

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2015–16

Melbourne — 20 May 2015

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Ms Jane Garrett, Minister for Consumer Affairs, Gaming and Liquor Regulation,

Mr Greg Wilson, Secretary,

Mr Shaun Condron, Chief Finance Officer,

Ms Cate Carr, Executive Director, Liquor, Gaming and Racing, and

Mr Phil D'Adamo, Acting Deputy Secretary, Regulation, Department of Justice and Regulation.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2015–16 budget estimates. All mobile telephones should now be turned to silent.

I would like to welcome today the Honourable Jane Garrett, MP, Minister for Consumer Affairs, Gaming and Liquor Regulation; Mr Greg Wilson, Secretary; Mr Shaun Condron, Chief Finance Officer; Ms Cate Carr, Executive Director, Liquor, Gaming and Racing; and Mr Phil D'Adamo, Acting Deputy Secretary, Regulation.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege. The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Departmental officers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way.

Members of the media are to observe the following guidelines: cameras must remain focused only on the persons speaking; operators must not pan the public gallery, the committee or witnesses; and filming and recording must cease immediately at the completion of the hearing.

I now invite the witness to make a very brief opening statement of no more than 5 minutes. This will be followed by questions from the committee.

Visual presentation.

Ms GARRETT — Thank you, Chair, and it is a pleasure to be here to make submissions to this committee. With respect to consumer affairs, liquor and gaming regulation, the justice budget breakdown for 2015–16 for consumer affairs is \$125 million, which is 2 per cent of the Department of Justice and Regulation portfolio, and the budget for gaming and liquor regulation is \$81.3 million, which constitutes 1 per cent of the Department of Justice and Regulation portfolio.

With respect to Consumer Affairs Victoria, it is a very active part of the department. There are some 29 acts of Parliament that the CAV administers, and it is responsible for thousands of activities. Advice and information is provided to more than 469 000 Victorian consumers, businesses, tenants and landlords by phone, email and face to face. In addition, there will be about 2.5 million visits to CAV's website and its social media following is expected to exceed 30 000. CAV expects to complete over 9500 compliance and enforcement activities and more than 500 000 registration and licensing transactions. About 34 000 financial counselling sessions will be delivered to Victorians in financial hardship, which is very significant, and about 6500 vulnerable and disadvantaged Victorians will get access to advocacy, help and support services.

With respect to our achievements, we have commenced a review of the Estate Agents (Exemption) Regulations 2014 to ensure that the new regulations get the balance right between reducing red tape and protecting our consumers. I am now considering the findings of that independent review.

In February I delivered on an election commitment when I announced an independent seven-member expert panel to look at the issue of short stays. The panel has been asked to recommend ways to improve the regulation of CBD residential buildings so property is protected from unruly short-stay parties. I am expecting a report from the panel at the end of this month.

In January I launched the travelling con men campaign, a new internet, radio and print campaign, which raised awareness within the community and alerted Victorians on how to identify and report what is a growing problem with travelling con men. Other recent examples have included Valentine's Day, regarding scammers heartlessly targeting online dating sites, and warning small businesses about the prevalence of fake billing scams.

Budget initiatives in this 2015–16 budget delivered by the Andrews government for the consumer affairs portfolio maintain CAV’s ability to protect the interests of Victorian consumers. We are spending \$32.8 million on key projects, \$7.5 million to deliver financial counselling services, \$3.3 million in funding going to community agencies across the state to provide vulnerable Victorians with tenancy and consumer information and assistance, and approximately \$22 million in grants from the Victorian Property Fund to fund not-for-profit community housing organisations to develop more affordable housing for low-income and disadvantaged Victorians. We are working on the introduction of a fit and proper person test for rooming house operators.

In respect to gaming and liquor regulation, we recognise that the gaming and liquor industries play a vital role in providing jobs, entertainment and tourism opportunities in our great state, but we acknowledge the challenge in regulating gaming and liquor, as it requires striking a balance between minimising the harm caused by problem gambling and alcohol and allowing those who can gamble and consume alcohol safely to do so. This government will create a more robust regulatory framework for liquor and gaming in Victoria. Since taking office last year I have met with a diverse range of stakeholders to hear their views and to encourage a shared responsibility for taking proactive and effective action.

We are fixing the botched merger of gaming and liquor regulations in this state, which created the Victorian Commission for Gambling and Liquor Regulation. We need to ensure that these vital industries are regulated appropriately and that laws are strenuously enforced. Most importantly we need to make sure that inspectors get back out on the beat in both metropolitan and regional Victoria to ensure that the commission’s compliance and enforcement efforts are appropriately targeted.

The Victorian Responsible Gambling Foundation was established to reduce the prevalence and severity of problem gambling and to foster responsible gambling. The Andrews government will expand the functions of this foundation beyond its current role to include policy and advocacy. Central to reducing the incidence of liquor and gambling-related harm is the development of evidence-based policy in consultation with stakeholders. We will reinvigorate the Responsible Gambling Ministerial Advisory Council to ensure greater representation from a more diverse range of problem gambling advocate groups.

Victoria is also leading Australia in implementing a statewide networked voluntary precommitment scheme for gaming machine players, which we believe will have an important role to play in harm minimisation, and work is on track for the delivery of the scheme by 1 December this year.

The CHAIR — Thank you, Minister. I might lead off with the first question. In the context of the 2015–16 budget and your own portfolio responsibilities can you inform the committee how this budget acquits Labor’s financial statements, please?

Ms GARRETT — *Labor’s Financial Statement* details our government’s plan to fix our state and support our families while making sure our finances are healthy and stable, and I will touch on the broader themes of the LFS and how the budget will deliver on our government’s priority areas.

A safe and just society is absolutely critical to all Victorians, and as the state’s consumer regulator, Consumer Affairs Victoria plays a very important role in the detection and deterrence of breaches along with enforcement action against businesses that flout the laws that are in place to protect consumers and the broader community. The government will act quickly against those causing the most harm and as a result will protect consumers earlier, more efficiently and with a more permanent effect.

The 2015–16 budget provides for 9600 compliance activities, and very importantly these will be directed to inspection and enforcement activities, which will increase by 25 per cent in 2015–16. Of particular priority are protections for vulnerable and disadvantaged consumers, who are sometimes defenceless against businesses that are doing the wrong thing. Consumer Affairs Victoria will continue to work towards a safe and just society by targeting businesses that are taking advantage particularly of those vulnerable consumers.

Another key theme of the LFS relates to sustainable and livable communities, and Consumer Affairs Victoria’s budget supports this through its work addressing scams in the community, particularly online scams, which are a focus for this government and a growing problem. Unfortunately these scams continue to pose a risk in our community, especially to older Victorians and those for whom English is a second language. Consumer Affairs Victoria plays an important role in disrupting and deterring scammers as well as building resilience within our community. Raising awareness about new and emerging scams through innovative use of social media and

online channels to educate and warn consumers and businesses about scams is critical in disrupting scam activity.

The budget for consumer affairs also supports the government in building sustainable and livable communities, with 22 million in funding from the Victorian Property Fund to develop more affordable housing for low-income and disadvantaged Victorians. As I touched on briefly in the presentation, our government will protect some of the most vulnerable people in our community by legislating for a fit and proper person test for rooming house operators and via a review of the Residential Tenancies Act. This is, as I said, a precursor to other reforms of residential tenancy in Victoria, which will focus on delivering fairer, safer housing for the entire community.

With respect to liquor and gaming, the 2015–16 Victorian state budget delivers on the Labor government’s commitment to promote responsible gambling and minimise the negative impacts associated with the insidious nature of problem gambling. The Andrews government was elected with an unequivocal commitment to fix the previous government’s botched merger of the gambling and liquor regulators that resulted in the Victorian Commission for Gambling and Liquor Regulation. The government has taken the first step to reinvigorating the commission by appointing Dr Bruce Cohen as the commission’s new chair. I have asked Dr Cohen to undertake, during his first six months as chair, a review of the commission’s governance and decision-making processes and to advise me if there is anything the government can do to support him to improve the functioning of the commission and to ensure that it can fulfil its important statutory role to a high standard.

Precommitment is an important harm minimisation and consumer protection measure that will maximise the ability of all players to make informed decisions about their gaming machine play and assist them to stay in control of their gambling. The system will enable players to use precommitment to set time and loss limits and to track their play across the state. Players will be able to access information about their play and limits at the venue or online. In this budget the government has committed \$2 million towards the precommitment community information program that will support the commencement of this scheme. This program will ensure that the benefits of using the system are understood and that players are equipped with the information they need to use the system effectively.

The Victorian Responsible Gambling Foundation was established in July 2012 to provide education, research, treatment and support services to Victorians with a view to reducing gambling-related harm and fostering responsible gambling. As part of the 2015–16 budget the government committed 150 million over the next four years towards problem and responsible gambling initiatives — an allocation which still represents one of the largest funding commitments to address problem gambling in Australia. Of this, 148 million has been allocated to the foundation over the four years to 30 June 2019 to enable it to continue to support those affected by problem gambling while fostering responsible gambling practices. This funding is on par with that provided to other public health programs such as VicHealth, which received 37 million for 2014–15.

It should be noted that \$2 million has been earmarked to promote Victoria’s nation-leading precommitment scheme for gaming machines, an important harm minimisation and consumer protection measure which will go live on 1 December 2015. This was necessary because this allocation of money had not been undertaken by the previous government.

I turn to the lotteries licence award process post-2018. Public lotteries are expected to generate over \$420.7 million in tax revenue for Victoria in 2015–16 and approximately 4 billion over the full 10-year term of the licence currently held by Tattersall’s Sweeps Proprietary Limited. My department has established a project to advise the government on the future regulatory arrangements for public lotteries and to manage the process of awarding a public lottery licence or licenses in accordance with the Gambling Regulation Act 2003. This government has committed \$2.2 million from the budget towards this project.

Mr T. SMITH — Welcome, Minister. I refer you to budget paper 3, page 83, and the question pertains to your government’s cut to the Victorian Responsible Gambling Foundation. Why have you cut money in real and nominal terms to the Victorian Responsible Gambling Foundation?

Ms GARRETT — Thank you for your question. As was made clear in my presentation, we respect the very important work the foundation plays in reducing gambling-related harm and in fostering responsible gambling. That is why we have allocated \$150 million over four years to ensure that the foundation can continue its very important work. This is a very significant allocation of money, and it is in accordance with the same allocation

made by the previous government. Our 2014 platform committed us to providing support to problem gamblers, supporting health professionals and family services to minimise harm caused by problem gambling, monitoring the prevalence of problem gambling and developing targeted information campaigns.

Part of the targeted information campaigns, which are so important as we roll out the nation-leading voluntary precommitment scheme, is to make sure that people are aware of the scheme, how to access it, how it works. There is no point having this wonderful new system if people do not know that it exists. That is why 2 million has been allocated out of this 150 million for the responsible gambling initiatives to make sure that not just problem gamblers but indeed all gamblers are able to access the voluntary precommitment scheme. I have personally been taken through how that scheme operates, and one of its outstanding features is that it will apply across all machines. Whether you are at the local RSL or whether you attend Crown, you will be able to use your card, know your spending limits, give yourself messages about what your spending is and have a running track record of the time and the money you are spending on poker machines. This is why it is very important that the \$2 million has been provided.

I am very, very confident that the foundation will continue to do its great work, and it has evolved. I have met with the foundation many times and of course visited it and seen some of its outstanding work. I have seen the programs. They are very determined to make sure that their approaches and the services and information campaigns they are providing are done in accordance with evidence-based activity, and we applaud that. Our change in the focus of the foundation to ensure that they are also using the information that they are gaining and the work that they have done to have a policy and advocacy role, which was denied them under the previous administration, will be extremely important.

We dispute that there has been a cut to harm minimisation services. We believe the foundation will continue its fine work, and we believe that it is entirely appropriate that that \$2 million allocation goes to making sure the community has information about one of the key tools in harm minimisation, which is the precommitment approach.

Mr T. SMITH — The 148 million that is appropriated for the Victorian Responsible Gambling Foundation. The further 2 million that you have commented on for the precommitment information program. Is the foundation running those programs? Is that how that is operating? The reason I mentioned the cut was that says 148 million, not 150 million — —

Ms Ward interjected.

The CHAIR — Order, Ms Ward. Through the Chair.

Mr T. SMITH — Page 83, BP3. Are they going to be running those \$2 million programs?

Ms GARRETT — The foundation will certainly be closely involved in running that program.

Ms PENNICUIK — I would also like to talk about voluntary precommitment. Firstly, good morning, Minister, and representatives from the department.

Ms GARRETT — Good morning, thank you. It is a fine morning.

Ms PENNICUIK — It is.

Ms GARRETT — Wouldn't be anywhere else.

Members interjected.

Ms PENNICUIK — If we could turn to budget paper 5, which is the statement of finances, page 165. Table 4.2 refers to taxation estimates — —

Ms GARRETT — Sorry, could you give me that reference again?

Ms PENNICUIK — Yes, I will of course. Budget paper 5, page 165, table 4.2, gambling taxes further down the table. You have just mentioned the introduction of voluntary precommitment on 1 December. However, the estimated revenue from electronic gaming machines is going to increase by around \$20 million in the next year,

and over the forward estimates the revenue is projected to rise by about \$56.7 million. We know that problem gamblers make up about 35 per cent of expenditure on poker machines and spend more than they can afford to or intend to. When other jurisdictions — for example, New Zealand — have brought in some measures to address problem gambling they have actually factored in a fall in electronic gaming machine revenue, whereas you have factored in growth of over \$50 million. If the government was thinking this was going to actually be effective in reducing problem gambling, wouldn't we be seeing a fall?

Ms GARRETT — Thank you for your question. It is an important one. Everybody in the community has an interest and a responsibility to ensure that we are looking after those people who have an issue with problem gambling, and that is why we have announced these very extensive initiatives in this budget and why we are rolling out the voluntary precommitment scheme, beginning with pilots next month and to be rolled out across the state on 1 December. It is important to look at all of these things in a context. We are a growing state. We are the fastest growing state in Australia in terms of population, and we are very high up in terms of tourism destinations, and part of that is that people love coming to Victoria for its cultural activities and its entertainment, and that is reflected in our projections.

But we have also seen quite significantly over the last few years a decline in real terms in gaming machine player loss. Between 2008–09 and 2013–14 gaming machine player loss declined in real terms by 18.3 per cent, and in that same period gaming machine expenditure as a proportion of household final consumption expenditure declined by 25 per cent. We have record low gaming machine density, showing that there were 5.75 gaming machines per 1000 adults, which is a significant reduction from 1999–2000 when gaming machine density was 7.76.

We are absolutely committed to working with all of the community groups, advocates and the industry to reduce the harm caused by problem gambling, while ensuring that those who enjoy this as a legitimate recreation activity can continue to do so and can also keep charge of their own expenditure. We believe there will be growth in terms of our population and in terms of our tourism and participation, but we believe we have some of the strongest measures in Australia to deal with that proportion of people, who we all want to assist, who develop a problem with gambling.

Ms PENNICUIK — Thank you for your answer, Minister. There may have been a reduction in electronic gaming machines in Victoria, but it is still relatively high by world standards. As I said, the Victorian Competition and Efficiency Commission found that problem gamblers make up 35 per cent of the total spending on EGMs. Experts have said and the evidence points to the fact that only mandatory precommitment will work, because otherwise people can avoid it. I would just like to know whether the government has factored in any reduction in electronic gaming machine taxes collected following the introduction of the voluntary precommitment.

Ms GARRETT — We believe, as I said, that Victoria is one of the leaders across the nation in dealing with these issues. They are complicated issues, and no-one pretends that they are easy to address when you have a legal form of entertainment and a group of people who develop a problem. We certainly walk with those people, and we are working hard to ensure that their lives are made better through the work of the foundation.

The voluntary precommitment is really leading the world in terms of the way in which it covers all machines that are in Victoria. As I said, you can go from your local RSL to Crown Casino and track your behaviour and your spending. While it is focused primarily on making sure that problem gamblers get some handle on their tracking and they can advise their families or their families can ask questions, it is also about all people who enjoy gaming, and they themselves can check the time that they are spending and the money that they are spending. We have a pilot starting in June. I have seen firsthand how this works and I am impressed with it. We will roll this out, and we will monitor how the pilot goes. That will be with genuine people using this system to see if it can be improved or if there is anything that needs to be addressed. We are on track to roll this out across the state by 1 December 2015. We think it will have a significant impact in helping all people understand and manage their gambling behaviour.

Ms SHING — Good morning, Minister. Good morning, departmental officials. Welcome to another wonderful day at PAEC. Minister, I would like to take you to budget paper 3, page 290, if I may, and in particular to the measure of the Victorian Commission for Gambling and Liquor Regulation conducting operations with co-regulators. Could I ask you to outline for the committee what this initiative involves and how

it hopes to contribute to the broader achievement of policy objectives, such as those set out elsewhere in the budget?

Ms GARRETT — I think we are all concerned in this community about harm caused by excessive and irresponsible consumption of alcohol. The concern has been significantly compounded by the drop in compliance inspections and the low number of inspections under the Liquor Control Reform Act 1998 that have occurred since the merger of the VCGLR. We are concerned, and this was expressed both in opposition and now in government, about these drops, and that is part of the reason why we have moved to reform the VCGLR under the direction of the new chair, who I have written to about some of the issues of concern in terms of the drop in inspection rates and particularly the drop in boots on the ground in both metropolitan and regional Victoria.

In 2015 and 16 the government will introduce a new performance measure requiring the commission to report against a target of 20 compliance operations with co-regulators, such as Victoria Police, to identify licensees supplying alcohol to minors or persons who are intoxicated. This is really critical. It has been recommended by experts and by VAGO that these are the sorts of activities that actually address issues around minors in particular being served alcohol. It is an area I think we can say that the ball was dropped in over the last couple of years and that we are not getting the best out of it. This reflects the government's commitment to providing the strong regulatory environment and making sure that our focus is on inspections and enforcement. As I said, the Victorian Auditor-General's recommendation in the 2012 report *Effectiveness of Justice Strategies in Preventing and Reducing Alcohol-Related Harm* urged increased and more stringent enforcement of offences relating to the supply of alcohol to minors and intoxicated persons.

The joint operations that the VCGLR will conduct with Victoria Police provide an opportunity for the commission and Victoria Police to work together to enforce gambling and liquor laws by pooling resources and intelligence. At the moment my understanding is that these organisations have been operating quite separately. This will foster a lot of encouragement and a lot of intelligent sharing, which is very important in terms of protecting vulnerable people in our community, namely, our minors. These joint operations have resulted, where they have occurred, in the issuing of infringement notices for serving liquor outside licensees' liquor redline plan, exceeding patron capacity and the service of liquor to intoxicated persons and minors. Examples of joint operations conducted by the commission and the police include a Mornington Peninsula operation in February and March of this year, where four separate joint operations were conducted during Operation Crosscourt. In excess of 60 inspections were conducted during this time, with breaches established for serving liquor outside of the redline plan, responsible service of alcohol register breaches and exceeding allowed patron numbers. I am very pleased we have actually put a target on this, and I think it is really just the beginning. The more that Victoria Police and the VCGLR are working together, the more that they are sharing intelligence and the more they get used to standing side by side in a very close way, I think the better outcomes we will see in protecting our community from excessive alcohol consumption.

Mr MORRIS — Good morning, Minister, and welcome back to PAEC.

Ms GARRETT — It is like I never left.

Mr MORRIS — In somewhat different circumstances.

Ms GARRETT — I might ask you a question.

Members interjecting.

Mr MORRIS — Only three PAECs to go. Minister, budget paper 5, page 27, sticking with the liquor theme, I note there is minimal reduction in liquor licensing fees in the coming financial year. As I am sure you are aware, the former government proposed in October last year to vary the licence fees for large supermarket-style outlets, those that had a liquor floor space of more than 1000 square metres, and proposed an increase in the annual licence fee from \$1880.80 to \$10 000. Minister, will this government increase liquor licence fees for large packaged liquor outlets in this coming financial year?

Ms SHING — On a point of order, through the Chair: Deputy Chair, are you asking the minister to express an opinion in relation to what might happen over the coming year as far as policy direction is concerned, or are you seeking —

Mr MORRIS — I am asking what her intentions are for this financial year. I am not asking for crystal ball gazing; I am asking what she intends to do.

Ms SHING — As far as implementing in the budget initiatives are concerned?

Ms WARD — Further on the point of order, I would like to take the Deputy Chair back to PAEC last year during the consumer affairs session, where he also mentioned that:

... as we have established in earlier hearings, to ask the minister to anticipate any policy changes that may or may not occur ... would be speculative ...

Mr MORRIS — We are not asking for policy change; we are asking for an indication on — —

Ms WARD — You are asking her to anticipate policy direction.

The CHAIR — Through the Chair! In terms of the budget paper reference, it does show that the revenue from liquor licence fees is projected to increase. It is fair for the deputy to ask a question as to some of the underlying assumptions around that increase, but I would caution the Deputy Chair that the minister may not be in a position to give a definitive answer to your question, because that may well be subject to further internal discussions, as you would appreciate. But I am happy for the question to stand.

Mr MORRIS — I am sure the minister is able to say that for herself.

Ms GARRETT — Thank you for your question, Deputy Chair. I understand the community's concerns regarding the growth in the big box packaged liquor stores; that is a discussion that we need to have as a community. I note at the outset that I have asked my advisory council on liquor, which is chaired by Sarah Fregon, who is a very respected barrister and chief executive officer of the Victorian Bar, to provide advice about a code of conduct for packaged liquor licensees, particularly in the context of a growing focus now on family violence and its causes in our community.

With respect to an increase in licensing fees, like all of these matters, this must be based on the reasonable cost to government of regulating the licence; otherwise we are simply imposing a tax, so we need to look at a genuine assessment of the costs of delivering the service to which the fee relates. I am currently considering advice from my department on those matters, and we will have more to say in the coming months.

Mr MORRIS — As the minister would be aware, again, the anticipated additional revenue from the proposed measure was some \$420 000 a year, and the coalition had proposed using that money in its entirety to fund community projects that targeted alcohol-related harm, particularly the Salvation Army and the work they do, and the Step Back. Think project, amongst others. Minister, can you give an assurance to the committee that the funding for those alcohol-related harm projects will not suffer as a result of this lack of certainty in terms of funding?

Ms GARRETT — I am sure there is a bipartisan approach to making sure that alcohol-related harm in our community is minimised and addressed. Like other crime prevention projects, the Minister for Police has requested that our outstanding Parliamentary Secretary for Justice, Ben Carroll, undertake a review about crime prevention in hotspots. There has been a significant injection of funds for our crime prevention programs of 5.8 million. We would encourage all of those organisations to make application through that process.

Mr MORRIS — But no certainty.

Dr CARLING-JENKINS — Thank you, Minister. Good morning, and thank you for your presentation. I appreciate your commitment to this area.

It is really good in this committee when we get a synergy of questions going, and I am also very interested in the Victorian Responsible Gambling Foundation and the issues around problem gambling. Following on from Mr Smith's questions and his concerns around the need for more harm minimisation programs and Ms Pennicuik's concerns around the rising revenue from gambling — I guess it is limiting my question now, but that is okay. In your answers and in your presentation you have mentioned expanding the functions of the Victorian Responsible Gambling Foundation and reinvigorating the Responsible Gambling Ministerial Advisory Council.

Ms GARRETT — Yes.

Dr CARLING-JENKINS — Particularly that last point I am very interested in, because obviously the directions that your department and your government will take will be influenced by the groups advising you. I wondered if you could expand on that point a little bit, particularly around outlining for the committee which advocacy groups will be part of this new reinvigorated council?

Ms GARRETT — I really appreciate your question, and I think this is one of the really important components of what we are trying to do as a government and as a community. If I can call it the RGMAC for brevity reasons, we are committed to reinvigorating it and using the advice. There are currently 18 members of the council, chaired by John Walter. The CEO of the Victorian Responsible Gambling Foundation is on there, the InterChurch Gambling Task Force, we have local council representatives, and of course we have representatives of industry, the Australian Institute of Family Studies and the Australasian Gaming Council. We have got the clubs. We have got the Salvation Army, which is really important, and I have met with them on a range of matters. We have Crown. Again, we have got more local government representatives. We have got a range of people, and we will take further submissions and look at a broader group, but I think the key thing is what we are asking RGMAC to do. There are a number of priorities that I have outlined for the council to provide advice to me on. The council works how it wants to work but importantly it breaks into smaller groups on these issues so you can have working parties, if you like, of people who are interested, making sure of course there is a mixture of industry, council and problem gambling advocates on those small groups. For example, I have asked the RGMAC to look at being responsive to community.

This is a broad title, but in terms of the process of approving where gaming machines are placed and the concentration of gaming machines, I want to know ways in which the community voice can be heard more strongly in those issues and that community concern can be reflected. That is also something I have asked Dr Cohen, chair of the VCGLR, to do.

The other major area — and I think this is an issue of concern for everybody and of course this is a cross-jurisdictional matter — the online gambling, is a major issue across the world. I mean, people can simply now go into the privacy of their own home at any time or pop into the kitchen at a dinner party and bet all over the world with very little regulation or control, and that is something we as a community not just in Victoria but nationally and internationally have to grapple with.

In terms of betting inducements, a working group is considering the merits of the government imposing restrictions on the offering of gambling inducements by wagering service providers. This is made up of members, community and bookmaker representatives. These are big jobs, really big jobs, and it is important in all of these areas because it is so complicated and because it is cross jurisdictional, particularly with the online gambling in things like children's games, these issues, looking at all of those matters and standards for that. This is the kind of thing we really need to be confronting head-on and we need the advice from people at the coalface on it. I see the work of RGMAC as very, very, very important. My feedback from them is that I feel that we are taking their work very seriously and they feel invigorated by that, and I believe that we will be able to make some significant changes on the basis of the advice that they will give me.

Dr CARLING-JENKINS — Thank you, Minister. It sounds like a really very dynamic group. Just picking up on one thing that you mentioned in your answer around Dr Cohen's review, when will that be complete and available?

Ms GARRETT — Thank you. I wrote to Dr Cohen earlier this month, as soon as he took office as the chair, and I have asked him to conduct a review for six months, reporting back to me in October, about these concerns that I have held and certainly indeed raised at this very committee in various times about what had occurred with the merger, particularly around the quite significant issues with the structure of the commission, the manner in which it is operating and concerns about where its focus had been. I just want to give you a sense of what I have asked him to look at and give the committee a sense.

We want to create an effective regulator for the gambling and liquor industry, so my concerns have included the ongoing absence of a permanent CEO. That position had not been filled. There is an acting person there, but I think that has led to some uncertainty. We need to develop a positive and unified workplace culture. When the organisations were merged there were some real issues around workplace engagement and harmony, and training and interoperability of staff. The idea, as I understand it, from the previous government was that the

inspectors would be trained in both liquor and gaming and they would be interchangeable. Really there has been some training but in actuality it has not really been what was envisaged, and there has been in my discussions with staff and with stakeholders very significant unrest about what has occurred. I think you could describe it as a very unhappy marriage, and that has bled out into its interaction with stakeholders, so we want to develop a positive and unified culture.

I went down to the commission — I think it was two weeks ago, maybe three — and I addressed all of the staff and had morning tea with them and spoke across the liquor and gaming areas with the inspectors and with support staff, with compliance officers, I sat on calls, and people are really thirsty to take the next step and to be part of a unified team but felt very strongly that that just had not happened. Dr Cohen is engaging really a top-to-bottom discussion with staff and managers to make sure that we get those in place.

I really would like to speak to this. Sorry if I am going over, but I have also asked him to look at the significant decline in compliance and enforcement activities, particularly in regional areas. The previous government abolished regional inspectors. There were approximately nine working across Victoria and of course their roles were not only to inspect venues and make sure that compliance and enforcement was there but they were really on the ground integrated with the community. They were working with local police. They were working with sporting clubs. They were working with the local venues, making sure it was a real community effort. We have got deep concerns with particularly some of those larger venues in your outstanding regional centres, like Bendigo, Ballarat, Geelong, and then further out your Horshams, all of these places that there really has not been a proper presence. We know that for communities where there is excessive alcohol consumption, particularly with minors, that impacts on everybody — violence in the street and the like.

I have got issues around the IT system, which has had some delays, and I have asked him to respond to that. I want the right governance and decision-making processes, structure, skills and organisational culture to regulate the gambling and liquor industries effectively and efficiently, enforce compliance and minimise harm from problem gambling and the misuse of alcohol. We have had terrific feedback already about Dr Cohen's presence and his role, and I look forward to sharing with the committee and the community what his views are on the way forward to make sure that Victoria is getting the possible regulator it can.

Ms WARD — Good morning, Minister, good to see you. We have established in this committee over the last week and a half — the joyful week and a half that we have enjoyed — that housing is something of particular interest to me. If I could ask you to have a look at budget paper 3, page 292. Can you please explain to the committee how the \$125 million output budget for 2015–16 provides affordable housing for Victorians?

Ms GARRETT — Yes. This is, I think, an outstanding initiative. It includes approximately \$22 million in grants from the Victorian Property Fund. This provides for a range of property-related community purposes, the VPF grants program, including housing assistance for low-income or disadvantaged Victorians. I am really happy to advise the committee that I have just approved three new grants that will support affordable housing for the Victorian community: \$2.7 million to Common Equity Housing Limited for acquisition of affordable housing at Harmony Village in Dandenong, and \$550 000 to Community Housing (VIC) Limited for Manningham affordable housing.

Before I announce the next grant, I would like to note that the Victorian state budget provides for the work of the royal commission to take immediate action to protect women and children as well as making perpetrators accountable. This is one of the major commitments of the Andrews government, and I think we have absolutely led the nation in making sure that this issue is not just talked about but that the spotlight is firmly on it and action is taken, and I am so very proud of that. I am pleased to announce that out of these grants we will be helping women in need of accommodation by providing \$1.6 million to the Victorian Women's Housing Association for Coburg affordable housing for low-income women. This will help relieve pressure on strained family violence support services. There are currently 18 approved VPF grants in progress, with a total value of 74.4 million, with works to be undertaken over a number of years. Thanks for your interest.

Mr D. O'BRIEN — If you stay on the same page, Minister, my question also relates to — —

Ms WARD — I love it that we are on the same page, Mr O'Brien.

Ms GARRETT — Has that been happening a lot?

Members interjecting.

Mr D. O'BRIEN — On a different issue, Minister, I am aware that there have been a number of problems experienced by incorporated associations with the myCAV system. My question is: can you confirm that there is compliance with all relevant legislation and acts?

Ms GARRETT — Could you repeat the question?

Mr D. O'BRIEN — There have been problems for incorporated associations with registering et cetera with myCAV. I am just seeking assurance that there is compliance with all relevant legislation and acts.

Ms GARRETT — We are absolutely committed to making sure that the Victorian community can engage with the government online. That is where we are at; that is the future, clearly. Most people are communicating that way and we need to be proactive in catering for this. Our new system went live in April. It is designed to be of benefit to the majority of associations by simplifying transactions and reducing the time required by associations to comply with reporting and other obligations under the legislation.

Only the secretary of an incorporated association would transact with the CAV online, and for most associations this occurs only once a year when they lodge their annual statement form. You are advising that there have been some issues. Of course Consumer Affairs Victoria is working through any issues that are raised to make sure that this system operates to the best of its ability. We are also really conscious of the need because not everybody is online, particularly maybe some older Victorians or non-English-speaking-background groups — people who would like to still have that face-to-face or phone contact, who would need assistance with interpreter services and the like — and so of course Consumer Affairs is still making sure that those are possible.

We allow the secretary to appoint up to three delegates who will have access online to lodge documents on people's behalf with the register. We think that that is very important to making sure that people are not left out in the cold. A peak body such as, for example, the federation or the Ethnic Communities Council of Victoria, can nominate an officer to assist member associations as a delegate in lodging their returns or provide general assistance to secretaries of affiliated clubs to lodge online. A secretary can always ring the CAV helpline and ask for a paper form, and that is really important, we think.

Mr D. O'BRIEN — We have had, for example, a number of associations saying, 'We're in a position to lodge our annual returns but haven't been able to do so'. So I just am seeking an assurance that no-one will be penalised for any problems that have come about.

Ms GARRETT — I will ask the acting director to give some further comment.

Mr D'ADAMO — There will not be any penalisation as a result of not being able to lodge an annual return. The system is live, as the minister indicated. We are also providing support and education right across Victoria in relation to how to use the system. As the minister indicated, it can be delegated down to delegates if there is complexity with the system. We are just working through some minor teething problems, but certainly we will not be penalising. We are taking a fairly careful and considered approach, making sure that people are on board. We recognise that most people are volunteers — they do this on top of other jobs and so forth — so we are certainly not taking a position whereby we are saying, 'That's the system; you have no other choices'. We are quite prepared to be patient and to take people with us.

Mr DIMOPOULOS — My question is in relation to a complete change of tack — rooming houses. I represent an area that is the home of the largest university in Australia, Monash Uni, as well as some neighbouring campuses. Rooming houses seem to have popped up in the last 15 years at a great rate. I have had many conversations, or at least several conversations, with people who feel a sense that they cannot complain, they cannot speak out because then they will be dislodged — it will come back and bite them, they will not have accommodation, so there may be 12 or 15 people in a house. I have noticed that in BP3, page 291, there are performance measures for CAV in relation to compliance, and there is a footnote. It talks about a greater emphasis on enforcement. I just wanted to see if you could speak a bit more to that work and the activities of compliance in relation to rooming houses at CAV.

Ms GARRETT — Absolutely. I think both the acting director and I will speak. This issue of exploitation of vulnerable people in rooming houses is one that this government and, I know, you personally and many others on both sides of the house feel really, really strongly about. We have an increasing group of vulnerable people — older women with not enough superannuation, newly arrived migrants and international students.

Our colleague Minister Foley in 2009 of course instituted the rooming house standards task force. He is very passionate about this issue, and we are working very closely with him on the development of our proposals here. That task force identified that a key problem in the Victorian rooming house sector was the existence of a subset of rooming house operators who operate outside the current registration and regulatory frameworks and who exploit vulnerable residents, which is really heinous and something we want to see stamped out.

A series of recommendations were made about bringing these poor-performing operators to a high level of professionalism to ensure protections for vulnerable Victorians. They included a range of recommendations about safety, security, amenity and a registration scheme. Various minimum standards were implemented and came into effect in 2013, but — and I will ask the acting director shortly — there are a number of recommendations yet to be implemented, the key one being a registration system for rooming house operators.

As part of our government's plan, we are committed to legislating a fit and proper person test for rooming house operators, particularly around protecting those vulnerable Victorians. This test will be incorporated into a licensing scheme for rooming house operators to be administered by the Business Licensing Authority. I might now ask the acting director to talk to both the issues of what our enforcement activities are in this space and also how the licensing system will operate.

Mr D'ADAMO — Thank you, Minister, and thank you for the question. We are intensifying our compliance activity around rooming houses this year. There will be an increased focus; in fact we are going to be inspecting every registered rooming house this year. The purpose of that is twofold, the first being making sure that they are compliant with the current minimum standards in the first instance; the second is enabling us to gather intelligence as to who the operators are out there. That in fact will feed into our design and our thinking around a 'fit and proper' test. So there is a twofold purpose. We will be doing joint inspections with councils as well in relation to public health requirements. There are a number of regulators involved with rooming houses, as you are probably aware.

Certainly 2015–16 is going to be an area of high intensity — or at least rooming houses are going to be an area of high intensity. The other major concern for us, particularly a year on, is making sure that each rooming house in Victoria has had the required gas and electrical safety checks, which we consider an important compliance area. We will be certainly holding rooming house operators to account on that front.

Mr DIMOPOULOS — Just a quick follow-up: as much as you can without compromising your operation — only if you can tell me — do you give these people notice when you visit?

Mr D'ADAMO — It is a good question, because our compliance programs are not, effectively, designed year on year; they generally follow a cycle. Certainly with the introduction of minimum standards the compliance program went somewhere like awareness initially — before the standards were introduced — towards education, towards compliance assistance and then towards inspections. So by the time we reach inspections our expectations are that the level of compliance is relatively high because at that point we do not expect —

Mr DIMOPOULOS — The knowledge is higher, yes.

Mr D'ADAMO — ignorance as an excuse.

Ms GARRETT — Absolutely. Just briefly on the licensing scheme — did you want to talk about that?

Mr D'ADAMO — Only that I think that is being designed. It is being designed in a way — with the government, of course — in developing criteria that certainly sets a high standard in terms of 'fit and proper' and those eligible for a licence, but equally it is trying to balance the cost of those particular schemes. What we do not want to do is disincentivise rooming houses, particularly where there is a need for affordable housing.

Mr MORRIS — Minister, budget paper 3, page 83: given that the current public lottery license agreement with Tattersall's concludes in June 2018, what consultation is the government planning to have with Victorian lottery agents up until this time?

Ms GARRETT — That is a very good question, and this is obviously a licence that is very significant for the Victorian taxpayer and the Victorian community. We know that Tattersall's Sweeps Pty Ltd currently holds the lottery license that permits the conduct of lotteries in Victoria and that this is due to expire on 30 June 2018. As I stated in the opening presentation, public lotteries are expected to generate over \$420.7 million in tax revenue for Victoria in this coming financial year and approximately \$4 billion over the full 10-year license term.

Currently my department, led by Ms Carr, is undertaking policy development to inform the future regulatory arrangements for public lotteries and to conduct the process for awarding a new public lottery license or licences in accordance with the Gambling Regulation Act 2003. Within this time the department has met with lottery agents' representatives on a number of occasions, and as part of this process a consultation paper seeking the community's views on current and future licensing arrangements was released on 7 April 2015. That was open for six weeks, with submissions due this week. It is envisaged that a new licence or licences will be awarded in mid-2017.

Mr MORRIS — Given the manner in which the previous renewal was executed — some may say botched — by one of your predecessors, how can hundreds of small lottery agents have any confidence that this process will in fact be successful?

Ms SHING — On a point of order, asking the minister how she can have any confidence is inviting her to express an opinion or an argument in relation to responding to the principal question.

Mr MORRIS — Chair, I am happy to rephrase and say: how can the hundreds of small lottery agents have confidence that this process will be successful?

Ms SHING — Thank you, Deputy Chair.

Ms GARRETT — We want to make sure that they do feel confident, which is why we have this project team that is developing the process and why this 2015–16 budget allocates funding of \$2.2 million for the provision of specialist services relating to legal probity and commercial advisers around the project life cycle. We will be making sure that this process is managed in accordance with the act and using the department's project management and framework to ensure that the highest standards are achieved and that the ultimate awarding of a licence or licenses will give the community and lotteries agents great confidence.

Ms SHING — Thank you, Minister. Minister, you have outlined in your presentation and also in response to other questions what is being done in order to ensure that inspectors from the Victorian Commission for Gambling and Liquor Regulation are equipped to deal with regional matters and to make sure that regional areas receive the necessary attention, resourcing and support to discharge their obligations and to meet the objectives of the act. Can I take you to budget paper 3, page 289, and ask you to go into further detail than the summary you have given in relation to what will happen in our regional areas in terms of meeting those obligations?

Ms GARRETT — Thank you very much for your question and your interest in this, because as I said at the outset this has been an area of really significant concern for me, both in opposition and now as the minister. I will just give people a bit of a sense of what occurred with the merger of the VCGLR and the shift in focus with the abolition of the regional inspectors and the shift away from people being out and about, boots on the ground, and doing a lot of work behind a desk. There had been a creep of describing activities as 'compliance activities, whether or not they were actual inspections and joint operations or whether they were desktop audits. Indeed walking letters into venues were, as I understand, described as compliance activities. We had a real drop in compliance and enforcement activities, particularly in regional Victoria, with the abolition.

What we are doing is ensuring that we are really clear about what the focus needs to be for the commission in the regional areas, so we have been very up-front in the budget papers, like we have done with Consumer Affairs Victoria. We want to shift away from generic concepts of compliance activities, which I think can give the community a false comfort that work is being done and these things are being looked after, to actual

inspections. These are areas which need a physical presence — liquor, gaming venues and dodgy rooming house operators. They need people to be in there, conducting these inspections and issuing infringements where it is necessary.

An inspection involves physically attending these premises, and this is very critical in our regional areas. We are not including matters such as desktop audits, letters, system assurance monitoring and education activities in these targets. These are actual inspections, and it is critical that regional Victoria is not neglected, which is why we have put in a target of 1600 regional inspections and 11 400 metro inspections, determined by the proportion of late-night venues in regional Victoria.

This will ensure that we are focusing on breaches of liquor and gambling laws and that licensees and venues uphold their obligations to provide safe places for people. I am very proud that we have this new output measure, and in conjunction with the review that I have mentioned, which has been conducted by Dr Cohen about the operations of the VCGLR and how best to service and reach these very clear targets, we will be very close to delivering a regional model that protects all Victorians, not just those living in the centre of Melbourne.

Mr T. SMITH — Minister, going to what you were just saying then with regard to compliance measures, at budget paper 3, page 379, and indeed on page 291 as well you have discontinued the performance measure ‘Liquor and gambling compliance inspection outcomes provided within set time frames’ at a target of 98 per cent timeliness and replaced it with a new measure, ‘Liquor and gambling inspections completed within set time’ at a target of only 80 per cent. Can you indicate why the reduction in the targets?

Ms SHING — You mean with the new measure?

Mr T. SMITH — Yes.

Ms GARRETT — This budget reflects us wanting to be really frank with the Victorian people, which is why we have put in the 1600 regional inspections and we have the target inspections of 11 400. We have changed the focus from compliance activity to genuine inspections, and we are very proud of that. The 80 per cent target reflects a realistic outcome. There was a target previously of some 98 per cent, which was sort of pie in the sky stuff. Again this will all be done in conjunction with Dr Cohen’s review, but we are demanding high standards from the commission, and the budget papers reflect that.

Mr T. SMITH — Given these new inspections that will be occurring in rural and regional Victoria, will these new inspectors be on their own? Will they be complying with OHS guidelines with regard to inspecting premises on their own, or will they be paired? In terms of these additional inspectors, where is this referred to in the budget?

Ms GARRETT — Again this is part of Dr Cohen’s work as to how best we deliver a regional model. The instant abolition of the regional inspectors under the previous administration came as a shock and resulted in boots on the ground being ripped out of regional Victoria. The regional work is being done out of the offices in Richmond with people travelling, and again I have got concerns that that just has not worked. Operationally, clearly that will be a matter for which, in terms of OHS, of course those standards will need to be met. Where and how regional inspectors are located will be part of this work, but we are setting an absolutely clear benchmark that we need to get back on track in our regions.

As I said, to have large venues that have not been inspected for years, which is my understanding of what has occurred, leads to a lapse in good behaviour. It is not just about dropping in with your badge; it is about all of that work done. I know members from the regions here understand the importance of that community work by local police, local venues and the sporting clubs working towards not just making sure that the rules and regulations are met but also that there is a culture that reflects best practice. Encouraging responsible drinking after footy games — all of these issues are really important, and that was part of the work that these regional inspectors were doing on a day-to-day basis.

Ms PENNICUIK — Minister, if we could continue that theme for a moment, so turning to page 291 of budget paper 3, which is ‘Promoting and protecting consumer interests’. There are two points on that page: compliance activities, and information and advice. We have just been having a discussion about regional activities under Victorian liquor and gaming, but you can see that the number of compliance activities is slightly less than the target last year, and the target this year is a bit lower. The explanatory footnote says that is due to a

redirection of resources from assistance and education to the more resource-intensive — as you have been talking about — inspections and enforcements. Can you tell us whether the real dollar amount that is to be spent on inspections and enforcements by CAV will be greater than previously and what particular focus CAV will be taking.

Ms SHING — Is this building on from Tim's question?

Ms PENNICUIK — It is, but it is not about liquor and gaming; it is CAV.

Ms GARRETT — Thank you for the question. Again it is a shift in focus across all of these portfolios. We have been very clear about wanting to see enforcement activities and inspections rather than a behind-the-desk stroke of a computer. That is why, again, this figure of 9600 is so important, because the figure of 12 000 involved a range of behind-the-desk approaches, and I can go to those. There were desktop reviews, warning letters, infringement notices et cetera. This is much more resource intensive when you are actually out there inspecting these venues rather than just making calls, as you can imagine, and we want to make sure that reflects a resource allocation of a comparable level except with a greater focus on enforcement.

In terms of what the CAV will be focusing on, that is an operational matter. I would like to ask the acting director to go through some of those issues.

Mr D'ADAMO — Thank you, Minister. And thank you for the question. As I mentioned earlier, our compliance programs generally follow various cycles from education and compliance assistance right through to inspections. The reduction in target in this particular year merely reflects that change of focus more towards a compliance aspect of our programs. There is no reduction in compliance resourcing or effort, so this is not a reduction in inspectors or compliance numbers in any way. In fact we have recently badged another 12 inspectors, so we are actually increasing our badged inspectors to carry out these programs particularly in regional areas.

The focus for us will be on ensuring that businesses comply with the laws, and we are delivering a fairly rigorous compliance program, which in 2015–16 will see an increase of close to 70 per cent in the number of inspections across Victoria. The important point there is more on inspections, less on compliance assistance, and more inspections delivered by badged inspectors is where the program is heading.

Ms PENNICUIK — With the other output there on information and advice, this new measure seems to be redirecting consumers to the website rather than the call centre. I would just like you to elaborate a little bit on what that means for people trying to contact CAV — for example, we have already heard of some issues with the website with regard to incorporated associations. We do not want to see consumers having to deal with a website rather than a call centre when they have got an issue, so if you could talk about that and how the call centre will assist people with their issues. If I could just throw in, as a bit of an aside, and you might want to take this on notice — —

Ms GARRETT — Sure, thanks.

Ms PENNICUIK — It is about the act that was rejigged quite a while ago. There were quite a lot of concerns about the ability of people to actually deal with the new act — whether there has been any feedback on that that you could comment on.

Ms GARRETT — Again I will throw to the acting director on some of those operational matters, but this is absolutely simply a reflection of a change in the way the community is operating. A lot of people now get their information and deal with government agencies online.

Ms PENNICUIK — Sorry, Chair, can I just say that a lot of people find that quite frustrating.

Ms GARRETT — That is right, yes, but overwhelmingly the group of people for whom that is their preferred method of dealing is growing. But of course we still have those services available, including interpreting services, people on the end of the phone and people to act as advocates where the online environment is not one that the individual or association feels comfortable with. That is absolutely as it should be, but for us to not reflect a growing change and not reflect that in the budget papers would be erroneous, so that is why we have those different measures. But perhaps the acting director could speak to some of those operational matters.

Mr D'ADAMO — Thank you, Minister. Our website I think is what we describe as our primary channel. It is 24/7. It is picking up how a large proportion of the population are wanting to engage with consumer affairs. If I can use the myCAV as an example, our very first online registration for an incorporated association occurred at midnight, which indicates that people are in fact busy and do expect government services along the way. But we will still maintain our call centre.

To give you an example, our calls have naturally declined by about 13 per cent; our website visits have actually increased by about 19 per cent over the last year. But we also recognise that people will vary, and so in terms of our consumer help model we are doing some further work on designing a consumer help model that can be broken or categorised into self-support, guided support and managed support. What that means is that for many, they can self-support. They need information, they need tools and they generally expect it to be online.

For guided support, they can access most of their information through online or through the call centre if they need some help in terms of taking the next step. Managed support is for those people who are quite vulnerable and disadvantaged and actually need pretty much a casework. We do have a casework program. It is an outsourced case program. So it is not a one size fits all; it is effectively trying to target our services and channelling services to reach the people and provide the service that they most need.

It is about embracing technology. I do not think we can ignore the fact that many people are wanting to do that, but it is certainly not leaving people behind. So whilst we are investing in technology and directing people to the website, we are equally trying to strengthen our channel management to direct people to services that most suit their needs.

Ms WARD — Minister, in your presentation you spoke a little bit about scams and what the government was doing. We know that scams are becoming a continuing and growing problem. We have crazy emails from Nigeria trying to sell us unicorns — —

Ms GARRETT — They are often the easier ones to spot!

Ms SHING — I do not know what you are getting in your inbox, Vicki, but geez.

The CHAIR — Have you been drinking raw milk again?

Ms WARD — Scams are serious; it is a serious problem and it is growing. We do have increasing sophistication around the way that the people who create these scams are operating. If I could ask you, Minister, to please turn to budget paper 3, page 291, and the output measures of information and advice provided to consumers, tenants and businesses. Can you please advise the committee what activities are planned for reform, how we can assist people who are being scammed and how we can prevent them and help those who have been scammed?

Ms GARRETT — Thanks very much. It is quite timely for this question, because many of you may not know this but it is currently Fraud Week, and it is right that we talk about these frauds that are committed.

Ms SHING — No fraud in this committee, though, Minister.

Ms GARRETT — No, absolutely not. This has been one of the real shocks for me becoming the minister for consumer affairs and seeing firsthand just how unscrupulous and awful people can be to each other. These scammers are very good at what they do. It is very deliberate, obviously, and it is absolutely ripping those people off who can least afford to be ripped off.

I will just give you some examples of some of the work that we have been doing this year alone. Around Valentine's Day we highlighted some of the worst scamming I have seen, which has been with people on dating sites. I will go to the details, and I am sure the acting director will want to add to this, but a lot of our work has to be about advising people and making them aware of these problems. There are brave people; there have been so many brave people who have been willing to tell their stories, because often when you have been scammed there is a sense of shame about it and you feel really silly, which people should not because these men and women who are fraudsters are just very good at what they do.

With the dating scam, for example, a woman, Jan, lost her entire savings and her house over a six-week period with somebody, a bloke, who was overseas. Some of the simple things he was doing would be being on the

phone to her at all hours of the night so she was all tired. He wanted to marry her, then apparently he was off in Dubai and he had an accident and he needed money. Before she knew it she had given hundreds of thousands of dollars over. This is a single woman in a really vulnerable position. He, of course, is overseas, so how do you catch him?

We are educating the community to look up different dating sites. He is probably on several; his image is probably on several, and using Google Image is really important. And we are encouraging people if ever anyone asks them for money across the Net on dating sites to just do not ever give money.

Similarly there are the travelling con men. There was a beautiful elderly woman who had been sucked in by con men. These ones had lovely Scottish accents and convinced her that she needed her roof done, and she handed over \$8000 that she simply did not have.

We have also worked with small businesses that were getting bombarded. Another awful scam is people getting sent fake bills. You post an ad in some publication that does not exist and then they get increasingly aggressive. I am just giving some colour and movement to how this is impacting on ordinary decent hardworking Victorians.

The other one that springs to mind is an elderly couple who got calls at their home from people purporting to be from Telstra saying they needed their computer to be fixed, and they were on the phone for hours getting quite insistent. Then the person on the other end of the line began to wire transfer money to an offshore account. Thank goodness the bank involved in that stopped that before it happened.

It is not just the loss of money. Particularly with something like the dating scams it is the breaking of people's spirit and it is their confidence in the world that really gets impacted, particularly if people have been hurt by someone they thought loved them and then they have lost everything. Recovering from that in itself, leaving aside the financial desperation, is really hard. And to go back to your question before, Ms Pennicuik, about people not keen on using the Net, if you have had a fraud committed on you on your computer, particularly for more elderly Victorians, then your sense of the world gets smaller, even though it could be such a wonderful portal to communication.

I did want to take the committee through some of those and to go to some figures. According to the ACCC's targeting scams reported this week, we lost more than any other state. The reported scam losses in Australia in 2014 totalled \$81.8 million, and this is from people who just cannot afford it. We are dealing with a growing problem of online scams. CAV received over 200 reports of this false billing scam that I spoke about earlier, so we rolled out the campaign warning businesses of that. We have had 150 000 views to the scam section of our web page through to the end of April, and this is an increase of some 43 000 to the same period last year, so that is really encouraging. We are also enabling people to report scams more easily through SCAMwatch et cetera.

Where possible we enforce the law by working with organisations and businesses to shut down those bogus telephone numbers, websites and ads, but I might ask the acting director if he wants to add anything to that.

Mr D'ADAMO — Thank you, Minister. Scams are one of our enforcement priorities for 2015–16. They are increasingly global, increasingly online and increasingly more sophisticated, and often it is very, very difficult to retrieve the money. Unless you get hold of it or recognise it earlier on and your bank can do something about it, there is often very little that can be done. As I think the minister also alluded to, it is not just the monetary issue, it can in fact be a mental health issue as well. So towards the latter part of 2014, as an example, Consumer Affairs Victoria launched a new campaign at the time called 'Scams hurt. Talk helps.'. It was during Mental Health Week, and it was to raise awareness that anyone can fall for a scam and to promote the support services that are available if needed. That particular campaign was supported by beyondblue, SANE Australia, headspace and the Victorian Men's Shed Association to provide support to people experiencing anxiety or depression as a result of being scammed.

I am often asked the question as to who gets scammed, and the reality is it is not demographically based. Often people think it is those who perhaps are less well educated, but it now cuts into professionals — time-poor professionals — and so a lot of our education work is very much targeted to help people recognise that that email or that text or whatever it might be can in fact be a scam, no matter how professional it looks, and we are going to certainly continue our effort on that front in 2015–16.

Mr T. SMITH — Minister, will your government extend the freeze on late-night liquor licences in the local government areas of Melbourne, Stonnington, Port Phillip and Yarra councils? The budget reference at page 267 of budget paper 3 is probably the most appropriate.

Ms GARRETT — Thank you for that. Obviously as former mayors of both Stonnington and Yarra, we know these issues very well. These are growing municipalities with a great destination for people, and the purpose of the freeze has been to limit the growth of late-night venues in areas where there is a high concentration of late-night licences, and those municipalities of course fall into that category. The freeze means that currently, until June of this year, the VCGLR will not issue a new licence or amend an existing licence to permit a bar, pub or nightclub to serve alcohol after 1.00 a.m. in the municipalities of Melbourne, Port Phillip, Stonnington and Yarra, unless the applicant can demonstrate exceptional circumstances. Lower risk premises such as membership-based clubs and most restaurants and cafes are not affected. It has been an effective approach. Only three permanent late-night licences since 2010 have been granted in the freeze area.

So in July 2014, under the previous government, the Liquor Control Advisory Council was asked to consider what policies could be put in place following the expiry of the freeze, including whether the freeze should be extended. In undertaking this work the council considered the evidence base for policy reform, stakeholder feedback and measures implemented in other Australian jurisdictions. I am really pleased to say that council has provided me with a report on this with its recommendations, which I am currently considering, and we will be making announcements about this in the near future.

Mr T. SMITH — In terms of the saturation of licenced venues in places like Chapel Street, King Street and the like, would your government be looking at some point going down the planning route with regard to capping the number of licenced venues in these licenced hotspots, not only through a late-night freeze but also through the planning scheme where there is a certain saturation, shall we say, of licenced venues?

Ms SHING — A point of order, through the Chair. I am just wondering whether you might like to rephrase that so that the minister is not being invited to express an opinion in relation to what the government might or might not do in the policy space.

The CHAIR — Yes. I think, also, talking about planning and planning controls is outside the minister's portfolio. I think this question could have been asked of Minister Wynne when he was here last Friday.

Mr Morris interjected.

The CHAIR — Yes. That was not the Chair's fault, Mr Morris.

Members interjecting.

The CHAIR — I am just wondering whether you might want to rephrase it. I understand the intent of your question, but you may wish to indicate what policy options the minister may be considering.

Mr T. SMITH — Do you feel that there are certain areas of Melbourne, Minister, where there is a saturation of licenced venues that — —

Ms SHING — Sorry, a point of order. You are asking the minister to express an opinion. Through the Chair, I understand what you are driving at, but again if you can perhaps rephrase it in relation to what the government is doing — —

Ms WARD — In relation to the budget papers.

Mr MORRIS — As we discussed last week, there is an ebb and flow in committee meetings that is not present in question time. Ms Shing is referring to established practice in question time. The minister is more than capable of responding in an entirely appropriate manner, however she sees fit, to this without this now 2 or 3 minutes gone on what is bordering on a frivolous point of order when we have got a very capable minister. If there was the need to protect the minister, I could entirely understand it.

Ms SHING — Mr Morris, you just indicated: 'If there was a need to protect the minister, then I might understand'. Can I ask you to withdraw that please, through the Chair?

Mr MORRIS — I am happy to, but this is — —

Ms Ward interjected.

The CHAIR — Mr Morris, can you withdraw it please? You have been asked to withdraw.

Mr MORRIS — I said I am happy to withdraw.

Members interjecting.

The CHAIR — Order! I will let the Deputy Chair finish his point of order, and then I will pass it to Mr Dimopoulos.

Mr MORRIS — The bottom line is we have been going along quite nicely this morning. We have had several of these types of points of order unnecessarily, when the minister is more than capable of looking after herself. If that continues, then we are going to arc up as well. Let us just decide whether we want to have another peaceful morning or whether we want to have World War III, because we are quite happy — —

Members interjecting.

Mr DIMOPOULOS — All I wanted to say in relation to the point of order was that I think Mr Morris has made these kind of casual remarks in the past about reflecting on the capability of ministers and the approach we are taking as government members.

Members interjecting.

The CHAIR — Order! Mr Dimopoulos is entitled to make his point of order in silence.

Mr DIMOPOULOS — But I think the approach we are taking is quite divorced from who should be in the witness chair. I think it is about the rules of this particular PAEC, so whether it is a capable minister or someone who you do not think is capable is irrelevant. It is about the rules of this committee.

Members interjecting.

Mr T. SMITH — Chair, if it helps — because I really did not think what I was asking was particularly controversial — how about I ask: Minister, have you received advice? Can I begin like that? Is that okay?

The CHAIR — You may.

Ms Shing interjected.

Mr T. SMITH — Just let me ask the question, all right, because I thought Harriet was about to arc up. Minister, have you received any advice about using the planning scheme or other mechanisms open to state government to deal with the saturation of licensed venues in areas like Chapel Street?

Ms GARRETT — Thanks for the supplementary. It is great to see the passionate PAEC still alive and well on day 10! No, I have not received specific advice about that. Obviously LCAC is working through a range of issues, which we have asked them to do — and that is continued from the previous government — about harm minimisation. The major issue around these hotspots at the moment is the freeze, and as I said I will be making announcements about that shortly.

Dr CARLING-JENKINS — I would like to ask about some of the issues around consumer affairs and the link to family violence, which is a whole-of-government commitment that I applaud your government for. Particularly I would like to refer to your presentation, on page 5, where you mentioned initiatives of \$32.8 million for vulnerable Victorians. As we know, our most vulnerable Victorians are often victims of family violence, and they find themselves very financially vulnerable and relying more heavily on services provided by organisations such as Consumer Affairs Victoria. Further to your comments on the Chair's first question earlier where you covered this point generally, I wonder if you can outline for the committee how or if these initiatives will assist victims of family violence in particular and how or if this has been the focus of the reforms and new initiatives for Consumer Affairs Victoria?

Ms GARRETT — Thanks, Dr Carling-Jenkins. I think that is a really important question and one that I know is a thread through every minister's appearance before this committee: what does their portfolio role have to address this epidemic — often one that has been hidden until recently, when we have had such champions as Rosie Batty, and of course the royal commission. Consumer Affairs Victoria has a really important role to play, I believe, in how we are dealing with victims of family violence.

To go through some of those initiatives around housing and financial advice — critical for people who are fleeing from a troubled family environment or indeed fleeing from violence — the 2015–16 budget provides 10.8 million to support vulnerable and disadvantaged Victorians through our consumer and tenant advocacy services, which is extremely important. Securing affordable and safe housing is often the first thing that needs to happen when women and children are fleeing from violence.

There is \$7.5 million of funding for the financial counselling program, which provides 34 000 free, independent and confidential phone or face-to-face counselling sessions. Again, we know with violent situations, whether it is physical violence or emotional violence, often the exclusion of the victim from the finances of the house or being able to reach out to other people is one of the more insidious manifestations of violence, and so giving people who have been affected access to that important counselling and financial assistance counselling is critical.

We have \$3.3 million in funding for 11 community agencies to deliver advocacy services, and these will provide intensive face-to-face support for 6500 vulnerable tenants and consumers. Partnering with community agencies — again, this is really critical in making sure that family violence is not seen as a sectorial or a one-portfolio issue. Clearly the elevation of having a minister responsible for this is critical, but her job is a whole-of-government job, and that is why she is in it. We are certainly involved in making sure, I think, that every agency puts on a lens of family violence over what they do. Did you want to add anything to that?

Mr D'ADAMO — Thank you, Minister. Only that I think it does play a part very much in the residential tenancy space, and on termination of leases is where it occurs, so there is often a need for some immediate financial counselling help, as the minister indicated. But certainly it is about awareness of and actually understanding about breaking a lease. Particularly if there are others involved, breaking that lease and understanding what the rights and responsibilities are is a fairly significant issue that often goes towards whether they stay in that situation or whether they do not. We certainly are doing more to provide some information and working with the Tenants Union of Victoria, as an example, and also working through our regional offices. Certainly there have been some discussions about how we get that message across and how consumer affairs services better integrate into some broader social issues such as family violence.

Dr CARLING-JENKINS — Thank you, Minister and Acting Director, for your comments. Just relating back to some of your earlier comments about providing advice for consumers through different mediums, I wonder what initiatives are targeted at providing access to advice directly to people within crisis accommodation services, for example?

Ms GARRETT — I might pass to you.

Mr D'ADAMO — Thank you, Minister. It is certainly an area of focus for us. It is interesting, in the consumer space on consumer issues they generally do not call our call centre, but in the residential space we have a high proportion of what might be described as people in crisis who actually get on the phone and call us. So that serves as quite a useful channel. We are also undertaking a review at the moment as to whether we are providing access to people in the right places.

As an example of that, we are looking at the role of neighbourhood houses, in particular what role they can play in terms of providing information. We recognise that not everybody will go to an advocacy agency; some will simply go to their local neighbourhood house. So we are considering and exploring how we can provide further information at those sorts of places so that people are aware of their rights and of their options at the early stage.

Dr CARLING-JENKINS — Excellent. Thank you very much.

Mr DIMOPOULOS — I think the acting director must have drawn the short straw of acting and having to front PAEC — they should give you the job. Minister, I wanted to raise a question in relation to residential tenancy reforms. I missed your presentation, so I am sorry if you did discuss residential tenancy.

Ms GARRETT — I just cannot believe you did; it was riveting. You would have loved it.

Mr DIMOPOULOS — The performance measures on page 292 of BP3 relate to this item, but could you explain a bit more about the reforms and the impact they may have on those performance measures?

Ms GARRETT — Thank you very much for your question. Going further from what the acting director was saying in that exchange around how important these issues are for vulnerable Victorians, but indeed for all Victorians, we do have an issue around our private rental market. We are in the middle of unprecedented house prices. These things really do impact on people's access to safe, affordable and secure housing, and the private rental market in Victoria has changed substantially since the act was passed many years ago.

If we look back at that, you would say in 1997 private rental was usually a short-term transitional prospect, obviously not for everybody but for many Victorians. Now we have growing numbers of Australians who are renting indefinitely. One-third of private tenants will rent continuously over 10 years, and our long-term tenants increasingly include families and older Victorians, and we have spoken a little bit about particularly women who do not have the superannuation due to the inequitable way in which that has worked over many years and who may find themselves in real difficult situations, particularly if there has been a breakdown in a marriage and the like.

We have an opportunity to ensure the laws around renting provide a fair balance between the rights and responsibilities of tenants and landlords in private housing. Caravan parks is another big issue for us in terms of making sure people are not exploited around those tenancy arrangements, and of course we have spoken about the issue with rooming houses and how critical that is. I mean, that is a space in which a growing number of Victorians are finding a place, and we just have to make sure that that is safe and affordable and to reinforce the sense of the importance of those inspections. We will be inspecting every rooming house around safety of electrical and gas appliances. We have certainly seen horrors in the past. This government is committed to reviewing this tenancy act, and I will be really looking forward to conducting that over the coming term.

The CHAIR — Thank you. That concludes the session for consumer affairs, gaming and liquor. I would like to thank Ms Carr and Mr D'Adamo for their appearance this morning. We will now move straight into the emergency services portfolio.

Witnesses withdrew.