crozier I think will also indicate, and we are happy to have a discussion about modifications, but we do not want to see a weakening of the standing orders as they are now. The government ought in our view simply to begin to comply with these orders. As I said, if there is a particular issue with a particular order, well, let them tell us. That is not what they have largely done. There are a couple of cases, yes, but largely they have not done that, and largely these documents are left in limbo. That is why this process has commenced over the recent weeks.

We say we need to continue to put some pressure on the government. The provision of a small cluster of documents last sitting week was in fact the direct response of the government to the fact that the chamber had put additional pressure onto the government, so we think further pressure may be required. This motion, as Ms Crozier will outline in her amendment, will actually allow that to be considered in detail on 18 June in a way that will keep some discussion on these matters.

Ryan BATCHELOR (Southern Metropolitan) (13:43): We are back again to have another debate on Mr Davis’s motion seeking to suspend the Leader of the Government. This now appears to be the third time that an amendment has needed to be moved to the original motion, because the step Mr Davis is seeking is the reasonably extreme exercise of a power that is the right of this chamber. But clearly, as I articulated in my previous contribution to this debate a couple of weeks ago – and my apologies in advance in case I fall foul of the standing orders with respect to tedious repetition – once again we are back here not for an act of upholding principles of the Parliament, not for upholding the rights of the Parliament to seek to exercise powers with respect to the production of documents, but for an act that smacks more of political opportunism: seeking political outcomes to suspend the Leader of the Government, Attorney-General and Minister for Emergency Services from the services of the chamber.

What we have got in the discussions and the considerations that are going around this place is the opportunity for improvements to these sessional orders that require the production of documents. Essentially, they have us in a position where we can be pursuing good policy outcomes or we can be pursuing political bloviating. I think what you see on behalf of the government is a genuine desire to seek the former of those, a desire to get to the right policy and procedure outcomes, which stands in

contrast with the breathlessness expressed by Mr Davis. It would have been useful this time, if Mr Davis is or Ms Crozier is indeed again proposing to move amendments, to have seen them. But again we have not, so it is difficult to take seriously the engagement of the opposition with this debate when on this occasion they have not decided to share their proposed amendments with us.

We do know, as I said at the last discussion on this, that the right of this chamber to order the production of documents is something that the chamber should take very seriously, something that all of those who look at and have considered these matters take very seriously. We go back to 1855, to the powers of the House of Commons. We look at what was set up under the Australia Act 1986. We look at the High Court's decision in *Egan v. Willis* in 1998 with respect to deliberations and requests for documents in that context. I did use a quote last time, and I will use it again, because it is important to understand, in the High Court's discussion of the powers of the New South Wales chamber to require the production of documents:

What is "reasonably necessary" at any time for the "proper exercise" of the "functions" of the Legislative Council is to be understood by reference to what, at the time in question, have come to be conventional practices established and maintained by the Legislative Council.

What is reasonably necessary to seek accountability from the government, to seek further information and to hold the executive to account, a core function of the Parliament? The spirit with which the government is engaging in that question I think is demonstrated by both the way in which the Attorney-General, the Leader of the Government, tabled some letters last time this motion was debated but also the extent to which the government has been willing to engage in discussions with members of the chamber who are willing to have a constructive conversation about ways to improve the documents motion processes. We have come to an arrangement with members of the crossbench who have agreed with our intention to revise the scope of the documents motion, and the intention is to create a process for documents motions tabled in this place to be revised and actioned accordingly, which is going to assist everyone, all parties who engage in requests and/or production, in ensuring that the information that they request is not voluminous and serves its intended purpose.

I understand that as a result of those discussions in due course the government will seek to introduce amendments to the sessional orders which are currently in force to set out that process to streamline and improve the current and future documents motions in this place. I mentioned in the last contribution that I made in the chamber the effect of the very wide net that some of the documents motions that have been moved seek to cast. There have been instances, and this was demonstrated in the Attorney-General's letter that she tabled in the Parliament with respect to some requests that were made with respect to housing developments, where it would take several years, millions of dollars and a lot of effort to produce the entire list.

But we are willing to work constructively. We are willing to engage constructively with the members of the crossbench who are seeking that, in order to target the documents motions with which those people seek to get access to those documents to find out the core of what they are looking for, following the due considerations of government processes – in the way that the government, for example, dealt with Mr Limbrick's request with respect to the illicit tobacco regulation paper and with respect to the way in which the government dealt with the request for the report on the medically supervised injecting facility, in which following the considerations of the cabinet, following the claims of executive privilege which were made having been resolved, documents were provided. When those requests are done in a way that enables the government to consider them and deal with them as efficiently as it possibly can, you are seeing from the government a willingness to engage constructively with those motions and a willingness more broadly to take a look at the short-form documents motions processes that were introduced without discussion and debate, without reference to the Procedure Committee. The government at the time thought that it would be best if these were considered by the Procedure Committee and that what we have now is a willingness to improve those processes, to improve the processes of the chamber and to improve the accountability mechanisms that are so fundamental to this chamber.

The consequence of the motion that Mr Davis has moved would be to deprive the people of Victoria one of their elected representatives from the service of this chamber. For the 130,000 Victorians in Northern Victoria Region who voted for the Leader of the Government as a member for Northern Victoria, it would deny them representation in this chamber for a period of time. That is a very serious thing, but it would also deny this chamber the ability to ask questions of the Attorney-General and Minister for Emergency Services for a period of time, and that is denying all members of this place the ability to properly hold the executive accountable through the procedures of this chamber in the manner in which every member has a right to do. They are serious consequences. They are serious actions. The debate should be taken seriously.

The government is taking seriously the question of how we best get to the actual heart of the questions that we seek to resolve and get to the very heart of the policy questions that members of the chamber are seeking documents in relation to in a way that does not involve, as one of these motions did and as I mentioned last time, every single email associated with a consultation process, which casts such a wide net and would take such a long time to deliver on that it would render the process of seeking documents through this manner absolutely unworkable and which in other contexts would definitely be seen as unreasonable diversions of resources. These are serious issues; the government takes them seriously. We are engaging seriously with members of the crossbench to improve the processes, and we believe that that is a much preferable approach to denying elected members of this place the ability to participate in its business.

Sarah MANSFIELD (Western Victoria) (13:52): Yes, here we are again discussing documents motions and this motion again. At the outset, I actually take issue with Mr Batchelor's characterisation of this motion. I think it is quite disingenuous to describe it as political opportunism. This is about a matter of principle and a very important one.

We have a lot of sympathy for the arguments that Mr Davis has made with respect to this motion and the issues that it addresses, and that is why we have supported it the previous two times that it has come to this chamber. We have entered into these discussions and engaged with the government in good faith about this to improve processes, but some of the framing and characterisations of the debate that were provided just now potentially give us some pause to question how much those discussions did occur in good faith. Nonetheless we do welcome the government's commitment to provide some more of the documents that were requested in that original motion. We understand that they will be providing documents around the public housing towers, kangaroo harvesting and the medically supervised injecting room, albeit with a revised scope and timelines, but this is a welcome development.

We do appreciate that the government has worked constructively with us to do this; however, had it not been for this motion threatening the expulsion of the Leader of the Government in this house, this would not have occurred. These document requests were made, as Mr Davis pointed out, some of them, beyond a year ago, and this only happened at the last minute before this motion was to return to the chamber. It should not take these sorts of threats for the government to comply with the will of the Parliament. We also note that there continue to be a range of documents on that original list that have not been responded to, and we would sincerely urge the government to show a similar commitment to producing those documents or at least work with the mover of those motions. Mr Batchelor, you outlined that you are willing to have these conversations but sometimes the requests are too broad in their scope or the timelines are unreasonable. Well, show that courtesy to the movers of the other motions, have that discussion, tell them what would be reasonable to request. This includes another of our motions that has not been responded to regarding the Hydrogen Energy Supply Chain project.

We also welcome the government's commitment to working with the chamber to create provisions in the sessional orders for a more fulsome explanation each time the government is unable to meet a documents request within the advised timeframe and providing an opportunity for the mover to at least have a discussion with the government about revision of scope and timelines should they wish. We are yet to see the details of that proposal, and I think it is important that everyone in this chamber has

the opportunity to contribute to those changes in our sessional orders. Again, it is important to point out that although it was framed as the government very generously putting this out there, this would not have happened without the pressure that this motion has applied. It is not just a sudden willingness of the government to work on a way to resolve this; this was a direct result of the pressure of this motion.

Some might reasonably argue, and we heard it from Mr Davis, that the government should just produce the documents that have been requested, that we do not need a modification of sessional orders – that it should not be required – that they should just comply with the will of the Parliament and that the government have repeatedly shown that they will just ignore these documents requests when they come up. But they have also demonstrated that when their feet are held to the fire they will find a way to produce documents. We are pragmatic. We recognise that not all requests will be able to be met within the scope and timeline that has been proposed, but currently, short of threatening sanctions, we have not been able to find another way to get the government to explain their failures to produce documents. It is not a sustainable approach to continue to threaten to expel the Leader of the Government or government members in order to get documents provided.

It is tempting to continue to use this, to continue to use government business time to highlight this issue, but given the commitments that the government have made, we are willing to give them an opportunity to demonstrate that they are genuine. However, I would say that this should not be read as the end of this matter. Should the government continue to ignore the will of the Parliament, should they engage in bad faith when it comes to introducing these new sessional orders, should they choose to simply ignore the sessional orders, we will have no qualms about reigniting this matter, including looking at sanctions or other levers that we have as a Parliament. And we note that this government has flagrantly disregarded the standing orders with respect to executive privilege. We discussed this problem at length last sitting week. That was with respect to the executive privilege claims over a whole range of documents that were requested by the Commonwealth Games select committee.

The motion that was passed by this Parliament calling for those documents to be released will be a test for the government. Should the government continue to ignore the standing orders with respect to executive privilege or any new sessional orders that are introduced, we will also have to consider what further options we have. What we have seen here is an attitude and a cultural problem in Victoria that does not exist in other jurisdictions like New South Wales, as we have heard from Mr Davis. As I said last sitting week, we do not want to be getting into the habit of kicking out members of Parliament, but the levers we have at our disposal are relatively limited and pretty blunt. As I also mentioned last sitting week, integrity experts have grave concerns, really serious concerns, about how this government treats documents requests and its failure to follow standing orders with respect to claims of executive privilege. They have suggested some pretty serious steps we should consider taking in the event of ongoing failures to abide by the will of the Parliament, and many of those are much more significant than the ones that we are contemplating in this motion. We are quite willing to entertain those steps if necessary.

We have achieved an outcome today that is by no means perfect, but it is an outcome that would otherwise not have happened. For that we recognise the value of the motion that has been put. We welcome the outcome. We are grateful for the documents that are being produced. We are grateful for the willingness to work on an improvement in our process via sessional orders to ensure that maybe more documents can be produced. We hope that this commitment from the government is a genuine one and that we will see improvements, because if we do not, I can assure you we will be back here arguing about the same thing probably sooner rather than later. We would love not to be in this position, doing this thing again, and the ball is really now in the government's court.

Georgie CROZIER (Southern Metropolitan) (14:01): I rise to speak to Mr Davis's motion and to make a few comments in relation to the comments Mr Batchelor and Dr Mansfield have said, and then I will move an amendment to the motion. As has been outlined by Mr Davis not just today but on previous days around the importance of these documents, the number of these documents that have

not been provided by government and the length of time in which they have failed to be provided to the house I think is of concern.

Dr Mansfield talked about discussions that the Greens have had with government. We are not privy to those, obviously, and we do not know what the changes to the sessional orders are, and I am not sure that the rest of the crossbench do – Mr Bourman is indicating no. I think it is not the proper process to be going around the likes of the rest of the crossbench or the opposition and talking about releasing this when we have not even seen it or moving sessional orders when we do not even know what the government is planning to do. With these selective discussions that are being had around that, I think it is disappointing that the remainder of the crossbench and the opposition are not aware of what is being proposed by government and those discussions that are being had with the Greens.

Mr Batchelor made comments around Mr Davis’s short-form documents motion – he was not correct. In actual fact that was not sprung on you; that was on the notice paper for two weeks, so to say that that was literally put upon the house and we had to vote was incorrect. I think when you are making these statements you actually have to be accurate around timing and indicating what was done, because Mr Davis followed the right process. He actually put it on the notice paper. It lay over for a few weeks, and we provided plenty of notice to the government and others around the short-form documents motion.

I want to just raise the issue around Albury Wodonga Health and what has been provided in New South Wales. In my absence Ms Lovell moved that documents from Albury Wodonga Health be provided to the house on 6 March, and we are still waiting. But we know that documents have been released from the New South Wales government in the Legislative Council to the members of the parties in that Parliament. That the New South Wales government can do it and this government cannot is exactly why we are in this position, debating this motion today and putting the pressure on the government to say, ‘You need to release these documents. They are there.’

We saw the issue around the Lay report. It had been with government for months and months and months – the last iteration for 12 months and previous iterations for God knows how long. But that report was first commissioned in 2020. These are the issues that I think the public have a right to see, and that is why they are important; that is why we have this process.

I will move to the amendment now. I move:

That all the words after ‘That’ be omitted and replaced with ‘this house:

- (1) notes the failure of the Leader of the Government to comply with a number of resolutions of the Council requiring the Leader of the Government to table specified documents in the Legislative Council by particular dates, and further notes that orders for the following have not been complied with:
 - (a) Hydrogen Energy Supply Chain Project, on 22 March 2023;
 - (b) gas and electricity supplies, on 15 November 2023;
 - (c) redevelopment of high-rise public housing sites, on 15 November 2023;
 - (d) kangaroo harvest management plan, on 29 November 2023;
 - (e) Commonwealth infrastructure review, on 29 November 2023;
 - (f) Port of Hastings application for offshore wind turbine facilities, on 7 February 2024;
 - (g) Better Regulation Victoria’s review of Victoria’s approach to illicit tobacco regulation, on 7 February 2024;
 - (h) medically supervised injecting room in Melbourne’s CBD, on 21 February 2024, paragraph 2(b);
 - (i) Albury Wodonga Health, on 6 March 2024;
- (2) affirms the privileges, immunities and powers conferred on the Council pursuant to section 19 of the Constitution Act 1975, and the power to make standing orders under section 43 of that act;
- (3) affirms the right of the Council to require the production of documents;
- (4) believes that the Leader of the Government’s failure to comply with the orders in paragraph (1) is unacceptable and disrespectful of the Legislative Council;

- (5) requires the Leader of the Government to table in the Council by 12 noon on 18 June 2024 the documents ordered by the Council in the motions identified in paragraphs (1)(a) to (i); and
- (6) permits that if the Leader of the Government has not complied with standing orders 10.01 in relation to all the documents listed in paragraph (1) within the timeframe specified in paragraph (5), the Council will, at the conclusion of formal business on Tuesday 18 June 2024 – or if formal business does not occur that day, at the conclusion of formal business on the next sitting day – give precedence for a non-government member to move, without leave, “That this house notes the failure of the government to comply with standing orders and produce documents for various outstanding production of documents orders.”.’

I urge members of the house to support this motion. As has been noted, this motion in the first instance has put pressure on the government, and they have released some documents, the Lay report being one. There are some in other areas that they say they are going to release, but that does not go to the heart of what the house has moved previously, and it is important that the government complies with the will of the house. Therefore I would urge all members to support the amendment to the motion.

Michael GALEA (South-Eastern Metropolitan) (14:07): I think I have seen this film before. I cannot say I did not like the ending because I have not seen the ending, because this is the third time now that we have debated –

Harriet Shing: Good pop culture reference.

Michael GALEA: Thank you, Minister Shing. This is the third time now that we have debated this –

Harriet Shing interjected.

Michael GALEA: Indeed. You nailed it – got it in one. But this is a serious motion. Whilst I rise with a foreboding sense of *deja vu* in this place today to discuss something that has been discussed in both the previous sitting week and the one before that, I note that we have yet another amendment from Ms Crozier, which would again seek to extend and extend and extend. We have spoken about standing orders; at this point I feel like the opposition will be seeking to have a weekly slot in the standing orders for suspending the Leader of the Government.

I just want to address some of the key points Mr Batchelor has already gone through. I do want to assure the house – and I appreciated Dr Mansfield’s contribution as well – that this is absolutely something that has been done in genuine good faith. The government has already, as I understand it, started that process but is committed to working with the chamber to come to a solution on making a change to these standing orders that makes the compulsion of documents in the sessional orders more effective – that is, more effective both in terms of what the house can secure from the government but also more effective in what is reasonable and realistic.

Like Mr Batchelor, in the spirit of not risking tedious repetition, I will not go into all the things that I outlined in my speech last week, but the example of housing is a good one. You have a motion that is quite broad and could be taken to include 200,000 documents, which is estimated to include up to \$2 million in legal fees. That is something that is obviously not going to be achievable within a two-week timeframe. Touching on Mr Batchelor’s points, that is exactly why these sorts of discussions should as a matter of course be done through considered debate – not rushed in – and indeed through the Procedure Committee. I note in response to Ms Crozier saying that it was put on the notice paper: well, that may be true, but it certainly was not put through to the Procedure Committee, which is obviously the normal forum for those sorts of things. If it is not to be used in this scenario, if not for this, the question that I would ask is: then what would you have a Procedure Committee for?

I would also like to emphasise the point that the government will be releasing the documents that we said we would and that where that commitment has been made, that will be adhered to and kept by the government. I would also like to note that the government has very much appreciated the constructive feedback it has received already from the crossbench in particular. The purpose of a future amendment

to the sessional orders is to ensure that any of the outstanding documents motions of interest to this chamber, which have been discussed ad nauseam both this week and in previous weeks, will be dealt with as soon as possible once their scope has been revised. This includes, for example, the housing towers motion and the kangaroo harvesting documents as well as others, and indeed this will be applicable to all future documents motions as well.

Ariana Grande or Taylor Swift aside, this is a serious discussion, and it is one that government has taken very seriously as well. As I outlined in my contribution 14 days ago now, when we last spoke on this, it is an important function of a chamber of Parliament – any chamber of any parliament – to be able to, as it requires, request documents from the government and for it to be supplied with those documents, barring extreme extenuating circumstances. But I will reiterate again that the proposal that has been put forward by the Liberal Party in today's motion is extreme. You can delay it as much as you want – and frankly that shows a great deal of disrespect, I think, to your own motion – and you can try to twist it as much as you want, but it is at the end of the day a very extreme measure to be looking at the prospect of suspending any member of this place. Indeed, as I referred to last sitting week, that member in this place is the only government representative for the Northern Victoria Region. She is the only government representative for the seats of Eildon, of Euroa, of Shepparton, of Ovens Valley, of Benambra, of Murray Plains and of Mildura. Indeed, as I said, that is 132,000 primary votes for Minister Symes that would not be listened to and would not have their voices heard in this place. So whilst I understand and I hear the frustrations of Dr Mansfield, I really do wish to assure the house that this is a genuine act of good faith and that we do want to get the sessional orders into a space where these documents motions can be as effective but also as reasonable as possible, so that we can get the functions of this place working as smoothly as possible.

Again I would say in reference to Ms Crozier's remarks about the Procedure Committee: that is something that really should have been looked at if you were going to bring this short-form documents motion in in the first place. We have seen – and we have had genuine examples of this – that of the three 90-minute blocks that members in this place have for general business on a Wednesday, we do have a recurring issue where the final one of those three blocks does get cut short by statements on reports. While I am sure that was not intended by Mr Davis, that is the sort of thing that is worth taking the time to work through with colleagues across the chamber, whether it is through the Procedure Committee or in more direct conversations. That is the reason why you do these things in a more considered way, so that the recipient of the third spot on any given Wednesday of general business does not get unfairly penalised or unintentionally penalised by that short-form documents motion amending the sessional orders that was put forward by Mr Davis.

I just want to note again that we appreciate the constructive feedback that we have already had – the government is continuing and will continue to engage in those conversations – and from the crossbench in particular; I thank them as well. I also note that the purpose of a future amendment to the sessional orders that the government is seeking to introduce into this place will be based on the conversations had with members from the crossbench in particular but also with members across the chamber and on the feedback of all members. Again, I do note that the documents which have been the source of much discussion, including but certainly not limited to those pertaining to housing towers and to kangaroo harvesting, will be provided by the government as part of that demonstration of good faith. I just want to reiterate that point as well.

I am very heartened to see that progress does appear to have been made and that we can avoid the situation of having this debate come up for a fourth time. If it does, I will have to find some more interesting things to say without repeating myself. Hopefully, I will do a much better job than I am doing this week. But suffice to say, whilst I am happy for us to be spending the time today, we may even have a later finish than we thought and my colleagues in this place Mrs McArthur and Mr Puglielli and I, who will be sitting in for a good session of the Public Accounts and Estimates Committee later this week, may not personally be so thrilled about a late night tonight.

Bev McArthur: I cannot wait.

Michael GALEA: I cannot wait either, Mrs McArthur; we are going to have a good time. It is another important part of the accountability process that we will have in just a few days – in two days time – just upstairs here in the Legislative Council committee room. But for today, this is a serious motion, and whilst we have a lot of important legislation to be putting through and discussing in this place, I am happy to spend my time here today outlining those points and outlining those assurances to the house as well.

David ETTERS HANK (Western Metropolitan) (14:17): Firstly, my apologies for the mix-up in the speaking order there. I did not want to interrupt Mr Galea's repetition or some of the valuable new information that he was providing to the chamber.

Can I first of all make the point in reply to Mr Batchelor that we are not actually here to simply score points or to waste time, nor are we here to be lectured to by the government. The issue at question here, the issue at the heart of this matter, is the responsibility of the government to release documents that have been resolved by this chamber as needing to be exposed to the public light. We hear these really amazing statements – 'It is going to cost millions of dollars and take hundreds of years to produce the documents' – as though we were contemplating a journey to Mars rather than a bit of photocopying.

Having said that, I guess I would just like to indicate that Legalise Cannabis Victoria is very happy to have today received some undertakings from the government that strike to the release of a series of documents, including those pertaining to the public housing towers that have been mooted for demolition against the face of apparent common sense; a motion relating to kangaroos that was raised by Ms Purcell; and thirdly, documents relating to the medically supervised injecting room that are still subject potentially to government claims of privilege. I would also indicate that we are in the process of discussing with government a procedure for shaping future documents motions. There remains a significant backlog of documents, as Ms Crozier and Mr Davis alluded to, that is yet to be addressed, and that remains an issue. But I think it is appropriate that, apart from dealing with the backlog, we also have an eye looking forward to prospective documents motions. As Nietzsche perhaps said, those who do not learn from history are destined to repeat it; so hopefully we can learn from our experiences to date on documents, jointly with the government and the opposition, and try and develop some processes so that we do not continue to repeat this process.

In terms of Ms Crozier's amendment, I was taught, coming up in the trade union movement, that threats repeated ad nauseam tend to have a diminishing marginal return. If you are going to punch someone in the face, do not keep on telling them you are going to punch them in the face – just punch them in the face. I need to be careful here, President. I am very mindful that you have warned me previously about fruity language, so if I may paraphrase the fruity language that is in my mind, there is an expression that if one wishes to urinate, one should do so or perhaps vacate the lavatory, and this is such a case in hand – do it or get out. I think in terms of the resolution that has been proposed, it is just a threat repeated and repeated. If it is not followed through, it means nothing, and we should move forward. Accordingly, we will not be supporting the amended motion.

Given the government's response, what we would like to say is that the proof will be in the pudding – I seem to be dropping a lot of metaphors here at the moment. Anyway, we will be keen to see what the government delivers. There are multiple documents that should be the subject of release over coming weeks. There will be discussions about how we improve these processes in the future, and accordingly we will reflect that in our voting today. That said, we would be more than happy to return to this motion should the government fail to deliver in the spirit that has been discussed.

Council divided on amendment:

Ayes (16): Melina Bath, Jeff Bourman, Gaele Broad, Georgie Crozier, David Davis, Moira Deeming, Renee Heath, David Limbrick, Wendy Lovell, Trung Luu, Bev McArthur, Joe McCracken, Nick McGowan, Evan Mulholland, Adem Somyurek, Richard Welch

Noes (21): Ryan Batchelor, John Berger, Lizzie Blandthorn, Katherine Copsey, Jacinta Ermacora, David Ettershank, Michael Galea, Shaun Leane, Sarah Mansfield, Tom McIntosh, Rachel Payne, Aiv Puglielli, Georgie Purcell, Samantha Ratnam, Harriet Shing, Ingrid Stitt, Jaclyn Symes, Lee Tarlamis, Sonja Terpstra, Gayle Tierney, Sheena Watt

Amendment negatived.

Motion negatived.

Members statements

Andrew Suggett

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (14:30): I would like to take a moment to acknowledge our Victorian Senior of the Year 2023 Mr Andrew Suggett. Mr Suggett served the Warrnambool community for many years through his membership of Rotary, but faced with a life-changing diagnosis of Parkinson's in 2000, Andrew maintained his infectious positive outlook on life and resolved not only to do everything he could to improve his own quality of life but to do what he could to help others. Mr Suggett was a dedicated leader of the Warrnambool Parkinson's Support Group since 2009, fostering a warm and inclusive environment for community members to come and share their experiences of and feelings about a Parkinson's diagnosis. He was also involved in numerous initiatives to help people with Parkinson's stay active, connected and involved in their community. I had the pleasure of meeting Mr Suggett at last year's Victorian Senior of the Year Awards. His whole family came with him to celebrate him and were clearly and rightly so very proud of his dedication and generosity towards their community.

Sadly, Mr Suggett passed away recently, and I would like to pass my condolences on to his wife Betty, his family and all who knew him. His was a life well lived in the service of others, and he was an example to us all.

Energy policy

David DAVIS (Southern Metropolitan) (14:31): I want to draw the chamber's attention to the federal government's *Future Gas Strategy: May 2024*. This is a strategy that reinforces the importance of gas and the position of gas in providing a transition into the future. It certainly supports a strong position for gas with respect to peaking and firming of electricity generation, and it certainly supports the importance of gas for the Victorian economy and for the national economy further. It could not be further from the state government's position, could not be further from Lily D'Ambrosio's position.

I note of course that the Deputy Premier seems to have some differences with Ms D'Ambrosio. He seems to believe that gas has got an important role. He likes gas. But Ms D'Ambrosio of course is against gas and has put in this gas ban. She hates gas. She has got an ideological fixation against gas, I have to say – although I note that she has not converted her six regional properties from gas, and she will not talk about the six rental properties –

Members interjecting.

David DAVIS: Lily D'Ambrosio, your Minister for Energy and Resources, has a considerable difference not just with the Deputy Premier here but with the federal Labor government, which has recognised the importance of gas as a part of transition and the choice that is critical – *(Time expired)*

Organ and tissue donation

Moira DEEMING (Western Metropolitan) (14:33): This week I was honoured to attend a very special fundraising event in support of Transplant Australia. The event was put on in collaboration with the Healthcare Awareness Society of Australia and a fantastic initiative called Body Buddies.

Body Buddies was created by Aayushi Khillan to promote health awareness to young people, and it sells soft plushie organ characters like Bronchiole Bros, Cerebella, Cornelia and Aortina.

It was an emotional night for everyone there, including me in my own small way. I remembered that when I was 12 a childhood friend, who was as close to me as a brother, died suddenly of an asthma attack. I still remember the heartbreaking, selfless and brave decision that his parents made to donate his organs. Right now one of my very best friends has two sons who will need heart transplants and probably liver transplants too if they are going to make it to 30 years of age.

And who did I discover was hosting the event – it was none other than our family paediatrician Dr Raj Khillan, and he is also the 2023 Australian of the Year. I just want to thank and congratulate Raj and Aayushi for their amazing work, and I would like to say a very special thankyou to all those who have donated organ and tissues from their loved ones and turned the worst moment of their lives into the moment of greatest relief and joy in another family's life.

First Nations health care

Sheena WATT (Northern Metropolitan) (14:34): Marra ngarrgoo, marra goorri in Wurundjeri translates to 'community knowledge, community health'. These words represent the aspirations of my community-received, tailored and specific health care that works for the community and respects Indigenous cultures and knowledge. Historically Aboriginal and Torres Strait Islander people have been subjected to some unsafe health and medical research practices. You only need to see the collections at medical schools overseas to know this. Since 2018 the Victorian Aboriginal Community Controlled Health Organisation (VACCHO) has been advocating for an Aboriginal medical research accord to ensure that this never happens again.

Last week when I found out that the budget allocated \$4.7 million towards this accord it was a proud day for the future of medical research in our state but also the world-class Parkville precinct. I know that many of the researchers, health professionals and community leaders have long advocated for this accord, and to see it come to life with this budget commitment is certainly good. It will be an important step in driving reconciliation in health and community research. A big shout-out to Jill Gallagher, the CEO of VACCHO, and Dr Misty Jenkins and all my black brothers and sisters working in the health and medical research community for all their efforts to date and those yet to come. Needless to say, I will be watching this with great interest.

Climate change

Katherine COPSEY (Southern Metropolitan) (14:36): Last Thursday I stood among hundreds of Victorians at the Rise Up! climate rally, where we were united to call for no more coal and gas. Organised by groups including Move Beyond Coal, 350.org, ACF, the Australian Youth Climate Coalition and GetUp!, the rally brought together people from all walks of life, united by a shared urgency for our planet's future, and the climate choir lifted our spirits with songs. We need to end our reliance on fossil fuels. But here in Victoria Labor continues to back new fossil projects, diverting precious public resources into climate-wrecking ventures like the Calder hydrogen energy supply chain and exposing our oceans to damaging seismic blasting for polluting gas.

On the same day the community gathered to call for no more coal and gas, federal Labor showed it is still beholden to the climate-killing gas industry, committing to supercharge the climate crisis with continued reliance on fossil gas. Getting off coal and gas is not just a matter of environmental responsibility, it is an economic imperative. It is no coincidence that high energy bills are happening when global gas prices are soaring. Investing in abundant and cheap renewable energy sources, like solar and wind, not only reduces emissions but also creates jobs and reduces energy bills. No more coal and gas means more than just cleaner air and water; it means a safer, more sustainable world for generations to come.

Budget 2024–25

Georgie CROZIER (Southern Metropolitan) (14:37): Last week's budget was an absolute shocker for Victoria, with debt rising to \$188 billion and interest payments going to \$26 million each and every day. We are being called the debt and tax capital of the country, we are being called the basket case – the list goes on. Standard & Poor's and other rating agencies are asking how we are going to service these debts, putting our finances further at stake.

Sonja Terpstra: On a point of order, Acting President, I am having a lot of trouble hearing. There are a lot of conversations that are happening in this room in multiple areas, and I cannot hear what Ms Crozier is saying. If anyone wants to have a conversation, maybe take it outside.

The ACTING PRESIDENT (Jeff Bourman): In fairness, you are right. Can we restart the clock. It was coming from both sides, in case anyone was wondering. Ms Crozier, from the top.

Georgie CROZIER: I am very happy to start again. I will repeat what I was saying. Last week's budget was an absolute shocker. Our debt is going to \$188 billion and our interest repayments to \$26 million each and every day. We are the debt and tax capital of the country. We are called a basket case. The rating agencies are putting huge doubt on our capacity to even service that ongoing debt and what it will do to our future interest payments. What the government is doing is focusing all their priorities in the wrong areas. They are extending the Suburban Rail Loop at the same time they are cutting vital cancer research. The VCCC Alliance undertakes so much terrific work in cancer research, education and support. Well, this government is cutting it by 75 per cent. This is just absolutely ludicrous. At a time when our population is ageing and when cancer rates are going up, this mean government, which has got its priorities wrong, is cutting vital cancer research. They have got no plan to repay the debt. In addition, they are imposing further taxes on households, businesses and families at a time when there are cost-of-living pressures. This government has done nothing. It is saddling future generations with enormous debt. I urge the government to look at a plan to pay down debt and reverse these cruel cuts to vital cancer research and other areas, which are going to impact so many Victorians.

William 'Billy' McLean

Jacinta ERMACORA (Western Victoria) (14:40): On 27 April I joined Labor members and unions at the Tower Hill cemetery to pay our respects to a young man who died fighting for the rights of his fellow shearers. It was during the union struggles of 1894 that young Billy McLean was shot at Grassmere station in New South Wales. He died at home in Koroit, his mother by his side. We marched then from the cemetery to Mickey Bourke's pub in Koroit, where we shared lunch along with the joys of the Koroit Irish Festival. I want to express my deep appreciation for the union movement in this state and for the legacy that their predecessors have achieved for us, like young Billy. With me on the day were a number of people: Paul Drew from the South West Trades & Labour Council, Cal Millard, David Clements, Matt Watson from the Australian Nursing and Midwifery Federation, Rob Saunders and also multiple branch members. In closing I just want to say that his epitaph was written by Henry Lawson, and it goes like this:

Erected by his fellow unionists and admirers in memory of their comrade William John McLean, who was shot by a non-unionist at Grassmere Station N.S.W. during the bush union struggle of 1894, who died 22nd March 1896, aged 26 years.

A good son, a faithful mate and a devoted unionist.

Union is strength.

Middle East conflict

Samantha RATNAM (Northern Metropolitan) (14:41): Right now hundreds of students are joining with thousands of their peers at universities across Australia and the world at encampments for Gaza. These brave and compassionate young people are occupying their university lawns and calling for their universities to end their relationships with weapons manufacturers and partnerships that are

contributing to the genocide of the Palestinian people. Universities, institutions and governments right across the world have live contracts with businesses and governments that are supporting and profiting from a genocide but are hoping that people will not notice. But we see it for what it is. Anyone with a moral compass must know that all these actions, these relationships, these contracts, our response and your silence matter. These heinous acts of war that we have seen in Gaza, which have seen more than 33,000 Palestinians killed and 19,000 children orphaned, do not happen in isolation. They are aided and abetted by direct funding, contracts, MOUs and research partnerships with the defence industry and occupying governments and are fortified by those who refuse to speak up and refuse to do their part in applying pressure to oppressors.

From Melbourne University to Monash, Deakin, La Trobe, RMIT and beyond, students are showing more moral courage than many in this place. We stand with you. I have no doubt that what we are witnessing today will define our lifetimes. Like the movement to end apartheid in South Africa, when all of us do all that we can in our corners to create social change, change can happen. Let us hold hope, join with others and free, free Palestine!

Community Advocacy Alliance

Renee HEATH (Eastern Victoria) (14:43): I was recently privileged to join the Community Advocacy Alliance, or the CAA. They are a terrific group of people that were established in 2015. It originated from the partnership of former police chief commissioner Kel Glare and a former police inspector Ivan Ray. These two men, although they allege they are retired, continue to passionately believe in and advocate for the values of programs benefiting youth. Kel Glare introduced the police in schools program, which I think is something that we should still be doing today, and Ivan Ray introduced the Blue Light disco. The CAA evolved from this partnership, and it has continued to grow. We spoke about all the different needs in our community, and I really appreciated their practical solutions, which can really help with different things we are struggling with today. I do not have time to go through the different experiences of all of the different members, but they have different experiences: lawyers, police, drug and alcohol specialists, detectives and parents of children that have really suffered because of different crimes. Their work spans across various categories, including legal, law enforcement, mental health, military veterans, road safety, illicit drugs and corruption. It is a rare privilege to have so many people together, and I would encourage everybody in this chamber to meet with them and ask for their advice on different issues.

IDAHOBIT

Sonja TERPSTRA (North-Eastern Metropolitan) (14:45): I rise today in celebration of IDAHOBIT, which this year falls on Friday 17 May 2024. By way of history, that date was chosen to commemorate the decision to remove homosexuality from the international classification of 'disease' by the World Health Organization in 1990. The day is essential, as it aims to promote equality and acceptance of all individuals regardless of their gender identity or orientation. IDAHOBIT aims to raise awareness about the violence, the discrimination and the repression experienced by LGBTIQ+ communities. Despite the three principal issues mentioned in the name of the celebration, the day is widely regarded as a campaign which works to advance the rights of people with diverse sexual orientations, gender identities or expressions and sex characteristics. As such, it is important to acknowledge our non-binary folk as part of this campaign as well. Discrimination and hatred towards LGBTIQ+ communities based on who they are or who they love is simply not acceptable. The Victorian government condemns hate speech, intimidation, stigma and discrimination, which cause real and lasting distress and damage to LGBTIQ+ people in Victoria. So I want to wish LGBTIQ+ constituents in the North-Eastern Metropolitan Region a very happy IDAHOBIT when it comes around this Friday. On IDAHOBIT and every day we stand with the LGBTIQ+ community, because in Victoria equality is not negotiable.

Live exports

Bev McARTHUR (Western Victoria) (14:46): My members statement concerns the appalling announcement by the federal government that the live export of sheep from Australia will be banned by 2028. This is a shocking decision made purely to placate activists. It will do nothing to increase animal welfare. Australian farmers are world leaders in welfare practices; the countries where sheep will instead be sourced from are not. Worse than this performative politics is the disregard for farmers whose livelihoods are based on this industry and yet who were told of the outright ban at the same time as the activists. It is frankly disgraceful. This decision will damage animal welfare, destroy livelihoods and lessen our food security. On all fronts it is wrong, and the knock-on effects are significant: locally in Western Victoria, in the rural economy more generally, on small agricultural businesses, transporters, shearers and others, and across Australia in the impact on the market for sheep as well as specialist provision of veterinary and genetic services. Yet again, as with the native timber industry, a Labor government has at the stroke of a pen banned a legitimate business and destroyed livelihoods. Where will this end? Will the live cattle export market be next on the activist hit list?

Paynesville Bowling Club

Tom McINTOSH (Eastern Victoria) (14:48): It was great to be in Paynesville on budget day. The Paynesville Bowling Club have received \$330,000 for a new synthetic green. It is a testament to the hard work and the organising that all those in the club have done, and it is going to be fantastic for the club. It is going to mean that they are able to get out on the green more often, so it is going to see more participation, but it is also going to mean that there is more income for the club. There are not going to be days when there is a wet green after heavy rains the night before. Over the new year it is going to mean that the tourists that come into town can get out and play barefoot bowls – again, more income for the club. Additionally, local schoolkids, who have performed so well across the region and across Victoria and who have been trained up by the club, can get in there more frequently and at more times. Of course the maintenance costs that the club incur with the green will not be there, so they can use that to invest in the club and bring more people in and continue to grow it.

Paynesville Primary School

Tom McINTOSH (Eastern Victoria) (14:49): I spoke about the schoolkids in Paynesville. It was fantastic to attend Paynesville Primary School. With the massive investment that has come out of the budget, it was great to be there with Deb Mathers, the school captains and all the kids and talk about the \$4.4 million that is there for the upgrade of Paynesville Primary School. It is massive for the kids and it is massive for the town, and that, along with other investments that we are making around Paynesville, is sure to set them up for the future.

Shepparton and Rutherglen road infrastructure

Wendy LOVELL (Northern Victoria) (14:49): Today the federal Treasurer will table the federal budget for 2024–25, and I hope that budget will deliver more for northern Victorians than the city-centric state budget delivered last week by the Allan Labor government.

Two key projects that need the support of both the state and federal government are the Shepparton and Rutherglen bypass roads. Both communities have lobbied for a bypass around their town for decades, and yet the Allan Labor government continues to ignore them and deny these projects the priority status they need in order to be built. Both projects were the subject of funding cuts in the Commonwealth's infrastructure review process. Shepparton lost \$208 million that had been allocated to the project by the Morrison government, and Rutherglen lost the federal component of the money that had been allocated for planning. In the meantime B-double trucks continue to travel right through the heart of the CBD in both communities. Shepparton has been fortunate that there has not been a major accident in the CBD, although during the state election while standing at pre-poll we witnessed several very close misses. Rutherglen has not been so lucky, with two major accidents occurring in recent weeks, one claiming the life of a local woman who was crossing Main Street. I call on the state

government to prioritise both these projects and to work constructively with their federal counterparts to ensure funding is allocated for the immediate construction of both the Shepparton and Rutherglen bypasses.

Brahmin Sabha Australia

Trung LUU (Western Metropolitan) (14:51): On Friday I had the privilege to join the Brahmin Sabha Australia Hindu community celebrating Bhagwan Parshuram Janmotsav, an auspicious birthday celebration of the Hindu community. I also had the privilege of joining the gathering last year and participating in the Hindu havan, which was a deeply enriching experience. The celebration embraces the legend of Lord Vishnu, whose image wielding a mighty axe to restore balance resonates throughout the ages. His life embodies the values of sacrifice, selflessness and duty. As the Hindu community gather to commemorate his birth and profound teachings, they endeavour to manifest his virtue of doing good deeds, embracing his sacrifice, selflessness and duty in their own lives.

I extend my heartfelt gratitude to Brahmin Sabha Australia for organising this significant event in the Hindu calendar. Such gatherings play a vital role in uniting our communities. I would like to extend my gratitude to Chander Sharma and Dr Ritesh Chugh for extending the invitation and to all volunteers for a successful event. I would also like to appreciate and say thank you to the *Dainik Bhaskar*, a leading Hindi newspaper in India, for printing the story and promoting India overseas and multiculturalism in Australia.

Business of the house

Notices of motion

Lee TARLAMIS (South-Eastern Metropolitan) (14:52): I move:

That the consideration of notices of motion, government business, 278 to 399, be postponed until later this day.

Motion agreed to.

Bills

National Energy Retail Law (Victoria) Bill 2024

Second reading

Debate resumed on motion of Harriet Shing:

That the bill be now read a second time.

Richard WELCH (North-Eastern Metropolitan) (14:53): Thank you for inviting me to speak on the National Energy Retail Law (Victoria) Bill 2024, a bill which considers provisions of the National Energy Retail Law contained in the schedule to the National Energy Retail Law (South Australia) Act 2011 providing for retailer of last resort arrangements and other provisions et cetera. I think it is sensible that when you expect failure you should plan for it. What a pity the government have not applied this principle across the board in fact. And why is it necessary – well, in part it is a vote of no confidence in Labor's own energy policy. It is a sign that Labor cannot manage money, cannot manage projects and in terms of energy are half expecting failure themselves. We have seen from the tragicomedy of the budget handed down last week more taxes, less services and more likelihood that their projects will blow out and state debt will blow out and, most particularly in relation to this bill, that their management of the energy system will continue to fail.

Let us just call this another little bandaid before the real bleeding starts. They cannot get offshore built because they did not plan it properly, and they cannot communicate properly with their federal partners. They cannot build offshore at the scale planned because they did not plan it properly and did not take into account widely available science. And they cannot build transmissions lines at the scale required for renewables, at least not without going full Stalin and overriding every notion of consultation, property owner rights and local amenity. One thing is certain: you know a government

has run out of endurance, imagination and energy if it has to go full Stalin to get its projects delivered. To paraphrase *Tropic Thunder*, never go full Stalin.

You also are in complete disagreement with the federal Labor government about the essential role of gas. They are all for it; in fact they point out it is essential for the transition to renewables. Does this bill of last resort cover gas retailers? Does this bill provide a supplier of last resort when you have run the entire gas industry – appliance makers, producers, suppliers to the industry, the experts, the industries that need gas, all of them – into the ground and legislated them out of the state? In this case I guess the supplier of last resort will be businesses in South Australia and businesses in New South Wales. In fact they will be the employer of last resort for the businesses that these energy policies run out of the state. Other states are running out red carpets for business, but not us. We are here applying bandaids like the Dutch boy with his finger in the dike, King Canute ordering the tide not to come in or Stalin ordering the next five-year plan to be successful because it just will be.

Speaking of Stalin and government programs in the context of this bill, what is the SEC's role in this? I am willing to be corrected, but I thought originally the SEC was meant to be a retailer itself. Yes? No? No-one knows. Anyway, we now know that it is a venture capital business designed for picking winners and losers in the energy sector and for undermining the commercial terms on which the energy sector operates by funding on subcommercial terms. By definition it does this, and any transactions based on subcommercial terms inevitably have subcommercial outcomes. As sure as night follows day, it will have an effect on the retailers as much as the suppliers and operators. So we have the SEC venture capital business on one hand undermining the commerciality of the sector and this bill on the other providing a bandaid for the failure of the retail market – well played indeed.

In fact we could say the single greatest virtue that there is in this bill is that the government itself is not the supplier of final resort, because based on the government's record on housing waitlists, hospital waitlists and cuts to police and ambulance services, when the government is the provider of last resort, it does not do well. So I guess the virtue in this is that at least the government is not the supplier of last resort in the gas industry. But I am happy that I think we are going to support this bandaid. It is a necessary bandaid. Let us put it through. There I complete my contribution.

Michael GALEA (South-Eastern Metropolitan) (14:58): I am rising slightly earlier than I had anticipated. I was hoping for the full 30 minutes, Mr Welch, but it is a journey we are all on, and I am sure on your next one you will be much, much closer. I am not sure if I myself have got to 30 minutes yet, but I am on the way.

I do rise to speak today on the National Energy Retail Law (Victoria) Bill 2024, and I do so noting, as I did in the last sitting week in this place, that this bill is an important bill but it is an important bill that is part of a suite of bills that are coming into this place at the moment that are all part of the former Andrews and now Allan Labor government's plans for a more sustainable, greener future for all Victorians. We are transforming our energy sector in this state and have done so. Obviously we have numerous other things to look forward to as well, such as the reintroduction of the SEC. There are projects happening right across the state. Last sitting week as we were speaking about electricity grids, we spoke about various projects in that space that will support some of our state-shaping projects, such as Star of the South and other projects that will really transform this state. For the last 10 years, from the start of this government, Victoria has been an absolute national leader. We have been setting the most ambitious targets. We have also been meeting and beating those targets. So as we look towards these next steps, we do so with the background of being a government that has put out its plans and delivered on those plans for the people of Victoria.

We know that not only has this government committed to a greener energy supply for Victorians, but it has also committed to cheaper power prices for Victorians. It is why I once again welcomed the news just recently of the draft Victorian default offer, with those new prices under the VDO – an average \$112 decrease in power prices for individual households and a decrease of \$266 on average for our small businesses. This is a government that is putting the investment in to deliver these results

and deliver results that will lead to better and cheaper power for all Victorians, because that is what they frankly deserve and what we all, as a state and as a planet, so very much need.

The timing of the Victorian default offer announcement has been particularly beneficial for constituents in my region as well. From many in the South-Eastern Metropolitan Region, where I have been going out to people, whether it has been in Berwick or in Rowville or joining many of my wonderful colleagues in many Labor-held seats in the south-east region, I am hearing firsthand that cost-of-living pressures are such an important thing for all of us right now. It is why it is so good to see that Victorian default offer coming out, and it is also why I take the opportunity to remind and encourage all Victorians to make the most of the facilities and of the resources that we have out there, including the Victorian Energy Compare website. Last year of course we had the fourth round of the Andrews, now Allan, Labor government's \$250 power saving bonus program, and it was great to be out in the community helping people with less access to tech than others to get access to that benefit as well. We had well over a hundred people at just a single street stall at Wellington Village shopping centre in Rowville coming in keen to take up that offer, keen to get the best value. Even after the end of that program the Victorian Energy Compare website is still a terrific resource. It is still a free resource for all Victorians. You can go on, have a look and see whether you are getting the best energy deal – how your current plan stacks up compared to the Victorian default offer and how it compares to other options that may be out there. I really again encourage all Victorians to make use of that Victorian Energy Compare website, because it is a fantastic way to keep one of the many cost-of-living pressures down; as we know in so many other places, things such as groceries have been going up as well.

The bill that we have before us today addresses this fundamental role that energy has in all of our lives. It powers our homes, our shops, our businesses and our places of work. As I say, as we are taking these next steps in Victoria's renewable energy future, this is a bill that will also help us to achieve all the many reforms that are taking place. We have of course as well in recent years tripled the share of renewables in our state's power generation, which is a testament to initiatives such as the Solar Homes program, another initiative of this government. That has provided rebates to more than 300,000 Victorian households and supported them in getting rooftop solar. We have also of course funded the installation of the Victorian Big Battery, which is the largest in the Southern Hemisphere, which is another good thing to see as well. Cumulatively, all of these investments, as I say, are not just words. It is not just putting things out and hoping it will happen; it is taking real and tangible action, and real, tangible action gets real results. The real results that we have seen since 2014 are that, again, we have reduced our greenhouse gas emissions more than any other state in Australia over the past 10 years. We are leading the nation in reducing our greenhouse gas emissions, with targets of renewable energy output of 65 per cent by 2030 and 95 per cent by 2035. Again, when we say these things, Victorians can have the confidence that we will deliver those outcomes, because we have delivered already so far. But the rapid evolution in our energy generation also demands that our safety and regulatory frameworks also evolve at a very quick pace, and this section of the bill and the things that this particular bill focuses on are crucial because they seek to bridge the gap between what is in our current legislation and what we need to get to to achieve the needs of what will be a modern, dynamic energy market.

Furthermore, by adopting the national retailer of last resort scheme in Victoria the bill will also ensure continuity of service and enhance consumer protections across the state – noting, in terms of consumer protections, one of the very early acts of this government almost ten years ago was in fact to double the wrongful disconnection payment. Previously it was \$250 per day under a wrongful disconnection; under this government that was doubled to now be \$500 per day. We hope to of course see no-one wrongfully disconnected, and it is important that the financial measures that are in place, the punitive measures, are rigorous and reasonable. The \$500 amount certainly meets both of those requirements but also ensures that anyone who does encounter a wrongful disconnection has financial support provided to them. I know of constituents who have been through having to make a claim on wrongful

disconnection and who with the support of the Energy and Water Ombudsman Victoria were able to secure that as well as the waiver for some unfair charges.

Some more key provisions that this bill will introduce are all about improving and strengthening the resilience of our energy market. Of course that key feature that I refer to is the national retailer of last resort scheme, which is going to be a consumer safety net ensuring that if an energy retailer fails, their customers will not be left without the essential service of electricity. Instead these customers will automatically be transferred to another retailer without disruption of supply. It will also, significantly, empower the Australian Energy Regulator by enabling it to oversee these transitions effectively. It will also as part of this process grant the regulator the authority to allocate customers from a failed retailer to capable successors, ensuring that the new providers are equipped to handle any increased surges of demand that such an event would obviously create. This is critical for maintaining the quality and reliability of service for all Victorians and for those customers affected directly by a failure of a power company right through to those customers of those capable power companies, ensuring that their supply is also maintained.

Additionally, the Essential Services Commission of Victoria will play a complementary role in this process. Whilst the national scheme is designed to align our state with the broader national standards, ESC will still have a role to play as well – ‘ESC’ of course referring to the Essential Services Commission and not the Eurovision Song Contest, as wonderful as that performance was last week. The dual approach of this maintains Victoria’s high standards of consumer protection, which are amongst the strongest in the country, and by strengthening this, this will continue so that all Victorians can keep the lights on.

The benefits for consumer protection, economic stability and environmental responsibility are all features that this bill will achieve. By integrating into that national retailer of last resort scheme, it will directly support Victorians with their electricity supply in those cases where they may, through no fault of their own, see disruptions due to a market failure of any particular operator. I do again draw that comparison that we have often seen in this place. On this side of the house we are delivering policies that are achieving real and tangible benefits – and again I refer to the Victorian default offer. Just recently we have seen an average reduction in power bills annually under this Victorian draft default offer – of \$112 for households and \$266 for small businesses. That is a real and tangible result that everyday Victorians in my electorate and in the electorates of all other members in this place will be able to benefit from. Again, I urge all people looking at their power bills to take up the benefits that the Victorian Energy Compare website offers.

We know that when you have clear targets and clear policies and you work towards delivering them and you achieve them, you provide that certainty for the marketplace as well. You provide that certainty for industry to invest, whether it is in state-shaping projects like Star of the South or the Big Battery or in smaller projects. The framework and the government have such an important role to play in setting the scene and in having the policies in place and the legislation in place – the legislation we are discussing today being one small part of that. Once you have that in place you give industry the ability to invest and to deliver those renewable energy projects that will make such a difference.

In contrast, as we saw when those opposite were in power federally and we saw the 17, 18 or 19-odd different policies, when you are changing a policy as much as you change your underwear, you get bad policy outcomes for Australians, you do not achieve what you set out to, you do not achieve emissions reductions and you certainly do not achieve price reductions either.

The fact that Victoria has been able to secure such gains – again leading the nation in reducing our greenhouse gas emissions, despite a completely chaotic and dysfunctional federal government in Canberra for the first eight years or so of this state government’s time – goes to underline the effectiveness of the investment that we have been making even as other parts of the country have been held back even further by the negligent actions of the former federal Liberal government. Whilst it is very good to have a safer pair of hands at the wheel in Canberra now – we are not seeing party spills

every other week and we are not seeing a change to their energy policy every other week as well; that is very, very good to see – Victoria does still remain ahead of the pack with our targets, which is where we like to be. We like to be achieving those targets as well, which is what we are certainly doing. We encourage other states and indeed the Commonwealth to join us in our ambition, but either way having a supportive federal government in this space is certainly making a big difference. And when you have both levels of government working in the right direction, you also see benefits such as we have seen through the Victorian draft default offer.

This is a straightforward bill. It is a good bill. It achieves good outcomes for consumers, particularly for those going through difficulties through no fault of their own, if their electricity retailer happens to fail. For those reasons and also as part of supporting our renewable energy transition, I do commend this bill to the house.

Melina BATH (Eastern Victoria) (15:13): I am really pleased to rise today to make my contribution on the National Energy Retail Law (Victoria) Bill 2024 and in doing so to put the grounds for its intent – what this bill is designed to do – to ensure that Victorians do not have their power cut off if their energy provider of choice goes under. Under this bill – and the Nationals do not oppose this bill – the Australian Energy Regulator can and will automatically transfer customers to another provider if their existing provider ceases to exist. The bill does this by making a number of amendments to the Electricity Industry Act 2000 and the Gas Industry Act 2001 and some other technical amendments. It is designed, naturally, to protect consumers, to protect the person in their home from a retail failure. This will give the government the option to create a retailer of last choice. That is the theory. That is all about providing sustainability of service and providing that continuity of connection. I heard from the previous Labor Party member a really wideranging debate, so I feel that I probably have a very big paddock to walk around in in this debate. We heard about a suite of policies. We heard about the SEC, which I am happily going to prosecute – what is happening or not happening or failing to happen with the SEC.

The Star of the South is something that I have, since probably about 2017, supported and endorsed – the very good groundwork they did in terms of community consultation. That is a really interesting one, because Star of the South and others have done it very well as opposed to the Labor government, which has often conducted consultation and then gone out and done exactly what they were intending to do prior to consultation – many of the people in my region, the Eastern Victoria Region, and others, talk about being consultold by this Allan Labor government. Also, on the power saving bonus, I know that many people in my Eastern Victoria Region who are absolutely on their knees and desperate under the weight of cost-of-living pressures were able to access that. He did not mention the Latrobe Valley Authority – I think I might give that a run too in my contribution – in the lovely province of Latrobe Valley and the importance of a transition plan in that space, which I think the LVA has unfortunately failed in dismally.

But let me talk about gas, because part of this is impacting the Gas Industry Act 2001. What a world of confusion the Labor Party exists in on gas. It is absolutely at sixes and sevens. We see, on the guarantee of supply, that the Australian Energy Market Operator – and this is the competition watchdog for Australia, as we know – warned recently in the media that New South Wales and Victoria will face gas shortages this winter. I am going to go to a case study – and it is absolutely despicable for humans to have to exist like this – of a most beautiful lady in Latrobe Valley. I will paint that picture shortly. But federally we have got the federal gas strategy that came out in the last week or so, and Labor now backs gas to beyond 2050. That is the gas strategy. The Albanese government is going to, so the media tells us:

... shed its ambivalence towards gas, adopting a strategy that locks in its use beyond 2050 to underpin renewables, power manufacturing, and help trade partners manage their energy transitions.

In effect this is something that the Nationals and the Liberals have been speaking about for some time. When you have targets, when you are in a transition phase, there has to be a plan to provide continuity

in our energy supply – in our electricity supply and in our gas supply. But this Labor government over the last 10 years has been absolutely wilfully neglectful of its duty to keep prices down and keep supply in a reasonable space.

The federal minister Ms King said the future gas strategy:

... will mean a continued commitment to exploration, and an openness to the kinds of foreign investment that have helped build the industry into the powerhouse it is today.

The federal Treasurer Mr Chalmers says gas will play a crucial role in the energy and net zero transformation. Well, we know when the powerlines fell over in the western side of the state a month ago – when there were storms and they fell over – what kicked in. Certainly I know by looking at the national electricity market regulator that the coal-fired power stations in the valley kicked in to their maximum, but we also knew that the gas peaking plants kicked in. For this government to have such a gas ban mentality is absolutely quite frightening. We on this side support a transition, and we have been on record about that. The Nationals support a transition, but not a transition at all costs. You have to keep the lights on and the electricity to our hospitals – those beautiful hospitals that are so stressed at the moment with the abandonment of the government. We need schools, and we know the importance of keeping electricity to schools and all of our industries associated. Gas and electricity are very important.

But what does Lily say? Well, Lily has a gas substitution road map. She is banning gas. It is her mandate, her ideology, banning gas, and we have seen that. We have seen the ban on gas: no more gas on your cooktops in new establishments, in homes or in apartments or apartment blocks or the like – no more gas. Indeed, speaking with people at the coalface of need in Victoria, we know that they are quite concerned about how that will actually roll out. The electricity required, the infrastructure required and the power required to run solely electric in your home, whether it be in an apartment block specifically, are going to make real compromises to that structure, and they have raised those concerns with us.

Will this ban on gas actually undermine both our gas supply and our electricity security? This is what this bill is about. It is saying, 'If one supplier falls over, we're going to be able to pick that up, and you'll be able to get your energy through.' But what do we see with Mr Ben Carroll? He has a different opinion. We have the federal government with one opinion, changed now, and then we have Minister D'Ambrosio, who is ideologically opposed to gas. Then we have Mr Carroll coming out and saying on radio the other day:

We're keeping it ... a lot of Victorians like cooking with gas.

He also said he endorses cooking with gas; he uses gas in his home as well. Many of our wonderful restaurants in Melbourne and right across Victoria and my Eastern Victoria electorate use gas for their beautiful cooking of our fine produce. So we are getting these mixed messages on banning gas by the state Labor government. It is confusing, and it is frightening people in their homes. I will quote a letter from a man whose lovely mother is 95 years old. Pat Wells wrote to me only this last week:

... my 95 yo mother who lives in Traralgon has recently been admitted to hospital emergency verging on pneumonia. She usually lives independently but recently when back in her home family members have been staying with her to care for her health and safety needs. We have struggled to get her to put her gas wall heater on overnight as she has been very insistent in not allowing us to turn it on, as a result she has been waking during the night in a distraught state as she is so cold and shivering further exacerbating her health condition. We finally convinced her to keep her gas heater on a constant lower temperature for her health and comfort. We eventually discovered she thought she was not allowed to use her gas appliances because of the constant messages from the governments –

federal and state governments –

about the shortage of gas supplies. I am concerned about the mixed messages and scare tactics being used by the governments and how this is impacting on elderly and vulnerable people in the community.

Woe betide this poor lady, this beautiful 95-year-old lady, who should be warm and comfortable in her home. Because of this messaging on banning gas, this whole philosophy that the current state government has on the evilness of gas, this lady took it to heart. She turned off her gas heater, and she then became so cold she was verging on pneumonia and had to be taken to the hospital. Shame on this government for that.

I want to just pre-empt a couple of things that we have heard a number of times in the past when we have had energy discussions in this house. We have heard, from the speaking notes provided to some of the Labor backbenchers, about fracking. I just thought they need a bit of history and a bit of an update to stop the fracking fallacy that frequents the floor of this place. I want to put on record that in 2012 the then Liberals and Nationals in government announced a fracking moratorium. Indeed fracking has never occurred under a Liberal and National government. In contrast, the previous Brumby–Bracks governments issued 73 licences for unconventional gas exploration and approved 23 fracking operations without public consultation – again, people were consultold. So I want to put that on record, because these are the facts.

Of course we also have taken to previous elections in my time very sensible gas policy, and that has been about onshore natural gas where farmers have the right to veto that exploration on their land, but if they choose to adopt and go ahead and agree with the importance of natural gas and agree with the benefits that could occur, then they also have the right to have some of the royalties – also, that particular gas that is made in Victoria gets to stay and be used in Victoria. So that is a history lesson on the Nationals’ and Liberals’ policies in the past – just an update for people on the other side.

We also know the importance of our food and fibre, and we do not like the fact that we have recently been silenced and that this government has removed the right of people to go to VCAT and protest and request and oppose and have VCAT investigate and challenge any decisions. The Minister for Planning has removed that fair right of assessment. What we also know about, in my last minute – I had many more things to say – is the cost-of-living pressure that this current government is creating on the shoulders of families and indeed mature people in our electorates. The cost of electricity has gone up, according to ABS data, 25 per cent over the past 12 months. Gas has increased 22 per cent – that is from St Vincent de Paul.

I do not have a problem with this bill. What I do have a problem with is the minister creating fear in our people, creating fear in elderly people, flipping and flopping all over the place and putting a ban on gas. Gas is a sensible transitional source, and when there is no longer a requirement for it, then let that go. But until that point we take the point of the federal government, which has changed its tune.

Sheena WATT (Northern Metropolitan) (15:28): I appreciate the call today and the opportunity to speak in this place on the National Energy Retail Law (Victoria) Bill 2024. I have spoken many times in this place on many bills about the importance of energy reform, renewable energy targets and the re-establishment of the SEC. For the work being done by this government in the energy sector I really must commend the Minister for Energy and Resources in the other place. We have certainly achieved so much reform in energy while continuing to deliver the cheapest power prices to Victorians, particularly compared to the rest of the country. But there is more work to be done. There is always more work to be done for Victorian consumers, who continue to be at the very centre of our reforms, and that is what this bill before us is about and who our work in this place is for – Victorians – each and every day.

In practice, this bill will adopt the national retailer of last resort scheme in Victoria provided for in the National Energy Retail Law. Whilst Victoria itself has had its own successful retailer of last resort scheme since 2007, recent energy market instability has prompted this government to assess the scheme’s suitability. Over the last two years there have been a total of nine retailers that have failed across the east coast electricity and gas markets, including four in our own state. Factors such as a surge in wholesale gas and electricity prices coupled with unexpected global events, such as the war in Ukraine, have added substantial strain on our retailers. The bill before us will provide the Australian

Energy Regulator with the power to direct the failed retailer's gas contracts and supply to the retailer that takes on the failed retailer's customers. This ensures that the retailer has the necessary gas to service a larger consumer base. This provision addresses a critical and crucial gap in Victoria where the Essential Services Commission does not have equivalent powers.

But this bill is about much more than adopting a national retailer of last resort. This bill is about protecting Victorian consumers from the failures of retailers. This government has a long track record of standing up for consumers and protecting consumers from corporate greed and of course dodgy retailers, where they exist. The fact is that we are bringing back the SEC – it truly does speak to this – providing a cheaper alternative to energy retailers by providing reliable renewable energy to consumers. We are building our own renewable energy projects – building community batteries, building neighbourhood batteries and power storage that will keep the lights on for communities during emergencies to safely conduct business during unforeseen outages – to strengthen the resilience of our power grid.

Victoria has its own energy retail laws, and they are regulated by the Essential Services Commission and tailored specifically to the needs of and to benefit Victorian consumers. This last resort scheme is really another way to give those Victorian consumers protective measures that are needed. It aims to transition our customers to alternative energy providers in the event that their current provider collapses, and it ensures stability, guaranteeing uninterrupted power supply for consumers. Unlike other states and territories, whose retail laws are regulated by the National Energy Retail Law and monitored by the Australian Energy Regulator, Victoria maintains its own regulatory framework enforced by the state's Essential Services Commission. Victoria continues to have some of the strongest energy consumer protections in the country, and it is something that that we are very much proud to continue – to stand up for Victorians.

In 2016 we commissioned the independent and bipartisan review of the electricity and gas retail markets in Victoria, known as the Thwaites review, to examine the operation of the Victorian electricity and gas retail markets and provide options to improve outcomes for consumers. In 2017 the final report of the Thwaites review was published, and it included 11 recommendations to encourage energy markets to be simpler, fairer and more affordable for all Victorians. The following year, in 2018, the government publicly released the response to the Thwaites review and supported all 11 recommendations.

Our government has introduced a number of rules to make the energy market clearer and fairer, including forcing retailers to tell customers if they are on the best deal on every bill and banning some really dodgy short-term discounts. Some of the things that come to mind on the actions we have taken to protect consumers include the increase of the utility relief grant, from \$500 to \$650 per utility in July 2018. In July of that same year we introduced the first power saving bonus. We introduced the payment difficulty framework in January of the following year. We expanded the eligibility criteria for the utility relief grant and made it easier to apply for; that happened in mid-2019. At the same time we introduced the Victorian default offer. With that, can I just say one thing that I was particularly pleased about came about in July of 2020, which is that retailers can only change prices once per year, really ending the bait and switch which was happening to far too many consumers. Of course in January of 2021 there were some rule changes that came into effect that meant Victorians no longer have to pay bills going back nearly a year if their retailer in fact fails to bill them correctly. At the end of 2021 we banned those door-to-door sales and cold calls by retailers and banned win-back offers. This I think has been enormously popular with the community. Any of us that has ever faced one of these quite hostile characters in door-to-door sales knows that they are not always welcome, so I was very happy to see that initiative take place from December of 2021.

Through this work we have become world leaders in renewable transition. We have tripled the renewable energy share of the market in the 10 years that we have been here. We have transitioned away from the outdated fossil fuel power plants of the past towards really some cheaper energy that capitalises on the surplus of sun and wind that our great state is supplied in such ample volumes.

We introduced the Victorian default offer – I said that earlier – into the market, which does provide Victorians with competition and drives down energy prices. Can I just say the new draft offer shows an average of \$112 or a 6.4 per cent decrease in electricity bills for our residential consumers. For small businesses that works out to around \$266, or a 7 per cent decrease, and that is really money back in the pockets of Victorian families and Victorian businesses. This reduction in energy bills is primarily driven by wholesale energy costs declining as a result of our renewable energy investments. There are of course 360,000 Victorians that are on the Victorian default offer and will see this direct bill saving. Can I say we have also got 176,000 customers on embedded networks, and with those embedded networks the VDO is actually the maximum price that they can be charged. As somebody who has previously been on an embedded network, I have got to say some of those prices are quite runaway, so this is indeed very good news.

Victorians truly are big fans of our bold energy policy agenda. We heard it many, many times in the 2022 elections, and I continue to hear it quite loudly as I engage with constituents, particularly across my region in the northern suburbs. I am particularly happy to see so many initiatives there focused on vulnerable Victorians. I really am a big supporter of the fact that we are about protecting Victorian families and businesses from the failure of the market, because when these retailers collapse, Victorians and Victorian energy consumers should not have to bear the consequences and be cut off from the energy that they need, and that is exactly what this bill before us is about.

In Northern Metro we are set to install a community solar power storage battery, something that I am particularly pleased about. That will be going into Brunswick, being one of the 52 recipients announced in the first round of funding by the federal government's program. This 500-kilowatt battery will be able to store and redistribute excess solar energy generated by about 10 per cent of the dwellings in the Brunswick area that already have solar panels installed, so there you go.

I am particularly pleased to get up here and join my colleagues in speaking about our energy transition and our move to a more reliable energy grid, and I am continuing to listen to community as they tell me that they are keen for action on climate. This transition, I have got to say, is not a nice-to-have for our community; it continues to be a must-have as the global impacts of climate change begin to be felt around the state and the country. We know that April 2024, just last month, was warmer globally than any previous April in the data on record, and it is true to say that we have had months and months in a row of the hottest month ever on record. This is something that we take quite seriously. There are a number of scientific findings by some leading experts that really do show that the impacts of climate change are being felt not just in temperature records but in all sorts of other ways. We are taking these matters seriously, the scientific findings made by our experts, and we just must do more. We are not just listening to fossil fuel lobbyists or pro-nuclear lobbyists, who would see parts of our state that we very much love become nuclear exclusion zones. What we want is lower power prices powered by renewable energy for Victorians.

I have got to say that there is probably more to be said in my contribution, but I will finish off with some remarks around the SEC. It is something that I am very pleased to speak about. The fact is that we have brought back the State Electricity Commission, which is investing more than \$1 billion in renewable energy projects, which will drive default offer bills down by 6.4 per cent for Victorian families in the next financial year.

This bill provides better financial protections to customers affected by a retailer of last resort event. Unlike the current one-time fee imposed on customers of failed retailers in Victoria, the bill spreads the cost across a wider consumer base, mitigating the impacts on those unexpectedly impacted by retailer failure. This piece of legislation before us in this chamber is another step and another building block in Victoria's energy future, one that the Victorian people voted for. I am proud to be a member of a government that believes in climate science, in reliable power and in actioning and delivering results for everyday Victorians, for vulnerable Victorians and for anybody who wants to keep the lights on, and for that I commend this bill to the Council.

Evan MULHOLLAND (Northern Metropolitan) (15:42): I rise to speak on the National Energy Retail Law (Victoria) Bill 2024, a bill for an act to apply as laws of Victoria, subject to necessary modifications prescribed under regulations, provisions of the National Energy Retail Law providing for retailer of last resort arrangements and the other provisions of that law that support the effective operation of those provisions, to make related amendments to the Electricity Industry Act 2000 and the Gas Industry Act 2001, to make minor technical amendments to the Electricity Industry Act 2000 and the Gas Industry Act 2001 to improve their operation and for other purposes.

We do not oppose this bill. It is designed to ensure that Victorians are not left in the dark if their energy provider goes under. As I said, that is done through a handful of amendments. It protects consumers in the event of retail failure. If only we had protection for ministerial failure. I think the Minister for Energy and Resources is deeply failing in her portfolio and pushing up the cost of energy for all Victorians. We have seen both contradictions and this petulant back and forth between Labor governments in regard to gas. The government is all over the place on whether it actually supports gas or not. This is what I think has happened: they have been going off on a tangent, calling gas ‘fossil gas’, as the minister immaturely describes it.

Ryan Batchelor interjected.

Evan MULHOLLAND: But then we saw Ben Carroll, the Deputy Premier – I know Mr Batchelor might not be a fan of his – go on the radio and state that Victorians quite like gas and that he uses gas himself, seemingly contradicting the minister’s petulant campaign against gas. And they have realised it, because we have all seen the polling in regard to gas. Victorians love cooking with gas. They do not want their gas appliances taken away. They do not want to have to pay massive amounts of tax if they have to repair a gas unit, and if they move into a new home in a greenfield development, they want to have the opportunity to access gas. But this government does not do that. I will tell you what, you do not create a gas substitution road map if you do not intend to ban gas altogether for all Victorians. That is the intent of what this government wants to do. They want to ban gas throughout Victoria. They do not want Victorians to have the opportunity to use gas, and they want to minimise choice for all Victorians in regard to their usage of gas.

I know many businesses who rely on gas. I was at Sparkling Beverages last week, a great manufacturer in Campbellfield, and the owner Scott Edgley was telling me and the Leader of the Opposition John Pesutto, who came also with Shadow Treasurer Brad Rowswell, how much he relies on gas and how the cost of gas is making it harder for people. This is a specific example of how the Labor government’s ineptitude when it comes to energy is directly impacting on the price at the check-out. Sparkling Beverages, a great manufacturer in the northern suburbs, actually produces the Woolworths-brand beverages for Woolworths, so all your colas, your tonic water – which I get very often for my occasional gin and tonic – and all the other beverages. When their energy bills go up, someone has to pay for that. When the government decides to increase the bin tax, the waste levy, in last week’s budget, someone has to pay for that. That is what this government does not realise. Labor wastes, Labor taxes and Victorians pay the price. This is what we see over and over. Victorians will be feeling it at the check-out as a result of this government’s ineptitude when it comes to energy and when it comes to waste. We know that this government wastes. When this government wastes, they tax, and it is Victorians that pay the price at the check-out. It is Victorians that pay the price due to the cost-of-living crisis going on at the moment. It is Labor that is minimising choice for Victorians.

Actually I think it says a lot about the contempt this government holds for people living in growth areas. They are willing to say to some Victorians, ‘You can have your gas appliances for now, until our *Gas Substitution Roadmap* is in full effect.’ But for those who have decided, whether it be recently arrived migrants or young Victorians, to make the choice to live in a growth area and buy a new house and land package, they are discriminating against those Victorians by saying, ‘We don’t want you to have gas; you can only have all electric.’ It is discrimination against people living in growth areas to say they will not have access to what the rest of the state has access to.

I know many businesses in Victoria that are struggling with the cost of gas. I visited recently a great Chaldean business, Bamboo. I met with Salim Sanaty from Bamboo on Sydney Road in Campbellfield. They have seen increases in their cost of energy, and someone has to pay for that. As I say, someone has to pay for that, and the people who pay for that are the people who come in. Although this government might like to think that you can, you cannot cook fantastic Iraqi food on an electric stove or on electric induction at mass scale in restaurants. It just does not work. So when the cost of gas increases due to the shortage of supply in Victoria, someone has to pay for that. When Labor wastes and Labor fails – as this minister has in regard to our energy – it is Victorians that pay the price.

I do not think those opposite have actually read the future gas strategy from their federal counterpart – I do not think they were particularly pleased with it – but we know both the Australian public and the Victorian community do not actually hold gas in contempt like those opposite do. They hold the use of gas in contempt. They want to convert everyone to electric as much as possible. And we know they will make it harder for anyone that has a gas unit or heating unit that breaks down. They will tax the hell out of them to convert to electric, which will end up costing them more.

Melina Bath interjected.

Evan MULHOLLAND: Exactly – worsening the cost-of-living crisis for all Victorians.

We know that competition watchdog the Australian Energy Market Operator has warned that New South Wales and Victoria will face gas shortages this winter unless extra supplies can be shipped from Queensland, but we see the minister just acting completely immaturely in regard to the federal minister Madeleine King pointing out this fact. She tweeted that:

... @MadeleineMHKing is more like a Coalition Minister on radio ... How about talking the facts: 1. Qld gas is not doing 'the heavy lifting' as it remains a nett importer of Vic gas 2. There is no ban on Vic onshore con. gas exploration. And Vic fixed Iona – not you

Melina Bath: That's Minister D'Ambrosio, is it?

Evan MULHOLLAND: That's Ms D'Ambrosio. We see this immature, petulant slinging match between Labor comrades on Twitter, we have a minister that is failing in her responsibility as energy minister and we have former staff members for the minister going around town and speaking to businesses, scratching their heads and criticising the government's approach to energy, having seen from the inside the realities of our energy market and now being very critical of the government's energy approach. If only they could have perhaps convinced Ms D'Ambrosio otherwise. Gas will play a crucial role in our energy mix going forward beyond 2050. I have to agree with the federal Labor government that it will play a crucial role beyond 2050. It will play a crucial role in our energy mix and our net zero transformation. All Victorians will benefit from having choice in their energy mix. I know Victorians, particularly in growth areas, love using gas. Speaking to many communities, as I do, I know multicultural communities prefer using gas. Those that do not have access to gas even often use the woks on their barbecues to cook if they have moved into a home that already has a pre-existing electric stove, because they prefer the choice. Choice is what we need.

They will keep going back to their talking points. We hear discussions about the SEC and how great the SEC is going to be and how so much of the public support the SEC, but I think the Victorian people have realised this is a lie. If the SEC was going to be popular anywhere, it would have been in the seat of Morwell, and the people of Morwell thoroughly rejected the government's approach to the SEC.

Melina Bath interjected.

Evan MULHOLLAND: It did not resonate at all. We see, especially recently from polling – including by one of their old Labor comrades from RedBridge – that the Victorian people really like using gas and see gas as playing a role in our energy transition. They do, as do the federal government. But this government is stubborn-headed when it comes to gas having a role in our energy future. You

have got the Deputy Premier basically having to publicly distance himself from his own energy minister on the use of gas. The minister still has not revealed whether there is gas usage or any gas upgrades at her six different investment properties, as we saw reported in the *Australian*. Gas will play a really important role into the future. In my electorate people love gas, people love using gas and people want to have choice. As I said, it is discriminatory for this government to say to people in growth areas buying a new house and land package, 'You can't have the use of gas; you don't have choice in the use of gas in your home, but everyone else does.' So you are saying to one part of Victoria, 'You're not good enough to have that – we don't like this form of energy – but everyone else in Victoria is fine.' We know through their *Gas Substitution Roadmap* that they intend to extend this ban to all Victorians. You do not start a gas substitution road map unless you plan to wholesale ban gas for the use of all Victorians, and that is what they are doing in this state.

We see 120 jobs will go at Seeley up on the border by Christmas due to the Victorian government's gas policy. We see South Australian Premier Peter Malinauskas rolling out the red carpet for business, highlighting his government's approach to gas in relation to Victoria. So while other states are rolling out the red carpet for business, Victorian Labor are rolling out the red tape for business – and we wonder why we are in the state we are in with both the budget and our energy market, where Victorians are paying more. When Labor wastes, when Labor is incompetent, somebody has to pay for it, and it is Victorians that pay the price for Labor's incompetence when it comes to energy.

As I said, we do not oppose this bill, but the government in regard to both energy policy and the cost-of-living crisis is found wanting when it comes to doing what we can to ensure lower energy prices for all Victorians.

Ryan BATCHELOR (Southern Metropolitan) (15:57): The National Energy Retail Law (Victoria) Bill 2024 is yet another reform from the Allan Labor government to better protect and take care of Victorians in the retail energy market and is a significant step towards safeguarding the interests of energy consumers at a time obviously when there is a degree of change occurring in our energy market, as I will go on to demonstrate in some detail, with the significant shift and transition that is occurring in the Victorian energy landscape towards renewable energy. There is a lot that is happening in the Victorian energy sector, and this legislation will help improve support and protections for retail consumers.

It is important that we do not let an opportunity go by without remarking upon just how significant the energy transition that we are seeing in Victoria is. We understand on this side of the chamber that climate change is real, that the effects that carbon pollution have on our environment, on our climate, are real and significant, and as one of the larger contributors to carbon emissions through our economy and through our society, our energy sector is one that we need to be working with to ensure that we can transition the energy sector from one that relies on the burning of fossil fuels to one that is powered by renewables. That is what is at the core of the Victorian government's approach to energy transitions. We are nation-leading when it comes to transitioning our energy sector away from a reliance on fossil fuels towards the use and the embrace of clean renewable technologies that not only deliver Victorians the energy that they need but, as has been demonstrated again and again, are doing so in much cheaper ways. They are lowering power bills, lowering the cost of energy for consumers whilst delivering environmental benefits and delivering on action that is reducing the amount of carbon pollution in the air and making our energy sector cleaner.

It is quite remarkable what has been able to be achieved when we have had a state government led by an exceptional energy minister who is tenacious when it comes to the question of improving Victoria's energy sector, making it cleaner and making it more affordable. We have more than tripled the share of renewable power generation in the state in the last eight years. We have supported households. We have given over 300,000 rebates to Victorian households so that they can help reduce their energy costs and embrace renewable and lower energy intensive usage in their homes and to give them greater control of their energy use through our Solar Homes program. We have held the Victorian renewable energy target auction, the country's largest reverse auction for renewables, and we installed the

Victorian Big Battery, the largest in the Southern Hemisphere, and made Victoria the home of big batteries. Others may have their bananas and their sheep and their prawns, but we have got big batteries here in Victoria, and they are helping Victoria transition to renewable energy and lowering costs for consumers. Through all of these actions and others we have reduced greenhouse gas emissions by more than any other state in Australia since 2014, and we are only just getting started. We already more than surpassed our renewable energy target in 2020 of 20 per cent. We exceeded that target. As a result of the confidence that we have in the policy direction that is demonstrating results, we have increased our 2030 renewable energy target from 50 per cent to 65 per cent and we have put a target at 95 per cent not long thereafter.

In the context of that overall renewable energy target we have put in targets for offshore wind, which we debated in this chamber in the last sitting week. We have got targets for energy storage. In relation to offshore wind we are going to have 2 gigawatts by 2032, 4 gigawatts by 2035 and 9 gigawatts by 2040, and the legislation that this Parliament just passed will set us up for that. To support the increase in renewable capacity we are supporting an increase in renewable energy storage through things like our battery program. We are going to have at least 2.6 gigawatts of storage capacity by 2030 and at least 6.3 gigawatts by 2035, and we have brought forward our net zero emissions target from 2050 to 2045, which is a fundamental transformation of our entire energy sector. But we are on track to do it, and with the policy settings this government has got in place, provided they are not derailed by those opposite, we will achieve our targets. This will be the most fundamental transformation of our energy sector in our lifetimes. The march of time is real, and we get older every year. But by the time we get to 2045–50 Victoria will be a fundamentally cleaner energy state, and I look forward to seeing that.

As part of that energy transition the implementation of this National Energy Retail Law (Victoria) Bill will help make sure that our consumer protections that are in place are keeping pace with the scale of the transition in the broader energy market. We know that the consequences of having a privatised and deregulated energy market mean that we need to put in place protections for Victorian consumers and protect them from adverse consequences that do take place in the private retail energy market. One of those protections is the retailer of last resort scheme, which ensures that customers of failed energy retailers are quickly transitioned to another retailer to avoid disruption to their energy supply. It is a mechanism that has been in place in the Victorian context for a number of years. As good governments should and good governments do, we have been examining that scheme, reviewing the scheme's suitability. But it has also been the case that the national energy system and the national energy laws are catching up with some of the features that we have here in Victoria, and what this bill will do is adopt the national retailer of last resort scheme for here in Victoria. This national scheme, which already operates in a number of jurisdictions, provides a uniform framework for the managing of energy retail failures, ensuring consistency and reducing the risk of unintended consequences for the consumer.

What the scheme does is transfer customers to alternative energy retailers should their current provider fail in the market, so that households, largely, and others can continue to receive their supply of electricity or gas without disruption. It will empower the Australian Energy Regulator to direct certain contracts of supply to the retailer that takes on failed retailers' customers and help ensure that some gaps in the current scheme that we have operating here in Victoria, especially with respect to the powers of the Essential Services Commission, apply. It also will allow for the transfer of affected customers to multiple retailers, minimising the disruptive impact across the community and the energy market from that transition, which is different to the existing arrangements here in Victoria and I think an improvement on them, and will provide better financial protection for affected customers of a retailer of last resort event – the events that generate the triggering of the retailer of last resort provisions.

The bill itself will provide better financial protection, spread costs and mitigate the impact on those unexpectedly affected in the aftermath of retail failure. Victoria will maintain its own regulatory framework enforced by the Essential Services Commission, and I think that structure demonstrates

and makes clear that we have some of the strongest consumer energy protections in the country, and those protections will be retained here in Victoria as we move to the national retail law. It is an important step, as I said, in the way that consumers are protected as part of the transitions and as part of the evolution of our energy sector, as part of the evolution of the way that our energy sector is transitioning from fossil fuel based to renewables-based sources of transition. In doing so, as part of those changes, the government has been very clear to ensure that Victorians in the deregulated private energy retail market have access to lower prices, and it is clear that our government's actions mean that things like our renewable energy focus are leading to some of the lowest wholesale energy prices in the national market.

The protections that we have put in place to ensure that Victorians have access to things like the Victorian default offer are also seeing those savings flow through, and the new draft Victorian default offer that will be in place from the middle of the year shows an average of a \$112 or 6.4 per cent decrease in electricity bills for those on the Victorian default offer from 1 July. For small businesses it is a 7 per cent decrease on average – \$266. That is lower prices that people on the Victorian default offer will be paying from 1 July, largely driven by the increase in renewable energy going into our energy supply, which is pushing prices down. Renewable energy is going up; power prices are going down. That is the consequence of this government's policy settings with respect to energy here in Victoria.

So how many Victorians are going to benefit? Well, we know there are about 360,000 Victorian households on the Victorian default offer who will see this saving and there are another 176,000 customers on embedded networks, many of whom live in apartment buildings where the Victorian default offer is the maximum price that they can be charged. Many of those stand to benefit because we know that the default offer itself is lower than prevailing market prices, and so further decreases in those things are going to obviously result in lower power prices for Victorians. But more than that – more than just ensuring that our system has more and cheaper energy going into it, more than having settings in the market that ensure that our default offers are as low as they can be and on 1 July coming down – the government also has a range of supports for vulnerable Victorians, such as the utility relief grant. There is also tailored support for those struggling with energy bills through the energy assistance program, which since February last year has helped out more than 8000 Victorians. Things like the Victorian energy upgrades scheme and the Solar Homes scheme, as I said before, are providing real assistance to Victorian households to convert their household energy consumption to lower cost renewables. This helps reduce overall energy usage across the network, again driving down price.

What we are seeing here in Victoria is a policy framework that is not only ambitious but being delivered. It is not only focused on giving Victoria the kind of energy sector that will meet our future needs but also helping lower power prices today. It is delivering the power that Victorians need, it is delivering it cheaper and it is ensuring, while we do so, that those Victorians have the kinds of consumer protections that absolutely they should have. This is an important piece of legislation, and I am pleased to support it.

Georgie CROZIER (Southern Metropolitan) (16:11): I am very delighted to be able to rise and speak to the National Energy Retail Law (Victoria) Bill 2024. As my colleague Mr Davis has said, the government's response to a number of things around gas policy shows that they are ideological and not practical. I will come back to those comments, but I am pleased that this bill actually addresses the issue that should an energy provider go under, then the Australian Energy Regulator will be responsible and ensure that we are not left in the dark, so to speak. The AER will automatically transfer customers to another provider. I think that is very reassuring for Victorians, because there are so many Victorians that are very worried about their lights going out.

As I said, Mr Davis made that point in relation to comments between the state Minister for Energy and Resources Ms D'Ambrosio and the federal minister Ms King, who is a supporter of gas, where we have got this ideologically driven minister and her government having this spat over gas being

imported from Queensland. Her federal minister corrected the record and said that Queensland is doing the heavy lifting of pumping gas to the whole of the east coast. Well, that started off a hell of a blue between those two, but I think the ACCC really did put it all into some perspective when they actually corrected the record for Ms D'Ambrosio. I mean, you have got to see the tweets – they are actually quite amusing – between the state minister and the federal minister. Nevertheless the ACCC's latest report makes it very clear that Victoria is facing a gas shortage in the next quarter if not for Queensland gas stepping in to ensure Victorians continue to have reliable and affordable gas this winter. That is what is happening, and for the minister to say that is not happening just shows what disarray the energy policy in this state is in. She is already responsible for banning gas in new households. What people are saying to me is that they are really concerned that the government has failed to understand – it is determined to turn off gas to all Victorians over coming years – that to rewire a house and to replace appliances is a hugely costly exercise, and the government has failed to even understand the impacts that will have on Victorians.

I am pleased that the Deputy Premier Mr Carroll understands the power of gas. He says, 'I cook with gas – we're keeping it – and a lot of Victorians like cooking with gas.' That is what the Deputy Premier has said. He is going against his own energy minister in relation to how he wants to have choice, and I do not blame him. I think there are households out there that agree with Mr Carroll that they do want choice, and they want gas. It is a sensible, practical application that we need for our energy sector and our energy needs. It is absolutely ludicrous, this frolic that the minister is on, where she is shutting down gas and having this ridiculous spat with her federal counterpart, who actually understands what is happening on the ground. I am pleased that the federal government has taken a commonsense approach to this and understands that we do need gas and that this Allan Labor government is trying to shut gas down and is making it extremely difficult for Victorian businesses and Victorian households. We know that utility prices have skyrocketed under this government; there is no doubt about that. We get those complaints all the time in our electorate offices, and I do not think there are many on this side of the house that would disagree that that is a huge issue. When you talk to the community, when you talk to your electorate, they will tell you about utility prices and the cost and the pressure that is putting on them. I am sure they are talking to the government backbenchers as well. I know there are blank faces over there, but they know that this is a real issue.

We have to have a reliable energy supply in this state. We need it to be cheap. We do not need it to be so expensive that it puts our businesses out of reach of being competitive. We have had far too many companies that have left the state already because of the high prices. I would urge the minister to consider businesses, families and households in the impacts of her decisions. In any case, I think the points have been made that she really is on the wrong tram on this. Her federal counterpart understands the needs of Victorians better than she does, and her own Deputy Premier certainly understands the needs of Victorians better than she does.

In relation to this bill we need that assurance that the Australian Energy Regulator will step in and assist those consumers if a provider goes under. Let us hope that is not the case, but we have seen too many issues that have arisen in the state so far. I would hate for providers to go under and the lights to go out and for businesses, households and Victorians to suffer as a consequence.

Jacinta ERMACORA (Western Victoria) (16:17): I speak today on the National Energy Retail Law (Victoria) Bill 2024. I wish to begin with a Chinese proverb: 'When the winds of change blow, some people build walls, others build windmills.' This proverb has literal application in the context of Victoria's renewable energy transition. We know that change is in the wind and that there is uncertainty about how the change will occur. We also know that Victorians want affordable and reliable energy. Another way of saying this proverb is that risk and opportunity are two sides of the same coin. We are dealing simultaneously with critical risks – with climate change and a failing, out-of-date energy supply system. The reality is we have been watching and experiencing energy market failure unfold over recent decades. The privatised energy market is an instructional example of how the market has failed residential customers and businesses. Prices have gone up and reliability

has gone down. This has been our reality for too long, and I am proud of the Allan Labor government for tackling climate change and energy inequality head-on.

When Kennett sold off the State Electricity Commission in 1992 our state became a more unequal place. When the Kennett government sold the SEC they claimed it was laden with debt and had to be privatised. In fact the truth was very different. The *Sydney Morning Herald*, in an article on 9 November 2013, reported that the SEC paid a \$191 million dividend to the state government and made a profit of \$207 million. This article was titled 'The shocking truth about the privatisation of power' and went on to say:

... we have become hardened to the ridiculous amounts being charged for what is an essential service.

The Australia Institute published a report on 29 April 2013 expressing a similar position:

The analysis shows that since Victoria privatised power in the 1990s, electricity prices have outpaced inflation, increasing by 170 per cent compared with an increase of 60 per cent in the consumer price index.

Energy is an essential service. All Victorians deserve a reliable and affordable energy supply to their homes and businesses. Competitive markets and for-profit businesses have a central place in any pluralist society, and that is certainly the case in Victoria. However, when an essential service becomes unaffordable to a significant portion of the community, it is time for government to step in.

Electricity has become so expensive that many householders struggle to pay their power bills. Last year I hosted power saving bonus clinics in Portland, Warrnambool and Heywood in my electorate, and on more than one occasion residents mentioned to me that they had to choose between paying their power bills and buying food. I want to say that I stand here for all those residents of my community who must choose between eating and paying their power bills. That is why I am here. That is why my Labor colleagues are here. It is obvious that the market has failed.

Energy equality is an important principle of Victoria's energy transition. I think we can all agree that access to energy is an essential service for safe and healthy living. A reliable supply requires a stable base load across our energy grid, yet the competitive market model overseen by AEMO, the Australian Energy Market Operator, periodically results in producers waiting for high prices before they sell into the market. I know that some corporate customers wait for low prices before they buy into the market. For example, some water corporations utilise the spot market to pump when the price is low. Of course during a cold snap or a heatwave, domestic consumption of energy goes up. These legitimate variable supply-and-demand behaviours can result in destabilisation of the grid, which can cause outages.

This is an example of where legitimate profit-driven behaviour can cause supply outages. This is not the kind of energy system Victoria can thrive under, an energy system where residential customers experience energy stress and where businesses cannot afford to rely on their supply. This is why the Allan Labor government is bringing back the SEC, and this is why our minister for energy, Lily D'Ambrosio, is working day and night to ensure that our energy transition achieves affordability, reliability and renewability. Government has an important role to play in driving our state's transition in a fair, affordable and renewable way. Instead of using coal, the new SEC will deliver government-owned renewable energy to drive down power bills and put energy back in the hands of Victorians. The Victorian government is determined to ensure a stable transition.

As I mentioned earlier, the entire world is grappling with the urgent need to transition to renewable clean energy. We are dealing with the dual challenges of climate change and the inevitable closure of ageing coal-fired power plants. Both the government and the private sector are completely rebuilding our energy production system. This is the biggest disruption to our energy system since the introduction of the Victorian power grid, when households first connected to the mains power. My mother is 86, and she was 12 when the power was connected to her place at the farm in Nullawarre just near Warrnambool. That is 74 years ago and less than one woman's lifetime. We are going through a period that Tony Seba accurately describes as 'disruption'. Seba is a Silicon Valley entrepreneur who lectures in entrepreneurship and clean energy at Stanford University. His iconic book, first

published in 2014, wins the award for longest title: *Clean Disruption of Energy and Transportation: How Silicon Valley Will Make Oil, Nuclear, Natural Gas, Coal, Electric Utilities and Conventional Cars Obsolete by 2030*. He predicted that decentralised generation of storage will supplant the centralised hub-and-spoke model that has dominated the past century – how right was he. Seba told *RenewEconomy* in 2023:

I am incredibly optimistic that by 2030, nuclear, coal, gas, big hydro, and oil will be all but obsolete ... The world will be mostly powered by solar and wind, and most new vehicles will be electric. The architecture of energy markets is going from centralized to distributed ...

It is the speed of this transition that is the most striking of his predictions. In discussing disruption theory he describes the difficulty in predicting the pace at which change will occur. An example commonly used for this theory is the incredible uptake we all witnessed of mobile phones. In 1985 AT&T made the prediction that 900,000 mobile phones would be in use by the year 2000. In fact the number sold by that year was more than 100 million. Another example is the transition from horse and carriage to car. A picture of Times Square in New York in 1901 shows the road full of horses and carts, with only one car. Twelve short years later the same photo showed all cars and only one horse and carriage. Imagine the impact on blacksmiths and farriers during that period – disruption.

Tony Seba is predicting the same transition for energy markets, and of course here in Victoria we know he is right, because the Victorian government has set renewable energy targets, re-established government ownership of energy by the SEC, incentivised renewable investments and legislated and regulated to facilitate the above. This bill is part of that very transition. The Allan Labor government is actively strengthening our energy market to adapt and innovate during this transition to renewables. We know where we are going, and we know when we want to arrive. We have some of the most ambitious climate targets in the world: 95 per cent renewable energy by 2035 and net zero by 2045. We are 38 per cent of the way on our journey, and that is no accident.

This bill provides further government intervention in the energy market to protect customers from the vagaries of the marketplace, in particular where an energy retailer fails. The bill adopts the national retailer of last resort scheme in Victoria provided for in the National Energy Retail Law. The retailer of last resort scheme is a key consumer safeguard designed to transfer customers to alternative energy retailers should their current provider fail in the market. The scheme ensures customers continue to receive electricity or gas supply without disruption. The bill acknowledges that in an efficient competitive market, market exit is a natural occurrence. The bill also allows for the transfer of affected customers to multiple retailers, minimising the disruptive impact across the community and the energy market. This stands in contrast to the current Victorian scheme, which does not allow additional retailers to be appointed. The scheme outlined in the bill today serves as the primary regulatory mechanism for dealing with market exits. The retailer of last resort scheme is another step to stabilise our energy future, therefore ensuring a more reliable energy service, to make sure we deliver an essential service for all Victorians.

I am proud that the Allan Labor government understands these dynamics and is proactively working through the disruption phase. When the winds of change blow, I know who I want at the helm: a government that is focused on the opportunities of this transition, not one obsessed with market ideology and fossilised technologies, a government that is focused on what Victorians need – affordable, reliable and renewable energy. I commend the bill.

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (16:31): This bill continues our government's record of protecting energy consumers and making the energy market fairer by adopting the national retailer of last resort scheme in Victoria. Since the Minister for Energy and Resources commissioned the bipartisan review of the electricity and gas retail markets in Victoria, the Thwaites review, in 2016, our government has taken action to make the retail energy markets fairer and easier to understand. We supported all 11 recommendations of that review, and we introduced the payment difficulty framework to protect

consumers and customers from disconnections. We introduced the Victorian default offer to provide a fair reference price for consumers. We have had four rounds of the power saving bonus; we have forced retailers to publish their best offers on bills; we have prevented retailers from back-billing customers if the retailer made a mistake; we ended dodgy marketing practices, like short-term discounts and door-to-door sales; we have increased the utility relief grant and deployed four rounds of the power saving bonus; and we developed the energy assistance program to provide one-on-one support for people struggling with their energy bills. This is an incredible record, and this bill should be seen in the context of our ongoing commitment to protecting consumers.

The retailer of last resort scheme is a key consumer safeguard that transfers customers to alternative energy retailers should their current provider fail in the market. The scheme ensures customers continue to receive electricity and/or gas supply without disruption. Victoria has had its own scheme since 2007. However, recent energy market instability caused by the war in Ukraine has sent coal and gas prices spiralling and has highlighted some areas where the national scheme offers stronger consumer protections. Where we see a clear consumer benefit in adopting a national framework, we will move to that framework. The national scheme is already operational in several jurisdictions and provides a uniform framework for managing retailer failures. This will ensure consistency and reduce the risk of unintended consequences for consumers.

There are four key benefits to the national scheme. First, under the national scheme the Australian Energy Regulator has the power to direct the failed retailer's gas contracts and supply to the retailer that takes on the failed retailer's customers. This means that the new retailer does not have to go to the market to find the necessary gas to meet the increased demand from the transferred customers. Victoria's market regulator, the Essential Services Commission, does not have the same power. Secondly, the national scheme also allows for the transfer of affected customers to multiple retailers. Under the existing Victorian scheme additional retailers cannot be appointed after an event, placing undue pressure on a single retailer. This creates a risk of cascading retailer failure, as the new retailer may not have the capacity to take on a large volume of new customers. Thirdly, the bill provides better financial protection for affected customers of a retailer of last resort event. Under the current scheme the customers of a failed retailer are charged a one-time processing fee. This is unfair, as very few people would have any awareness that their retailer is about to fail. The national scheme recovers costs across all customers on an annual basis, which minimises the impost on consumers. Finally, by adopting a national retailer of last resort scheme any future strengthening of the scheme will automatically apply in Victoria. For example, the national rule-making body, the Australian Energy Market Commission, has proposed reforms to energy ministers, including the option for small customers of a failed retailer to be transferred to a market retail contract which offers more competitive prices.

Unlike the other jurisdictions, where energy retail laws are regulated by the National Energy Retail Law and monitored by the Australian Energy Regulator, Victoria maintains its own regulatory framework enforced by the Essential Services Commission. Victoria has some of the strongest energy consumer protections in the country, and these will continue to apply. While the Australian Energy Regulator will regulate the National Energy Retail Law retailer of last resort arrangements to be introduced by the bill, the rest of Victoria's nation-leading consumer protections, including the payment difficulty framework, will still apply.

In conclusion, the bill adopts a clear and robust scheme that ensures well-functioning exit arrangements, which are crucial for continuity of supply for households and energy.

Can I foreshadow that the government has house amendments, and I ask that those amendments be circulated now.

Amendments circulated pursuant to standing orders.

Ingrid STITT: Just by way of explanation, the amendments are required after the Office of the Chief Parliamentary Counsel noticed a small drafting error in the bill. As it currently reads, where a retail licence is revoked for one form of energy – electricity or gas – it would automatically be revoked for the other if the retailer held both. This was not the intention of the bill, which should treat gas and electricity licences separately under the retailer of last resort scheme. Although there have been no examples of a retailer failing in one energy market but remaining viable in another since 2016, ensuring that they are separated will ensure consistency with the national scheme, which is the intention of the bill. I commend both the bill and the house amendments to the house.

Motion agreed to.

Read second time.

Committed.

Committee

Clauses 1 to 25 agreed to.

Clause 26 (16:40)

Ingrid STITT: I move:

1. Clause 26, lines 23 to 25, omit all words and expressions on these lines and insert –
“*retailer authorisation* means a retailer authorisation within the meaning of the National Energy Retail Law (Victoria) that authorises the holder to sell electricity;”.

As I foreshadowed a little earlier, this amendment is required after the Office of the Chief Parliamentary Counsel noticed a small drafting error. We would commend the amendment to the house.

Amendment agreed to; amended clause agreed to; clauses 27 to 33 agreed to.

Clause 34 (16:41)

Ingrid STITT: I move:

2. Clause 34, lines 27 to 29, omit all words and expressions on these lines and insert –
“*retailer authorisation* means a retailer authorisation within the meaning of the National Energy Retail Law (Victoria) that authorises the holder to sell gas;”.

Amendment agreed to; amended clause agreed to; clauses 35 to 41 agreed to.

Reported to house with amendments.

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (16:42): I move:

That the report be now adopted.

Motion agreed to.

Report adopted.

Third reading

Ingrid STITT (Western Metropolitan – Minister for Mental Health, Minister for Ageing, Minister for Multicultural Affairs) (16:43): I move:

That the bill be now read a third time.

Motion agreed to.

Read third time.

The ACTING PRESIDENT (Michael Galea): Pursuant to standing order 14.28, the bill will be returned to the Assembly with a message informing them that the Council have agreed to the bill with amendments.

Commercial and Industrial Property Tax Reform Bill 2024

Second reading

Debate resumed on motion of Harriet Shing:

That this bill be now read a second time.

Evan MULHOLLAND (Northern Metropolitan) (16:43): I rise to speak on the Commercial and Industrial Property Tax Reform Bill 2024, and I would like to begin by thanking my colleague the Shadow Treasurer Brad Rowsell, the member for Sandringham in the other place, for the work he has done engaging with stakeholders – stakeholders like the Victorian Chamber of Commerce and Industry, the Real Estate Institute of Victoria, the Property Council of Australia and the Property Investment Professionals of Australia. I would also like to thank my colleagues for their constructive engagement with him.

On this side of the chamber we support lower, simpler and fairer taxes and do not want to see taxes impose a burden on the people of Victoria. We want to see taxes that are simpler, fairer and more efficient. It has long been recognised and long been talked about in places such as this that stamp duty is a very inefficient form of taxation. This has also been recognised by a large number of economists, including in the Henry tax review. Stamp duty is a tax on transactions, and as a result it penalises those who need to buy or sell property or those that would like to. At the same time those that sit on a single property for a long time pay virtually no tax, leaving the previous group to pick up the tab. There is no reason why this is desirable. In fact it is quite undesirable. When a business is penalised from upsizing its facilities and growing, it is not just that business that misses out. It is those potential jobs, prosperity and even additional tax revenue that we might be missing out on. In a nutshell that is what this reform should do. It should improve capital allocation. Stamp duty is a burden on those looking to take a leap into commercial and industrial property or to change their facilities to match the needs of their businesses.

The government claims this reform will result in a \$50 billion economic uplift. While it is not clear how the government got to that \$50 billion figure and arrived at it, we agree that it is likely to see an economic uplift, because lately we have seen businesses leaving Victoria for greener pastures. South Australia has gone as far as abolishing stamp duty on commercial and industrial property and not replacing it with anything else. They have abolished it entirely in just three years. There is no double taxation and no confusion. Nonetheless, we do not oppose the government's reform in principle, but unlike the South Australians' outright abolition the government's proposal is a complex one. We see this a bit. We see South Australia rolling out the red carpet for business while we roll out the red tape. We have got the South Australian Labor Premier bidding for our major events while we cut tourism budgets. We have got the South Australian Premier bidding for business and for manufacturing because of his government's gas policies, bragging about his government's pro-gas environment in which his state is operating in comparison to Victoria's. So you have got other states like South Australia rolling out the red carpet for business while we are rolling out more red tape.

As I said, the government's proposal is a complex one. It is not a simple removal of stamp duty; there is a catch. It is a removal of stamp duty, a 10-year transition program and then the implementation of a new tax, the commercial and industrial property tax, which I will call CIPT from now on, from the 10th year for transactions after 1 July this year. Any subsequent transactions of these properties would not incur stamp duty but would incur CIPT. Any properties that are not transacted would not be subject to the CIPT. This is the model the government has chosen to use. There are many other approaches, such as the complete abolition, like in South Australia, or they could have opted to take the approach of their Labor comrades in the ACT, where they have ended up with both taxes somehow.

As I said, South Australia has gone to complete abolition. The government, and I am speaking with stakeholders, has actually been forced into this reform because the reality of the situation with South Australia means that any business in Victoria looking to expand, looking to grow or maybe looking to downsize would have opted to go to South Australia, where they have abolished stamp duty and replaced it with nothing. South Australia has put us at a distinct economic disadvantage. By not actually putting forward reform that is pro business, we are rolling out the red tape; South Australia is rolling out the red carpet for business. We keep punishing our commercial, industrial and manufacturing users in Victoria with new taxes like the bin charge last week, like new red tape, like WorkCover premium increases and like energy cost increases through our shortage of gas. So I think they have been dragged here kicking and screaming by the business sector; they have finally listened to the business community and put this forward.

As I said, it is a bit of a complex model. The government proposes that the tax rate be set at 1 per cent of the unimproved value of the property. We believe on this side that that should be lower, because we believe in lower, simpler and better taxes. The government's rate of 1 per cent of unimproved land value is unnecessarily high, and I will give an example. Hypothetically, if we had no stamp duty and only a commercial and industrial property tax of 1 per cent, the government would be raising far more revenue than it does from stamp duty. Additionally, there is currently a commercial and industrial stamp duty concession for regional areas. My regional colleagues in the chamber are very, very big supporters of that, and I hope regional colleagues on the other side of the chamber will be big supporters of this concession of industrial and commercial stamp duty for regional areas. But it is actually not considered as part of these reforms, which actually represent an abolition of this concession by stealth and represent a tax increase for those people living in regional Victoria.

Once again we see this city-centric government abandoning people from regional Victoria, abandoning entrepreneurs from regional Victoria, abandoning small business owners from regional Victoria and abandoning manufacturers from regional Victoria, because this is a city-centric government. This represents a tax hit, a tax increase on those in regional Victoria trying to have a go at employing people, trying to have a go at providing goods to people and trying to have a go at putting food on the plate for all Victorians, and yet they are punished with a tax increase from a city-centric government that lives within the tram tracks and is only focused on those within the tram tracks. I think it is an important concession, and I think it is incumbent on the members opposite in their forthcoming contributions to update their speaking notes to explain why those in regional communities should be faced with a tax increase, explain the Treasurer's actions in bringing this forward with a tax increase and, even better, explain why the current concession on stamp duty to those in regional areas on commercial and industrial property should be abolished. I am looking forward to hearing those contributions.

To this end we propose a rate of 0.8 per cent in metro areas and a rate of 0.4 per cent in regional areas. To explain the effect of our proposals, which we will move in amendments, I would like to give an example. Suppose Belinda owns a property in regional Victoria with an unimproved land value of \$1 million and an improved land value of \$2 million. If Belinda bought that property in regional Victoria today, she would pay \$55,000 in stamp duty, including the 50 per cent regional concession. But under Labor's proposal, if she bought this property after the final stamp duty had been paid and held onto that property for 13 years, she would have paid the equivalent of around \$114,000. This equates to a \$59,000 difference in what she would have to pay. Under our proposal Belinda would pay an amount that is about equivalent with the amount of stamp duty she currently pays, rather than paying \$59,000 more under Labor because of the tax increase that they are pushing through. We understand that under the conditions Labor have created with their reckless spending and waste – I think it is over \$40 billion now they have ticked over in the budget of blowouts on major infrastructure projects – the government is probably not in a good enough condition to go down the path of South Australia, where they are just abolishing stamp duty completely on commercial and industrial property. We believe our proposal, as put forward in our amendments, strikes a balance between the

need to pay off Labor's debt while improving efficiency, reducing the impost on business and creating a fair deal for regional Victoria.

As part of my own consultation for the bill, I spoke to many of the mighty manufacturers of the northern suburbs, and while they do not oppose this change, they are indeed suffering under the effect of Labor's red tape and taxes. I mentioned earlier I recently brought Leader of the Opposition John Pesutto and Shadow Treasurer Brad Rowswell out to Sparkling Beverages in Campbellfield in my electorate – a great manufacturer in my electorate which employs 15 people in the north, and it certainly punches above its weight. It provides bottling from there. They do all the bottling to the supermarket and do all of the Woolworths home brand beverages. Your sodas, your tonics, your colas and your lemonades all come from the mighty northern suburbs in Campbellfield.

I would like to thank Sparkling Beverages owner Scott Edgley for allowing us to tour the factory. He told us and he certainly told the media that increases in WorkCover premiums were a particular issue, as were energy costs, the government's attitude to gas and the extra costs involved in the container deposit scheme, but in particular so was the nasty in the budget last week where the government increased its bin tax from \$129 per tonne to \$169 per tonne, which is yet another increased tax being slogged on small manufacturers that will have a direct impact on the check-out for families. Families will pay more because Labor wastes and Labor taxes and somebody has to pay for that. The people that are paying for it are Victorians, and it is Victorians that are paying the price for Labor's waste and mismanagement. Businesses are certainly feeling the pinch from Labor's waste and Labor's mismanagement. I would like to ask if my amendments could be circulated.

Amendments circulated pursuant to standing orders.

Evan MULHOLLAND: As part of our amendments, we will propose some additional changes to the government's bill. One of the features of the government's proposal is the option of, instead of paying stamp duty up-front, taking a government loan out to pay off stamp duty over a 10-year period. This loan attracts an interest rate which is comprised of one interest rate linked to the Treasury Corporation of Victoria's 10-year bond rate – we have got no concerns with this – and a risk component. While we think it is prudent for a risk component to be charged, we are and I think all colleagues should be concerned by the lack of transparency around it and the potentially devious manner in which the Treasurer of the day could act without any transparency in regard to that rate. The component is determined by the Treasurer alone, and there is no mechanism in the bill which actually requires the Treasurer to explain the rationale for the change in the risk component. We could see the Treasurer of the day change that risk component, which could have dire consequences for commercial and industrial property users who have in good faith taken out this government loan rate, so this is a transparency measure. It is pretty non-controversial but would require the Treasurer to make an annual statement on how this risk component has been determined, to improve accountability. As I said, we propose these amendments in good faith and hope that the government can give them serious consideration.

We also think it is an opportunity for the crossbench to support lower and fairer taxes, particularly to recognise regional Victoria and make sure they are not hit with an increase in tax and to ensure transparency. As I was saying, regional Victorians will face an increase in tax under this change, and they will face an increase in tax because of the abolition of the concession. Under the law as it currently is, they have a concession available to them for commercial and industrial property, so if they choose to invest in regional Victoria, there is an incentive there to invest in regional Victoria. The government is saying now, clearly, by their actions that they do not want people to invest in regional Victoria. I think it is incumbent on members opposite to update their talking points and defend this change, which would see a concession taken up by people investing in regional Victoria abolished. They need to explain why as part of their reform they would not change their concession to make sure regional Victoria is still incentivised as a place to do business, because we want that investment to keep going.

Tom McIntosh interjected.

Evan MULHOLLAND: Mr McIntosh says it is a concession on something that does not exist anymore. Well, they will still have to pay the annual rate, and people should be incentivised, as they currently are, to invest in regional Victoria. We see the regional Victoria unemployment rate up from metro. We want to see people moving to regional Victoria, employing people in regional Victoria, so we can set up new businesses, we can have entrepreneurs invest in new businesses and we can see retail shops spring up in regional Victoria providing those job opportunities for locals. I think that is really important, and I think all members of Parliament here should think it is really important. Those that represent regional communities but might not live in them should think it is really important. Those who actually represent regional Victorians and do live there, like my colleague Mrs Broad, should think that it is a pretty good idea to offer that concession to regional Victorians as it currently exists.

I have done my own consultation on this bill. But my colleague the Shadow Treasurer Brad Rowswell also has, and one of the issues stakeholders raised with us is the risk of issues arising with the relatively short implementation period. We are less than two months away from the implementation of this bill. That is a very small amount of time for a large number of stakeholders to become familiar with this change, so we do encourage the government to work closely with relevant stakeholders to ensure that the process of transitioning is as smooth as possible.

In conclusion, we do not oppose this change broadly. We agree with the government that it will improve the efficiency of our tax system. We think it is an opportunity to ensure the new rate is fairer and lower and increase transparency on the transition loan, and I think that is really important as well. We do not want to see the Treasurer of the day change the rate without at least explaining himself, explaining the advice; we do not want to see it as a backdoor way of increasing taxes, which we know that he has done a good 55 times before; and we do not want to see the Treasurer of the day have that kind of power, at least without that transparency mechanism. I know in many other cases we have included transparency mechanisms as part of an amendment in this chamber and seen broad support from crossbench colleagues for that, so I hope this is the same.

I hope we see perhaps some more from this government, or we might have to wait until 2026. But in terms of the stamp duty reform piece, I think it is a pretty broad consensus that stamp duty is an inefficient tax. I really enjoyed my time on the inquiry set up by my colleague Mr Limbrick looking at stamp duty reform. It is an impediment for people downsizing, it is an impediment for people upsizing and it is definitely an impediment for first home buyers getting into the market, getting a slice of the great Australian dream, which has been turned into the great Labor nightmare by this government with their increases in property taxes. There are 55 new or increased taxes, and about half of them since 2014 have been on property. The thing about that is that when about half of all new or increased taxes are on property, someone has got to pay for that, and the people who pay are always or very often the most vulnerable Victorians, who are paying the price for Labor's waste and incompetence over 10 years of Labor. They are paying the price through having to line up 50 metres long to get into a rental, having to cop increases in rents and also seeing increases in house prices, because those taxes do get passed on. There is not some invisible vacuum that Labor can reach and grab money from. It does get passed on. That is the way the economy works, and we see it too often: Labor wastes, and it is Victorians that pay the price for that, often vulnerable Victorians trying to get into the housing market. As I said, we do not oppose this reform, but we will ask the chamber to consider our very sensible amendments.

Katherine COPSEY (Southern Metropolitan) (17:05): I rise to speak also on the Commercial and Industrial Property Tax Reform Bill 2024. My colleague Mr Hibbins in the other place has spoken to this bill previously, so I will keep my comments today brief. The Greens have long pushed for a broad-based land tax reform, so we will be supporting this bill today. This bill phases out the current system of a one-off stamp duty payment on commercial and industrial property in Victoria and over a transition period replaces it with a new annual commercial and industrial property tax. I was also a member of the committee that examined stamp duty as part of our Economy and Infrastructure

Committee inquiry and I concur that there is a broad consensus around the inefficiency of stamp duty and some of the unintended consequences that come from it, including the discouraging of rightsizing of property and the discouraging of moving to a property that suits the current needs of businesses or residential property holders. We are supportive of the intent of the bill. The way that the bill's scheme is proposed to work is that the tax will be payable after 10 years after the final payment of stamp duty.

I will take the opportunity today to make some comments about how it is really encouraging to see the government exploring this level of reform in relation to commercial and industrial property, and I will take some time to make some comments on the benefits that we could see if similar reforms were applied in the residential property space.

The Legislative Council Economy and Infrastructure Committee did hold an inquiry into land transfer duty fees, and as I said, I participated as a member of that inquiry. The inquiry recommended that the government further investigate stamp duty reform, and I understand that this bill forms part of the government's initial investigations and response to those investigations. I will make the clear point on behalf of the Greens that this bill is a positive step, but it is only the first small step of the larger reform that is required. We do need to see a similar transition scheme for residential properties, and we would strongly encourage the government to continue to explore reform in that space.

The inquiry found that residential stamp duty is not only inequitable but far less efficient and predictable than available alternative measures. Victorians would be more willing to move to a home, face less barriers moving to a property that better suits their needs and make better use of existing housing stock if there was a switch to a broad-based land tax. The report says:

Stamp duty is one of Australia's most costly taxes. It is a substantial share of the Victorian government's budget revenue, but it is very costly because it generates big distortions in how people behave that affect their lives and then ultimately affect their wellbeing.

The distortions created by stamp duty on residential properties are currently a significant barrier to worker mobility and to stimulating economic growth. They are also contributing to the housing crisis that we face. We know our state is in a housing crisis and that our system is broken. While property developers are left to profit, too many people are locked out of home ownership currently. During the inquiry we heard from the Australian Housing and Urban Research Institute that a transition to land tax would be:

... an improvement for a whole range of reasons.

Namely, they stated:

For first home buyers it eases entry into home ownership. At the other end of the age scale, downsizing is much easier if that hurdle does not play a role again. It allows labour force mobility to be much more manageable because people can move to where their jobs are a lot more easily if there is not an enormous lump sum attached to the purchase of properties. It is more financially manageable, easier for the banking system and easier for everybody.

If Labor is properly committed to ending the housing crisis, then it will use every policy lever available to address housing unaffordability and encourage the equitable allocation of housing so that everyone in our state has a stable and secure place to call home. As I stated at the outset, we see that this is a really positive move to reforming stamp duty as it relates to commercial and industrial property. The Greens will be supporting the bill, and we would encourage the government to progress the abolition of stamp duty for residential property and its replacement with a broad-based land tax. I will conclude my comments there.

John BERGER (Southern Metropolitan) (17:10): I rise to speak on the Commercial and Industrial Property Tax Reform Bill 2024, a critical piece of tax reform for Victoria. In doing so I would like to first congratulate the Treasurer in the other place on delivering another budget that puts families first.

In order to maintain fiscal discipline, we have had to make some tough decisions. This is the hallmark of good governance: knowing how to make the tough decisions and when to make the tough decisions.

We are continuing on with our nation-leading reform agenda, and this bill is nothing short of a critical reform for our state. This is a bill which helps modernise our state taxation system by gradually moving towards an annual tax on commercial properties instead of sticking by an inefficient commercial stamp duty. This will be done by the creation of a new principal act as well as by amending several acts currently in force, including the Taxation Administration Act 1997, the Heritage Act 2017, the Property Law Act 1958, the Retail Leases Act 2003, the Sale of Land Act 1962 and the Valuation of Land Act 1960. We announced this once-in-a-generation change in last year's budget, which included changes to the payroll tax for businesses, changes to insurance duties, and of course this tax reform for commercial and industrial properties. It is all part of our plan to reform revenue away from stamp duty and towards a model which will promote business investment, growth and sustainability.

What we announced was a transition away from stamp duty for commercial and industrial properties in Victoria to lower the barriers to investment by gradually moving these properties to an annual tax on commercial land. We said at the time that Victoria's economy would grow by about \$50 billion as a result of this reform, and it is not difficult to see why. Stamp duty for commercial and industrial properties was and still is one of the most inefficient taxes, driving up the costs of moving a business or investing in the local economy. What we are proposing instead is an annual tax levied on commercial and industrial properties in place of stamp duty at a rate of just 1 per cent of the site's value. This tax will be introduced gradually and come into effect 10 years after the commercial or industrial property enters this scheme. Commercial and industrial properties will enter this scheme on the completion of their transaction, and then 10 years on, this new tax will apply in place of stamp duty. This tax reform will be in effect a tax cut of \$266 million for businesses over the next four years and is estimated to add 12,600 jobs to the Victorian economy as well.

Our reforms are building a stronger economy, with more businesses creating more jobs. This is good for Victoria. Nonetheless the opposition, with their impeccable economic insight, are calling out this tax proposal as unnecessarily high and punitive. To them, the 1 per cent annual tax is simply unacceptable, and in lieu of that they propose a radically different 0.8 per cent annual tax. I cannot quite pinpoint how that proposed 0.2 percentage difference is going to supposedly whip a modest tax proposal from being what the opposition regards as unnecessarily high into an acceptable one. Perhaps it is this line of thinking that led their last government to drive the budget into deficit in stable economic times. If they were serious about growing investment in Victoria, they would be championing how the Allan Labor government is leading the way for stamp duty reform. They would be championing the reforms that we announced alongside this, such as the increased thresholds to the insurance duties and the payroll tax reforms. Instead the opposition has decided to pick a fight over whether a tax should be 1 per cent or 0.8 per cent. They would rather bicker over a fifth of a percent point reduction in tax than have a once-in-a-generation reform which will break forward a path for greater investment in Victoria.

It is interesting that those opposite are trigger-ready to lash against any modest tax proposal from this government regardless of its benefits. By giving these businesses more mobility and lowering the roadblock of stamp duty, we are helping build our commercial sector. That means more opportunities for Victorian workers and that more businesses across Victoria can set up shop easier. We have also heard objections in the other place from the Greens, who took the opportunity to argue the government's record on housing. I would like to remind the Greens that this reform is part of a broad set of reforms announced last year to spur investment in Victoria. On top of the housing statement, we have been offering eligible build-to-rent projects up to a 50 per cent reduction in their land tax contributions up to 2031, paving the way for not just more commercial investment in Victoria but more investment in housing. This is indisputable, and these reforms are much needed. Even the opposition, who spent a great deal of time lambasting this bill over specific tax rates, have admitted that moving away from stamp duty for commercial property was essential. The move to an annual tax on land value is essential to our continued prosperity.

The Allan Labor government has a strong track record on investing in jobs, in our economy and in our future. We learned in this last budget that business investment in Victoria is going strong. Since the back end of 2020 we have seen nearly 40 per cent growth in business investment in this state, with 13 per cent of growth in 2023 alone. That is more than the rest of Australia, who are averaging less than 30 per cent in the same period. Employment growth is up 18 per cent compared to the rest of the Commonwealth, which sits at just under 13 per cent. The Victorian economy is resilient on the back of strong employment, strong business investment and strong public investment. We are committed to continuing the reform agenda to make sure that we can find ways to make our economy more efficient.

Ensuring that commercial property sold from 1 July will only have to pay stamp duty one more time means it will be easier to set up a business or move your business around Victoria. It will be easier to hire workers and easier to invest in your business's future. Since 2014 Victoria has created as many as 800,000 new jobs, and that is no accident. It takes initiative from government to invest in jobs and businesses to grow an economy that delivers for Victorians. By making it easier to do business in Victoria we will be helping them invest in thousands of jobs laid out in the budget. That is really what this bill is about, because what is good for small business in Victoria is good for jobs.

Another aspect of this bill that makes it a uniquely effective reform is a thoroughly considered series of measures for transitional support. This transitional support is designed to ensure that this move from stamp tax is as smooth and effective as possible. Part of this is a transition loan that taxpayers can opt into. Taxpayers will have the option of paying their final stamp duty liability up-front or using a government-facilitated loan. This loan will be repaid over 10 years by the taxpayer in annual instalments. The loan will be available for properties worth up to \$30 million. This loan will do wonders for small businesses, freeing up capital to be put towards the improvement of their businesses.

The transition loan is another example of an Allan Labor government reform that leaves everyone a winner. I would like to emphasise how this loan is entirely optional. Taxpayers subject to stamp duty have the reins on whether or not they want to pay it now or over 10 years. This decision is entirely in their hands. The transition loan program will be overseen by the Treasury Corporation of Victoria, with matters necessary to the running of the loan program to be determined by the Treasurer. This includes matters like criteria and key lending terms. The loans will be administered by the Treasury as outlined in the amendments that this bill seeks to make to the Treasury Corporation of Victoria Act 1992.

I would like to touch on how this bill was written. Those opposite claim that the reforms in this bill introduce taxes that are too high and punitive. Well, that is a silly assertion. This bill was written following heavy industry consultation. The idea that we should be abolishing stamp duty has been a topic of public discussion for independent think tanks, industry groups and other stakeholders for some time. The resounding consensus, I am sure those opposite will agree, is that this move is a must. Industry experts like Quentin Kilian OAM from the Real Estate Institute of Victoria stated that this reform 'shows a listening ear to the sector's call for change'. Cath Evans from the Property Council of Australia referred to stamp duty as 'an inherently destructive tax that discourages positive economic outcomes for the state' and then went on to praise the government's tax reform. Brendan Coates from the Grattan Institute spoke of the reforms last year, calling them 'very, very significant'.

It is clear that the industry is behind this bill and these reforms, but those across from us do not want it to be. Every part of this bill is therefore before us because it is consistent with the consultation and advice that the government sought from experts and stakeholders. That includes the new rate of tax being introduced. We just do not put forward reforms because we feel like it. The Allan Labor government reform agenda has been constructed through thorough community consultation. This is how Labor governments govern. This is why you can see a marked difference in the quality of governments between a Labor government and a coalition government, especially in Victoria. This bill is an important step in the Allan Labor government's tax reform. Stamp duty is not serving Victoria as it should be. This new broader land-based tax will be more efficient and better for Victorians.

Other reforms for the Victorian state revenue system have also been introduced from and since the last budget. It has been a big part of the Allan Labor government's platform. This goes back to the idea I spoke about earlier: making tough decisions. That is what all tax reform is. It is important, though, that we have a good government and Treasury in charge of introducing taxation reforms when they are needed, a good government and Treasury that can look at these tough decisions and deliver the outcome that is best for everybody. That is what the Allan Labor government delivers for Victorians – taxes that deliver unique, real-world outcomes, like the vacant property tax, which will encourage countless property owners to introduce new rentals onto the market. This will help ease housing pressures in Victoria adjacent to the introduction of hundreds of thousands of homes across Victoria, courtesy of the housing statement. Tax reform under the Allan Labor government leaves everybody in Victoria better off.

This tax reform is not just about ensuring fairness in the collection of revenue – revenue that funds our essential services, such as hospitals and police – it is about creating a tax system that promotes businesses, lets businesses grow and helps businesses thrive. This will forever change Victoria for the better. It will change Victoria by giving more opportunities for businesses to improve. As has been stated, what is good for business is good for jobs. This government has put a lot of work into improving employment in Victoria, and it has paid off. Along with building our state's infrastructure, the Allan Labor government's Big Build project has generated roughly 50,000 jobs for people across Victoria. This includes direct and indirect employment in regional and metropolitan areas.

The Allan Labor government has also introduced initiatives that support employment in the long term. Programs like free TAFE ensure that more Victorians have access to education and training programs needed to get qualifications. This makes it easier for individuals to find employment. We have introduced subsidies for courses in fields like nursing and early childhood teaching to give individuals who want careers in these fields a little more help getting in the door, even offering grants to student-teachers seeking placements in rural or regional areas. Whilst not tax reform, these programs and initiatives have similar outcomes that this bill will deliver, and they are jobs.

The Allan Labor government has also introduced and supported programs and grants designed to support all small businesses and to help them thrive. This includes the Made by Many Minds online network for multicultural women in business, which is proudly supported by the Allan Labor government. It also includes funding for flood-affected businesses and grants for business councils to invest in supporting the mental health of small business owners. This bill is just another demonstration of how committed this government is to supporting small business. Whilst discussing Small Business Victoria, I would like to take a moment to commend my colleague and good friend in the other place Minister for Small Business Natalie Suleyman. As the Minister for Small Business, Minister Suleyman is deeply passionate about business in Victoria and is a very big believer in delivering reforms like those before us in this bill which improve conditions for small business in Victoria, reforms that remove roadblocks – stamp duty – and just make it easier to run a business in this great state.

To finish my contribution, I would like to reiterate the basics of what this bill is: getting rid of an inefficient mode of state revenue collection by introducing an effective new property tax – a tax that is fairer for business while still making sure that we can fund important services like schools and hospitals, a tax that supports small and medium businesses, helping them thrive and expand so they can employ more Victorians. I commend the bill to the house, and I urge all of my colleagues to join me in voting in support of it.

Gaelle BROAD (Northern Victoria) (17:23): I rise to speak today on the Commercial and Industrial Property Tax Reform Bill 2024. I was speaking with an artist recently who worked for months on an oil painting. They were trying to perfect it but actually ruined the painting. They just kept trying to add and add and they went too far, beyond repair, kind of like this government with the property market. Because Labor has continued to add paint. They have made changes here and there and ruined the picture.

I have spoken to real estate agents who are frustrated. This is a government that likes to take control and interfere – dabble here, dabble there – but after 10 years in government they have created a perfect storm in the property market. The state government made over 100 changes to the Residential Tenancies Act 1997. I have spoken with real estate agents who say, ‘Yes, you can kind of have anything, including a zoo, in houses now.’ There has been a significant cost to landlords who are unable to retrieve the losses on insurance for damage. There is a growing waitlist for VCAT, so they have added a bit more paint through the introduction of Rental Dispute Resolution Victoria. Then we have got the land tax changes, and property owners who are landlords are leaving the property market, which is reducing the rentals available. Another bit of paint that the government has been adding is major infrastructure projects in the city that are draining the workforce, particularly in the building industry, and it has been hard for the private sector to compete with wages and also the supply of goods. I have read news reports that talk about delays on some projects of up to 12 months.

While it is not in my patch of Northern Victoria, I am very concerned about the government’s decision to knock down the 44 housing towers in Melbourne, and when asked questions about where these people are going to live while their homes are knocked down and rebuilt, the government says they are asking the residents where they want to go. It is rather important to work that out, because it is certainly stressing people out. The government’s reason for knocking the towers down is that they are not up to standard, but most people would prefer to have a roof over their head than no roof at all. I know certainly in Bendigo homelessness is on the rise, and some people have moved from Melbourne. Some work full-time, sleeping in cars, and there are students that are couch surfing. We have had families impacted by floods who have lost their rental and need somewhere to call home, and we have got people living in tents in the bush.

Keep in mind that we already pay the highest property taxes in Australia. This bill will commence from 1 July 2024 – another few brushstrokes that accountants need to get their heads around as people consider purchasing commercial or industrial property. It has been full on for accountants under this government. We have had over 50 new or increased taxes in the last 10 years and nearly half of those on property.

This bill provides for people purchasing commercial and industrial property to take out a loan. I must admit I am not very confident in the government’s ability to get the paperwork right, because I know local councils that are still waiting for roads funding to be approved and it has been 18 months since the major flood events that hit northern Victoria. They are wound up in red tape, and they need to provide a mountain of evidence to prove their case.

I note on the government’s website that the loan will be issued by the Treasury Corporation of Victoria at a commercial interest rate. It states that:

Further information on the transition loan, such as the application process and loan terms and conditions, will be published by the Treasury Corporation of Victoria prior to the commencement of the reform on 1 July 2024.

It is already mid-May, and if this bill passes it certainly does not give much time for people to understand the options and the detail behind these changes.

Another matter to highlight in this bill is the restrictions placed on questioning an assessment, as proceedings in relation to any assessment of the commercial and industrial property tax would be similarly limited. It limits the jurisdiction of the Supreme Court, similar to other Victorian taxes. When you consider the failures of this government in getting land tax assessments correct, the clauses that restrict the right of appeal should raise concerns – when you look at the track record of the changes to land tax when they reduced the valuation threshold from \$300,000 to \$50,000 – because right across Victoria people are receiving land tax bills for the first time. It is very important that if you receive one, you check the liability before paying, because they are being incorrectly issued to people, organisations and community groups that are eligible for exemptions or not required to pay at all. I spoke to a lady who received a bill from the State Revenue Office based on a property subdivision by

former owners that never went through. She has written to the SRO and is yet to receive any acknowledgement of the error.

On our side of politics we certainly believe that taxes should be lower, fairer and simpler, and at the high level it does sound straightforward to replace stamp duty with an annual tax, but this bill is very complex. It is a complex proposal that starts, as I mentioned, from 1 July 2024 with a 10-year transition program and then the implementation of a new tax – the CIPT, the commercial and industrial property tax – from the tenth year. The government proposes that the rate of that tax will be set at 1 per cent of the unimproved value of the property for the life of that property, so it is an ongoing tax.

Our amendment, as Evan Mulholland spoke to earlier, is to reduce the rate from 1 per cent to 0.8 per cent and also provide a concession for regional areas at a reduced rate of 0.4 per cent. We do need to maintain and build the incentive for businesses to move to regional Victoria, because it is so important that we become a state of cities, not a city-state, which we are certainly seeing under this government. I want to thank Brad Rowsell for his work on this bill as the Shadow Treasurer and his engagement with industry on this issue. I am aware that industry does welcome the change that this bill provides for when purchasing commercial property to avoid the up-front cost of stamp duty and defer costs, but as Evan Mulholland indicated in his contribution, there are concerns that we will end up raising more revenue and this will be an opportunity for the government to do so because this is a government absolutely drowning in debt. Our state net debt is projected to rise to \$187.8 billion by 2028. We are currently paying over \$15 million every single day in interest. Very soon that is going to be up to \$18 million, and then by 2028 nearly \$26 million every single day on interest repayments. That \$9.7 billion interest bill will be about 8.8 per cent of the government's total revenue. That is money not going to services like police, hospitals, ambulances and schools – it is going nowhere – because of this government's financial mismanagement. If interest rates go up again, it will only get worse.

We agree with the principle of this bill. I understand that stamp duty on industrial properties is a burden, but the reforms proposed in this bill are unnecessarily complex. On Mother's Day I enjoyed seeing the Leonardo da Vinci exhibition at the Lume. He was a master artist, sculptor, architect, engineer and inventor. He was and still is considered a genius and a keen observer of life. He applied his knowledge across a range of fields. If only Labor would learn by observing what is happening in this state. They do not seem to be aware of the impact of their policies over the last 10 years and the impact that they have had on real life and on the cost of living for every Victorian, because it continues to rise. It is time Labor observed the impact of their policies on other fields and that everything they do, particularly adding tax upon tax upon tax in the property sector, is having a flow-on effect and contributing to the housing crisis in Victoria. Victorians already pay the highest taxes per person of any state in Australia, according to the ABS, including the highest property taxes per capita in the nation. It is clear that Labor cannot manage money.

I note that John Berger in his contribution mentioned that Labor was all about consultation. That could not be further from the truth, because I have heard time and time again from people in different inquiries saying this government is all about being consultold. It is certainly not about consultation. Labor cannot manage money. Every year in government Labor have spent more than they earn. If you were in business, you would be out of business. In 2026 I hope that Victorians will ensure that you are out of government.

David LIMBRICK (South-Eastern Metropolitan) (17:33): I also rise to speak on the Commercial and Industrial Property Tax Reform Bill 2024. This is rather unusual, and I must admit rather uncomfortable for me, because this is the first tax bill since I have been in this place that I am not going to oppose. I am very glad that the stamp duty inquiry that was initiated by the Libertarian Party last year got a bit of discussion around stamp duty happening, and I think everyone is in universal agreement that stamp duty is an awful tax – an inefficient tax that causes capital misallocation and all sorts of other problems.

Harriet Shing interjected.

David LIMBRICK: Distortionary effects – thank you, Ms Shing. But the government has decided to act, albeit in a rather modest way – far more modest than my minority report recommendation, which was to abolish stamp duty and replace it with absolutely nothing and couple that with a commensurate downsizing of the size of the state. The government is not going to do that, although I note that South Australia might have been listening because they decided to abolish commercial and industrial property tax and replace it with absolutely nothing. Maybe they read my minority report. Nevertheless, this change will, I believe, increase efficiency. As has been noted, stamp duty is a very inefficient tax. It results in capital misallocation. In the case of housing – residential, which we are not talking about today – it causes problems like people living in houses that are too big or too small or living too far away from work. But in the commercial and industrial space it means that people like factory owners may be unwilling to move to a more suitable site for their factory or upgrade it. They may be unwilling to move premises for their business. This will indeed make that more efficient.

When I came into this place, in my first speech, as every Libertarian Party member does, I made a public promise to never vote for an increase in taxes. This bill does not increase taxes. Indeed over the four-year estimates period my understanding is it will result in about \$260 million less tax revenue, which would otherwise be collected by stamp duty. It is unfortunate that the government will be picking this up in other taxes in another tax bill coming through soon, but nevertheless I do believe this modelling because it makes sense, because the initial transaction on a commercial or industrial property will attract stamp duty but subsequent transactions will not attract this stamp duty and therefore that will result in a loss in revenue for the government over the short term. I know that some in the opposition believe that over the long term this will result in an increase in overall taxation. Let us hope that a future government puts a stop to that, but nevertheless in the short term it will not result in an increase in taxation – quite the opposite – which means that I am safe to not oppose this.

I will talk briefly about one of the features of this bill which has been spoken about by a number of members, which is the ability for someone who is liable for stamp duty under these reforms to take out a loan. I note Mr Mulholland's comments about the risk premium and the appropriateness of that. I do agree with the government and the opposition that it is appropriate to have a risk premium – otherwise it will be taken up by others. I also note Mr Mulholland's comments that it may be possible for a future Treasurer to just pull this risk premium out of thin air, and I appreciate that. But I would temper that with the consultations that I have done, especially with groups that represent commercial property trusts and industry super funds that do large-scale investments, particularly in commercial property. Many of these funds are actually prohibited from taking out loans, and they will not take up this option. It is my prediction that actually most transactions would not take up this loan option, and I doubt it would be very popular. Certainly for smaller scale transactions like for factories and the like, many of these are already financed by debt. It would be difficult to add in more debt on top of that. It is probably easier for them to just pay the stamp duty up-front and finance it that way. So I think it would be unlikely that this option would be popular. Nevertheless it is there if people want to take that up – they have that option – so I do not see it as problematic.

On the issue of the opposition's amendments around the transparency of that, I will be supporting that, and of course also the opposition is putting forward amendments to lower the rate to 0.8 per cent for metro properties and 0.4 per cent for regional properties. I will be supporting these amendments. I believe that we should be lowering this tax, as low as possible – preferably abolishing it, like South Australia – but due to our poor financial state it appears that the Treasurer has decided at this point in time that is not possible. But I hope that we do get in a better financial state in the future, and one of the ways that we can do that is by slashing spending.

I note that in the latest budget – and we will be talking more about the budget next sitting week, I believe – the size of government as a proportion of gross state product has reduced. I was very happy to see that, although again it is quite modest. I would prefer to see far more radical changes, but nevertheless it is in the right direction, and that is a good thing for once. Therefore on this historic occasion, I am a Libertarian supporting a Labor tax bill. I will finish my contribution there.

Michael GALEA (South-Eastern Metropolitan) (17:39): Flushed with the unanimity of the house, it seems, it is good to hear the comments of my colleague Mr Limbrick in supporting this government taxation bill, which I am very, very pleased indeed to hear. I also do rise today to speak on the Commercial and Industrial Property Tax Reform Bill 2024. In doing so I would also like to acknowledge the very hard work of the Treasurer and his team in putting this together. This announcement was made last year and is due to come into effect on 1 July this year, as other members have referred to. I know that a power of work has gone into this, so I just acknowledge that at the outset.

We of course had another budget last week – another budget that strikes the right balance in being responsible with the state’s finances whilst delivering the services and the infrastructure that all Victorians need, especially those in growth areas, such as the ones that I am privileged to represent in this place. I look forward to many further contributions about those investments, including the two new schools that we will be getting in Clyde North. I know Mr Tarlamis and I are very excited about the sheer scale of investment into our growth areas.

The matter at hand today is of course in relation to land transfer duty, better known as stamp duty, as it affects commercial properties and industrial properties. It is very good to see, indeed as others have noted, once again Victoria taking a lead on this and being the first state to announce its intentions to step away from what is one of the most regressive forms of taxation by replacing Victoria’s land transfer duty with this new scheme. As others have gone through, it will provide transitional arrangements and options for paying stamp duty at first before moving to this new system of property taxation 10 years after the first sale of a property, once the bill comes into effect.

It is a fundamental and long-awaited transformation of our state’s taxation policy as it relates to businesses. It will be overhauling the taxation framework which governs these properties and will be fulfilling that commitment which was, as I said, made in the 2023–24 budget to progressively abolish stamp duty on these properties and replace it with the annual tax. The new tax system will apply to any transactions with a contract and settlement date on or after 1 July this year. The commercial and industrial property tax will be set at a flat 1 per cent of the property’s unimproved land value, with no complicated rate schedules or thresholds. Central to this bill is that the commercial and industrial property tax will effectively abolish that stamp duty on commercial property transactions. Stamp duty payments will be made for a final time, paving the way for a 10-year transition period during which this newly proposed property tax will take effect. As we of course transition to these new arrangements, the eligible purchasers will be able to access loans to cover any up-front stamp duty costs. These purchasers will have the choice to either pay an up-front sum or to finance that with a loan through a government-facilitated transition loan program, which will allow them to make annual loan repayments over the 10 years equivalent to the property’s final up-front land transfer duty liability plus interest.

The Treasury Corporation of Victoria will provide the loan on commercial terms, including a fixed market-based interest rate. Annual repayments over 10 years will be set up-front to provide applicants with the certainty they need. That loan will of course be of particular benefit to the many, many small- and medium-sized businesses and will allow them to be more agile – not just in 10 years time, which is when the full effect of these changes will come in, but in the nearer term as well. It will still allow them to have the same benefits that we foreshadow all businesses to have in the longer term under this legislation. We are not making businesses wait; we are providing that in the nearer term as well. It will be available for any property with a purchase price of up to \$30 million. Currently when you acquire a commercial or industrial property in this state, you do pay stamp duty. This of course is in addition to the other costs associated with purchasing property, and in terms of commercial and industrial properties specifically, this can have a particularly detrimental effect on business. It discourages investment that would otherwise help to further fuel the growth and productivity we have seen in Victoria, noting of course that we already have and still continue to see very strong economic results. In fact with our unemployment rate at under 4 per cent in regional Victoria, at about 3.7 per cent, and

at 4.1 per cent statewide, we are continuing to see the effects of this government's reforms, particularly in regional areas.

There has been some discussion of regional areas and regional taxation as well, and I would make the point that when the coalition were last in office, 10 years ago, they were quite happy for regional Victorian businesses to be paying the same payroll tax as their metropolitan counterparts, that same 4.85 per cent. This is a government that has not just once but repeatedly reduced that rate of payroll tax that regional Victorian businesses have to pay so that it is now just 1.2 per cent. That 1.2 per cent is less than a quarter of what they would be otherwise paying if they were in the metropolitan area or less than a quarter of what they would be paying under the policies of those opposite. That is the figure which those opposite decided was the appropriate rate.

This is a government that supports regional Victoria as it does all Victorians, and I note that particular example speaks for itself. You can see the unemployment rate of regional Victoria is currently at 3.7 per cent, and it has for some years now been at pretty much near record lows, a great result. That is what happens of course when you invest in your regions, when you provide incentives such as reduced payroll tax but also when you provide the infrastructure and the services. Mr McIntosh and I have been privileged to take part in an inquiry that has recently been looking all around regional Victoria and seeing the optimism and the investment that has been taking place – investment that is still to come, mind you, as well – and indeed hearing some of the good problems you have from all this unprecedented demand for people to move into the area or for people to visit. Whether it is the Ballarat biennale or whether it is skyrocketing demand for people to move to our regional cities, you are seeing great optimism around those places. That is why it was great to see and obviously to hear about what their challenges are but also quite remarkable to see the current state of their local broader economies as well as specifically their visitor economies and to see just what happens when you have a government that does not regard country Victoria as the toenails of Victoria, that actually invests in regional Victoria, that does not close the Leongatha train line, that does not close the Mildura train line and that does not close the Bairnsdale or the Maryborough train lines, both services which were reintroduced by Labor governments.

When you have a government that actually invests in regional Victoria, when you have a government that reduces that payroll tax to incentivise more jobs in regional Victoria, you get more jobs in regional Victoria and you get more people in regional Victoria. You get more investment in regional Victoria as well. Businesses across the regional parts of our state continue to benefit from those very foresighted reforms by this government, by indeed this Treasurer, and we are seeing the results of that. As I say, like in all parts of our state, there is always more that we can do, and it has been a privilege to, along with Mr McIntosh, take part in that inquiry and really get to grips with some of the things that we can still be doing better to invest in those communities and hear about what they want – about those community sporting facilities in particular.

Tom McIntosh interjected.

Michael GALEA: Not nuclear power plants indeed, Mr McIntosh. I know that the residents of Mount Eliza in your region and Frankston in my region certainly emphatically voted against nuclear power plants on their doorsteps at the Dunkley by-election just a few months ago. How wonderful it is to see the outstanding member for Dunkley Jodie Belyea already making a very big impact in that community that Mr McIntosh and I also get to share in that part of the world – and indeed Mr Tarlamis of course as well.

When you have governments that go to regional Victoria with renewable energy projects as opposed to nuclear power plants, you also get a good response. You get a better response than if you go saying, 'We want to build a *Simpsons*-style Springfield nuclear power plant on your doorstep or the equivalent of the one that they have just built or are still building in Somerset in the UK, which has cost about \$68 billion.' That is a ridiculously obscene amount of money when you could be better investing that into the services and infrastructure that regional Victorians need, which is exactly what we are doing

of course, and that is exactly why we are seeing those trends from regional Victoria. So whilst I do take on what Mr Mulholland is putting forward and note what he has put forward in his amendment, I would say that we are actually doing that work already. We are showing that through payroll tax, and that is of much more significant value to regional businesses than merely adopting your model for this but then reverting to the 4.85 per cent payroll tax, which, as I say, was what was left by the coalition and was sustained by that side of politics when you were last in government. It was 4.85 per cent when the Andrews Labor government came in, and it was progressively reduced three or four times down to 1.2 per cent, and that is where we see the 3.7 per cent unemployment rate, which would have been unimaginable under the previous Liberal administration – even more unimaginable under the Kennett government of course, which cut everything it could out of regional Victoria.

But as I say, returning to stamp duty, which is what this bill is of course all about, this is a sensible, straightforward review. It is good to have indeed even the support of the Libertarian Party in that as well and indeed from Ms Copsey, from the Greens, from her comments as well, and it shows the value, that we have got wide support for this. This is a sensible change. We even have support on record from VCCI, the Victorian Chamber of Commerce and Industry, with their CEO Paul Guerra saying:

This is exactly the type of progressive tax reform that is required to free up stamp duty charges which will accelerate building upgrades, stimulate investment in commercial property and free up more capital ...

He further went on to say that the Allan Labor government reform was:

... a bold, yet pragmatic move which will stimulate commercial property investment, development and upgrades by making more capital available.

I think that pretty much succinctly puts into context what it is that this bill achieves. It is about making business more agile, more nimble, giving them the support that they need, taking away that big barrier of stamp duty both in the near term by providing flexible options, whether it is paid up-front or through a loan with the Treasury corporation. But also, more importantly, those are interim measures that we are putting in place so that we can move towards that system 10 years down the track after that purchase and we will actually have a much more progressive ongoing rate of property tax, at 1 per cent of the unimproved value of the land.

We have also heard of course further support, including from Quentin Kilian from the Real Estate Institute of Victoria, Cath Evans from the property council, Brendan Coates from the Grattan Institute – and I do not often like to quote them in this chamber, but sometimes indeed I am happy to do so. They are quite right, even if I disagree with their anti-rail agenda.

But as has been discussed, this bill sets out how this reform will be introduced, and it lays out the framework for how that will take place.

Evan Mulholland interjected.

Michael GALEA: I will take you up on that interjection, Mr Mulholland – the Suburban Rail Loop is a fantastic thing to see as well, which is going to support in particular constituents of the outer suburbs, meaning that people in places such as Cranbourne and Clyde North and Berwick will be able to get to Monash Uni, to Deakin Uni, to jobs in Glen Waverley, to Box Hill, to wherever it is they need to go. We have long had a radial network in this city and long had objections that we need an orbital rail link, and unlike those opposite this is a government that actually gets on and makes those changes, that makes those improvements that will improve people's lives for the better. The Suburban Rail Loop is an excellent example of that, as you rightly say, Mr Mulholland, because it is not just about getting from one place to another across the suburbs, it is about how we get across from the outer suburbs and indeed from regional Victoria as well. I know, Mr McIntosh, your constituents will be able to benefit too from quicker access to Monash University, Cheltenham, Deakin University, Glen Waverley and other parts as well – all of those regions will be opened up by the Suburban Rail Loop without constituents having to go in and make that notorious change at Richmond. It is a great project as well. Even if the Grattan Institute cannot see the benefit of it – they probably would not have

seen the benefit of the city loop either or probably even the Flinders Street viaduct or extending the train line to Glen Waverley or Pakenham or Sandringham back in the day – it is good to see them supporting this sensible tax reform amongst many voices in support of this. I do commend the bill to the house.

Trung LUU (Western Metropolitan) (17:54): I rise to speak to the Commercial and Industrial Property Tax Reform Bill 2024. On this side of the chamber we believe the way to get Victoria back in business is axing the taxes that are suffocating small business and smothering the aspirations of hardworking Victorian families. Abolishing stamp duty on commercial and industrial property in this state is most welcome, but replacing it with a broad land tax is still a tax in a slightly different form – in this case with a 10-year transition. Nevertheless it is acknowledged that this reform will make it easier for some businesses. However, a wonderful well-known Australian businessman years ago said about introducing a new law that if a government wants to introduce a new law, they should repeal the old one. He certainly was not referring to taxes. This government seems to be taking one off and putting another one back on the table. In the last 18 months Victoria has seen a decline of 8000 businesses, a stark indication of economic turbulence. The attempt to reduce a single tax seems ineffective against the weight of 53 new taxes introduced by this Allan government. Notably, the property sector, representing a massive proportion of the economy, has been affected by nearly half of these economic measures.

It is a straightforward formula that anyone can grasp that the more tax you impose on economies, the more jobs you will lose. The situation is intensified by the collection of promises made by Daniel Andrews back in the 2014 election campaign. He committed to not raising taxes or introducing any new taxes. This affirmation, pledged to all Victorians, now echoes with the overtones of betrayal as decades later there are 53 new or increased taxes, with a reduction in business numbers hard to ignore.

The Allan government has frequently emphasised its housing initiatives, yet the property market is struggling under the weight of 23 new taxes imposed in the last 10 years. This rising tax on the property sector directly impacts home ownership and places a heavy tax burden on small businesses relying on commercial real estate.

I recall the Sir Winston Churchill quote:

... for a nation to try to tax itself into prosperity is like a man standing in a bucket and trying to lift himself up by the handle.

Clearly the government has not listened to these wise words.

I just want to mention that, when I say ‘taxes’, there are so many taxes this government has introduced that go straight into property costs that affect businesses and families – the land tax, the COVID tax, the fire services tax, the congestion tax, the metropolitan tax, the windfall tax, and the list goes on. When too many taxes are applied to buying property, it makes it harder for people to make investments in it. Taxes are stealing the opportunities of Victorians and making it harder for everyone to invest and feel comfortable.

The 27 new taxes, as I mentioned, are the reason for the amendment of the bill as suggested by my colleague Evan Mullholland, just to alleviate some of the burden which Victorians are facing. A strong commercial property market is built on the back of investor confidence. When investors are not confident, the market’s momentum falls. The government is selling this reform as a golden ticket that will bring Victorian businesses back by removing the stamp duty tax, but there are also other taxes and regulations that Victorian businesses have to navigate. This makes it harder and harder for new businesses to start, forcing more businesses to shut down and move to other states. All these tax rules make it tougher for businesses in Victoria to succeed and for the economy to grow.

I will make this short. On this side of the chamber we believe in lower taxes to grow economies. So we are not opposed to this bill, but we still have a long way to go in tax reform with this government.

We want Victoria to get back to business. I hope this bill will assist Victorian businesses and families to achieve their aspirations.

Sheena WATT (Northern Metropolitan) (17:59): Acting President, thank you very much for the opportunity to join my colleagues and make a contribution on the Commercial and Industrial Property Tax Reform Bill 2024, which will reshape the taxation framework for commercial and industrial property in Victoria. This proposed legislation marks a significant departure from the conventional stamp duty approach, transitioning towards a more efficient taxation method. When the Treasurer, Minister for Industrial Relations and – of course most pertinently to the bill before us today – Minister for Economic Growth introduced this bill into the Assembly, he did so in the great tradition of the government of ongoing reform to aid the development of our state.

Currently purchasing or acquiring commercial or industrial property in Victoria incurs a land transfer duty, commonly known as stamp duty. Stamp duty increases property acquisition costs, and particularly for commercial and industrial properties, acts as a deterrent to businesses seeking to invest, expand or relocate, hindering overall growth and productivity. Reforming stamp duty has been advocated by various inquiries over recent decades, and I am thinking about the Productivity Commission and the Henry tax review. Transitioning from stamp duty to the commercial and industrial property tax will serve a range of functions, including encouraging business to expand or establish operations at optimal locations, such as close to their customer base or in areas with a growing workforce. Supporting businesses and investing in buildings and essential infrastructure foster more efficient utilisation of commercial and industrial land.

In essence this change means a retailer is more likely to purchase new properties for business expansion or a transport company will find greater incentive to move into a larger warehouse space. By removing a significant barrier to effective investment, the positive effects will ripple across the economy. Eliminating up-front costs associated with commercial and industrial property acquisitions will expedite business growth and job creation. The cumulative impact of the reforms is expected to increase the size of the Victorian economy by up to \$50 billion in net present value terms.

I am proud to be associated with the first government in Victoria's history to spearhead an initiative to eliminate stamp duty on commercial and industrial property here in our state. In addition to the inquiries that I spoke of earlier, such as the Henry tax review, the concept of replacing property transaction stamp duty with a comprehensive land-based tax has garnered really extensive backing from various independent think tanks, policy analysts and of course industry bodies.

This reform really does represent a transformational shift. It transcends mere adjustments to tax policies, offering an alternative approach to taxing commercial and industrial properties that will facilitate business growth and expansion. It will simplify the process for businesses looking to expand or establish themselves in prime locations, such as close to their clientele or in fact some areas where there might be some workforce growth, which is always a very good thing.

According to economic projections, this reform is anticipated to generate substantial economic benefits over the next four decades, and by then it is estimated that Victoria will have created 12,600 new jobs and contributed a cumulative net present value of \$50 billion to the Victorian economy. As my colleague the member for Pascoe Vale remarked in the Assembly when this bill was introduced there earlier in May, the commercial and industrial sectors play a crucial role in driving economic prosperity across the Northern Metropolitan Region. Collectively there are 16,000 local businesses contributing to a local gross regional product of \$7 billion and nearly 50,000 jobs, which is just extraordinary.

Removing the barrier of stamp duty will facilitate more effective investments in these sectors, multiplying benefits throughout the economy and across areas like Pascoe Vale, Coburg and Brunswick West. Over the next four years businesses are expected to pay around \$260 million less in

stamp duty due to this reform, fostering increased commercial and industrial development across the northern suburbs of Melbourne.

The proposed legislation establishes a new principal act aimed at providing the necessary legal frameworks to effectively implement and manage this reform. It will also facilitate the transition of commercial and industrial properties from stamp duty to a more streamlined tax system. Additionally, the bill includes amendments to several existing acts. There are a few here that certainly come to mind. I am thinking of the Duties Act 2000, the Treasury Corporation of Victoria Act 1992, the Taxation Administration Act 1997, the Valuation of Land Act 1960, the Heritage Act 2017, the Property Law Act 1958, the Retail Leases Act 2003 and the Sale of Land Act 1962. My gosh, I have got to say the development of this bill certainly aligns with the public announcement of the reform. During the 2023–24 budget period some of us may recall that extensive external consultations were conducted with key stakeholders and industry groups to ensure the reforms design adequately supported property owners throughout the transition process.

The proposed legislation outlines a new tax system targeting commercial and industrial property transactions with contract and settlement dates on or before 1 July 2024. Under this system, stamp duty will be paid for the final time, and a commercial and industrial property tax will become due 10 years after the last stamp duty payment irrespective of subsequent property transactions – there we go. In the event of a property being sold again for commercial or industrial purposes, stamp duty will not apply. To facilitate transition to the new tax system, eligible purchasers of such premises will have the option to access a government-backed transition loan to cover up-front stamp duty costs if desired. The reform is structured to be revenue neutral over time, with the property tax revenue replacing that from stamp duty.

The bill defines eligibility for entry into the reform scheme and for when transactions will bring properties into the scheme, taking effect, as I said, on 1 July 2024. For the first time commercial and industrial properties are transacted on or after that date, 1 July 2024, a final stamp duty liability will be incurred, and the property will automatically enter the reform scheme. A 10-year transition period will commence upon settlement of this transaction, after which property tax becomes payable. At settlement, purchasers will pay the property's final stamp duty liability up-front through self-financing or a government-facilitated transition loan. If opting for the loan, the amount will cover the full stamp duty payable at settlement, with fixed annual repayments over 10 years including interest.

The bill amends the Duties Act 2000 so that future property transactions involving reform scheme properties do not incur stamp duty provided they maintain a commercial or an industrial use. A property enters the reform scheme if post 1 July 2024 a contract of sale is executed involving at least 50 per cent of the property with a positive stamp duty liability and a qualifying commercial or industrial use at settlement. Certain transactions like corporate restructuring or consolidation eligible for concessions are exempt from triggering entry into the reform scheme. This ensures an ongoing tax liability does not result from the restructuring of corporate groups for the purposes of improving efficiencies.

The bill will also ensure that certain transactions do not trigger entry into the reform scheme. I am thinking dutiable lease transactions and others. Property is also not brought into the scheme through stamp duty exempt transactions, such as deceased estates – that is important to note – transfers to spouses or partners or purchases by charities and friendly societies – there you go. Existing stamp duty concessions will continue to apply for the final stamp duty liability on properties. This includes the stamp duty concessions for properties purchased in regional Victoria for commercial, industrial and extractive industry purchases – there we go. A property will qualify as commercial or industrial use if assigned an Australian valuation property classification code – that is really important to note – that indicates commercial, industrial, extractive industries or infrastructure and utilities land. They are codes falling in the range of 200 to 499 and 600 to 699, for those that are familiar enough with it.

I just want to add further that student accommodation, despite being a non-qualifying code, will be included if solely or primarily used for commercial residential purposes and to house tertiary students during that time. Properties with mixed uses undergo a primary use test to determine entry into the scheme upon a qualifying transaction. Consolidated properties inherit reform scheme status if 50 per cent or more is in the scheme; similarly, lots subdivided from a parent company will inherit the reform scheme status applying to the parent, so that is something certainly worth considering by us in the chamber today. You see, the Commercial and Industrial Property Tax Reform Bill 2024, with the bill as it is right before us now, establishes the property tax applicable 10 years after the settlement of the entry transaction. It replaces stamp duty and applies solely to commercial and industrial properties that are in this scheme, and I cannot stress enough to the chamber that it does not extend to properties primarily for residential use. Exemptions akin to those for land tax will apply – for example, for properties used primarily for primary production, community services, sport and even heritage and culture. The property tax rate is a flat 1 per cent of the property's unimproved land value per annum, separate from and in addition to the existing land tax regime, and will be without a tax-free threshold. My gosh, that gets me every time – a tax-free threshold.

Payment options will mirror those for land tax, annually or in instalments. For mixed-use properties, if subject to property tax, it applies to the entirety of the property value. The bill also amends, as I said earlier, the Retail Leases Act 2003 to treat property tax like land tax, thereby barring its being passed through to certain tenants subject to a rental lease. Passing property tax to residential renters will be prohibited under the bill before us today. Amendments to other acts will ensure consistency with property tax treatment and allow for necessary reform administration.

When the government announced work had begun on these reforms back in 2023 the Victorian Chamber of Commerce and Industry chief executive Paul Guerra came out publicly and said:

The Victorian Chamber has been working with the State Government on this landmark and generational productivity reform which businesses across Victoria will welcome.

This is exactly the type of progressive tax reform that is required to free up stamp duty charges which will accelerate building upgrades, stimulate investment in commercial property and free up more capital.

That is the CEO, I believe his title is, of the chamber.

Since then the government has actively sought input from other key stakeholders within the property, real estate and financial sectors. Consultations included discussions with policy advocacy groups, other chambers of commerce, representatives from planning and local government and experts in law. Feedback gathered from these sectors played a crucial role in shaping the final design of the reform. This collaborative effort ensured that the reform was tailored to maximise economic benefits for Victoria while providing strong support for businesses.

I have more that I can contribute to the bill before us, but I understand that there are other enthusiastic speakers waiting to make a contribution on the bill. What I will say, though, is that pending parliamentary approval before us today this reform is scheduled to commence, as I said, on 1 July 2024, and in preparation for this milestone the government will provide comprehensive educational support to industry stakeholders and taxpayers to aid in navigating the complexities of the new scheme and of course its transformative impact across our state.

It is important to note that this reform applies exclusively to commercial and industrial properties, as I said, and transactions with contracts finalised before 1 July 2024 remain unaffected. This clear delineation ensures that previous property purchasers awaiting settlement are not impacted and prospective purchasers are fully informed about the new tax framework before entering into contracts. This historic reform marks Victoria as the first state government to abolish stamp duty on commercial and industrial properties, aiming to spur business investment, job creation and productivity growth in the state while supporting businesses in a sustainable way. And with that, I commend this bill to the Council.

Richard WELCH (North-Eastern Metropolitan) (18:14): I am pleased to rise and speak on this bill. Stamp duty has many flaws, it is certain. It is an anachronism deeply embedded in our state's finances and needs reform, just as much as the nation needed taxation reform prior to the Liberal Party's delivery of a broad-based consumption tax, the GST. But the similarity ends there. While the groundbreaking GST reforms removed a number of inefficient taxes, FID, state duties and sales tax, and consolidated them – that is, making business simpler and fairer – the new tax is remarkably puny in its thinking and in its vision. It is a puny-minded new tax instead of what this state needs, which is meaningful tax reform. This bill could have been an opportunity to do so much more. A broad-based property tax would have considered a much wider range of efficiency gains. If the government was not an exhausted shell of a government lumbering from one mistake to another, it might have had the imagination to undertake tax reform holistically, but it cannot and it is not, because puny minds deliver puny reforms, and puny reforms inevitably do not deliver reform at all. Puny reforms end up adding complexity instead of removing it.

Industry have expressed concerns at the short period of implementation provided, as it comes into force on 1 July. Industry have also pointed out that under this new added tax both the existing stamp duty and the new property tax regimes can operate together indefinitely, and now we will not have one system; we will now have two, indefinitely. It is not net neutral as a revenue measure, because under this government tax reform means one thing: raise taxes. Tax reform under this government means: raise taxes. That is this government's definition. This is not a measure to reduce the impost of government spending and intergenerational debt on the lives of Victorians, let alone Victorian businesses; this is a measure to increase it. If you hold property for more than 15 years, you are worse off. If you are a regional commercial property owner – and Lord knows we need more investment in commercial property in the regions – you are worse off. Indeed modelling shows that if this was a revenue-neutral reform, the rate would have been no more than 0.8 per cent and to maintain equity for regional businesses the rate should have been half of that again in regional areas, of 0.4 per cent.

One thing is clear and obvious as a consequence of this change. There will be no cost relief to tenants because this is the perfect catalyst for property owners to pass on the annual costs imposed on them to the occupiers, themselves businesses with their own cash flow and capital management changes. We could also discuss the base rate. Why 1 per cent? There is no objective measure as to why 1 per cent. There is no indexing on that 1 per cent. We know that as an asset class, property has grown at a far greater rate over the last 30 years than any other asset class, so that 1 per cent will become disproportionate over time and it should have been indexed as well.

I say again: this is not really a tax reform; it is a puny effort to increase revenue dressed up as a reform of stamp duty. I think we could have done much, much better. I think a more visionary government in the future will do a whole lot better. I am sure we intend to. I recommend our amendments to the bill, and I will complete my contribution there.

Tom McIntosh (Eastern Victoria) (18:18): I rise to make a positive contribution to this place, as does indeed this government by bringing in this legislation, the Commercial and Industrial Property Tax Reform Bill 2024. While those opposite might continue with their negativity, as they always do, they support this bill, as do indeed stakeholders all around the state and the country with what we are doing. We expect nothing less from that side. As announced in the 2023–24 budget, we are abolishing stamp duty on commercial and industrial properties, to commence as of 1 July. For these properties stamp duty will be paid one final time on the property. If and when it is transacted, the new annual commercial and industrial property tax will be payable 10 years after the final stamp duty payment, regardless of whether that property has transacted again. So we are increasing flexibility for business in the place where they want to do business. This is a good change for Victorians, this is a good change for Victorian business, yet those opposite want to talk it down. It is an efficiency that we have heard time and time again is needed, and this government has the courage to come in and bring it in. It has brought an idea to this place. While those opposite shake their heads and scowl, we are here delivering it, and that is exactly why I am so proud of it. In the time I have here before dinner – I have got about

8 minutes – I do want to talk about some of the items that have been raised by those opposite throughout a variety of contributions, but I will come back to them as time allows.

To smooth the transition to the new tax system, the government will give purchasers of commercial or industrial property who meet the eligibility as outlined in this information sheet the option of accessing a government-facilitated transitional loan as an alternative to self-financing the up-front stamp duty amount. In this way eligible purchasers who choose the transition loan option transition to an annual repayment for the time of purchase, freeing up capital that businesses can use to invest in expanding and employing more workers.

The commercial and industrial property tax will be set at a flat 1 per cent of the property's unimproved land value, with no complicated rate schedules or thresholds. The reform will not apply to commercial or industrial property purchased before 1 July 2024 or properties primarily used for residential primary production, community services, sport or heritage and cultural purposes as coded by the Valuer-General Victoria.

Currently, when you buy or acquire a commercial or industrial property in Victoria you pay land transfer, known as stamp duty. Stamp duty adds to the cost of purchasing property, and when applied to commercial and industrial properties it discourages businesses from investing, expanding or relocating operations, impeding growth and productivity. Reforming stamp duty has been recommended by numerous inquiries over recent decades, including the Henry tax review, the Productivity Commission and the Grattan Institute. Replacing stamp duty with the commercial and industrial property tax will encourage businesses to expand or set up in the best location – for example, closer to their customers or where there is a growing workforce – support businesses to invest in buildings and infrastructure and promote more efficient use of commercial and industrial land. The change means a retailer will be more likely to buy the new premises they need for their business to take the next step or a transport company will have more reason to move into that larger warehouse.

Often I talk to businesses, whether it is on the peninsula or across Gippsland, who are experiencing growth and looking for more space, bigger premises or premises that fit the needs of their changing or growing business and who want to make that move. This change is something that they are absolutely looking forward to, as we have heard from a multitude of stakeholders. As we know, across the state, with unemployment low in the regions, we are just seeing businesses take up the opportunity to grow and expand, and this is something that has been very well received in my conversations across the electorate. Removing the up-front costs on commercial and industrial property purchases will accelerate business growth and boost jobs, with a cumulative increase in the size of the Victorian economy as a result of this reform of up to \$50 billion in net present value terms. Looking just at the change in tax revenue over the budget forward estimates period, businesses will be paying around \$260 million less in stamp duty over the next four years as a result of this reform.

I just want to pick up on some of the comments made by those opposite. There were very, very peculiar comments from Mr Welch just now trying to talk down this legislation and change, which again I note they support. I find it amazing that in all the conversations I have had – and I take it back to, say, when the Liberals were last in power – talking to business groups and talking to industry, it was very clear that between Dolittle and Nap Time nothing happened in this state. We stood still, and the effect of that was we went backwards. Since this side has come to government we have seen unemployment reduce and we have seen new business numbers increase, and those opposite are stuck – absolutely stuck – in their ideological positions, unable to engage with what the community wants and needs. They are stuck and welded to their ideologically extreme think tanks that do not match the wishes, the desires and the needs of the community and do not match the needs of our economy either. This is why we hear them on the other side being negative. My puns are not as good as Mrs Broad's, but I think 'the noalition' captures it pretty well. There is no substance. I have referred to it before – the fact that there are no values for the party to draw on to inform policies. There are no policies, and that is why nothing of substance comes to this place. It is only ever a reactionary negative. It does not matter what is brought, it is negative and very often it is on the ideological extreme. That is why when people

in the community look at the Liberal Party – just as they will tonight, the multitude of those watching on – they will just see more negativity. There was an incredible –

Members interjecting.

Tom McINTOSH: The negativity just keeps coming – all these comments, these one-liners, over here before, saying that Labor do not support the regions. You have heard me say this recently: our last four premiers have been from the regions. We are investing in fairer fares, and we are investing in infrastructure and services in regional Victoria. I talked about the Dolittle and Nap Time governments, which did nothing but stand still. At best the Victorian people know that they will get nothing from the Liberals. At worst they will get a repeat of the Kennett government, where the trains were ripped out and the services were pulled out.

Joe McCracken interjected.

Tom McINTOSH: It was slash and burn, and you know it, Mr McCracken. You may laugh. Do you know what we did last week? We celebrated 20 years since the Bairnsdale line reopened. It is fantastic – absolutely fantastic. Our communities absolutely trust and know that we will deliver when it comes to housing, education, health, our road networks and our infrastructure. It is exactly the thing that my colleague Mr Galea talked about in our inquiry: talking to regional communities, being out in regional communities and talking about the \$2 billion regional fund, with a billion dollars for regional housing and \$150 million for worker accommodation, a brilliant program that acknowledges the business demand for workers. This bill is ensuring that businesses can upsize and upscale and have flexibility in their business arrangements, and we are making sure they have the workers where they want to run their businesses in regional Victoria. There is this sort of negativity that we hear from the Liberal Party, trying to paint this bleak picture. They love a bleak picture. They do not want to see the state prosper. It is absolutely out of context, and Victorians know it. Victorians absolutely know that the best they will get out of the Liberal Party is that nothing will happen and the worst they will get is a repeat of the Kennett years.

Again, I am proud to support this bill. This bill brings absolute common sense, it brings backing from analysts and from business, and it is another great way that the Labor government is getting on and supporting the Victorian economy.

Sitting suspended 6:29 pm until 7:33 pm.

Jaelyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (19:33): Thank you to those members that have made a contribution on the Commercial and Industrial Property Tax Reform Bill 2024. Look, this is landmark reform, and I understand the bill has received a lot of support from across the chamber, so I do acknowledge the work of the Treasurer's office in their consultations with members. I think there are a few questions and things like that, so we will move to that soon. Obviously this is all about moving away from stamp duty towards a more efficient tax. At its core it is about encouraging businesses to invest, and we are confident this will create more jobs and stimulate the economy even more.

I do want to make some comments on behalf of the government on an issue that has been raised with the government since the introduction of the bill, and it is the government's intention to address these matters through amendments in a future bill. The bill, as written, does not provide a duty exemption for certain complex transactions of properties that have entered the reform. These complex transactions include economic entitlements and transfers of dutiable fixtures and goods used or held in connection with land. While the government is committed to fully exempting properties that enter the reform from duty for all transaction types, there are complexities and tax avoidance risks from applying exemptions to these types of complex transactions. The government is flagging its intention of and commitment to working with industry to develop amendments to exempt these transactions, but it needs to ensure that the complexities and risks are carefully managed. We expect to introduce amendments later this year in the spring tax bill. Since these changes are only relevant to properties –

A member: Spring tax bill?

Jaclyn SYMES: No surprises – there is one every year. Since these changes are only relevant to properties –

Members interjecting.

Jaclyn SYMES: Gee, you know you are alive on a Tuesday night, don't you? Since these changes are only relevant to properties which enter the reform from 1 July and are then subject to a subsequent complex transaction, few, if any, transactions are likely to be affected in the meantime. The Treasurer has indicated he would consider providing ex gratia relief in respect of any duty payable on such transactions, if there are any, in the period between 1 July 2024 and when the proposed changes come into force, as I have alluded to.

Motion agreed to.

Read second time.

Committed.

Committee

The DEPUTY PRESIDENT: I remind members that under section 64 of the Constitution Act 1975 the Council does not have the power to make amendments to parts of this bill. Affected clauses are shaded in red on the running sheet, if anyone has the running sheet. No questions will be put on the affected clauses and any proposed amendments to those clauses must be in the form of a suggestion to the Assembly. Standing order 14.16 sets out the procedure for dealing with suggested amendments.

Clause 1 (19:38)

Evan MULHOLLAND: I might, with indulgence, attempt to ask a lot of my questions on clause 1 so as to not keep the chamber coming back for 4-minute divisions. I am trying to be helpful here. Minister, can you outline how the government arrived at the 1 per cent tax rate? For example, why not 0.5, why not 1.5? How was 1 per cent determined?

Jaclyn SYMES: I thank Mr Mulholland for his question. I do understand some of this was gone through in some detail with the opposition several weeks ago following a briefing from the government and I think some written material has gone backwards and forwards, but it is certainly important to put the question in the house and for me to respond on the record.

Under the Financial Management Act 1994 the government is required to publish revenue forecasts over a four-year period of the budget and forward estimates. Over this period, as you can see in the budget papers, this reform will lead to businesses paying \$266 million less, a real tax cut that will support businesses to invest more and, we are confident, to employ more. Longer run revenue forecasts are inherently less certain, and the government does not publish them for that reason. However, our modelling indicates that with a 1 per cent rate for the commercial and industrial property tax the government is likely to return to a revenue-neutral position relevant to its current tax treatment of commercial and industrial properties by around 2050. That is the further detail behind the choice of 1 per cent, Mr Mulholland.

Evan MULHOLLAND: You mentioned the bill briefing. That leads on to my next question. In responses to opposition questions in the bill briefing, Department of Treasury and Finance (DTF) anticipated that this reform would be revenue neutral by 2050 and went on to say that at this point the net present value of the total revenue received under commercial and industrial property tax would be similar to what it would be under the existing arrangement. Do you know what discount rate was used to make this determination?

Jaclyn SYMES: Mr Mulholland, my advice is 7 per cent.

Evan MULHOLLAND: And just what land growth rate was assumed, in the estimate of the revenue neutrality, that is?

Jaclyn SYMES: Just in terms of your questioning, it might be of use to outline just what is meant by 'revenue neutral' – that is, that the total revenue received between now and then and any differences in interest payments would be approximately the same when comparing the current tax treatment of affected properties with the new tax treatment that would be brought about by the passing of the Commercial and Industrial Property Tax Reform Bill. As Mr Mulholland has identified, there are a range of figures that have guided the ability for Treasury to predict the impact of the net debt position to be around 2050. I will just seek some advice from the box as to whether there is any other relevant information that I think they would like me to review.

Mr Mulholland, the advice is that there would have been consideration of some historical growth rate. I do not have anything specific available right now, but it is something that we can get back to you on if there is anything. I do not think there is anything further than to say that, but of course we will have a little bit of a look. If there is anything that is particularly relevant, we will bring it to your attention. But I do not think there is at this stage.

Evan MULHOLLAND: I think you answered this question already, but if there was any modelling available to the opposition that you might be able to provide on notice in regard to that, that was my next question. Cool. I will just head down a bit. Under existing arrangements, there is a regional concession of 50 per cent. What was the reason for there being no similar regional–metro split in the land tax rate?

Jaclyn SYMES: Mr Mulholland, I did pick up some conversations throughout debate in relation to the government's support of regional Victoria. Obviously we would argue, and it is hard to dispute, that no government has done more for regional Victoria and businesses than this government. When those opposite left government some time ago, regional businesses faced payroll tax rates of 4.85 per cent and a payroll tax free threshold of \$550,000. We cut the regional payroll tax rate four times, so it is now a quarter of that, and we are increasing the payroll tax threshold to \$1 million. It was also our government who introduced the stamp duty concession for regional businesses, because we knew stamp duty would deter business investment and mobility. Under this reform the concession will continue to apply to stamp duty and subsequent transactions will be completely exempt from stamp duty. Regional properties will also generally face a lower tax burden under the new system compared to metro because the commercial and industrial property tax will be levied on unimproved land values, which are typically lower in regional Victoria.

Evan MULHOLLAND: The estimate DTF provided to us indicates that this reform is expected to generate an economic uplift of \$50 billion. How was that figure determined?

Jaclyn SYMES: Mr Mulholland, we had some modelling undertaken by Deloitte Access Economics, and they used a computable general equilibrium model, which is the leading type of model for estimating economic impacts such as this reform. Consistent with standard government practice, you would appreciate we are not in a position to release the underlying model behind that result, but it is worth pointing out that while economists are known as a profession to hold a wide variety of views, there is extremely strong consensus on this occasion among economists that swapping stamp duty for land tax will boost growth, and that is likely to be the most consequential growth-boosting reform available to state governments. Hopefully that addresses your question.

Evan MULHOLLAND: Well, yes. My next one was going to be in relation to modelling in regard to that, but I think you have answered that already. I think that might be all the questions I have to ask, but just in regard to stamp duty reform in general, we have previously seen remarks by the Treasurer kind of squashing the idea of reform of the residential market, talking about a \$30 billion black hole in regard to residential stamp duty. Does reform of this type leave open the opportunity to look at further residential stamp duty reform in future?

Jaelyn SYMES: Mr Mulholland, there is commentary and there are views in relation to the issues you have raised, but as you would appreciate, this reform only applies to commercial and industrial property consistent with the government's objective to encourage investment in Victoria, especially by way of businesses, which will support jobs and improve productivity. Of course we are always looking for ways to improve the tax mix and raise the revenue needed for essential services and infrastructure in the fairest and most efficient ways, but for the purposes of today's committee stage this is confined to commercial and industrial properties.

Clause agreed to; clause 2 agreed to.

Clause 3 (19:48)

The DEPUTY PRESIDENT: Mr Mulholland, I would invite you to move your amendment 1, which tests your amendments 2 to 5.

Evan MULHOLLAND: I move:

1. Clause 3, page 4, after line 13 insert –

“regional Victoria has the same meaning as in section 18(8) of the **First Home Owner Grant and Home Buyer Schemes Act 2000;**”.

This amendment would give rise to our amendments that were circulated earlier to lower the rate to 0.8 per cent but also still have that 50 per cent concession for regional Victorians, which I think they are entitled to.

Jaelyn SYMES: The government will not be supporting Mr Mulholland's amendments 1 to 5. They all relate to the rate for commercial and industrial property tax once it kicks in in 10 years time. The reform, as we have previously discussed in some of our exchanges, is designed to be revenue-neutral in the long term. Under the Financial Management Act the government is required to publish revenue forecasts over a four-year period of the budget and the forward estimates, and the reform, as we have outlined, will lead to businesses paying \$266 million less. This is fundamentally one of the main reasons we are doing this. This is about a real tax cut that will support businesses to invest more and employ more, and we believe that this is the way to do it. Longer run revenue forecasts are inherently less certain, and what we have suggested is that the 1 per cent rate for commercial and industrial property tax is likely to return to the revenue-neutral position by around 2050, and again we reiterate our view that the 1 per cent is the right balance. With the amendment from Mr Mulholland and for what it tests in relation to regional businesses, I can only go back to my answer to the question in clause 1 in relation to our rationale for this and reiterate our ongoing support for regional Victorian businesses. We believe that this is the way forward in striking the right balance in terms of tax paid by businesses over the medium to long term for all of those in the state.

Council divided on amendment:

Ayes (16): Melina Bath, Jeff Bourman, Gaelle Broad, Georgie Crozier, David Davis, Moira Deeming, Renee Heath, David Limbrick, Wendy Lovell, Trung Luu, Bev McArthur, Joe McCracken, Nick McGowan, Evan Mulholland, Rikkie-Lee Tyrrell, Richard Welch

Noes (21): Ryan Batchelor, John Berger, Lizzie Blandthorn, Katherine Copsey, Enver Erdogan, Jacinta Ermacora, David Ettershank, Michael Galea, Sarah Mansfield, Tom McIntosh, Rachel Payne, Aiv Puglielli, Georgie Purcell, Samantha Ratnam, Harriet Shing, Ingrid Stitt, Jaelyn Symes, Lee Tarlamis, Sonja Terpstra, Gayle Tierney, Sheena Watt

Amendment negatived.

Clause agreed to; clauses 4 to 16 agreed to.

Clause 17 – no question put pursuant to standing order 14.16(2).

Clauses 18 to 56 agreed to.

Clause 57 (19:58)

Evan MULHOLLAND: I move:

6. Clause 57, page 45, after line 13 insert –

“(7) The Treasurer must –

- (a) determine the risk margin for the transition loan program; and
- (b) update the risk margin at least once each financial year; and
- (c) cause details of the rationale for the risk margin to be published in the Government Gazette –
 - (i) with the notice published under subsection (3)(a) or (b); and
 - (ii) as soon as practicable after each update of the risk margin.”

It is in regard to the risk margins that are set. As I mentioned earlier on, the loan attracts an interest rate which is comprised of one interest rate linked to the Treasury Corporation of Victoria. The 10-year bond rate we have no concerns with. On the risk component, though, we think it is prudent for a risk component to be charged but are concerned by the lack of transparency around how the Treasurer of the day could act, and so this is a simple transparency measure to incorporate an annual statement on how the risk component of the rate is determined.

Jaclyn SYMES: The government will not be supporting this amendment. It is not standard practice consistent with other risk margins applied to the government and with the behaviour of commercial lenders offering similar loans. Contrary to some of the commentary that we are hearing, there is no risk here of the government changing the loan to the detriment of existing borrowers. Each potential borrower will see the interest rates prior to deciding whether to take out a loan, and if they choose to, their interest rate will be fixed for the life of the loan. Government has committed to the transition loan being provided on a commercial basis, and the budget treatment of the reform depends on that, and it is subject to audit by the Auditor-General. It is also worth noting that the Treasury Corporation of Victoria does not release this information for any risk margins on any other products.

Council divided on amendment:

Ayes (16): Melina Bath, Jeff Bourman, Gaelle Broad, Georgie Crozier, David Davis, Moira Deeming, Renee Heath, David Limbrick, Wendy Lovell, Trung Luu, Bev McArthur, Joe McCracken, Nick McGowan, Evan Mulholland, Rikkie-Lee Tyrrell, Richard Welch

Noes (21): Ryan Batchelor, John Berger, Lizzie Blandthorn, Katherine Copsey, Enver Erdogan, Jacinta Ermacora, David Ettershank, Michael Galea, Sarah Mansfield, Tom McIntosh, Rachel Payne, Aiv Puglielli, Georgie Purcell, Samantha Ratnam, Harriet Shing, Ingrid Stitt, Jaclyn Symes, Lee Tarlamis, Sonja Terpstra, Gayle Tierney, Sheena Watt

Amendment negatived.**Clause agreed to; clauses 58 to 67 agreed to.****Reported to house without amendment.**

Jaclyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (20:04):
I move:

That the report be now adopted.

Motion agreed to.**Report adopted.**

Third reading

Jaclyn SYMES (Northern Victoria – Attorney-General, Minister for Emergency Services) (20:04):
I move:

That the bill be now read a third time.

The PRESIDENT: I am of the opinion that this bill requires to be passed by an absolute majority.
I ask the Clerk to ring the bells.

Bells rung.

Members having assembled in chamber:

The PRESIDENT: I ask members that are voting for the third reading now stand in their places.

Required number of members having risen:

Motion agreed to by absolute majority.

Read third time.

The PRESIDENT: Pursuant to standing order 14.28, the bill will be returned to the Assembly with a message informing them that the Council have agreed to the bill without amendment.

Appropriation (Parliament 2024–2025) Bill 2024*Introduction and first reading*

The PRESIDENT (20:07): I have another message from the Assembly:

The Legislative Assembly presents for the agreement of the Legislative Council ‘A Bill for an Act for the appropriation of certain sums out of the Consolidated Fund for the Parliament in respect of the financial year 2024/2025 and for other purposes’.

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:07): I move:

That the bill be now read a first time.

Motion agreed to.

Read first time.

Harriet SHING: I move, by leave:

That the bill be read a second time forthwith.

Motion agreed to.

Statement of compatibility

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:08): I lay on the table a statement of compatibility with the Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the *Charter of Human Rights and Responsibilities Act 2006* (Vic) (**Charter Act**), I make this statement of compatibility with respect to the Appropriation (Parliament 2024–2025) Bill 2024.

In my opinion, the Appropriation (Parliament 2024–2025) Bill 2024, as introduced to the Legislative Council, is compatible with the human rights protected by the Charter Act. I base my opinion on the reasons outlined in this statement.

Overview of Bill

The purpose of the Appropriation (Parliament 2024–2025) Bill 2024 is to provide appropriation authority for payments from the Consolidated Fund to the Parliament in respect of the 2024–2025 financial year.

Human Rights Issues**1. Human rights protected by the Charter Act that are relevant to the Bill**

The Appropriation (Parliament 2024–2025) Bill 2024 does not raise any human rights issues.

2. Consideration of reasonable limitations – section 7(2)

As the Appropriation (Parliament 2024–2025) Bill 2024 does not raise any human rights issues, it does not limit any human rights, and therefore it is not necessary to consider section 7(2) of the Charter Act.

Conclusion

I consider that the Appropriation (Parliament 2024–2025) Bill 2024 is compatible with the Charter Act because it does not raise any human rights issues.

Hon Jaclyn Symes MP

Attorney-General

Minister for Emergency Services

Second reading

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:08): I move:

That the bill be now read second time.

Ordered that second-reading speech be incorporated into *Hansard*:

The Appropriation (Parliament 2024–2025) Bill 2024 provides appropriation authority for payments from the Consolidated Fund to the Parliament in respect of the 2024/2025 financial year, including ongoing liabilities incurred by the Parliament such as employee entitlements that may be realised in the future.

Honourable Members will be aware that other funds are appropriated for parliamentary purposes by way of special appropriations contained in other legislation. In addition, unapplied appropriations under the *Appropriation (Parliament 2023–2024) Act 2023* have been estimated and included in the Budget Papers. Before 30 June 2024, the actual unapplied appropriation will be finalised and the 2024/2025 appropriations will be adjusted by the approved carryover amounts under section 32 of the *Financial Management Act 1994* (Vic).

In line with the wishes of the Presiding Officers, appropriations in the Appropriation (Parliament 2024–2025) Bill 2024 are made to the departments of the Parliament.

The total appropriation authority sought in this Appropriation (Parliament 2024–2025) Bill 2024 is \$285, 008, 000 (clause 3) for Parliament in respect of the 2024/2025 financial year.

I commend the Bill to the House.

Georgie CROZIER (Southern Metropolitan) (20:08): I move on behalf of my colleague Mr Mulholland:

That debate on this bill be adjourned for one week.

Motion agreed to and debate adjourned for one week.**Appropriation (2024–2025) Bill 2024***Introduction and first reading*

The PRESIDENT (20:08): I have received the following message from the Assembly:

The Legislative Assembly presents for the agreement of the Legislative Council ‘A Bill for an Act for the appropriation of certain sums out of the Consolidated Fund for the ordinary annual services of the Government for the financial year 2024/2025 and for other purposes’.

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:09): I move:

That the bill be now read a first time.

Motion agreed to.

Read first time.

Harriet SHING: I move, by leave:

That the bill be read a second time forthwith.

Motion agreed to.*Statement of compatibility*

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:09): I lay on the table a statement of compatibility with the Charter of Human Rights and Responsibilities Act 2006:

In accordance with section 28 of the *Charter of Human Rights and Responsibilities Act 2006* (Vic) (**Charter Act**), I make this statement of compatibility with respect to the Appropriation (2024–2025) Bill 2024.

In my opinion, the Appropriation (2024–2025) Bill 2024, as introduced to the Legislative Council, is compatible with the human rights protected by the Charter Act. I base my opinion on the reasons outlined in this statement.

Overview of Bill

The Appropriation (2024–2025) Bill 2024 will provide appropriation authority for payments from the Consolidated Fund for the ordinary annual services of Government for the 2024–2025 financial year.

The amounts contained in Schedule 1 to the Appropriation (2024–2025) Bill 2024 provide for the ongoing operations of departments, including new output and asset investment funded through annual appropriation.

Schedules 2 and 3 of the Appropriation (2024–2025) Bill 2024 contain details concerning payments from advances under section 35 of the *Financial Management Act 1994* (Vic) and payments from the Advance to Treasurer in the 2022/2023 financial year, respectively.

Human Rights Issues**1. Human rights protected by the Charter Act that are relevant to the Bill**

The Appropriation (2024–2025) Bill 2024 does not raise any human rights issues.

2. Consideration of reasonable limitations – section 7(2)

As the Appropriation (2024–2025) Bill 2024 does not raise any human rights issues, it does not limit any human rights and therefore it is not necessary to consider section 7(2) of the Charter Act.

Conclusion

I consider that the Appropriation (2024–2025) Bill 2024 is compatible with the Charter Act because it does not raise any human rights issues.

Hon Jaclyn Symes MP

Attorney-General

Minister for Emergency Services

Second reading

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:09): I move:

That the bill be now read a second time.

Ordered that second-reading speech be incorporated into *Hansard*:

We are here today on the lands of the Wurundjeri People and I acknowledge them as Traditional Owners.

I pay my respects to their Elders, past and present, and the Aboriginal Elders of other communities here today.

The Allan Labor Government is committed to Truth, Treaty and Self-Determination for First Peoples.

President, as I stand here today to deliver the *Victorian Budget 2024–25*, times are tough for many Australians. Indeed, for many around the world.

Inflation is hurting. Interest rates are higher, and the cost of groceries, petrol and bills continues to rise.

That's why this Budget is focused, firstly, on helping families.

From help with the cost of living, to investments in education, healthcare, road and rail – we want to make life easier.

Secondly, this is a Budget focused on fiscal discipline, making sensible decisions that respond to the challenges ahead.

It considers our two big problems – high inflation and workforce shortages – and how best to manage them.

And thirdly, this is a Budget for the future – we want our prosperous economy to stay strong.

In this Budget we're making sensible choices. We're helping families. And we're building a strong future for Victoria.

SENSIBLE DECISIONS

As the world deals with challenging economic times, we need to face reality and make clearheaded decisions.

Just as inflation has impacted families – it's also impacting our economy.

Rising prices of materials, labour and transportation have pushed up construction costs by around 22 per cent since 2021.

It's not just cost pressures – we're facing workforce pressures too.

Unemployment remains around its lowest level in nearly 50 years – and more Victorians are working than ever before.

That's good news. But it also means we're constrained by limited workforce capacity.

Infrastructure Australia estimates that demand for workers exceeds the current national public infrastructure workforce by 129 per cent.

To put it another way, Australia is already 229 000 workers short of what we need.

This worker shortage is hitting our construction projects, but it's also hurting our caring and social sectors. Early childhood worker vacancies are three times higher than in 2019.

President, at the height of the pandemic we stepped in and used our state's balance sheet to protect household budgets. This underlaid our strong economic recovery.

Now it's time for Government to recalibrate, ensuring our investments are right for today, and tomorrow. This year's Budget makes a range of sensible and disciplined decisions, while continuing to invest in the health, education, transport and housing Victorians need.

It responds to the capacity constraints in the economy, and inflation, that we're seeing worldwide.

It does this by taking the following four actions:

- investing in workers' skills to tackle labour shortages
- aligning our infrastructure program to better reflect workforce capacity
- supporting Victorian families with targeted cost-of-living help, and
- stabilising, then reducing, net debt to GSP, in line with our strategy.

President, with high global inflation, the International Monetary Fund, in its recent report on Australia, says now is the time for governments to adapt infrastructure investment to economic capacity.

We're recalibrating with a clear path forward, backed by disciplined decisions.

Expenses are growing at 2.2 per cent per year on average in this Budget, below average nominal economic growth at 5.3 per cent – so we are shrinking the size of government as a share of the economy.

We're also responsibly managing our capital program, with new capital investment lower than recent years. Infrastructure investment is expected to decline from a peak of \$24 billion in 2023–24 to \$15.6 billion by the end of the forward estimates. That doesn't mean going from feast to famine. In this Budget we will progressively return the capital program to pre-COVID levels, to better align with the ability of our economy to deliver.

A sustainable, ongoing pipeline will provide certainty to the construction industry, and help them to build critical social and economic infrastructure for all Victorians.

Right now, we're delivering a number of city- and suburb-shaping projects, including the Metro Tunnel, the West Gate Tunnel and the North East Link.

At the same time, we have a huge amount of funding tied up with the Melbourne Airport Rail project. We need to be realistic about the project and its timeline.

We've made the sensible decision to acknowledge the project is now at least four years delayed.

We're also winding up COVID-era programs that are no longer needed, as we move into a new phase.

We'll reduce the Government's advertising spend, and decrease office space across the Victorian Government, reflecting the changed nature of work.

Our *Best Start, Best Life* reforms are transforming early childhood with free kinder, increased hours and government-owned childcare.

But with sustained low unemployment continuing to impact our workforce capacity, we're going to roll these reforms out a bit more gradually, ensuring we give the workforce time to build up and skill up.

We're taking a similar approach with the rollout of our Mental Health and Wellbeing Locals.

To give us the time to ensure we have the people and skills we need, this Budget pursues a more gradual approach to the rollout of our Mental Health and Wellbeing Locals. That gives us the opportunity to train and recruit the required workforce – and it also makes sure we're learning from the rollout of the first two stages.

Breakthrough Victoria was set up to help the economy recover and grow jobs after the pandemic – but with those tasks well underway, we will extend the fund's investment profile from 10 to 15 years, giving Breakthrough Victoria more time to review and be selective about quality investments.

President, as the world faced a raging global pandemic, we laid out a four-step strategy for our economy to survive and emerge stronger than ever.

The first and most important step was to let the Victorian Government's balance sheet absorb the blow of the pandemic – protecting jobs, businesses, families and the community.

Our steps two and three were about returning to surpluses. We achieved step two by delivering an operating cash surplus in 2022–23, which continues over each year of this Budget and forward estimates.

We remain on track for step three, and this Budget forecasts an operating surplus in 2025–26 that is higher than previously predicted.

The Government is forecasting operating surpluses of \$1.5 billion in 2025–26 and \$1.6 billion in 2026–27, an improvement from the *2023–24 Budget Update*.

The operating surplus is then forecast to increase further to \$1.9 billion in 2027–28.

As a proportion of GSP, net debt is projected to be 24.4 per cent in June 2025 before reaching 25.2 per cent in 2026–27 and then declining to 25.1 per cent in 2027–28.

Economic indicators show our plan is working – our economy is now estimated to be almost 11 per cent larger, in real terms, than before the pandemic.

That growth is predicted to continue, with Deloitte Access Economics forecasting Victoria's economy will outpace all other states over the next five years.

Business investment in Victoria is leading the nation at almost 6 per cent higher than the national average growth.

It's clear – businesses are backing our plan.

Our disciplined and sensible decisions mean that now, with this Budget, we've been able to deliver on Step 4 – stabilising net debt as a percentage of GSP, for the first time since the pandemic.

That means we can add a new step to the Allan Labor Government's fiscal strategy.

That is – *the reduction of net debt to GSP*.

This updated fiscal strategy is right for our times – with a firm focus on driving new growth across our state, while also acting to reduce debt.

To put this into perspective, our economy is worth about \$600 billion today, but by the end of the forward estimates it will be worth nearly three quarters of a trillion dollars. The strength of this growth is helping drive a reduction in net debt to GSP.

HELPING FAMILIES

President, this is a Budget about helping families.

With the cost of living higher, we know how kids' school expenses – things like uniforms, camps and excursions – can really add up.

That's why we're going to help families with a one-off \$400 School Saving Bonus, to land right at the start of the next school year.

It'll cover a range of school expenses, including the extras that make school fun.

We're helping kids stay active, with vouchers of up to \$200 for eligible families, to fund sporting memberships, uniforms and equipment.

We'll give eyesight tests to more students in schools, tripling our free Glasses for Kids program.

Just like our Smile Squad's free dental checkups in schools, it'll save families money – and the hassle of getting kids to appointments.

Since 2014 we've invested more than \$8 billion to transform early childhood education and development. This Budget invests to keep delivering Free Kinder, saving families up to \$2 500 per child.

We're also helping keep bills down with clean energy initiatives, like a \$38 million boost for energy efficient hot water heater subsidies, and \$6 million for more interest-free loans on solar battery storage systems in homes.

Reflecting the Allan Labor Government's priorities – children and young people – this Budget continues to invest in our kids and our classrooms.

President, we promised to build 100 new schools by 2026, and this Budget delivers on that promise.

Seventy-five new schools are open, nine more are underway, and this year's Budget invests \$1 billion in 16 more new schools and additional stages at two recently opened schools.

We'll upgrade 25 existing schools, with \$227 million for things like new learning spaces, sports fields and playgrounds.

President, great teachers change lives, and in this Budget we are investing \$139 million not only to *get* more teachers in our schools, but also importantly, to *keep* the ones we have.

We're helping schools create job-sharing and part-time leadership roles, offering teachers more flexibility and work-life balance.

When crisis or illness strike, there is nothing we want more than world-class healthcare for ourselves and our loved ones.

This Government has invested \$59 billion into our healthcare system – and the workers we need to run it – since taking office in 2014.

We have 60 per cent more doctors, 40 per cent more nurses, and almost 40 per cent more healthcare workers, than we did a decade ago.

From that base, this Budget now delivers the biggest investment in our healthcare system, ever.

It includes an unprecedented multi-year investment of more than \$11 billion for services to meet the future health needs of Victorians, including more than \$8.8 billion in operating funding for hospitals.

This is the biggest single investment in our hospital system in the State's history.

We are enormously grateful for the talent and dedication of Victoria's health workforce, and we will never forget the sacrifices they made through the pandemic, and continue to this day.

Our investment in this Budget secures the financial sustainability of our health sector, so our healthcare workers have what they need, to keep providing world-class care.

We've shifted care closer to home, with targeted interventions to get people better more quickly, and to reduce pressure on emergency departments.

We're investing over \$900 million to upgrade the Austin Hospital's emergency department, and to deliver a new ED and more beds at the Northern Hospital.

We're funding Monash Medical Centre with nearly \$500 million to expand. It will get more maternity care, operating suites and intensive care beds.

And we're helping Ambulance Victoria maintain life-saving services, with \$146 million to support ambulance capacity.

We all know that nothing is more central to our safety and wellbeing than having a home.

But right now, many families are getting priced out of the market.

That's why this Budget provides a further \$700 million boost to the Victorian Homebuyer Fund – helping more Victorians realise their dream of owning a home and setting up our partnership with the Federal Government's 'Help to Buy' scheme.

Our *Housing Statement*, released last year, also lays out a plan to increase housing in areas close to jobs and transport.

We're investing \$107 million to progress our ambitious housing agenda, creating the conditions needed for 800 000 new homes to be built over the next decade.

Building a home is a big venture, and we want Victorians to feel safe from being ripped off when they take this on.

We're strengthening the Victorian Building Authority, and we're protecting people building or renovating their home, with better access to domestic building insurance.

We're helping keep communities safe, with programs to keep at-risk and vulnerable people out of the justice system and to address the causes of offending.

And we're delivering some of the strongest gambling reforms in Australia, with \$165 million for Gambler's Help services, education and research.

It's a travesty that women and girls are still experiencing family violence.

In Australia, one in three women over 15 years of age has experienced physical violence, and one in five has experienced sexual violence.

Ten years after the 2015 Royal Commission into Family Violence, we have implemented all 227 recommendations through an investment of \$3.8 billion.

But as we are seeing daily, tragically, there is still more we need to do.

This year's Budget invests a further \$211 million to keep women and children safe, with interventions to prevent family violence and to help victim survivors – including funding to stop violence before it starts, with targeted investment in prevention.

President, regional Victoria matters to this Government.

Since first taking office, we have announced more than \$45 billion of funding into the hospitals, TAFEs, schools, roads and rail that country communities need.

This Government has introduced and retained the lowest regional payroll tax rate in the country – and it's paying dividends.

More than 170 000 jobs have been created in regional Victoria over the past nine years – right now we have more people employed in regional Victoria than ever before.

This Budget keeps that focus. We're building four new schools and upgrading seven more, and supporting families with the cost of living.

We're beginning to operate the expanded Latrobe Regional Hospital, and delivering a new mental health and AOD emergency department hub for Ballarat Base Hospital.

And we're investing in V/Line, with \$133 million to support the regional rail network, including operating new train yards, stations and VLocity trains.

This year's Budget will spend \$964 million to maintain our state's road network this coming year alone – including extra funding to clean up the damage from flooding.

This is nearly double the average annual spend of \$493 million between 2010 and 2014.

A POSITIVE FUTURE

President, this is a Budget that looks towards a big and prosperous future, with Victoria set to hit 10 million residents by 2050.

When we came to government in 2014, we immediately got on with delivering world-class roads and more public transport.

These projects are transforming our state, creating thousands of jobs along the way.

We are proud of the generational infrastructure legacy we are creating.

Since 2014, we have committed \$120 billion to planning, building, operating and upgrading Victoria's transport network.

Our Big Build – including the Level Crossing Removal Program, the Suburban Rail Loop, West Gate Tunnel and North East Link – will transform the way Victorians travel.

These assets will also hugely strengthen our state's economy, and a stronger economy pays off debt faster.

The Metro Tunnel will open next year: the biggest and most city-changing public transport project since the City Loop opened more than 40 years ago.

This year's Budget provides \$233 million to get us ready for the excitement of Day One at the Metro Tunnel – for training drivers, timetabling and final testing.

President, the Victorian economy has created more than 560 000 jobs since September 2020, the highest jobs growth in the nation – accounting for about 1 in 3 of all jobs created nationwide over this period, and 1 in 7 of all people employed in Victoria.

We've supported thousands of jobs through our Big Build, we will have trained 17 000 nurses by the end of the forward estimates, and we have invested \$32 million to incentivise doctors to become GPs.

We've invested \$370 million to bolster the early childhood workforce, and we're setting up training centres to create our clean energy workforce.

But with skills shortages in certain areas, it's never been more critical to build the workforce of the future, today.

This Budget builds on our record with more than \$550 million for skills and training, including:

- \$394 million to continue access to training and Free TAFE, with its 80-plus free courses
- \$117 million to continue supporting the TAFE network for students and teachers
- \$11 million to support apprentices, trainees and their employers, and
- \$16 million to skill up more mental health professionals for the future.

We're also helping workers to upskill or change careers, with \$32 million for retraining in high-priority industries like disability services, clean energy and construction.

Building a big future for Victoria means helping business owners invest and grow.

That's why this past year we've worked with industry leaders to progressively abolish stamp duty on commercial and industrial properties.

This is a landmark reform that will make it easier for businesses to set up, invest in new land and buildings, and move locations.

It will create 12 600 jobs, and increase the size of the Victorian economy by up to \$50 billion over the next 40 years.

Broader economic benefits aside, it means businesses pay \$266 million less in stamp duty over the forward estimates – as shown in this year's Budget.

This is about supporting business and growing the economy; an inclusive economy, that leaves no one behind.

President, our Early Intervention Investment Framework builds a better future by helping people early, *before* their problems get critical.

It puts evidence at the heart of budget decision-making, seeking out proposals with the greatest impact, and it measures outcomes over time.

For example, five initiatives in this year's Budget set out to help victims of family violence, providing safety early, while also aiming to change perpetrators' behaviours.

Overall, we'll fund \$167 million to deliver these services, generating at least \$175 million of financial and economic benefits, as well as, critically, helping people.

It's our fourth budget to use this groundbreaking Framework, with an overall \$1.1 billion invested across 28 initiatives in this Budget alone.

Over the past four budgets we've funded \$2.7 billion for early intervention projects, expected to generate benefits of \$3 billion, in a double dividend that also helps Victorians.

We expect a return of up to 1.3 times the funding for service delivery, making this smart and effective spending that saves money and, most importantly, improves lives.

Building a better future also means dealing with the past – the Allan Labor Government is proud to walk with First Peoples in Victoria towards Truth and Treaty.

Together with the First Peoples' Assembly of Victoria, we established Australia's first formal truth-telling process, the Yoorrook Justice Commission, in 2021.

This Budget invests in self-determination and support for First Nations Peoples, including \$6.8 million to extend the Commission as the state's first truth-telling process.

We're delivering better education for Aboriginal students in Victoria.

And we're investing \$51 million to improve shared decision making with First Nations people, and to get a greater understanding of our state's history into schools.

Building a better future means preparing ourselves for a changing climate, and for extreme weather events.

Over this summer we've already had floods and fires, with more than 40 homes lost to blazes near the Grampians. Storms left thousands of households without power.

In this Budget we're helping communities hit by catastrophic weather events, with more than \$300 million to rebuild and recover.

We're funding new fire trucks for the CFA and Fire Rescue Victoria, supporting our frontline emergency crews.

And we're investing \$25 million to support the State Control Centre, the heart of our emergency response system.

Following our move away from native timber logging, we're making sure Victorians can experience and enjoy our forests.

This Budget provides \$11 million to support the work of the Great Outdoors Taskforce, which will advise on future uses of our state forests.

This includes the nearly two million hectares of State forest previously used for timber harvesting.

An additional \$105 million will help restore native forests, promote biodiversity, and maintain roads for bushfire access.

And we're providing \$290 million to create jobs for former forestry workers in forest and fire management.

We've brought back the State Electricity Commission – to cut carbon emissions, generate cheaper energy and support thousands of jobs.

And this Budget invests more than \$18 million to plan for offshore wind generation, and \$17 million to continue planning, and designing, a renewable energy terminal at the Port of Hastings.

We're investing \$85 million to help shield Victoria's agriculture sector and natural environment from biosecurity risks.

We're providing \$44 million to the Environment Protection Authority to crack down on illegal dumping and other waste crimes which threaten our environment.

And we're investing \$17 million into our state and national parks, so they can be enjoyed by all Victorians.

President, as a community, we have a lot to be proud of in building a fairer, more equal Victoria for women and girls.

But, gender inequality remains all too common – here, and around the world.

Our Labor Government introduced Gender Responsive Budgeting three years ago, to get fairer outcomes for women.

I'm proud to be embedding Gender Responsive Budgeting into law this year, making Victoria the first state to do this.

It's all part of building a safe and fair future, with equal opportunity for everyone.

President, in the past ten years we have faced natural disasters and a global pandemic – but it has still been a period of success and growth for Victoria.

Cast your mind back to 2014 and before we came to Government, when the state's unemployment rate reached a peak of 7 per cent – and up to 14.6 per cent for young people.

Infrastructure was groaning with the burden of a growing population, but nothing was being built. The state was grinding to a halt.

Ten years ago, our schools were at capacity, Victorians only knew cuts and closures.

A decade later, our agenda has launched careers and jobs for thousands of people, and we can be proud that the Victorian economy powers the nation.

We have steered this state through natural disasters and a global pandemic, and shown we can navigate any terrain, with strong leadership, and compassion.

Only with clear-headed and firm decisions can we ensure the best future not just for us, but for our children, and our grandchildren.

We make our best decisions when we consider the generations to come, and take their needs fully into account, as we work to make a better world.

This country recently lost a great Victorian, and a great Australian, in Simon Crean.

Two decades ago, he described what a civilised society should aspire to be:

‘a country where anyone, regardless of where they live or how much they earn, can get the same standard of medical care when they get sick; a country where education is available on the basis of ability, not ability to pay; and a country that protects its natural environment for future generations to enjoy.

That is the sort of civilised society I want Australia to be.’

It is in fact the sort of society the Allan Labor Government is making a reality in this State.

Because at its best, good government enables, enlightens, enriches, enhances, and empowers – each and every member of its community.

To do so we must embrace the challenge of today without abandoning the opportunity of tomorrow.

President, it is my honour and privilege to deliver my tenth budget as Victorian Treasurer.

But the hard work must continue.

This Budget addresses the tough realities of our times with sensible and disciplined decisions.

It puts care for Victorian families at its heart.

And it lays the path to a bright and prosperous future.

I commend this Bill to the House.

Georgie CROZIER (Southern Metropolitan) (20:09): I move on behalf of my colleague Mr Mulholland:

That debate on this bill be adjourned for one week.

Motion agreed to and debate adjourned for one week.

Appropriation (2024–2025) Bill 2024

Budget papers 2024–25

Cognate debate

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:10): I move, by leave:

That this house authorises the President to permit the second-reading debate on the Appropriation (2024–2025) Bill 2024 to be taken concurrently with the debate on the motion to take note of the budget papers 2024–25, contingent on such a motion being moved.

Motion agreed to.

Confiscation Amendment (Unexplained Wealth) Bill 2024

Introduction and first reading

The PRESIDENT (20:10): I have received a third message from the Legislative Assembly:

The Legislative Assembly presents for the agreement of the Legislative Council ‘A Bill for an Act to amend the **Confiscation Act 1997** in relation to unexplained wealth and for other purposes’.

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:10): I move:

That the bill be now read a first time.

Motion agreed to.

Read first time.

Harriet SHING: I move, by leave:

That the bill be read a second time forthwith.

Motion agreed to.

Statement of compatibility

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:11): I lay on the table a statement of compatibility with the Charter of Human Rights and Responsibilities Act 2006:

Opening paragraphs

In accordance with section 28 of the *Charter of Human Rights and Responsibilities Act 2006*, (the **Charter**), I make this Statement of Compatibility with respect to the Confiscation Amendment (Unexplained Wealth) Bill 2024 (**Bill**).

In my opinion the Bill, as introduced to the Legislative Council, is compatible with human rights as set out in the Charter. I base my opinion on the reasons outlined in this statement.

Overview

The Bill amends the *Confiscation Act 1997* to strengthen Victoria's existing unexplained wealth laws by introducing a new unexplained wealth order that better targets unlawfully acquired wealth. The Bill also makes other miscellaneous amendments to that Act.

The Bill adds a new unexplained wealth order as a third pathway to Victoria's existing unexplained wealth scheme. Under this new pathway, the Director of Public Prosecutions (DPP) may apply to a court for an unexplained wealth order if there are reasonable grounds to suspect that a person's wealth exceeds their lawfully acquired wealth by at least \$200,000. The person is then required to satisfy the court that their wealth was lawfully acquired. If they cannot do so, then the court may order the respondent to pay the State the value of any wealth the court is not satisfied was lawfully acquired.

The court may also exercise its discretion to reduce the amount payable under an order or refuse to make the order if it considers that making an order for the full amount of a person's unexplained wealth, or making any unexplained wealth order, would be manifestly unjust. In addition, the Bill will extend the ability of a respondent to seek relief from undue hardship or forfeiture caused by an unexplained wealth order, through a reduction in the total debt payable or a payment from forfeited property, within 60 days of any order or forfeiture made.

If the debt is not paid within the time required by the order, being 90 days or as otherwise ordered by the court, the State may recover the amount as a judgment debt and any restrained property may be forfeited without the respondent's consent to satisfy the debt.

Gaps in the current Victorian confiscation framework can impede unexplained wealth laws from capturing organised crime group members who distance themselves from offending. The creation of a new unexplained wealth pathway that removes the requirement for a nexus with serious criminal activity is essential to ensure law enforcement in Victoria can effectively target high-level organised crime figures who are able to distance themselves from criminal offending while reaping significant financial benefits.

The Australian Criminal Intelligence Commission has repeatedly emphasised the increasing sophistication of organised crime groups through complex money laundering activities that obscure the criminal offences that generate illicit gains, and the increasing infiltration of legitimate business resulting in commingling of lawful income and proceeds of crime.

In addition to providing that there is no requirement for a nexus with criminal activity under the new pathway, the Bill provides a definition of wealth that includes all interests in property owned by the person, under the effective control of the person, or expended, consumed or disposed of by the person whether by gift, sale or otherwise. It also includes any service, advantage or benefit provided to the person, or at the person's request or direction. This expanded definition of wealth reflects the sophistication of organised criminals and ability to use wealth that appears legitimate to fund the purchase of assets while using unexplained wealth to fund significant consumable or lifestyle expenses.

Human Rights Issues

The following rights are engaged or limited by the Bill:

- right to a fair hearing (section 24);
- property rights (section 20);
- right to privacy (section 13(a));
- the protection of families and children (section 17(1)); and
- criminal process right – not to be compelled to testify against themselves or to confess guilt (section 25(2)(k)).

Under the Charter, rights may be subject under law only to such reasonable limits as can be demonstrably justified in a free and democratic society based on human dignity, equality and freedom.

Right to a fair hearing (section 24)

Nature of the right

Section 24 of the Charter provides that a party to civil proceeding, has the right to have the proceeding decided by a competent, independent and impartial court or tribunal after a fair and public hearing. This ensures that a party is not substantially disadvantaged compared to the opposing party when putting their case, commonly known as the principle of equality of arms.

As is the case under the existing unexplained wealth powers in Part 4A of the Confiscation Act, the Bill provides that once an application for an unexplained wealth order under the new pathway is made by the DPP or an appropriate officer, the respondent bears the onus of proving that their wealth was lawfully acquired. This amendment engages and limits the right to a fair hearing as the reverse onus of proof on a respondent may infringe the fairness of a hearing insofar as it can result in an unacceptable imbalance between the parties or inequality of arms.

Importance of the purpose of the limitation

The purpose of the limitation is as outlined when the existing unexplained wealth scheme was introduced, to address the fact that the information necessary to establish the acquisition of property is often information that is peculiarly within the knowledge of the owner of that property. A person who has lawfully acquired property ought to be able to readily point to information that supports that acquisition, whilst such information would often be difficult for the prosecution to establish.

Nature and extent of limitation

Whilst the reverse onus of proof requires the respondent to prove their wealth was lawfully acquired the Bill also establishes significant thresholds that must be met and safeguards available to a person who is subject to unexplained wealth proceedings under the new pathway. The DPP or an appropriate officer may only apply for an unexplained wealth order if a police officer suspects on reasonable grounds that a person has wealth that exceeds their lawfully acquired wealth and the total value of the wealth that is not lawfully acquired is \$200,000 or more. In practice, such a suspicion is likely to require a forensic investigation of a person's wealth.

In addition to meeting these substantial thresholds, the Bill provides that the court is not required to consider any wealth of which the DPP has not provided evidence, and provides that the court may accept non-documentary evidence if it is satisfied that it is not reasonable to expect documentary evidence to exist due to the nature of the transfer of wealth, the passage of time or any other reason. A privilege against self-incrimination also applies except in relation to a charge of perjury or a proceeding under the Confiscation Act. Any statement made or evidence given in response to an application for the unexplained wealth order, or any derivative evidence, is not admissible in evidence against that person.

In practical terms, once these requirements have been met, the respondent is then best placed to explain the origin of their own wealth, whereas the State is not.

The relationship between the limitation and its purpose

The limitation is consistent with the Bill's purpose of depriving criminals or their associates of unlawfully acquired wealth. The importance of depriving criminals and their associates of unlawfully acquired wealth and removing the incentive to engage in criminal activity justifies imposing the burden on the applicant for exclusion to demonstrate that the property was lawfully acquired.

Less restrictive means reasonably available to achieve the purpose that the limitation seeks to achieve

It is possible that the burden of proof could instead rest with the prosecution. However this would require the prosecution to have access to the knowledge and records of the respondent, dating back many years of which there may be no documentary evidence. This information is peculiarly within the knowledge of that person and therefore it is appropriate that the burden of proof rests with the respondent to an unexplained wealth order.

Therefore, I consider that the limitation on the right to a fair hearing is reasonable and justified.

Property rights, right to privacy and protection of families and children

Property Rights (s 20)

Nature of the right

Section 20 of the Charter provides that a person must not be deprived of his or her property other than in accordance with the law. This right requires that powers which authorise the deprivation of property are

conferred by legislation or common law, are confined and structured rather than unclear, and are accessible to the public and are formulated precisely.

The Bill's operation to facilitate the restraint and forfeiture of wealth is a deprivation of property and therefore a limitation on the right to property.

Nature and extent of limitation

As outlined above, the effect of an unexplained wealth order under the new pathway is to require the respondent to pay the State the value of any unexplained wealth as set out in the order. The DPP or an appropriate officer can also seek a restraining order over a person's property, which possibly could include a person's home, which prohibits the respondent from dealing with the restrained property in any way without the approval of the court. Such a restraining order may then be used to secure payment of a debt under an unexplained wealth order, and should a person be unable to satisfy payment of the debt, their property can be forfeited without their consent.

The right to privacy (section 13(a))

Nature of the right

Section 13(a) of the Charter protects every person's right to privacy. The Charter provides that a person has a right not to have his or her privacy, family, home or correspondence unlawfully or arbitrarily interfered with. An interference with a person's right to privacy should not be unlawful or arbitrary.

The Bill limits the right to privacy by interfering with a person's ability to be left alone by making their wealth subject the surveillance of the State and interfering with their home.

Nature and extent of the limitation

The scrutiny of a person's wealth, the burden on the person to prove its lawful acquisition and the imposition of a civil debt to the State will necessarily interfere with many elements of a person's private life. The deprivation of that wealth has the potential to negatively affect a person's integrity, identity, relationships and dignity, being characteristics of a person's privacy.

The protection of families and children (section 17)

Nature of the right

Section 17 of the Charter provides that families are entitled to be protected by society and the State, and that every child has the right, without discrimination, to such protection as is in their best interests and is needed by them by reason of being a child.

The Bill limits the protection of families and children as any deprivation of explained wealth under the new pathway will impact on the maintenance of a person's family or deprive a child of benefits from the unexplained wealth.

Nature and extent of the limitation

In providing for the restraint and forfeiture of property and the imposition of a civil debt to the state the Bill may impact families and children, particularly where the family's principal residence or source of income becomes restrained or forfeited. However, the extent of the impact on families is confined as a result of various safeguards that protect those impacted by the operation of unexplained wealth restraining orders and unexplained wealth orders. Firstly, as with the existing pathways, anyone affected by the operation of an unexplained wealth restraining order may apply for reasonable living and reasonable business expenses to be paid from the restrained property. This continues to ensure that a person affected by a restraining order is able to provide or maintain reasonable standard of living for his or her dependants. Secondly persons with an interest in property other than a respondent to an unexplained wealth order are able to apply for exclusion from a restraining order or from forfeiture on the basis that the property is lawfully acquired. Thirdly in circumstances where a debt is imposed or forfeiture occurs, a person is entitled to apply for relief from undue hardship to reduce the debt or for a payment of a specified amount from forfeited property.

Importance of the purpose of the limitations

The purpose of the limitations discussed above are to provide the mechanism, through restraint, forfeiture and the imposition of a debt to deprive persons of the use and enjoyment of unlawfully acquired wealth. The deprivation of property and wealth from members of organised crime groups who are able to distance themselves from criminal offending, such as facilitators and organisers of organised crime, goes to the fundamental purpose of unexplained wealth laws and is a powerful tactic against organised crime. As outlined above, the increasing sophistication of organised crime networks, their ability to obfuscate the illicit nature of wealth, and infiltration of legitimate industries resulting in co-mingling of illicit and apparently legitimate wealth necessitates an adaptable approach to unexplained wealth.

The relationship between the limitations and their purpose

The operation of the restraint, forfeiture and debt imposition provisions is sufficiently confined to target serious organised crime figures who distance themselves from actual offending. The Bill includes safeguards to protect against arbitrary outcomes arising as a result of the removal of a nexus to criminal activity. Firstly, the minimum \$200,000 threshold ensures that unexplained wealth orders are only targeted toward the most serious of cases and reduces the risk of targeting low level offending or other contexts where records of finances are less likely to be kept but are not related to organised crime. Secondly the discretion of the court to determine whether the order or the level of debt is manifestly unjust and either to refuse to make the order or direct a lesser payment. Thirdly a person may apply for relief from undue hardship through a reduction in the total debt payable or from forfeiture in the form of a payment.

Less restrictive means reasonably available to achieve the purpose that the limitations seek to achieve

It is necessary to restrain property in advance of the making of an unexplained wealth order to secure payment of any debt imposed.

Appropriate procedures and robust tests are included in the Bill to ensure that these rights are only interfered with lawfully and consistently with the objectives of the Act. The new unexplained wealth pathway firstly requires a reasonable suspicion of unlawfully acquired wealth and secondly, a minimum threshold of \$200,000. The respondent is then able to provide evidence to the Court to demonstrate the lawful acquisition of their wealth. The Bill provides for the acceptance of other types of evidence in addition to documentary evidence to account for evidence which may not be available due to the effluxion of time, the nature of the transfer of the property or any other reason.

As part of the Court's determination, the Court may refuse to make or reduce the value of the unexplained wealth order if doing so would be manifestly unjust. This discretion will provide a critical safeguard in circumstances where a person is unable to satisfy the court on documentary or oral evidence that their wealth or property was lawfully obtained but the Court nonetheless considers it would be manifestly unjust to make the order. This discretion has been carefully considered to ensure it does not create uncertainty or erode the utility of the new unexplained wealth pathway.

Further, the Bill will extend the ability of a respondent to seek relief from undue hardship or forfeiture caused by an unexplained wealth order, through a reduction in the total debt payable or a payment from forfeited property.

Importantly, the Bill will also extend existing arrangements for third parties to apply to have their interest in property excluded from an unexplained wealth restraining order, or for exclusion from forfeiture, to the new pathway. The Bill will also provide the court with a discretion to make an exclusion order where it considers it would be manifestly unjust not to make the order.

A respondent's restrained property will only be forfeited in circumstances where they are unable to satisfy the debt fixed by the unexplained wealth order.

As the unexplained wealth order seeks to remedy gaps in the existing unexplained wealth scheme it is not considered there are any less restrictive means available to achieve the intended purpose of this Bill.

Therefore, I consider the limitations on the property rights, right to privacy and protection of families and children are reasonable and justified in light of the rigorous tests, safeguards and opportunities to persuade the court not to make an unexplained wealth order.

Criminal Process Rights (sections 25(1), 25(2)(k) and section 27(1))*Nature of the rights*

Criminal process rights under the Charter which may be relevant to discuss include the right to be presumed innocent until proven guilty at section 25(1), the right not to be compelled to testify against oneself or to confess guilt at section 25(2)(k) and rights with respect to retrospective criminal laws at section 27(1).

Nature and extent of the limitation

The expanded remit of the unexplained wealth scheme draws attention to utilising civil laws to target what is essentially criminal behaviour. The scheme includes a reverse onus of proof and enables consideration of past wealth now expended, consumed or disposed of. The Bill also preserves a privilege against self-incrimination for a respondent who gives evidence in a proceeding for an unexplained wealth order. These measures would engage criminal process rights if the unexplained wealth order pathway amounted to a criminal charge or criminal proceedings.

However, I do not consider that the criminal process rights are relevant as the unexplained wealth scheme can properly be regarded as a civil scheme and the amendments do not amount to the laying of a criminal charge. The Act states that proceedings on application under the Act are civil in nature and is subject to the civil

standard of proof. Further, the Bill explicitly excludes any nexus to criminal activity as a basis for the making of an unexplained wealth order under the new pathway, and provides that it does not matter whether the police officer has a reasonable suspicion that the person has engaged in serious criminal activity. In addition, the Bill provides for the imposition of a civil debt which is not a criminal sanction or punishment.

The Bill provides that the new unexplained wealth order is a civil order that results in the deprivation of wealth that is not lawfully acquired and the transfer of that wealth to consolidated revenue. The standard of proof for unexplained wealth proceedings is the civil standard being determination on the balance of probabilities.

Further, the purposes of the scheme are preventative and remedial rather than punitive. That is, the imposition of the new unexplained wealth order is aimed at the deprivation of unlawfully acquired property or wealth, thereby removing incentives to engage in serious and organised crime and preventing such wealth from being used to fund further such crime.

Right not to be compelled to testify against oneself or to confess guilt at section 25(2)(k)

To the extent that the right against self-incrimination under section 25(2)(k) of the Charter is engaged by requiring a person to provide information in a civil proceeding that may be relevant to criminal charges, I am satisfied that the right is not limited and any engagement is justified. The Bill provides an express safeguard that if a respondent to an unexplained wealth order makes a statement or gives evidence at the hearing of an application, the statement or evidence is not admissible against them except a proceeding for perjury or under the Confiscation Act.

Hon Jaclyn Symes MP
Attorney-General
Minister for Emergency Services

Second reading

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:11): I move:

That the bill be now read a second time.

Ordered that second-reading speech be incorporated into *Hansard*:

Money is often a primary motivating factor for those who engage in, or organise and facilitate, serious and organised crime. Confiscation powers, and unexplained wealth laws in particular, are therefore a powerful tactic to disrupt serious and organised crime because they provide a mechanism to deprive even the highest levels of serious organised crime groups of their unlawfully acquired wealth.

The Confiscation Amendment (Unexplained Wealth) Bill 2024 amends the *Confiscation Act 1997* to strengthen and improve Victoria's existing unexplained wealth laws by introducing a new unexplained wealth order that better targets unlawfully acquired wealth. The Bill also makes other minor amendments to give effect to the new pathway and improve the operation of the *Confiscation Act 1997*.

A new unexplained wealth order

Victoria's existing unexplained wealth scheme currently enables the Director of Public Prosecutions or an appropriate officer to apply for the forfeiture of the property of a person who is reasonably suspected of criminal activity or who is reasonably suspected of owning property that they did not lawfully acquire. The person with an interest in the property must prove the property was lawfully acquired or it will be forfeited to the State.

The Bill adds an unexplained wealth order as a third pathway to Victoria's existing unexplained wealth scheme. The new pathway proposed in this Bill can be differentiated from these existing unexplained wealth pathways as it will not require a connection to criminal activity to enable applications for an unexplained wealth order. Instead, all that is required to be shown is that there are reasonable grounds to suspect that a person's wealth exceeds their lawfully acquired wealth by at least \$200,000. The person is then required to satisfy the court that their wealth was lawfully acquired, and if they cannot do so the court may fix a debt requiring them to pay the State the value of any wealth the court is not satisfied was lawfully acquired.

The thresholds for existing unexplained wealth pathways, \$50,000 in relation to property in which a person who has engaged in serious criminal activity has an interest, and no threshold for property that was not lawfully required, will be retained. This reflects the need to provide for these matters to progress in the Magistrates Court and the Court's \$100,000 jurisdictional limit in civil proceedings.

This reform will enhance the ability of Victoria Police and the Director of Public Prosecutions to target senior organised crime figures who distance themselves from actual offending but play a pivotal role in the movement of funds, property and favours in criminal organisations.

Definition of wealth

By contrast to the existing unexplained wealth pathways, the proposed new unexplained wealth pathway is not limited to property that a person currently owns or has an interest in. Rather a financial assessment would be conducted of a person's wealth. The Bill includes a definition of wealth that captures all interests in property owned by a person, under the effective control of a person, or expended, consumed or disposed of by the person whether by gift, sale or otherwise. It also includes any service, advantage or benefit provided to the person, or at the person's request or direction. This will allow the laws to target individuals who use their unexplained wealth to fund a lavish lifestyle while using legitimate income to fund property and other significant purchases. To avoid depreciation, wealth will be assessed according to its value either at the time of acquisition or at the making of an order, whichever is greater. This broad definition is vital to capturing the many currencies in which serious organised crime figures and groups trade in and the ways in which unlawfully acquired wealth is hidden from view.

Burden of proof

Consistent with Victoria's existing unexplained wealth pathways, the burden of proof of explaining the lawful acquisition of wealth is placed on the person in respect of who an application for an unexplained wealth order is sought. The respondent to an unexplained wealth order will have to satisfy the court on the balance of probabilities. This is appropriate as the respondent to an application for an unexplained wealth order is best placed to account for their own holdings and that knowledge will uniquely be within their purview.

Court discretion to prevent manifest injustice

To balance the expansion of the unexplained wealth scheme, the Bill empowers the court to refuse to make or reduce the value of an unexplained wealth order if it considers doing so would be manifestly unjust. This will provide an important safeguard to ensure the scheme is used and applied consistently with the scheme's purpose and to prevent unreasonable and disproportionate outcomes.

In addition, the Bill will extend the ability of a respondent to an unexplained wealth order to seek relief from undue hardship or forfeiture caused by an unexplained wealth order, through a reduction in the total debt payable or a payment from forfeited property, within 60 days of any order or forfeiture made.

Restraining orders and interests of other persons in restrained property

Consistent with the existing pathways, the DPP or an appropriate officer can seek a restraining order to prohibit the respondent to an application for an unexplained wealth order dealing with their property in any way without the approval of the court. The restraining order will also act as security for the payment of the debt if the order is granted. If the debt is not paid within the time allotted, either 90 days or otherwise as ordered by the court, the State may access and forfeit the respondent's restrained property to satisfy the debt. The person whose wealth is suspected to exceed their lawfully acquired wealth will not be able to seek to exclude their interests from the restraining order, but instead will be required to prove to the Court how their wealth was lawfully acquired. Should they do so the restraining order will cease. Any other persons with an interest in restrained property will retain the ability to seek to exclude their interest in property from a restraining order under existing mechanisms in the Confiscation Act. The Court will have a discretion when hearing an exclusion order application, to refuse to make or reduce the amount of property restrained under an unexplained wealth restraining order under the new pathway if making the order would be manifestly unjust.

Evidentiary requirements

The Bill will protect a person's right to silence and privilege against self-incrimination by providing that any statement made, or evidence given by a respondent to an unexplained wealth order and any derivative evidence, will not be admissible in evidence against that person except in a proceeding for perjury or in any other proceeding under the Confiscation Act. Therefore, the respondent's rights when giving evidence to satisfy a court that their wealth was lawfully acquired are safeguarded. In addition, the Bill will extend the Court's ability to accept other evidence if satisfied that it is not reasonable to expect documentary evidence to exist because of the nature of the transfer of any wealth or the effluxion of time or any other reason.

Other amendments to the Confiscation Act

The Bill will also make a range of other amendments to the Confiscation Act to improve and clarify the operation of the scheme as well as make consequential amendments that flow from the introduction of the new unexplained wealth pathway. These amendments include:

- ensuring freezing, production and monitoring orders – all court-based powers to prevent assets from being dissipated and to enable the gathering of financial information – are available under all unexplained wealth pathways and not only in particular pathways as is currently the case
- empowering the court with discretion when granting relief to a dependant of a serious drug offender upon the automatic forfeiture of their residence
- other technical amendments to confiscation procedures, including enabling the court to give all directions that are necessary to give effect to a restraining order.

Conclusion

These improvements to the unexplained wealth scheme are critical to disrupting serious and organised crime in Victoria and keep our community safe.

I commend the Bill to the house.

Evan MULHOLLAND (Northern Metropolitan) (20:11): I move:

That debate be adjourned for one week.

Motion agreed to and debate adjourned for one week.

Adjournment

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:11): I move:

That the house do now adjourn.

Goulburn Valley Health

Wendy LOVELL (Northern Victoria) (20:11): (876) My adjournment matter is for the Minister for Health and Minister for Ambulance Services, and it concerns a very serious problem of ambulance ramping and the completion of the Goulburn Valley Health hospital. The action that I seek is for the minister to increase funding for additional ambulance services in the Goulburn Valley to ensure there are paramedics on the roads when ramping occurs at GV Health and to invest in completing the redevelopment of GV Health, including a clinical health school.

At the very moment the Treasurer was standing up to deliver the budget last Tuesday – a budget that would cut \$20 million from ambulance services and \$207 million from public health – my office received a telephone call from a constituent calling to tell me that there were nine ambulances ramped at the emergency department at Goulburn Valley Health. During the same day another constituent counted 13 ambulances ramped at the hospital. The constituent advised that two of the ambulances had been waiting for 4 hours and the Victorian Ambulance Union posted that all ambulances from Shepparton, Mooropna, Tatura and Numurkah were currently ramped at the hospital and crews had ramped for up to 9 hours the previous night. A staff member at GV Health reported that there were 70 people waiting for treatment, some of whom had been there since 7 am, and this was happening even though Shepparton already has a priority primary care centre.

Staff at GV Health are reporting they are exhausted from working double shifts. I have repeatedly spoken in this place about the desperate need for the government to build a clinical health school at Goulburn Valley Health to address the critical staff shortages. Currently GV Health has a shortage of around 550 staff, including over 200 nurses, around 130 mid-tier doctors and 65 allied health workers. These are frontline service vacancies that must be filled immediately, but instead of investing in health the Treasurer cut \$207 million from the public health budget.

The Allan government has its priorities wrong. It has prioritised projects like the Suburban Rail Loop ahead of vital health services in regional Victoria. Stage 2 or the completion of Goulburn Valley

Health is one of those projects that the government has shelved, with no funding allocated to it and the health minister recently declaring the hospital redevelopment is complete. The government knows it is not complete, or it would not have funded planning for stage 2 in the 2019–20 state budget. I can assure the government that I know and my constituents know the project is not complete and the demand for an expansion of the facilities will only grow as the region continues to grow.

In addition, our hardworking paramedics who save lives every day and confront the most difficult and traumatic scenes when they attend car crashes, domestic violence incidents and other medical emergencies deserve to be supported with adequate funding that ensures staffing and equipment levels are at a level needed to support paramedics to perform their vital work.

Drug harm reduction

David ETTERSHANK (Western Metropolitan) (20:15): (877) My adjournment matter is for Minister Stitt. Whilst bitterly disappointed with the government's decision to abandon its planned supervised injecting facility in the CBD, there were other aspects of the same announcement that were very welcome, including the plan for a comprehensive statewide response to address drug-related harm, and a statewide network of drug checking and early warning systems to respond to new and evolving threats in the illicit drug market should be part of that response. So it is very timely that the Victorian Alcohol and Drug Association and Harm Reduction Victoria have released the report *Drug Checking: Principles of Practice – A Model for Victoria*. Informed by consultation with key stakeholders, including potential users of drug-checking services, it provides a fantastic model for government to roll out. Its guidelines for establishing drug-checking services in Victoria, both fixed-site and mobile-checking services, complement the state's existing harm reduction measures.

We need fixed drug-testing sites as well as mobile sites. Many of us with children of a certain age face the summer music festival season with genuine dread, wondering if our kids will make it home. A recent finding that dozens of deaths at festivals could have been prevented with drug checking does little to relieve that anxiety. But we know that the majority of drug-related fatalities occur outside of festivals. Prohibition has not worked. People will continue to take drugs, and drug-checking services prevent harm, prevent death and reduce the risks associated with taking drugs. It is why Legalise Cannabis Victoria, in partnership with the Greens and the Animal Justice Party, introduced the Drugs, Poisons and Controlled Substances Amendment (Pill Testing Pilot for Drug Harm Reduction) Bill 2023 in this chamber. Drug checking has now been recommended in seven Victorian coronial findings. The recent national drug household survey showed that 64 per cent of the population support drug checking. There are no less than 89 community health based organisations across the state calling for this service. Minister, we now have clear guidance from experts on the operation of such a service, so I ask: given the popular support for this service, when will your government implement this life-saving policy?

TAFE sector

Sheena WATT (Northern Metropolitan) (20:17): (878) My adjournment this evening is for the Minister for Skills and TAFE. Last week's budget saw a record investment in this state's TAFE system, with \$555 million committed to this state's TAFEs. Right across Victoria students can learn the skills they need in world-class facilities, and as our state continues to grow, our TAFEs also need to grow to meet workforce needs. Training the next generation of skilled workers in Victoria is key to ensuring that we have the workforce we need for the future. Some industries, though, need a little bit more help to grow than others. Those supporting our youngest learners need a little extra help. That is why this budget delivers an additional \$370 million to attract, train and recruit the early childhood workforce with scholarships, traineeships and overseas recruitment.

But our tradies did not miss out. They are also getting their fair share with the establishment of the clean energy worker training centres so we can train up Victorians in renewable power so that every Victorian has the opportunity to be part of the renewable energy revolution, supporting of course the new SEC centre of training excellence, which will help train the workforce to support the fast-paced

transition to clean, green energy. I know the folks at Kangan TAFE right across the Northern Metropolitan Region from Docklands to Broadmeadows, Cremorne and Essendon have been thinking a lot about our net zero future and the role of the automotive trades as more Victorians take up electric cars. My adjournment matter today is for the Minister for Skills and TAFE, as I said. There are so many different free TAFE courses in Victoria, but I am interested particularly to know: what are the most popular free TAFE courses to support the automotive industry in our state?

Non-emergency patient transport review

Georgie CROZIER (Southern Metropolitan) (20:19): (879) My adjournment matter this evening is for the Minister for Ambulance Services. Amid the chaos in Ambulance Victoria, the government is going to war with paramedics over their protracted pay dispute. The ambulance union is warning of further industrial action, including walking off the job. We are seeing on social media posts every day real-time images of ambulances ramped at hospitals across the state with lights going and paramedics being taken away from doing what they can do, with emergency departments stretched beyond capacity and those paramedics in the hospital corridors instead of out on the road responding to people who need an ambulance.

The minister has had the final report of the non-emergency patient transport (NEPT) review for months now. A discussion paper was released 12 months ago on 31 May 2023, and in the letter by the lead Steve McGhie, who spoke to stakeholders and publicly put this letter on the department's website, he spoke about the review, how he found Victoria's non-emergency patient transport services to have many strengths and what needs to be done. In this letter he said that Ambulance Victoria:

... is seeking to optimise the role of NEPT in freeing up emergency ambulances, while hospitals are looking for a streamlined system that is more responsive to their needs, and which provides equitable access in rural areas.

We know what this government is going to do to health services across rural and regional Victoria: it is going to decimate those health services. Amalgamations will occur. They are starving hospitals of funds, and that will force them into having to form amalgamations with larger health services. The government have been completely disingenuous about this, because they have not gone to the community and spoken to them about their needs. I am really very concerned about the government's intentions here and what they have done.

There is a \$3 billion deficit in our health system caused by the government's own actions because they cannot meet the targets that they set – we know that through the budget papers. But, more importantly, when these amalgamations occur there will be loss of services to those communities, loss of jobs in those communities. Patients will suffer and communities will suffer. It is terribly concerning that this government are taking the action they are doing, and they are doing it because Labor cannot manage money and they cannot manage Victoria's health system.

But getting back to the NEPT review: the action I am seeking, considering the government has been sitting on this review for so long now – it has been many, many months – is that the government release publicly the final report of that review to allow Victorians to understand exactly what is going on and, importantly, allow those within the sector to understand what on earth is happening to their services.

Zoonotic diseases

Georgie PURCELL (Northern Victoria) (20:22): (880) My adjournment matter this evening is for the Minister for Agriculture, and the action I seek is for her to investigate what livestock management and containment conditions can be improved to prevent the spread of zoonotic diseases. This government loves to blame animal activists for biosecurity risks, despite there being no record at all of any biosecurity harms at the hands of activists across the country. Meanwhile, the deadly and severely infectious disease anthrax, caused by spore-forming bacteria, has been plaguing cattle on a property in Shepparton. This disease can cause death within hours of contact, tying the fate of several

cows on the farm whose carcasses were later burnt onsite. Anthrax has the potential to spread to humans through contact with an affected animal. Those at the greatest risk are the farmers and the knackery workers handling dead livestock. It is also possible to be infected with anthrax by eating contaminated products from animals that died from it. This can very quickly become a dangerous public health issue, but it was only after an outbreak had been detected that the remaining cows on the farm received an anthrax vaccination. It is not clear what if any preventative measures were in place to protect both cows and consumers.

I and many scientists, veterinarians and researchers across the globe have tirelessly warned governments of the biosecurity threats inherent in animal agriculture, particularly those in intensive factory farming facilities where animals are kept in extreme close confinement and in high-density stocking. Often they are covered in their own faeces whilst facing endless abuse. We have experienced COVID-19, avian flu, swine flu, foot-and-mouth disease and many other zoonotic diseases, but this government continues to ignore the risk and indeed the very presence of zoonotic diseases in this state. Nearly all cases of anthrax in Victoria have been seen in livestock. Not our pets, who we grant the freedom of a healthy and enriching life, but livestock who are kept in harrowing conditions are catching this disease. Another outbreak of anthrax was found near Swan Hill in 2022, resulting in the death of multiple sheep.

It is troubling to imagine how many unexplained and unreported livestock deaths there might be, and I hope the minister will commit to investigating what changes to the living conditions of animals can be made to prevent anthrax and zoonotic diseases occurring on farms in Victoria.

Wallan road infrastructure

Evan MULHOLLAND (Northern Metropolitan) (20:25): (881) My adjournment is to the Minister for Transport Infrastructure, and the action I seek is to provide an update as to why there was no funding for the construction of the Wallan diamond in my electorate in the budget. In the north the Wallan diamond, as it is locally known – south-facing ramps onto the Hume from Watson Street – in the fast-growing community of Wallan has been promised by federal and state Labor at multiple different elections. In 2019 the federal coalition government tipped in \$50 million to this project. Despite the Labor federal member for McEwen’s lies to the electorate, Major Road Projects Victoria have actually acknowledged that this is real, budgeted money, a 2019 commitment from the federal Liberals, which makes it the only serious dollars towards construction of the project – by the Liberal Party. In the 2022 election Jacinta Allan took the journey to Wallan to announce \$130 million for the Wallan diamond. It was later revealed after the election, deep in an MRPV document, that the \$130 million promised by Labor was actually inclusive of the federal coalition government’s \$50 million – so it was penny-pinched back to \$80 million. Now, you would think after all that you would see funding in the budget – no. The MRPV document also states that planning and a business case will be completed by early 2024. Have we seen any business case? Have we seen any planning study done? No, the community has not seen that.

Again and again we have seen them spend an enormous amount of money, signing billion-dollar contracts for the Suburban Rail Loop, which will not in the slightest assist the good people of Wallan, who need to actually have their train line electrified in the first place. It is growing by tens of thousands of people and is still on V/Line – it does not have a Metro service. SRL will not help them. The roads are full of potholes. The member for Kalkallo, who represents Wallan, is rarely sighted in the town. In fact at the Wallan market on the weekend I had one person who presumed I was their local member because they do not actually see their Labor member. I said to them, ‘In 2026, that just means you have to vote out your Labor member.’ They also rarely see the member for Yan Yean, who represents East Wallan. She said on her Facebook that the budget meant the Wallan diamond ramps were on the way. I searched through the entire budget – I control-F’d to try to find it – and I could not find anything. So I do not know where this member has gotten her information from, but I seek the action from the minister to provide an update to my constituents as to why there is no funding for the Wallan diamond in the budget.

Energy policy

Sarah MANSFIELD (Western Victoria) (20:28): (882) My action is for the Minister for Climate Action, and the action I am seeking is for the Allan Labor government to commit to rapidly getting off gas despite federal Labor's *Future Gas Strategy*. Federal Labor has bought the gas lobby's marketing spin by claiming that gas is essential to reaching net zero. In fact they have essentially said we will need gas in perpetuity. This is an extraordinary betrayal of the Australian public, who had hoped this government was genuine about climate action. Mining and burning fossil fuels is the opposite of a transition to a net zero economy. Labor is literally gaslighting the nation. Coal and gas are the main contributors to global warming. They are driving climate change, and every day climate scientists are sharing evermore grim outlooks as the world fails to curb their use. The *Future Gas Strategy* is the Australian government giving up on a climate-safe future. It is accepting 3 degrees of warming with catastrophic consequences. Our children deserve better; we all deserve better. The Greens are here to make sure we do better by ending coal and gas.

Here in Victoria we have a government that has shown welcome signs that it wants to move away from gas – for example, by banning gas connections in new developments. But Victorian Labor are still supporting offshore gas exploration and are not moving fast enough to get households off gas. Victorian households are the most gas dependent in the nation. The best and quickest way to get off gas is to reduce household demand. The Greens want to see an outright ban on the sale of gas products. We want to see more support for home owners and rental properties being retrofitted to be all electric. For example, heating and cooling via electric reverse-cycle air conditioners should be mandatory for rentals and public housing, and the government could provide land tax incentives for landlords to electrify.

Homes also need to be made more energy efficient, so they need to use less energy in the first place. Combined with a full-scale rollout of renewables and a commitment to electrification of our homes and eventually our industries, we can reach our 100 per cent clean energy targets within a decade. We have all the tools we need to do this. What is lacking is the political will, and there was no clearer display of this than the federal Labor government's announcement regarding gas. The calls to stop burning fossil fuels have been made for decades and have reached a deafening pitch. Why can't the Labor Party hear them? It is time to end fossil fuels, which includes gas, and we urge Victorian Labor to commit to this.

Suburban Rail Loop

Richard WELCH (North-Eastern Metropolitan) (20:31): (883) My adjournment is to the Treasurer, now that we have heard this evening that the federal government is not funding the Suburban Rail Loop. Last week the Treasurer delivered a cruel budget when Victorians were most in need of support, when we are living in a health crisis and violent crime waves are happening across Victoria, especially in my electorate. Meanwhile the government has cut funding where it was needed most. To name a few, community crime prevention was cut by 46 per cent, public health was cut by \$207 million, ambulance services were cut by \$20 million and cancer research, as we have all heard, was cut by 75 per cent. They broke promises to upgrade 29 schools across Victoria, and shamefully, family violence service delivery was cut by \$29 million. Now that the SRL is not funded, surely the Treasurer must consider pausing it – because we all know that children do not get educated in tunnels, families do not get housed in tunnels, people do not play sport in tunnels and ambulance services are not run out of tunnels. My question to the Treasurer is: now that the SRL is not funded and you have got no way to fund it, surely you should repair the budget, pause the SRL and put the funding into crime prevention, public health and family violence service delivery.

Victoria Police

David LIMBRICK (South-Eastern Metropolitan) (20:32): (884) My adjournment matter is for the Attorney-General. Last week the County Court of Victoria handed down its findings over a case concerning the use of unjustified violence by Victoria Police on lockdown protesters in May 2021. In

her ruling Her Honour outlined several serious matters, bringing the conduct of certain members of Victoria Police into question. Evidence submitted by Victoria Police was found to be ‘disturbingly different’ to body cam footage. These inconsistencies included a lack of existence of a claimed police line; the accused, in response to being pushed by Victoria Police, being described as menacing while footage showed him to take no threatening stance or action; the lack of mentioning two punches to the head of the accused by Victoria Police in response to his non-threatening stance; and the unverifiable claim by Victoria Police that the accused was given verbal warnings to get on the ground. Police were also found to have breached the charter of human rights, specifically subsection 21(2), protection against arbitrary arrest, and 21(3), no deprivation of liberty except in accordance with the law.

As protectors of the public and enforcers of the law, members of Victoria Police are expected to demonstrate model execution, lawful behaviour and only justifiable use of force. A failing by Victoria Police to uphold these expectations damages the public trust in Victoria Police, and failing to address this or any unlawful behaviour damages the public trust in the government. I therefore call upon the Attorney-General, through her oversight and engagement with the public prosecutor, to hold these members of Victoria Police accountable for their unlawful actions, in full accordance with the law.

Pyrenees Highway

Bev McARTHUR (Western Victoria) (20:34): (885) My adjournment matter is for the Minister for Roads and Road Safety and concerns the deplorable state of the Pyrenees Highway between Glenhompson and Willaura. Regional Victoria is well used to potholes, so for one to make the front page of the local newspaper, it has to be something special. Last week’s Hamilton *Spectator* contains the alarming pictures, explaining:

The holes have reportedly been there several months, are only metres apart, almost take up the entire road, and are a VicRoads responsibility.

This is no surprise to residents. The recent budget papers reveal the area of our roads resurfaced and rehabilitated last year was down 90 per cent statewide and an incredible 96 per cent in regional areas. Nor did the Treasurer announce future funding to repair years of neglect. Road asset funding will be 16 per cent lower next year than four years ago. The environmental and economic cost is enormous, to say nothing of the deaths and injuries or the thousands of hours of life wasted by regional Victorians on speed-limited, damaged roads. Back on the Pyrenees Highway the holes have been there so long that the ‘Traffic hazard ahead’ sign has been repainted more descriptively by an enterprising local as ‘Something big hole’. I cannot use the phrase here, but you can imagine what it might be. My constituent Jason Bendeich does a terrific job of cataloguing and reporting the most serious hazards and following up with the relevant authorities to ensure action is taken. Sadly, it often is not. In fact Jason reported this issue in April, before the newspaper headlines, and on ringing back this week has been told that not only is the hole unfilled but his complaint was not even logged. As he says:

... only 10% of roads have received crucial work such as resheeting and rehabilitation and ... the prospect of a wet winter will only see the roads deteriorate once again ...

He also says:

No other jurisdiction in the country would treat their major highways with such neglect.

...

I have been very vocal in my opposition to the Suburban Rail Loop taking precedence over our vital roads in rural and regional Victoria.

Western Victoria ends at the SA border, not at Melton.

Hear, hear! The action I seek from the minister is a detailed demonstration of how Labor’s wasteful Suburban Rail Loop project can possibly be achieved without letting regional Victoria’s roads fall further into rack and ruin.

Water policy

Rikkie-Lee TYRRELL (Northern Victoria) (20:37): (886) My adjournment matter today is for the Minister for Water. Many of my constituents have raised concerns about the conditions of flood plains and forest surrounding some of Victoria's most important waterways, such as the Murray River in my electorate of Northern Victoria. Continual flooding of some of these precious wetlands has caused mass die-offs of trees, plants and other undergrowth. This is caused by both natural and environmental flooding. The Allan Labor government's 2024–25 budget outlines \$270 million to protect and restore Victoria's waterways. The action I seek is that the minister explain how this money will achieve this outcome.

Wonthaggi planning

Renee HEATH (Eastern Victoria) (20:38): (887) My adjournment is for the Minister for Planning, and the action that I seek is for the minister to immediately overturn the retrospective environmental audit overlay (EAO) that has been applied in North Wonthaggi that has left hundreds of residents in severe stress and uncertainty. Hundreds of property owners in North Wonthaggi have been placed under this stress because this new environmental audit overlay, which could cost each of them up to \$80,000 to satisfy, has been implemented, and five years retrospectively. That is like this government changing the speed limit and saying that whoever has broken –

A member: That's five times 80,000.

Renee HEATH: Exactly – whoever has exceeded that new limit in the past five years will have to cop a fine. It is absolutely unbelievable, and the community is hurting because of it. This EAO, which was approved by the minister in January this year, was not even communicated to the members and the people that own these properties. In fact they found out via social media or the newspaper, and this has been a scandal of monumental proportions. This overlay was put in place after it was discovered that parts of the area had a history of farming and grazing on that land. Well, I would be amazed if there were any recent developments and any recent subdivisions that did not have a history of farming on that land. These residents have been singled out and they are being punished, so on Saturday Wayne Farnham and I joined hundreds of locals in the park as we gathered to get answers on this issue. I spoke to one beautiful lady in her early 30s who had forgone a lot of life's luxuries to get into the property market. She had scrimped and saved, and she and her partner live in a home that they bought there. Then they took the plunge to buy a block of land to build on as an investment. Now the home that they live in has been drastically devalued, and they are not allowed to build on that investment block of land. She has been left a nervous wreck, in her words, and she says she is anxious all the time.

Another woman escaped family violence and has worked really hard to have a fresh start and now says that she is under enormous stress. Another couple said that they bought their house two weeks before this overlay was secretly applied retrospectively, and now they are left in an incredible amount of stress and they have a lot of regrets. This is an issue that I ask the minister to give immediate attention to so these people can go back to living their lives normally.

Sick pay guarantee

Aiv PUGLIELLI (North-Eastern Metropolitan) (20:41): (888) My adjournment matter is for the Minister for Employment, and the action that I seek is for the Labor government to reverse its decision to end the sick pay guarantee. Just a few months ago the now Deputy Premier said:

People shouldn't be forced to choose between going to work sick or putting food on the table ...

Those words came after the announcement that the sick pay guarantee for casual workers would be expanded to include rideshare drivers, hairdressers, childcare workers and more. Heck, I was at the Midsumma Festival and the sick pay guarantee had its own stall. But that support for Victorian workers just means nothing now apparently. You have already gutted WorkCover for Victorians, and now you are coming after sick pay. We already know why we need this program. There are many reasons, one

of which being that due to the extreme casualisation of the workforce more and more workers, especially in industries with a higher percentage of women, have to work unreliable hours as their primary source of income. And extra casual loading does not make up for the fact that workers do not have a consistent income to even budget for a day off, because likely their hours will then be cut the next week. This is extremely stress-inducing, especially now in a cost-of-living crisis. You knew this. Your own consultation clearly mapped out why this program was needed. The Treasurer even said in 2022:

The Victorian sick pay guarantee will provide the safety net our most vulnerable workers need and indeed deserve.

But now you are trying to rewrite history and pretend that workers do not need this. The Greens had asked on numerous occasions for Labor to expand this initiative to include more casual and contract workers who are left behind, like casual teachers, for instance. But now Labor, the party for workers, has just decided to leave all of them behind. You have cut the sick pay guarantee, you have shafted workers. Shame on you.

Heritage protection

David DAVIS (Southern Metropolitan) (20:43): (889) My adjournment tonight is for the attention of the Minister for Creative Industries. Many of us will have been shocked by the senseless and bizarre destruction that has occurred in Bendigo, and this is a broader pattern that I think we are seeing. The recent story is of the Chinese dragons, including the oldest complete parade dragon Loong, imported to Bendigo more than 100 years ago – the oldest parade dragon in the world – and Sun Loong, the other dragon at the Golden Dragon Museum in Bendigo, which have been attacked in this shameful way by people who have invaded this important museum. We have seen this elsewhere in Bendigo, with the Great Stupa being attacked as well. And further around the state we have seen this with the Captain Cook statues – two of them attacked now, the shameful destruction of those being done in a way that is not respectful of the heritage of this state.

Some of these items and the dragons, for example, are heritage listed and should be fully and utterly protected. The point here is that people have gone in and they have done this destructive activity – oily liquid used to inflict damage or, in the case of the Captain Cook statues, just used industrial-scale equipment to damage an important part of our history. The Minister for Creative Industries needs to review the protections that are there. He needs to review the response by government – stiffen the response. The government needs to make sure that people who are going into museums are not able to do these sorts of destructive steps. I mean, it is just extraordinary that people could walk in and destroy an artefact, an important heritage item like the dragon, in this way. I think most people in the community would think this is a terrible and destructive response. The minister needs to review these matters. He needs to find out what can be done to improve protections – what steps can be taken and whether there is some broader response that can be taken. I am not able to ask about legislative changes, but there are other responses that can be taken. I do not believe that people should be allowed to take these steps that destroy important parts of our history. Captain Cook: April 1770, the first sighting of the eastern Australian coast by a European was actually in Victoria at Point Hicks – let us be quite clear. I want the response from the minister that he actually gets into these matters seriously and protects – *(Time expired)*

Bendigo housing

Gaelle BROAD (Northern Victoria) (20:46): (890) My adjournment matter is for the Minister for Housing. After 10 years what is the government doing to address the homeless crisis in Bendigo, and why does the burden fall back on to community groups to pick up the pieces? The Bendigo Winter Night Shelter recently announced that it will not run this year due to a lack of volunteers. Many homeless people have relied on this service to get through the punishing cold of winter in central Victoria. The winter night shelter provides beds, toilets, showers, laundry services and meals for the homeless. Until it resumes the closure will leave a big gap in the support on offer for Bendigo's

homeless, offering overnight crisis accommodation for people. Homelessness is tough at any time of year, but winter is especially brutal and increases the prospect of people becoming extremely unwell.

Bendigo-based ARC Justice received a one-fifth share of \$2 million in the state budget for housing support services for 12 months. This funding is not ongoing and is nowhere near enough. Their organisation tries to help people stay in their rental properties so they do not become homeless. The rental market is as tight as they have ever seen it, and there is nowhere else for them to go. Their CEO Damian Stock said they have seen a dramatic increase in requests for assistance, particularly around rent increases and people facing eviction notices, in both the Shepparton and Bendigo offices. According to the local homeless service MADCOW, Make a Difference, Change Our World, many people are sleeping rough in Bendigo every night. Despite this need, it is disappointing that homeless services get very little or no public funding, given we are currently paying over \$15 million every single day in interest to pay Labor's massive state debt, which will rise to nearly \$26 million every single day by 2028.

People across Northern Victoria are sleeping in cars, couch surfing or surviving in temporary accommodation. We know of entire families that are living in tents in the bush near Bendigo. In Mooroopna people have been left with nowhere to rent after their homes were flooded, and this is no way to live. At the last census, in 2021, the ABS recorded that 30,000 homeless people are in Victoria, a 24 per cent increase since 2016 and a jump of almost five times the national average. In Bendigo East, the Premier's own electorate, in 2016 – 159 people without a home; last year this jumped to 334, one of the highest increases in the state.

Labor government policies are making the housing crisis even worse. A raft of new taxes, red tape and regulations mean landlords are selling their properties in droves, and as rental properties disappear from the market, people are being forced onto the social housing waitlist and onto the streets. Bendigo councillor Vaughan Williams is aware of the escalating crisis, and he has put forward a proposal for an emergency and transitional housing solution based on tiny house communities. The Bendigo Winter Night Shelter are working towards reopening in 2025, but in the meantime I look forward to the minister's response.

Ballan Road, Wyndham Vale

Trung LUU (Western Metropolitan) (20:49): (891) My adjournment matter is for the Minister for Transport Infrastructure in regard to the rise in traffic congestion and bottlenecks along the main route in Wyndham, at Ballan Road. The action I seek is for the minister to improve connectivity to accommodate the rapidly growing population in my electorate by duplicating the Ballan Road carriageway between Armstrong Road and Bolton Road. Ballan Road is a major arterial road connecting the Wyndham western suburbs directly to the heartland of Werribee, but sadly it is often crippled by traffic congestion, which is accelerated by the significant population growth in my area.

Before the 2022 election the Liberals committed to addressing this foreseen problem, noting at the time that to travel between Manor Lakes and Werribee, approximately 7 kilometres, had a moderate travel time of 14 to 15 minutes that would blow out to 40 minutes during peak hours. Two years on, with the current population, traffic that was previously taking 40 minutes to travel 7 kilometres now comes closer to an hour. Poor road infrastructure committed to by this Labor government over the years is affecting residents of greater Werribee in conducting their daily chores. Despite the massive population growth in the Wyndham area there is still evidence of a lack of infrastructure investment by this Allan government in this budget. I understand this government has issues managing money, but there is no reason to continue to neglect the western suburbs of Melbourne. I ask the minister: when will this government commit to duplicating Ballan Road to cut down commuting travel times for residents in my area and make Werribee a more livable city?

San Remo Primary School

Melina BATH (Eastern Victoria) (20:51): (892) My adjournment matter is for the Minister for Education, and the action I seek from the minister is to find some extra funds, to make some additional back-end cuts in the Department of Education, and make sure his department can find some funding to upgrade the San Remo Primary School.

Imagine an old and worn-out school that is past its prime. It was moved to its current site in 1984, and it took three old buildings at the time. It had an addition of portables, and these portables are now out of date. Imagine it is not fit for purpose. Imagine too that in the lead-up to the 2022 election the member for Bass Jordan Crugnale made an election commitment, a promise that if elected the Labor government would build \$5.3 million worth of a school upgrade. Imagine too that from this year to next year there is going to be an increase from 180 students to 225 students, so this is a school that is growing. It is a school that is disadvantaged. There is a huge expectation in that community to provide the fruition of that commitment. There was in the last budget some planning funding. There have been some master plans and designs, some projects and a tender, and the architect has been employed, so it is actually going down the road.

So you can also imagine, Premier and Minister for Education, the disappointment when there was no funding in this year's budget – no funding for the commitment to stage 1. We heard recently that the education department has been able to make some efficiencies. We have heard of 233 cuts – cuts to services, and I will tell you the services. They were in communications. Does that surprise anybody? They were in project management. They were in IT – they had two IT teams in the education department, and they were able to amalgamate certain members and trim them off. This government has been able to find some efficiencies, so I am calling on the government and this minister to find some further efficiencies and fund the next stage of the San Remo Primary School.

Responses

Harriet SHING (Eastern Victoria – Minister for Housing, Minister for Water, Minister for Equality) (20:53): This evening I think we may have approached a record with 17 adjournment matters. I am grateful to those on the opposite benches for having stuck around for my summary here this evening. I will try to make it mercifully brief.

There were those matters that were raised for ministers in the other place and in this one; I will ensure that they are passed on for response. There were two matters directed to me in my capacity as Minister for Water and Minister for Housing respectively. Given the issues and the complexity of the issues raised by Mrs Tyrrell in her adjournment matter this evening, which related to the allocation of funding for the purpose of restoration of waterway and riparian health, including across the flood plains and as a result of natural and environmental flows, and the fact that this relates to one very particular part of the Murray area, the Gunbower forest, I am very happy to provide Mrs Tyrrell with the detail that she can then take through to people on the way in which these projects will realise benefit on the ground and how that fits within the broader policy parameters as they exist at state and federal levels. I do not intend to perhaps put the chamber, at this late hour, through that level of very granular detail, and I accept your gratitude from across the benches, as I have just seen the smiles across the way.

In that regard, I will move on then to the other matter that was raised for my attention, by Mrs Broad, in relation to housing in the Bendigo area. Homelessness and housing are really interconnected in the way in which we see need arising across the housing continuum. We know, for example, that around 30 per cent of people accessing homelessness services for the first time are coming from the private rental market. We also know that around 5 per cent of people in private rental are experiencing extreme financial stress, noting that the Commonwealth has in its budget this evening just announced a 10 per cent increase to the Commonwealth rental assistance program. It is part of the broader discussion that we are needing to have, and that we are having, across all levels of government around understanding where and how that disadvantage is arising.

We also know that many of the causes of homelessness and rough sleeping lie with disadvantage that people are all too familiar with for a range of what might initially be seemingly unrelated matters. When we talk to those members of our communities who are First Nations people, we know that every night, for example, Kids Under Cover houses around a thousand young people. About 25 per cent of those people are First Nations young people. We see a disproportionate representation of First Nations people in that cohort. We also see that young people are particularly vulnerable to homelessness and to rough sleeping – that is, lack of a secure place to be accommodated over time. We also know, and this was a key focus of the budget last week, that victim-survivors of family violence are all too often represented in our figures on homelessness and rough sleeping.

We do have figures on homelessness across the Loddon shire, and you referred to that, Mrs Broad, in your contribution this evening. But the funding that we provided across the Loddon area – that includes Loddon, Campaspe, Greater Bendigo, Central Goldfields, Mount Alexander and the Macedon Ranges – in the 2023–24 year was approximately \$12.2 million, and we have also seen an investment in capital across the Greater Bendigo housing supply, as at the end of March this year, of \$150.5 million. At the moment, we have got 95 homes across this area that have been delivered under the Big Housing Build, and 255 homes are underway. There has been an investment of about \$11 million in maintenance and in upgrades.

Across the budget, though, it has also been really important to note that we are working with a range of portfolios, whether that is the Minister for the Prevention of Family Violence, the Minister for Youth or the work across the regional housing development that Minister Tierney has carriage of in worker accommodation. Student accommodation is another big part of this work, and that is also where we want to provide opportunities for people to access affordable housing. When we take pressure off one part of the housing continuum, it then means that we are reducing the impost upon other parts of the housing system as well.

Our housing and homelessness services do the most extraordinary work, and I commend them for their ongoing dedication to helping people in the most extraordinary and devastating of circumstances. People consistently go above and beyond, and I also note that in times of natural disaster – and we know that this particular part of the world has seen more than its fair share in recent years – it again has come to social and community services organisations to step in and to provide people with that assistance. There are a range of accommodation options that are used in the event of the need for crisis and emergency and transitional housing. You referred to a number of those in your contribution this evening, Mrs Broad. What we try to do is to make sure that people have safe and accessible housing that meets their needs. Again, it is about providing people, wherever we possibly can, with choice.

What I would welcome, again, Mrs Broad – we have done this on a couple of other matters to date – is a conversation about where and how we can assist those services, including those which have received funding in this year's budget as part of homelessness allocations, to meet that need. That need will change over time, particularly in rural and regional areas. I would be really pleased to work with you in terms of identifying those areas where we can be of assistance, and to make sure that in regard to that funding, as it is allocated and as we move into a range of areas for deployment of that funding, whether it is competitive grants or as part of the broader service delivery offerings specified in the budget, again we seek that input from local members. I would extend that offer, indeed, to anybody else. So I hope that provides you with a measure of certainty and detail. Again, I am very happy to provide you with additional info should you require it. On that basis, I think that is probably about it from me.

The PRESIDENT: The house stands adjourned.

House adjourned 9:00 pm.