

VERIFIED TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2010–11

Melbourne — 20 May 2010

Members

Mr R. Dalla-Riva

Ms J. Graley

Ms J. Huppert

Mr W. Noonan

Ms S. Pennicuik

Mr G. Rich-Phillips

Mr R. Scott

Mr B. Stensholt

Dr W. Sykes

Mr K. Wells

Chair: Mr B. Stensholt

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Witnesses

Mr T. Robinson, Minister for Consumer Affairs,

Ms P. Armytage, Secretary,

Ms C. Noone, Executive Director, Consumer Affairs,

Ms C. Gale, Executive Director, Community Operations and Strategy, and

Ms A. Crouch, Manager, Planning, Department of Justice.

The CHAIR — I now welcome Tony Robinson, MLA, as Minister for Consumer Affairs; Ms Penny Armytage, Secretary of the Department of Justice; Ms Claire Noone, executive director, consumer affairs, Department of Justice, Ms Carolyn Gale, executive director, community operations and strategy; and Ms A. Crouch, manager, planning, all from the Department of Justice. I call on the minister to give a brief presentation of no more than 5 minutes on the more complex financial and performance information relating to the budget estimates for the consumer affairs portfolio.

Mr ROBINSON — Chair, this will just take a few moments to get ourselves ordered.

The CHAIR — That is fine. I have no problem with that.

Mr DALLA-RIVA — One minute and 40 seconds over.

Overheads shown.

Mr ROBINSON — We might get started. I will not recap on the role of CAV; people are aware of its presence as an agency for consumer protection. Just looking at achievements in consumer policy this year, we have of course been involved in a very detailed way with the harmonisation of consumer law across Australia as a part of the Australian Consumer Law reforms. This is establishing national business regulatory regimes to replace the state-based business licensing and registration. We have also seen transfer of responsibility for the regulation of credit, trade measurement and business names to the commonwealth. These things have been talked about for a long time, but they are finally being delivered.

We are also undertaking a modernisation project of legislation in Victoria, which I am happy to talk about further. We hope to substantially reduce the number of acts in the portfolio. The new Consumer Law will become fully operational as the national law on 1 January 2011. It is estimated that this will deliver economic benefit to the nation of between \$1.5 billion and \$4.5 billion each year. Those changes are being given effect through two bills in the commonwealth Parliament.

Just moving on to the justice budget breakdown, consumer affairs there accounts for \$159 million, or 3.8 per cent. Moving forward again, in 2011 the protecting consumers output cost target, which includes costs for the regulation of alcohol, will be 3.8 per cent — as we see, \$155 million. Of that, \$48 million or 30 per cent is sourced from appropriations, and the balance of \$111 million from trust funds, mainly from the Victorian Property Fund. It just continues this self-sufficiency tradition within the agency.

A number of key priorities and achievements: these include sex work law reform, rooming house inspections, a new program we have got up and running, and the establishment of MoneyHelp, which is an advice service; New car sales — we have seen a changed cooling-off period implemented. We have seen a crackdown on brothels and a blitz on real estate agents with respect to underquoting.

I will just move quickly through the various initiatives. We will go through that. Just turning now to liquor, we have been implementing changes as laid out in the alcohol action plan and they are about achieving a better balance between a right to operate licensed premises in Victoria but to ensure that they are run appropriately. We have introduced risk-based fees structures this year, where the fees for venues range from \$397 right up to \$30 000. We have established the civilian compliance directorate, which complements the work of Victoria Police, and they are going to exceed their target of 25 000 inspections this year. Their work was complimented recently by the hotels association, who had some anxieties early on.

Going forward, other initiatives in alcohol: we have been developing industry guidelines for responsible advertising and promotions. There is a review of responsible service of alcohol training under way, regulations have been remade in relation to the standards of security cameras in licensed premises, guidelines have been developed assisting safety provision around licensed premises, and we are doing more to facilitate public awareness of licensing applications through the Department of Justice's website.

To conclude, we are looking to go further with the licensing changes this year, in particular to refine the system and to tackle some embedded anomalies and inefficiencies which have now come to the fore as a consequence of what we have been doing in the last year in particular. We have also seen the appointment last week of Mark Brennan, the new small business commissioner. He is the new director of liquor licensing, and he brings extensive commercial expertise and a proven record with industry to that position. He has been very active

already out liaising with key stakeholders. As I said in my earlier presentation, we are beginning the process to integrate the regulatory functions in gaming and liquor.

The CHAIR — Minister, can you take on notice the details that I asked in general before about your plans and strategies and whether you have any changes from the previous year? Could we have something about that in writing?

Mr ROBINSON — Yes.

Mr WELLS — Minister, I refer you to budget paper 3, page 154 — slashing enforcement activities. On the page it states that the quantity of inspections, compliance monitoring and enforcement activities targeted for 2009–10 was 33 250, and the number targeted for 2010–11 is 25 000, a reduction of 8250, or 25 per cent. Table 4.2 on page 206 of budget paper 4 records that liquor licensing fees are forecast to increase by \$2.9 million next year, to \$29.2 million on top of a \$14.5 million increase the year before. Given these facts, can you explain why liquor licensees are paying millions more in fees while your department is slashing its liquor licensing enforcement activities by 25 per cent, even taking into consideration your footnote (c) page 155?

Mr ROBINSON — I will recap on what the activity numbers represent. The target listed is the amount of 33 000. That comprises Responsible Alcohol Victoria compliance activity. We said this year that the compliance team would make around 25 000 inspections; they will exceed that this year. They were only started up in the middle of last year, but they will exceed that 25 000. The balance is made up of consumer affairs compliance activity, which covers compliance activity to the whole range across the other 47 acts of Parliament. Whether that is boarding houses or other activity, they are covered in that 8000-plus number.

What we are doing with liquor going forward is focusing more on the higher risk venues, which is what people would expect. In the first year the inspectors have been out I am pretty sure they visited just about every licensed premises in the state, sometimes more than once. They have played an educative role, they have issued warning notices and steered people in the right direction. We always said that is what they would do. Going forward they will focus their activities increasingly upon the larger later night venues, where there is a heightened sense of risk and where they believe repeated visits and compliance activity is required. I think that is what is required in the future.

We have had complaints from people saying, ‘Why am I, as a bed and breakfast’, or something, ‘getting a visit from an inspector? I should not be having visits from inspectors’. Beyond the first visit, we do not disagree; we think the inspectors time is better served working in those areas of the industry which have greater inherent risks, and they tend to be the larger late-night venues, and that is what we will be doing this year going forward.

The CHAIR — In terms of the relationship between the number of inspections and the cost of the licences was the last part of the question?

Mr ROBINSON — The two do not accord all the time; they are not directly proportionate. You can have a lot of work go into one inspection, particularly if it involves associated police activity, so we are entrusting our inspectors to make the right judgements as to how they should allocate their time and resources going forward. The fees have risen — we made that point — because the costs of the compliance directorate, the director’s functions and police are all much higher than we recognised previously. That is why the fees are up between \$28 million and \$30 million going forward. The compliance activity will be increasingly targeted going forward.

Mr WELLS — But, Minister, in fairness you actually have not answered the question.

The CHAIR — Is that not a point of order in terms of the clarification?

Mr WELLS — The budget papers attribute the drop in actions to liquor licensing, not other areas of consumer affairs. Are the budget papers incorrect, or is there some misunderstanding in the budget papers?

The CHAIR — I did ask for that clarification in terms of the cost of the liquor fees as related to the inspections, which is what Mr Wells asked originally.

Mr ROBINSON — I am happy to provide some further clarification on that if it is required, Chair.

The CHAIR — That would be appreciated.

Mr NOONAN — I have the same budget reference as Mr Wells, page 154 of budget paper 3 under ‘Promoting and protecting consumer interests’ and the preamble goes to product safety services. In that regard can the minister provide measures the government has taken to protect Victorians, and particularly infants and young children, from potentially harmful products?

Mr ROBINSON — In many people’s minds Consumer Affairs Victoria’s role never really extends beyond product safety, and particularly product safety as it relates to children and toys. It is certainly the case that, notwithstanding all of the reform that is going on with the development of the Australian consumer law and whatnot, that toys remain a vital part of the work we do. We have reached agreement with the commonwealth over how product safety bans will be implemented going forwards. From now on states will do the temporary bans — that is, up to 45 days — and the commonwealth will thereafter do the permanent bans. That is a much smarter system.

Each year Consumer Affairs Victoria undertakes a large number of inspections and they do seize products. What we are finding, though, is the challenges that they confront are changing. Perhaps I can give a practical demonstration of that. I have one of the little critters along here.

Dr SYKES — A rabbit out of a pocket!

Mr ROBINSON — These were actually found by consumer affairs inspectors themselves on a weekend. They were not looking for them; they came across these cigarette lighters in service stations. They are the sorts of items that are on sale there. They are not advertised as cigarette lighters — they look like perfectly innocent children’s toys — but you would be horrified to go home later and find that your child was using them as a cigarette lighter and setting fire to themselves.

This other one is more insidious, because it produces a nice little frog noise. I am happy to pass those around.

The CHAIR — Thank you. It is a bit hard for Hansard to record that.

Ms GRALEY — Yes. Good luck with that one!

Dr SYKES — Who do you want to set on fire, Minister? Are you going to fire us up?

Mr ROBINSON — Don’t set yourself on fire, Bill!

The significant point here is that these are not dangerous as cigarette lighters. They are perfectly safe as the cigarette lighters, but because they are designed like children’s toys they could easily be acquired on the basis of a belief that they are a children’s toy. The issue there is how do we use our product safety powers to ensure that they stay out of reach of children? Consumer Affairs Victoria has done a lot of work and we have put a ban on those. We then spoke to the commonwealth. Getting the commonwealth to understand what its new day-to-day role in product safety will be is quite challenging; it does not follow automatically that they understand what the new obligation entails. They have put a permanent ban in place, but it took a little bit of encouragement from us.

Another good example of the challenges with product safety are the magnetic toys. Children can swallow these, and I think the director came across some of these herself the other day. The magnetic parts of course, if swallowed, can be in different parts of the intestines and they will join together and lead to an infection and terrible results for children out of that, so we have a very firm line on those magnetic toys. The good news is that going forward where we find dangerous toys we do seize them and they regularly get destroyed in their thousands.

The final point I make in response to the question is that we have seen in recent years some very tragic strangulations of little children from curtain and blind cords. Just about every house has these cords. What we are doing, as well as imposing an obligation that they carry warning notifications, is to make available some free cord safety kits and we are in the process of distributing those to anyone who wants one. They can be easily installed and have the effect of a loop being able to be tucked around under a little toggle. Again, I guess it makes the point that as much as everything changes in the world with consumer laws going forward, some things do not change; and the inspectors, I am pleased to say, have a very good reputation for keeping a very eager eye out for new products on the market that represent hazards and need to be removed.

Ms PENNICUIK — Chair, can I just follow up on that cord issue, with your indulgence? It is a very important issue.

The CHAIR — I am trying to have a bit more discipline in the committee because it showed itself to be somewhat ill-disciplined yesterday.

Ms PENNICUIK — It is not my question but it is a very important issue that the minister has raised.

The CHAIR — But Mr Rich-Phillips actually has the call.

Mr RICH-PHILLIPS — Minister, I would like to go back to liquor licensing fees. The budget, as I think Mr Wells indicated, shows forecast revenue for 2010–11 of \$29.2 million. The regulatory impact statement that was released and associated with the risk-based model suggested that \$35.8 million would be recovered in association with the shift to risk-based fees, so there is a \$6.6 million difference between what was forecast and what you are now forecasting in the budget. I am wondering if you can explain the basis for the shortfall between the risk figure and the budget figure in terms of how many 2009 licences were not renewed in 2010, how many applications for hardship were received, how many were approved, the value of the concessions, those approved in full, those approved in part and those that were rejected.

Mr ROBINSON — I will do my best. I might have to provide some follow-up information. In respect of the first part of the question, the \$35.8 million actually aligns with the year 2011, not 2010. It is high because we made some estimates that a number of premises would incur breaches of the key provisions for service of drunks, or drunks on premises, and therefore would pay the higher fees because the fees have a built-in disincentive that, if you do the wrong thing, they can double in the following year. So the \$35.8 million relates to that year, not to this year. The figure for this year, I think, is closer to — the estimated revenue from fees this year — \$29.2 million.

Mr RICH-PHILLIPS — Is that a calendar year or a financial year?

Mr ROBINSON — There is an overlap. We actually work in liquor licensing on a calendar year, not a financial year, so the two do not quite align. I am not trying to confuse you on that; that is just the reality.

In terms of renewals, we have 19 000 licences, some for temporary premises; so every year some people do drop off and others come in. But I can say to you that, on comparison of a number of licences, on 1 January last year there were 19 297. On 10 May this year there were 19 496, so about 200 more. There is no huge drop-off and the renewal rate is about the same; I think it is was around 94 per cent in early May. That is in line with other years.

In terms of hardship provision — I know I have a note here — I think about 700 to 800 applications were received and around half of those were granted. You would appreciate that the criteria there was for small enterprises or not-for-profits and 302 were granted. As to the aggregate for the waiver, I will have to get that to you. Actually the hardship waivers granted resulted in \$68 381 of forgone revenue.

The CHAIR — If there is any further material — —

Mr ROBINSON — Yes, I will double-check those figures for you.

The CHAIR — Check the question and more detail can be done on notice.

Mr RICH-PHILLIPS — Is there a breakdown between those granted in full and those granted in part?

Mr ROBINSON — I think most of them were granted at around the rate of 25 per cent.

Ms GALE — That is correct.

Mr ROBINSON — I do not think they vary much from 25 per cent of the new fee. That was a discretionary matter for the director, so the 25 per cent was not prescribed in legislation; it was the exercise of discretion by the director. There is of course a new director. The new director has not indicated to me how he will handle the hardship provisions next year, but the hardship provision remains. It is in the regs so it does remain next year.

The CHAIR — If there is any further information that you can provide.

Dr SYKES — I was just hoping for further information. The minister provided information on the number of licence applications but not actually the number of people who did not renew their licence this year.

The CHAIR — Given the question, that was also part of the question about the numbers that did not relate. That was part of — —

Dr SYKES — Yes, that was part of the question. I am just ensuring that that is taken on notice. That was part of the question.

The CHAIR — I did say that you need to look at the Hansard transcript and review that so that the issues that are not dealt with are provided on notice.

Ms PENNICUIK — On a point of order, Chair. There has been a change of approach to the committee today. Up until today it has been possible to have small clarifications of answers given by ministers to be followed up in the smooth running of the committee. For example, I wanted to follow up something that was said by the minister in an answer to one of the government member's questions, which was a very important issue, which would have taken a minute. Up until now, in the whole eight days previous to now, that has been done and worked very well.

I am concerned that this new approach that you have adopted today where we cannot follow up particular pieces of information provided by the ministers in answer to questions is to the detriment of the smooth running of the committee. My point of order, which you are probably going to say is not a point of order, is that you desist from that for the remainder of the day and that you revert to the usual process which I think has been working reasonably well in the spirit of cooperation and getting the most information from ministers that we possibly can, and allow those legitimate follow-ups to questions that are raised by answers that the minister has given to other questions.

The CHAIR — I have always made it clear that the procedure that we use is generally that followed in the lower house, which is that there are questions, there are answers and there are no supplementaries. As you rightly point out I have on occasions allowed clarifications rather than follow-up questions. The problem that we were having yesterday is that clearly this particular process was being abused. I said this morning that I would follow strictly the procedures that we have. That is exactly what I have been doing today on the basis of what happens in the Assembly in terms of question time.

If indeed the behaviour in the committee was as to be expected in the best traditions of Parliament, I would probably agree with you that this is what we should do. I am happy to try and follow that for the rest of the day if indeed other members of the committee wish to follow that in terms of minor points of clarification rather than supplementary questions. In principle I would agree with you if indeed members of the committee do follow the best traditions of the Parliament. I have made the point that yesterday they were not followed, and indeed on some occasions today that was also the case. So I take your point that it is a matter of following proper parliamentary procedures and that we should, as parliamentarians, be responsible for our own behaviour and also do that in the best manner possible. I am happy to take your point of order and accept it.

Ms PENNICUIK — Are you happy to allow me to ask that very quick clarification to the minister on a very important point about — —

The CHAIR — When it comes to your turn to ask a question, you can ask for clarification then.

Ms PENNICUIK — Thank you.

Mr SCOTT — Minister, as you are aware, one of my passions in politics is tenants rights, and the issues surrounding residential tenancy. I refer you to budget paper 3, page 154, promoting and protecting consumer interests, and I ask: can the minister inform the committee of steps being taken to protect some of the most vulnerable members of the Victorian community, those who live in rooming or boarding houses?

Mr ROBINSON — This has been an area of great activity for Consumer Affairs Victoria in the last 12 months. The laws that apply to rooming houses arise from the Residential Tenancies Act, the Health Act and council and state building regulations. The responsibility to see that these obligations are enforced rests with

Consumer Affairs Victoria, the Building Commission in part and councils. We recognised last year that increased compliance in this field was required, and that became very apparent after the Foley report was provided to the government, and Martin Foley did a fantastic job in a relatively short space of time.

We launched our response to that as a government late last year with some \$77 million worth of initiatives and they involve Consumer Affairs Victoria, councils and the Office of Housing. Consumer Affairs Victoria now has 12 dedicated inspectors looking at rooming houses. We are looking to further empower them by equipping them with health-inspector powers so they can do both the CAV role and some of the council role. We have created a task force on rooming houses which has made some 180 joint inspections with councils right across the state, but mainly in metropolitan Melbourne. Consumer Affairs Victoria has separately made some 240 inspections and councils are now making their own efforts.

So it has been terrific to see the results of the train-the-trainer, if you like, where CAV has gone out and assisted councils who are now going out and doing a large amount of this work for themselves. I just saw a clipping out of the *Moreland Leader* earlier this week where it reported that 59 illegal rooming houses have been uncovered during the biggest yet crackdown on rogue accommodation providers in Moreland, and this follows from 345 inspections done since last July. That is a tremendous result and we would anticipate that that continues going forward. So our role in the next 12 months will be to take the Foley package further.

We will be establishing a register of operators and a central register of rooming houses. There are also some important supply-side initiatives going forward where Consumer Affairs Victoria, through funds from the Victorian Property Fund, assists principally the Office of Housing in creating new boarding house accommodation. So those will all have a positive effect.

I am pleased with the progress that is being made and I think that we have really now taken the fight up very effectively to some of the rogue operators. I know that in the northern suburbs organisations like the Northern Suburbs Accommodation Centre and the Victorian Accommodation Centre, which really were not on anyone's radar screen two or three years ago, are now feeling pressure from Consumer Affairs Victoria and from councils.

Dr SYKES — Minister, my question relates to liquor licence fees. You say that your liquor licensing fees are risk based. Can you explain to the committee the following: why does a small independent stand-alone bottle shop have to pay a risk fee of \$4770 for trading on Good Friday when a bottle shop attached to a large hotel pays no risk fee for trading on the same day, and why does a small boutique wine shop, like Riversdale Cellars in the Chair's electorate, have to pay twice the liquor licence fee of a huge Dan Murphy store in Kew despite Riversdale Cellars only selling a fraction of the alcohol sold by Dan Murphy's? Do you really believe Riversdale Cellars poses twice the risk of antisocial behaviour as a huge Dan Murphy liquor supermarket?

Mr ROBINSON — I have been to the premises you have talked about. I went there one Friday night.

Dr SYKES — That is the explanation. You were unruly, Minister!

The CHAIR — Without assistance.

Mr ROBINSON — Unlike some people who have been down there talking to them, I actually put my hand in my pocket and bought some of his excellent product, so I want that on the record. Now, seriously, we have introduced risk-based pricing for fees. We never said that this is where it stops completely. Absolutely. There are further refinements that need to be made and you have touched on the packaged liquor area. I said repeatedly — I have said this to you in the meetings that we have had when we had the delegation you brought down and I think we are seeing them again next week — that this does require further reform.

There are two issues that you raise that I will comment on. Firstly, we do not have the ability through our fee-making power in Victoria, as a state in the federation, to impose a charge that relates to the volume of sales. I understand everyone would love that, and that is what used to happen in Victoria; people paid fees that were equivalent to 9 per cent of their turnover. It was a pretty simple system. It probably would still be the case today but for the fact of a High Court case some years ago, I think it was over tobacco, where states cannot impose volumetric charges. We would love to do it; we just cannot do it. So you have a flatter base to work with with packaged liquor than you do with venues that have much more in the way of riskier behaviours associated with them. The first thing is we have a flatter figure to work with.

The second is the Dan Murphys, and I understand. I have been around and talked to lots of premises owners and operators and they run that point; they say, 'I am paying twice what the fellow down the road is paying'. That reflects the anomaly again — I have talked about anomalies in the system — where over the past 20 years packaged liquor outlets have been buying up general or on-premises licences that used to be held by people who were running pubs. Pub licences allow you to sell packaged liquor as a right. You do not have it separately licensed within that licence; it is an automatic component of what pubs have done in Victoria forever. In fact they do that in a lot of jurisdictions.

The fact that some people have bought those licences or bought those businesses and turned them into exclusively packaged liquor outlets is a phenomenon of the last 20 years. But you could not easily address that today because what you would end up doing is having to unpick general on-premises licence conditions, and every hotelier in the state would be very, very alarmed at what that would do to the value of their operation. We accept it is a problem and we have given undertakings to master grocers and others that we will look to do further work.

We have a new director who has been engaged on this. I have been speaking to the new director and we would hope before the end of the year we would have some further announcements to make. Packaged liquor is probably the most problematic area in licensing, not just in Victoria but elsewhere. About 75 per cent of all the alcohol consumed comes from packaged liquor outlets and therefore packaged liquor outlets need to make a contribution. But in setting the fee structure for those venues we have less tools available to us than setting them for premises where the alcohol is largely consumed, and that is something we recognise is creating some awkwardness for them. Certainly I can give you an undertaking, as I have previously done, and the committee an undertaking and the industry an undertaking we want to iron out this anomaly and construct a system that is fairer for some of the smaller operators in that part of the industry.

Ms PENNICUIK — I will start with my clarification.

The CHAIR — Minor clarification.

Ms PENNICUIK — My minor clarification. It is in regard to the issue of cords from blinds.

Mr ROBINSON — I thought I had a kit here, but I do not think I do now. No, I am sorry.

Ms PENNICUIK — You mentioned the safety kits, and I just wanted to ask how that was being implemented, because only a couple of months ago some of my family were visiting from interstate and staying in a serviced apartment and that was an issue. They have young children. I am wanting to know how you are rolling that out in terms of that type of venue rather than domestic homes, because that is an issue.

The CHAIR — Quickly.

Mr ROBINSON — A minor point of clarification: we are continuing building that compliance program. There has been some correspondence to members and to councils and that, but we need to extend that more broadly. I think there have been some ad campaigns on free to air or some free-to-air community service ads. My view is that we will just keep building on that going forward, and I ultimately want to see as many of those kits distributed as we can produce.

Ms PENNICUIK — Serviced apartments are definitely a priority.

The CHAIR — If you can give the committee some information on how you are doing that, that would be good.

Ms PENNICUIK — I told you it was an important issue, Chair.

The CHAIR — I know. I have lots of those kits in my office and I give them out.

Ms PENNICUIK — Minister, it is about liquor licensing but in terms of live music venues. I am just looking at your presentation now because I did mark up a couple of points. In your presentation you mentioned implementing a risk-based regulatory function, risk-differentiated liquor licensing fees and lowering the regulatory burden for small operators. My question is: how does that fit with the director of liquor licensing imposing the blanket condition, not a fee but a condition which is a regulatory burden on small operators,

regarding conditions for live music — that is, that there needs to be CCTV, there needs to be security et cetera? How does that fit with the policy of risk base when there is no risk base? Given that you also mentioned in answer to another question that compliance officers have visited everybody pretty well — and you might want to clarify that they have visited everybody — they would know that many of these venues, about 600 of them have had this condition required of them, are not high risk and do not need that second visit, as you mentioned.

Given that there is a new liquor licensing commissioner, that there is this policy of risk differentiated and that you would know who are high risk and who are not a risk, why is liquor licensing requiring people to apply to have this condition removed rather than it removing the condition and applying it where there is a risk, where it is needed?

Mr ROBINSON — There is a series of questions there, and I will try to go through them in a logical order. With respect to live music venues, I do not think it is fair to say that those that operate in premises that are licensed beyond 1 o'clock could be classified as low risk. Anything in Victoria that runs on a licence after 1.00 a.m. — live music in pubs — we have categorised as having a high risk. That is the evidence of the last few years. The issue as to how the conditions are applied in those cases is the live question. I understand that. Just a point of clarification.

The issue about conditions and the ability of the director to impose conditions is not a new one. The Liquor Control Reform Act has been structured over many years, giving either the Liquor Licensing Commission or the director, whoever was the functionary, the power to impose conditions in accordance with what they saw the risks to be, whether that was sexually explicit behaviour where conditions are applied in the form of a code, or with other venues that might as a consequence of complaints — and this is usually what happens — from neighbours have conditions imposed that will address those.

The director last year exercised a discretion. The new director has a slightly different view. I have had the opportunity to have a discussion with the new director, and he has certainly been out meeting with representatives from the live music industry and bringing himself up to speed with where the process of revisiting these some of conditions is through the accord. The accord process is working well to this point. We have seen three venues go through and have their hours adjusted to bring them back in line with what I think most Victorians would say was reasonable. But I just want to make this point — I think we might have had this discussion previously in your office; I certainly had it with a couple of your colleagues — —

Ms PENNICUIK — We have had the discussions.

Mr ROBINSON — The reason conditions are applied historically is mainly around amenity issues. With the live music venues close to town that operate later at night it is about amenity. The complaints — and I have had the opportunity to look through some of them — will be about noise going out into the neighbourhood because typically a door is not shut, or patron number limits are not observed because a door is not shut, or people carrying on out in the street and breaking bottles and carrying on on their way back home because no-one is supervising their egress from the venue which goes right by people's homes. That is the typical example as to why in the past 10 years additional conditions have been placed. Conditions take the effect of additional staff, which are mainly in the form of trained staff. It is about protecting amenity. The understanding is that if you do not do that, the risk of antisocial behaviour emerging in that location rises.

The director exercised a discretion last year that saw a number of additional venues brought in quite quickly to that control and the condition applied. The accord is an effort to try to make a case-by-case judgement. Some people say, 'Just make a unilateral withdrawal of conditions, break the nexus'. We think that if you did that that would certainly help some people involved in the industry but it would lead tomorrow or next weekend to a whole series of complaints around inner Melbourne with people saying, 'That door was left open again and guess what happened? People wandered out the front and started disturbing my amenity'.

The CHAIR — Thank you for that. I think we might leave it there; it has been more than 4 minutes. Ms Graley.

Ms PENNICUIK — Thank you, Chair. I will continue the conversation with the minister.

Ms GRALEY — Minister, I know I have spoken to you a number of times about people in my electorate experiencing financial difficulties. In relation to the information and advice provided to consumers and traders

specified in budget paper 3 on page 154, can the minister please advise the committee on what the government is doing to assist Victorians experiencing financial difficulties now and in the future?

Mr ROBINSON — This brings both portfolios, gaming and consumer affairs, together. We made the decision last year that we would have the Office of Gaming and Racing coordinate both the problem gambling counselling services, which we run through quite a number of agencies — that is, the gamblers help services — and the general financial counselling services. I think the conversations we have had previously have been more about the general financial counselling services.

Ms GRALEY — Yes.

Mr ROBINSON — We did make provision last year, particularly out of the global financial crisis; we injected a sum of around another \$2 million I think it was to provide for additional services and those are still running.

Mr ROBINSON — They are doing good work. We similarly received some federal government money, and that was gratefully received. We made the decision as well, though, that we needed to invest some money in training. This is a critical need. At any point in time if the government chooses to go out and increase services, it does not automatically follow that you will find trained people around to fill those services. I think we might have even had a conversation about a problem historically in your area where the money existed but they could not find anyone to fill the job. That is a problem. We have invested in some training which has seen some graduates come through a diploma course. That is intended to try to ensure that people are attracted into the industry and they will have skills that will be transportable wherever they go.

We have also started up the MoneyHelp service. This is a phone financial counselling service that was launched in September last year out of the additional funds we put in in the GFC response. It is targeting Victorians experiencing financial difficulties and at risk of losing their job or having reduced hours.

Ms GRALEY — I have used that.

Mr ROBINSON — We saw a bit of that last year. That provides free financial counselling through a 1800 helpline. They average about 30 minutes a call. We have used the Consumer Action Law Centre to run that service. It does a very good job. Between October and March some 2600 Victorians used that service.

One of the other things we have been doing is engaging the commonwealth on this, because the Productivity Commission's report into consumer law in 2008 said the commonwealth should come into this space. The commonwealth has given a little bit of money, and that has been terrific. We think they should engage permanently in this space, so at the last consumer affairs minister's meeting we raised a desire to see them come into that space, possibly through the training side of things. I understand they will resist the immediacy of recurrent funding, particularly with other states that do far less than we do. But we think a very good entry point for them ultimately would be to provide funding that allows people to be skilled up as we have gone through with our program so that wherever they go in Australia for the rest of their lives they will have skills that can be applied in this important field.

Mr DALLA-RIVA — I note the time is now 3.45 p.m.

The CHAIR — We have a minute, and I am using this watch as the clock, so if you are quick.

Mr DALLA-RIVA — I am just checking the time, it is actually 3.45 p.m. and 20 seconds!

The CHAIR — Mr Dalla-Riva, if you don't you have a question — —

Mr DALLA-RIVA — I do!

The CHAIR — If you wish to, you can read the question out, and we can put it on notice if the minister does not have time to answer it.

Mr DALLA-RIVA — Thank you. I refer the minister to page 154 about 'Protecting consumers' and the performance measure relating to customer satisfaction with services provided and services provided within the agreed time frame. On notice, you might be able to explain why is it that we have many applicants who are

applying for liquor licences for one-off events complaining — and you would be aware about this — that they do not receive a decision on their applications until in some cases less than 24 hours before the event?

You would understand an event would require staff selling tickets, amongst other things. How do you meet this measure given the decision-making time frames for a function? It appears to be a lack of staff for licensing, or is it a deliberate policy to minimise opportunities for applicants to appeal the director's decisions? Given that we are out of time, I am happy to take it on notice.

Mr ROBINSON — I am happy to give a brief response and then put the rest of it on notice.

The CHAIR — We will have to be quick.

Mr ROBINSON — You would understand in particular, Mr Dalla-Riva, the role of Victoria Police in applications, and the standard practice is when an application is received the director seeks advice from police. I think we always allow 10 working days, sometimes it takes longer. It is not possible if someone rings up at the last minute — and this happens sometimes — and says, 'I need a licence for an event this Sunday', to simply say, 'We won't go and ask the police their opinion'. Police have an ongoing role in liquor licensing. We laid that out in the RIS last year.

We costed that; it is an important role and we would not want to make concessions on that. Ultimately, and the new director has talked about this, he wants to see people in the space of applying for licences to be better educated and to better understand how they need to go about making the licence application. I am happy beyond that to get some further information to you.

The CHAIR — We would appreciate that. That concludes consideration of budget estimates for the portfolios of gaming and consumer affairs. I thank the minister and departmental officers for their attendance today. Where questions were taken on notice the committee will follow up with you in writing at a later date. The committee requests a written response to those matters be provided within 30 days. Thank you, Minister.

Witnesses withdrew.