

PARLIAMENT OF VICTORIA

**PARLIAMENTARY DEBATES
(HANSARD)**

LEGISLATIVE COUNCIL

FIFTY-SEVENTH PARLIAMENT

FIRST SESSION

Tuesday, 27 November 2012

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Environment and Planning Legislation Committee — Mr Elsbury, #Mr Finn, #Ms Hartland, Mrs Kronberg, #Mr Leane, Mr Ondarchie, Ms Pennicuik, #Mrs Petrovich, Mrs Peulich, Mr Scheffer, #Mr Tarlamis, Mr Tee and Ms Tierney.

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FIFTY-SEVENTH PARLIAMENT — FIRST SESSION

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Kronberg, Mrs Janice Susan	Eastern Metropolitan	LP	Viney, Mr Matthew Shaw	Eastern Victoria	ALP

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Tuesday, 27 November 2012

The PRESIDENT (Hon. B. N. Atkinson) took the chair at 2.04 p.m. and read the prayer.

CONDOLENCES

Bruce James Evans

The PRESIDENT — Order! It is my sad duty to advise the house of the death of National Party member for Gippsland East for a period of 31 years in the Assembly, Mr Bruce Evans. Bruce Evans served the Parliament from July 1961 until August 1992 when he represented the electorate of Gippsland East. He had a distinguished parliamentary career, which included service on a wide range of our committees, including the Public Accounts Committee from 1976 to 1980, the Public Accounts and Expenditure Review Committee from 1980 to 1982, the Public Bodies Review Committee from 1982 to 1985 and a further stint on that committee from 1988 to 1992. He was also associated with that most famous of committees, the Mortuary Industry and Cemeteries Administrative Committee. If members are not aware of that committee's history, they might well ask somebody who was here some time ago. It was a committee that met frequently, as I understand, and was quite well known.

Mr Evans left the Parliament in August 1992 and had a long and happy retirement, but unfortunately he passed away recently. As a mark of respect to Mr Evans's service to the Parliament, I ask members to rise in their places for 1 minute's silence.

Honourable members stood in their places.

Hon. Murray Lewis Byrne, CMG

Hon. D. M. DAVIS (Minister for Health) — I move:

That this house expresses its sincere sorrow at the death on 7 November 2012 of the Honourable Murray Lewis Byrne, CMG, and places on record its acknowledgement of the valuable services rendered by him to the Parliament and the people of Victoria as a member of the Legislative Council for the Province of Ballarat from 1958 to 1976, Minister of Public Works from 1970 to 1972, Minister for State Development and Decentralisation, Minister for Tourism and Minister of Immigration from 1972 to 1976.

In moving this motion I extend my sincere sorrow and that of this chamber and the coalition to Murray Byrne's family.

Murray Byrne was born in Colac in August 1928, the son of Thomas Edmund Byrne, a solicitor, and Barbara Monkivitch. He was clearly a person of great talent. He married Adele Honora Coutts on 15 December 1951, and they had two sons and six daughters. Murray was a very successful solicitor — and I will say more about that later — and a strong Catholic. He was educated at St Patrick's College, Ballarat, and the University of Melbourne. He was the senior partner in the largest country legal firm in Ballarat, a founding member of Ballarat Jaycees and a member of a vast array of local bodies and community groups.

Murray's contribution to the community was extraordinary. He was secretary of Ballarat Call Committee, a founding member of the Wendouree Youth Club and a member from 1956 to 1962, a founder of the Ballarat Caledonian Housing Societies and a council member of the Ballarat Agricultural and Pastoral Society. He was involved with athletic clubs and choirs and was a patron of the Ballarat Aged and Needy Relief Association. His involvements were truly broad and his contribution to the community in Ballarat was particularly noted.

Murray established himself as a solicitor in Ballarat, working in his father's firm of Byrne, Jones and Torney. He eventually became a senior partner in the firm — which is today BJT Legal — and it became one of the largest legal firms in country Victoria. Members of the family continue to this day as partners. His involvement in community life was extraordinary. He was a founding member of the Ballarat Young Liberals, and in 1948 he became more active in the Liberal Party. In 1958 he was elected to the Legislative Council as a member for Ballarat Province. He was aged only 29 and, at the time, was the youngest member of the upper house of any Australian Parliament. He worked hard on the Standing Orders Committee and the Subordinate Legislation Committee in this chamber, his legal background making him eminently suitable to both.

It is also important to note Murray Byrne's links with the Asian community and his involvement in building trade and cultural links with our Asian neighbours. In 1973 he was the first Liberal parliamentarian to visit China since the 1949 revolution, eight months before Gough Whitlam made his visit as Prime Minister of Australia. He had strong community links through the church, was a lifelong supporter of St Patrick's College in Ballarat and also maintained strong links with the University of Melbourne. In his professional life he was president of the Ballarat and District Law Association and an active member of the council of the Law Institute of Victoria for a number of years.

Murray Byrne entered the cabinet at the invitation of Sir Henry Bolte and was appointed Minister of Public Works. He held this portfolio until 1972 when incoming Premier Dick Hamer made him Minister for State Development and Decentralisation, and Minister for Tourism and for Immigration. Decentralisation was a very important portfolio; he understood the significance of that approach to the major regional cities of Ballarat, Bendigo, Geelong and Wodonga. He advocated strongly for the decentralisation program and played a significant role in influencing key employers like McCains and Mars to relocate to Ballarat. His advocacy for key regional cities was well known. It is also important to note his significant involvement with tourism. He set up the Victorian Development Corporation and the Sell Victoria campaign.

He was Deputy Leader of the Government in the Legislative Council from 1970 to 1973 and then Leader of the Government until he retired in 1976. On several occasions he was Acting Premier of Victoria.

Murray Byrne was someone I did not know well but somebody I talked to occasionally. He would ring me from time to time, as elder statespersons do, with gratuitous but usually well-grounded political advice. I remember in particular during the 1990s and the early 2000s when I was able to make a significant point on some matter he would ring and say, 'That was well done', or on some occasions he would say, 'You should have said it this way instead of that way.' You could detect in those conversations a fine legal and political mind as well as a strong commitment to the community.

To his family and to his community the condolences of the chamber are sincere. He was a person who contributed a great deal to Victoria.

Mr LENDERS (Southern Metropolitan) — On behalf of the Labor Party I associate myself with the motion moved by Mr David Davis and make some brief remarks about the late Murray Byrne, who left this chamber 36 years ago at the age of 47 years. As I have often reflected in some of these debates commemorating the lives of previous members of Parliament, that is a long time ago — no-one in this house served with him — and the concept of a person entering Parliament at the age of 29 years and leaving at 47 is unusual. The concept of that person being part of a long-term government, where they came in three years into the government, served for 12 years on the backbench and six years as a minister and left of their own volition with the government still in office — is probably something we will never see again.

In reading about Mr Byrne and the things that were important to him at the time I noted that he was an interesting character. If we reflect upon his inaugural speech, we see that he called on the commonwealth government to borrow money so that low-interest loans could be given to individuals who wished to purchase houses across the country. Murray Byrne had a passion for home ownership, and he also had a passion for decentralisation. He had some interesting views about these and other matters. Mr David Davis referred to Mr Byrne's trade mission to China and to decentralisation, and I note that some of these issues are eternal. These are the sorts of issues state governments struggle with, whether they be a super trade mission to China in the 21st century, a visit to China in the 20th century or efforts to build housing. Whatever form these efforts take, some of them are eternal, and it is always interesting to look at how members of Parliament deal with them.

Clearly Mr Byrne led a very busy and vigorous life. I found it interesting to read about his views on work-life balance. Without wishing to use a prop, the Parliamentary library has kindly provided a picture of Murray Byrne at the bedside of his wife in the hospital where she had given birth to their eighth child. The picture shows Mr Byrne and his seven other children at the bedside. It is a lovely photo.

It is interesting to read about Mr Byrne reflecting on his decision to leave the Parliament after his severe motor accident. He and his wife were hospitalised for a period of time and struggled, as any family would, with that adjustment. He did not use the words 'work-life balance', but he noted that he was a good father, he had eight children and he was a full-time minister. He was also a senior partner in a law firm in Ballarat and wanted to spend more time there. Some of those factors do not change.

It is interesting to look at the life of Murray Byrne. He was a person who contributed to the Parliament for many of his energetic years, and then when he went on to contribute to a law firm he clearly, from what Mr David Davis has said, kept an active interest in the Liberal Party. He was a person of a different era. He left this Parliament 36 years ago after a good ministerial career — six years in the cabinet — and he left at a time of his own choosing. I never met Murray Byrne, but the literature before us shows that both Sir Henry Bolte and Dick Hamer asked him at the time of a Ballarat Province by-election when Vance Dickey departed to come back to the Parliament and to run for the electorate of Ballarat South. At that time the Liberal Party was concerned it might not hold that seat. Clearly Murray Byrne's skills were valued by his colleagues.

As I said, I associate myself with the motion moved by Mr David Davis and offer the condolences of the Labor Party to Mr Byrne's wife, children and grandchildren.

Mr BARBER (Northern Metropolitan) — The Greens would like to support this motion and in doing so memorialise the passing of Mr Murray Byrne. Even from reading his parliamentary biography we are presented with an extraordinarily long list of career achievements by any standards — charities founded, causes contributed to and ultimately honours awarded for his work — and that is before we even come to his parliamentary career. Murray Byrne's political responsibilities commenced in what is well known as the Bolte era and finished in the parliamentary sense in what is now understood to be the Whitlam era, when issues such as state development, decentralisation and even immigration, for which he held the state portfolio, were critical issues.

As other speakers have noted, in many ways those same questions are returning to us today. In fact Murray Byrne was the author of a 10-point decentralisation program in 1972, which some members might like to dig out and consider. But aside from all that, it is clear from what has been said about Murray Byrne since he passed that most importantly he left behind a great number of personal and human connections, and therefore to all his friends, family and colleagues we offer our condolences.

Hon. P. R. HALL (Minister for Higher Education and Skills) — It is my pleasure to associate The Nationals with this condolence motion. In recent years the subjects of condolence motions have all too frequently been people I either served with or at least knew of. Unfortunately in this case the late Murray Byrne did not fit either of those categories. I say 'unfortunately' because from my reading of all that has been written and said about Murray Byrne, it is clear that he had a very distinguished career as a parliamentarian, minister and Leader of the Government in this place, and that he was also well known throughout the Ballarat community.

It does us all well at times to reflect on the contributions former members have made to this place. There is often much for us to aspire to. We could learn a lot by reading about Murray Byrne's achievements and, more particularly, from the way he went about his business. From what I have read and from comments of people who knew Murray Byrne, I have been provided with glowing references about what a gentleman he was. It is clear that all sides of the Parliament had the utmost respect for him. It is unfortunate that I did not meet

Murray Byrne, but that does not stop me from admiring him and contributing to this condolence motion.

I was also struck by the facts referred to by Mr Lenders. Murray Byrne was elected to Parliament at the age of 29 and he retired before he turned 50. Very few people have followed that course of life. I am sure that balance of life concerns drove him to the decisions he made.

Murray Byrne had much for us all to aspire to. He was a minister for 6 years, Leader of the Government in this house for 3 years and a member of Parliament for 18 years, which is a remarkable record. We in The Nationals acknowledge that record and convey our condolences to his wife and family.

Motion agreed to in silence, honourable members showing unanimous agreement by standing in their places.

The PRESIDENT — Order! The proceedings will now be suspended as a mark of respect to Mr Byrne. I will resume the chair in 1 hour.

Sitting suspended 2.24 p.m. until 3.28 p.m.

ROYAL ASSENT

Message read advising royal assent on 20 November to:

Free Presbyterian Church Property Amendment Act 2012

Justice Legislation Amendment (Miscellaneous) Act 2012

Retail Leases Amendment Act 2012

Road Management Amendment (Peninsula Link) Act 2012

Tobacco Amendment (Smoking at Patrolled Beaches) Act 2012.

QUESTIONS WITHOUT NOTICE

Government: vehicle procurement

Mr SOMYUREK (South Eastern Metropolitan) — My question is to the Assistant Treasurer, Gordon Rich-Phillips. Can the minister inform the house of the percentage of Australian-manufactured vehicles purchased by the state government according to a broad definition of state government, including government departments, agencies, statutory bodies and salary sacrifice acquisitions by state government employees?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Somyurek for his question and for his interest in the Victorian government motor

vehicle fleet. I can tell Mr Somyurek that with respect to the Victorian government fleet, the Victorian government has a policy in place under which agencies that are subject to the Victorian government fleet policy — that is, general government sector agencies, the core departments of government — are required to purchase Australian-manufactured vehicles where Australian-manufactured vehicles are available.

Mr Jennings interjected.

Hon. G. K. RICH-PHILLIPS — Of course that applies to the type of vehicle, Mr Jennings. That applies primarily to passenger vehicles, and I understand that the percentage of Australian-manufactured passenger vehicles in the fleet is around 98 per cent.

Supplementary question

Mr SOMYUREK (South Eastern Metropolitan) — The minister's 98 per cent figure is in fact for passenger vehicles and light commercial vehicles in government departments and agencies. What I was after was the broader definition, which I used in asking in my question. According to the Federal Chamber of Automotive Industries VFACTS registration report for 2011, only 59 per cent of Victorian government automobile purchases, according to the broad definition, were locally produced vehicles. Will the minister follow the opposition's lead and mandate the purchase of locally manufactured vehicles, where a fit-for-purpose vehicle is available, for all Victorian government departments and agencies, including executives with salary sacrifice arrangements?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I can say to Mr Somyurek that the policy does apply to executives on executive packages. Mr Somyurek asked the question, 'Will the Victorian government mandate the purchase of Australian-manufactured vehicles for the government fleet?'. As I said to Mr Somyurek in my substantive answer, around 98 per cent of the Victorian government passenger fleet is Australian manufactured. However, I would say to Mr Somyurek that you cannot buy an Australian-manufactured vehicle if it has not been built. We have a large proportion of vehicles that the Victorian government uses that are simply not available from Australian manufacturers. You cannot buy an Australian-manufactured four-wheel drive because there is not one suitable for the applications that agencies need. Where an Australian vehicle that is suitable for use by our agencies is available, the policy is that they are required to be purchased. In those cases around 98 per cent of the passenger fleet is Australian manufactured.

Hospitals: government initiatives

Mrs PEULICH (South Eastern Metropolitan) — My question without notice is directed to the Minister for Health, Mr Davis. I ask: can the minister advise the house on recent announcements of key hospital projects?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for her question and her long-term advocacy for key hospital projects in Victoria, particularly the Monash Children's. As someone who has represented that area of metropolitan Melbourne for a long time, I know she has been a strong advocate for that hospital, along with a number of her colleagues in the region.

I make the point that Monash Children's will be a magnificent hospital with 230 beds. It will be a dedicated children's hospital. This hospital will provide access for thousands of Victorian children in the significant growth area in the south-east of Melbourne. This will be a fantastic project for those children, and I was proud to be with the Premier on Thursday, and a number of my parliamentary colleagues, to make that announcement.

I want to take a short trip down memory lane. In 2002 a review of paediatric services was undertaken with recommendations leading in the direction of a children's hospital. Let me be quite clear here: that review was undertaken 10 years ago. What did the previous government do during its eight years in power? It did absolutely nothing. It did not commit one cent, not a cracker, in its 11 years, not a cracker across that period. It is this government that has committed money. In its first budget it was for land, in the second budget it was to push the project forward and now it has fully funded and accepted the business case. The project will go forward at a fast pace and provide Victorian children with a dedicated children's hospital in the south-east at Monash.

I pay tribute to Professor Nick Freezer and his team and others at the Monash Children's, to the board and to a number of key people who have fought for this hospital through that period. It is a tragedy that Labor did nothing during its 11 years in government and in the 8 years following its review of paediatric services. It talked big, but it did nothing.

I was also proud the day before to make an announcement with the Premier on the Royal Victorian Eye and Ear Hospital upgrade. This very significant project — —

Honourable members interjecting.

The PRESIDENT — Order! Mr Jennings has indicated — and it is also my concern — that members of the opposition are unable to hear the minister's answer. The reason is that they are interjecting.

Hon. D. M. DAVIS — I was proud to join the Premier and colleagues at the announcement of the Royal Victorian Eye and Ear Hospital upgrade. The business case has been accepted, the project is going to proceed and it will begin in time for the 150th anniversary of the hospital. It is a magnificent hospital that is one of three great, world-class, dedicated eye and ear hospitals in the world — Moorefields Eye Hospital, the Boston eye and ear hospital and the Royal Victorian Eye and Ear Hospital in East Melbourne.

The hospital will be rebuilt. It is clearly run down and was left to run down by the previous government in a tardy performance; it clearly had it in for the eye and ear hospital and was not prepared to do the work required.

An honourable member interjected.

Hon. D. M. DAVIS — Who was the minister? It was Daniel Andrews, the Leader of the Opposition and the member for Mulgrave in the Assembly. The rebuilt Victorian Eye and Ear Hospital will deliver additional patient capacity. We will see the rebuilding of the hospital and the integration of the Centre for Eye Research Australia facilities, the research facilities that are so much a part of the hospital.

The eye and ear hospital has built a reputation with the bionic eye and the bionic ear, and it does Victoria very proud. Given the growth in and ageing of the population, there is a greater need for eye and ear services. It is clear that having this hospital rebuilt will be a remarkable achievement. Mr Jennings and Daniel Andrews should hang their heads in shame for their failure over 11 years to rebuild this hospital.

Local government: vehicle procurement

Mr SOMYUREK (South Eastern Metropolitan) — My question is again directed to the Assistant Treasurer. According to the Federal Chamber of Automotive Industries VFACTS registration report for 2011, only 23 per cent of automobile purchases by local government authorities were of locally produced vehicles. Will the minister's government follow the opposition's lead and mandate the purchase of locally manufactured vehicles, where a fit-for-purpose vehicle is available, by all local government authorities?

Hon. G. K. RICH-PHILLIPS (Assistant Treasurer) — I thank Mr Somyurek for his question, and I have to say that it is an extraordinary proposition that he is putting to the chamber. Mr Somyurek is suggesting that the Victorian government should be directing councils as to how they spend their rate revenue. The Victorian government has a very clear policy. It has the standard motor vehicle policy which applies across the general government sector. That policy requires that, where possible and where suitable, Australian-manufactured vehicles are purchased. And, of course, as I said in my substantive answer to Mr Somyurek's first question, that is largely the passenger fleet.

Ninety-eight per cent of passenger vehicles that are operated within the general government sector are Australian manufactured. Where it is possible to purchase an Australian-manufactured vehicle — be it a Territory, a Commodore, a Falcon or whatever — that is a requirement of government. Obviously there are areas within the government sector where utility vehicles and special purpose vehicles are required that are not manufactured in Australia and therefore they cannot purchase Australian-made vehicles. The Victorian government policy applies to the general government sector, and we are not seeking to dictate how local government spends its rate revenue.

The PRESIDENT — Order! Mr Somyurek, on a supplementary question.

Mr Somyurek — I take that as a 'no', and I am satisfied with that response.

Hollins Children's Centre: opening

Mr P. DAVIS (Eastern Victoria) — I direct my question without notice to the Minister for Housing. Can the minister update the house on further investment in kindergartens in the Pakenham area?

Mr Lenders — On a point of order, President, without being pedantic, Mr Davis asked a question of the Minister for Housing regarding matters of administration within the Department of Education and Early Childhood Development. I would put it to you, President, that it is highly unusual to ask a question of someone who, wearing the legal hat of Minister for Housing, has no responsibility for that portfolio. I ask you to ask him to rephrase the question.

Mr P. Davis — In response to the point of order and the pedantry displayed by the Leader of the Opposition, President, it is not generally the practice in question time for members directing questions to ministers to

use their full portfolio titles. I abbreviated the title of the minister to one of her portfolios, but the reality is the minister has multiple responsibilities, and she does have responsibility for early childhood development.

The PRESIDENT — Order! I thank the member for the point of order. The question is in fact directed to the Minister for Children and Early Childhood Development, Ms Lovell, who is one and the same person as the Minister for Housing.

Hon. W. A. LOVELL (Minister for Children and Early Childhood Development) — I thank the member for his question and for his interest in early childhood development in the Pakenham area. Last week I was delighted to attend the opening of a new integrated children's centre called the Hollins Children's Centre in Pakenham. I attended this event along with the member for Bass in the Assembly, Ken Smith, the federal member for McMillan, Russell Broadbent, the Cardinia Shire Council mayor, Brett Owen, council officers, representatives of Kinders Together and local kindergarten and school children. It was a fantastic event, celebrating what is a truly remarkable centre in the Pakenham community.

This centre provides two new kindergarten rooms with a licensed capacity of 66. The rooms are named after indigenous plants — the lilly pillly room and the candlenut room — and it truly is a wonderful centre. In addition to the kindergarten rooms, the centre also provides a community room, a community kitchen, a toy library and consulting rooms for maternal and child health and early intervention.

This is a \$3.1 million investment in the children of the Pakenham area. Of that, \$500 000 was provided in 2009–10 by the Victorian government, and \$2.6 million has been provided by the Cardinia Shire Council. That is a fantastic investment by that council in the children in its area, not only for the children of today's generation but also for future generations of children and their early education. This centre allows access to 15-hour kindergarten programs, which is fantastic. It will also be co-located with a future primary school, enabling smooth transitions and ease of access for families.

The Victorian government is proud to have worked with the Cardinia Shire Council, Kinders Together and the local community to deliver this wonderful centre. Such projects ensure that communities can meet demand and also meet the standards of high-quality early childhood education. That is why this government in its first two years has allocated more than \$85 million in grants to build or renovate children's

centres. That \$85 million has generated almost a quarter of a billion dollars in investment in early childhood infrastructure, which is a great result for the children of Victoria.

Aged care: bed numbers

Ms MIKAKOS (Northern Metropolitan) — My question today is for the Minister for Ageing. Last year at the Public Accounts and Estimates Committee hearings the minister said:

... aged-care services in country towns are absolutely critical, and we are very committed to supporting them.

Given Victoria's ageing population, how does the minister reconcile this statement with the closure of 104 aged-care beds across Victoria in the past two years, especially in regional Victoria?

Hon. D. M. DAVIS (Minister for Ageing) — I make the point that the member's premise is clearly flawed. The government is very much determined to support aged care in country Victoria. The member asked almost the same question at an earlier point, and I pointed very directly to some recent budget initiatives, like those at Swan Hill where the government is investing capital in new aged-care facilities. That is a strong commitment.

One of the difficult spots on the horizon with respect to aged care in country Victoria is the changes the commonwealth government is making through its new aged-care package. The rejigging of the aged-care funding instrument formula is of great concern because it means that many of the smaller aged-care services are unable to get the support they need. Equally, there are changes to the bond arrangements, which are likely to put some of our aged-care services at risk.

We have been very much prepared to support aged-care services, obviously, in country towns. From time to time there are changes in the number of beds and changes in the configuration of the beds, and the community understands that there has been a shift over the longer term from a number of low-care beds to a greater proportion of high-care beds. The government is able to work with health services and with the range of providers — some government, some non-government and some private sector — in country Victoria to provide the widest range of services it can, but I inject a note of caution.

I can indicate that I have asked for a matter to be added to the Standing Council on Health agenda so that aged-care issues can be discussed, because the commonwealth government abolished the standing

council for aged-care ministers, which was an unfortunate step by the commonwealth government. We have asked for the commonwealth government's changes to the aged-care arrangements and the package it has brought forward to be put on the agenda as a standing arrangement, and we will be focusing very strongly on that.

I note also that there have been a number of telephone hook-ups with ministers around —

Mr Lenders interjected.

Hon. D. M. DAVIS — Mr Lenders may laugh, but this is actually a serious matter. The reality is that the changes in the commonwealth packages are impacting severely on a number of providers in Victoria, on metropolitan providers and particularly on some of the smaller country providers, and I am determined to keep a close watch on that.

I pay tribute to the work done by Leading Age Services Australia, the Victorian branch in particular. Gerard Mansour, as the new national president of that organisation, has been prepared to advocate closely with the commonwealth government and work with a monitoring group to monitor the implementation. I have also asked that a standing arrangement be put in place so that, every quarter, officials working in aged care meet or do some sort of hook-up so that states can monitor the impact of the commonwealth's aged-care changes, because I have some concerns about the impact they will have, particularly on country providers.

Supplementary question

Ms MIKAKOS (Northern Metropolitan) — I note that the minister did not actually reject the premise of 104 aged-care bed closures, because those figures are actually from the minister's own department; from its website. I particularly want to draw the minister's attention to the amalgamation of Ballarat Health Services's Jessie Gillett Court and James Thomas Court hostels, which, again according to the minister's own department's figures, has resulted in 52 bed closures in Sebastopol. Can the minister guarantee that the elderly who will be required to be placed in an aged-care residential facility in Sebastopol and the greater Ballarat area will not miss out on securing a place in the future?

Hon. D. M. DAVIS (Minister for Ageing) — I can indicate very strongly that the government will work with health services like Ballarat Health Services to ensure that proper provision is made for aged-care places, particularly for those residents of aged-care services. I think the member may understand that over

time there was a deterioration in the nature of one of those facilities. There has been widespread support for the steps taken by Ballarat health, including, as I understand it, by a number of the local members of Parliament in that area. Ballarat health has been very careful to involve people and brief them as to what is occurring and why. It has done that very much with the shift from low care to high care that has occurred around the countryside. This is about providing sufficient services of the right type as needed.

In many respects the change in services that has occurred with the shift from low care to high care reflects the success of aged-care policy where community packages, home-care packages, have become more prominent. That is something to celebrate rather than denigrate.

Ms Mikakos interjected.

Hon. D. M. DAVIS — I am trying to be reasonable and generous here and to state that in fact —

The PRESIDENT — Time!

Aviation industry: national services precinct

Mrs KRONBERG (Eastern Metropolitan) — My question today is directed to the Honourable Gordon Rich-Phillips, Minister responsible for the Aviation Industry. Can the minister inform the house of how the government intends to develop Victoria as the national base for aviation services?

Hon. G. K. RICH-PHILLIPS (Minister responsible for the Aviation Industry) — I thank Mrs Kronberg for her question and for her interest in the aviation services industry sector in Victoria. Victoria has a great story to tell in aviation services. Victoria is home to Tiger Airways, which recently announced the addition of 70 new jobs. We are home to Jetstar, which recently announced that in the eight short years it has been operating it had carried 100 million passengers. We have in the manufacturing area companies like Boeing Aerostructures Australia, which is the largest Boeing facility outside North America and which over an 18-month period is adding around 650 manufacturing jobs. We have GippsAero in the Latrobe Valley, which is undergoing a massive expansion of its manufacturing line and product range as well.

In the services sector we have companies like John Holland Aviation Services, the only independent maintenance repair and overhaul facility operating in Victoria, and Rosebank Engineering, which undertakes

component repair and overhaul as well as manufacturing for export facilities.

We have enormous potential in the sector over coming decades. Both Boeing and Airbus have forecast that over the next 20 years there will be demand globally for around 33 000 additional commercial aircraft, worth around \$4 trillion. Half of the growth that will be experienced in air services around the world is expected to be experienced here, in the Asia-Pacific region. Along with the growth in fleet size and aircraft operations, of course there is going to be an enormous demand for additional crew and maintenance personnel. Around 250 000 additional people will be expected to be employed in the aviation services area in the Asia-Pacific as a consequence of that growth over the next two decades.

This creates a great opportunity for Victoria, but we also have some challenges to deal with. We have the challenge of attracting young people into the aviation services sector, we have the challenge of offering hands-on experience to people while they are undergoing training and we have the challenge of actually delivering training which continues to be relevant to the aviation services sector in the 21st century. It is a sector which is undergoing enormous change, and we need to ensure that the training we deliver keeps up with that change.

Earlier this year the government announced the national aviation services precinct (NASP). I was pleased to release a discussion paper at the end of May seeking industry feedback and expressions of interest from the private sector to work with government for the development of a national aviation services precinct. That discussion paper received strong support from the industry both in Australia and internationally. We had around 25 submissions to that discussion paper.

I was pleased to join the Premier last week at Melbourne Airport to announce that John Holland, the parent company of John Holland Aviation Services, had signed a memorandum of understanding with the Victorian government to develop the first stage of the national aviation services precinct. John Holland is one of the largest construction companies in Australia and is backed by Leighton Holdings. Both Leighton and John Holland are firmly behind John Holland Aviation Services in partnering with the Victorian government for the development of the national aviation services precinct.

This of course is just the first stage and the first partnership that the Victorian government has signed around NASP. We look forward to engaging with other

private sector participants as the concept develops, and we look forward to delivering a world-class facility for aviation services in Victoria.

Teachers: academic qualifications

Mr LEANE (Eastern Metropolitan) — My question is to the Minister responsible for the Teaching Profession, who is also the Minister for Higher Education and Skills, Peter Hall. Has the minister received any advice from his department regarding the frequency and severity of academic fraud or misrepresentation of qualifications that would warrant review or increased regulation and sanctions designed to prevent this practice?

Hon. P. R. HALL (Minister responsible for the Teaching Profession) — First of all, I thank Mr Leane for his question. Perhaps he might elaborate on what he means by academic fraud in the supplementary part of his question, because if it is in regard to my statutory responsibility regarding teachers and the registration of teachers in this state, that is a matter that is assessed by the Victorian Institute of Teaching when it registers teachers, and teachers are required to hold certain qualifications to be registered to practise in Victoria.

Supplementary question

Mr LEANE (Eastern Metropolitan) — I thank the minister for his answer, but in light of recent media reports of misrepresentation of academic qualifications, has the minister considered creating a reference to the parliamentary Education and Training Committee into these matters under the stewardship of the committee chair, the member for Caulfield in the Assembly?

Hon. D. M. Davis — On a point of order, President, the purpose of a supplementary question is to elicit further relevant information, and it is meant to be responsive to the minister's answer. The minister responded in particular about teachers. The member did not respond in any way to the minister's answer and went off on a different frolic.

Mr Viney — On the point of order, President, I think most people would know that I have had a long interest in supplementary questions as to whether or not they are in order. The fact is that a supplementary question can either relate to the original question or to the minister's answer. It does not have to relate to the minister's answer. It is not a requirement as part of the supplementary question that it relate specifically to the minister's answer, so I think the question is relevant. The member has asked the original question about

academic fraud and then asked a more specific question about references to the relevant committee.

The PRESIDENT — Order! I thank Mr Davis for his point of order and Mr Viney who has added to it. I would take the position that Mr Viney advanced to the house, that in fact a supplementary question may well be proceeded with if it is relevant to the original question or indeed is relevant to the answer, but it need not necessarily be relevant to both to be a legitimate supplementary question, because I do not have the power and the house does not have the power to advise a minister of exactly what their answer might be. If a minister were to go down a particular path which was not at all apposite to the original question that was asked, then it might beg the need for a member to ask a supplementary question that had absolutely no relevance to what they were seeking information on.

It is quite appropriate for a member to go back to the original question in framing a supplementary question to elicit more information from the minister, and in this case I think the minister had fairly identified that the original question was structured in a way that was difficult for the minister to understand exactly what the member was looking for. The minister had actually said to the member proposing the question that he had some difficulty in approaching that question. Mr Leane, in putting a supplementary question, has perhaps homed in more on what he is seeking, and certainly the question itself is in order. In some ways it is apposite to the minister's answer, but it is certainly apposite to the original question.

Hon. P. R. HALL (Minister responsible for the Teaching Profession) — As I said in my answer to the original question, my statutory responsibility as Minister responsible for the Teaching Profession lies with the operation of the Victorian Institute of Teaching, which has responsibility for approving the qualifications of those teaching in Victorian schools. Insofar as whether I have considered the need to refer such a matter to a parliamentary committee for inquiry with respect to the operations of the institute, the answer to the question is no. I think the Victorian Institute of Teaching does a great job in assessing those with appropriate qualifications who seek registration as a teacher in Victorian schools, particularly since the formation of the new VIT council headed by Mr Don Paproth. It is doing an outstanding job in registering Victorian teachers and ensuring that they possess the right qualifications to deliver education in Victoria.

Education: city of Hume

Mr ONDARCHIE (Northern Metropolitan) — I have a question today for the Minister for Higher Education and Skills, the Honourable Peter Hall, and I ask: can the minister advise the house of any innovative projects to boost learning opportunities for students in Melbourne's north?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I thank Mr Ondarchie for his question and interest in this particular subject. I start by congratulating the Hume City Council on its preparedness to integrate education and community infrastructure, and I cite two very good examples — the Hume Global Learning Centre at Broadmeadows and also more recently at Craigieburn. Hume City Council has had the foresight to provide opportunities in both centres for the delivery of education combined with facilities such as a library, child-care facilities, cafe facilities and the like.

Last Friday I had occasion to journey to Craigieburn and, as the guest of Hume council, to enjoy a business breakfast with over 200 local businesspeople. During the course of that breakfast we celebrated the signing of a memorandum of understanding for a multiversity. The memorandum of understanding was signed by the City of Hume and three significant education providers in Melbourne's north and west, being Kangan Institute, Victoria University and Deakin University.

Starting from next year Deakin University will be delivering some of its degree-level programs through the Deakin at Your Doorstep program at both of those global learning centres in Broadmeadows and Craigieburn, and we will also see Victoria University deliver a diploma of business, which is the first year of a bachelor degree. Working with Kangan Institute, Victoria University and Deakin University, there will be a number of opportunities created for young and old people alike in those municipalities to participate in a greater range of higher education and vocational training opportunities.

I know Mrs Petrovich will also be interested in the fact that the memorandum of understanding will extend to the delivery of those programs from the Sunbury community house as well. There are plans for the Hume City Council to ultimately develop a global learning village of the same magnitude as those at Craigieburn and Broadmeadows in Sunbury as well. But there will be a return to a delivery of some higher education in Sunbury next year for the first time since the Prime Minister, then the federal education minister,

many years ago gave Victoria University permission to discontinue delivery in those regions.

I would like to congratulate the mayor of the City of Hume, Cr Geoff Porter, and all members of his council team and administrative team for their foresight in establishing these sorts of facilities. I think it is very important that we extend opportunity to young people in those areas to participate more in all forms of education, and I might add that this particular initiative links in very nicely with what we are proposing for Gippsland, where 22 technology-enabled learning centres will be established. Ultimately links such as this all around the state will provide opportunities for people to participate in education — no matter where they live — at a local facility and offer them a far broader range of options than would otherwise be available to them.

It was a significant occasion, and I would like to congratulate the partners — the City of Hume, Victoria University, Deakin University and the Kangan Institute — on their collective efforts in getting together and sharing facilities rather than each trying to establish their own. It is a sensible outcome and a positive outcome for the people of the city of Hume.

Solariums: ban

Ms HARTLAND (Western Metropolitan) — My question today is for the Minister for Health. On 16 November it was very pleasing to hear the Premier stating a commitment to bring in a ban on sunbeds within the next two years. When can we expect to see legislation in this Parliament, and does the minister already have a consultation plan for informing the industry and the community in general about how the government is going to do that?

Hon. D. M. DAVIS (Minister for Health) — I thank the member for her question. As the member knows, this is a matter of some interest not only to me but to the community more broadly. In the recent debate in this chamber I think perhaps not everyone listened to many of the worthy points made by Ms Crozier about the skin protection framework that the government is developing.

Mr Lenders interjected.

Hon. D. M. DAVIS — No. With respect, I do not think they did, and I want to point people to her contribution. The government has put out a draft skin protection framework. It is a broad document; it deals not only with solariums but with many other issues as well and aims to improve the skin health of Victorians

and to take long-term preventive action to reduce the incidence of skin cancer. The draft document that was out for consultation contemplates a number of steps that could be taken on solariums and, as I said, a number of other areas as well. For example, shade in schools is one key feature the government is keen to examine for options and steps that can be taken.

More than 200 submissions have been received regarding the skin protection framework. I have assiduously worked my way through those with my department, and I can announce that there will be statements around the skin protection framework, including solariums and other matters, in the forthcoming period. We are keen to do this as a structured set of steps — —

Mr Jennings — That is hardly an announcement; there will be an announcement in the forthcoming period.

Hon. D. M. DAVIS — Mr Jennings, this is actually — —

Mr Jennings — I have listened to what you were saying. Announcing that you are going to make an announcement is not an announcement.

Hon. D. M. DAVIS — What I have pointed to is a sensible, practical process that has engaged the industry and that has seen formal submissions from industry people and users of solariums, but it has also taken information from a series of experts, particularly cancer specialists. I am very much moved by the comments of many of the cancer experts, including the submissions that have come to the government through the draft skin protection framework. I welcome those submissions. We are determined to treat the submissions fairly and seriously, and that is exactly what we are doing.

The consultation period closed on 30 September, and I can assure Ms Hartland, the chamber and the broader community that we will be making announcements about that framework, including all aspects of it, in the very near future.

Supplementary question

Ms HARTLAND (Western Metropolitan) — The Premier has stated that sunbeds will be outlawed within two years and that cannot be done without legislation. When does the minister expect that legislation will come to this house?

Hon. D. M. DAVIS (Minister for Health) — I will be quite clear on this. We have a structured approach. We have taken submissions formally from the industry.

I do not intend to treat those trivially. I do not intend to treat trivially the responses from serious cancer specialists, who have made a number of key points. As the Premier and I have said, the days of solaria are numbered. We will make a formal announcement when we release the skin protection framework, which will lay out our response on a number of key areas, including solaria, shade and a series of other points to improve the skin health of Victorians. It is important to ground this in the broader context, and we will take some significant steps to that end.

I am very conscious of the positions taken by New South Wales and South Australia. I have spoken to the ministers in both those states and other states about this matter. I think there is a recognition more broadly across the country that the days of solaria are numbered.

Planning: urban renewal

Mr FINN (Western Metropolitan) — My question without notice is directed to the Minister for Planning, and I ask: can the minister inform the house what action the Baillieu government has taken to drive new urban renewal in Melbourne’s inner west?

Hon. M. J. GUY (Minister for Planning) — I thank my good friend and colleague Mr Finn for his important question. Last Wednesday I was joined by Mr Finn in Sunshine at the launch of a project called the Foundry, which has been brought forward by this government and which will inject more than \$150 million worth of confidence into the Sunshine activities area. The project will be the first major development of its kind for central Sunshine. It will bring a new era of confidence to that activities area and it will set the standard for new urban design and urban renewal within an activities area precinct that has huge opportunities. This area is just 11 kilometres from the Melbourne CBD.

A number of projects are already under way, including the Visy Cares Hub upgrade, stage 1 of the \$4.3 million Sunshine library and learning centre and the Hampshire Square \$3.2 million development, which Mr Finn, Mr Elsbury and I launched last year. A further \$880 million is being spent in the Sunshine activities area as part of the regional rail link project. That will eliminate two level crossings, which are causing backlogs and long delays in the activities area.

It was with much pleasure that I went to Sunshine with Mr Finn to launch this project, a project that is iconic for central Sunshine and a project that, as I said, will see renewed confidence in that activities area. It comes

on top of a number of projects in Melbourne’s inner west that this government has facilitated and brought forward. A number of the projects are in Footscray, where Mr Elsbury, Mr Finn and I have been to launch them in the last few months. A number of them have seen a growth in the inner activities areas to Melbourne’s west and a new era of confidence in our inner western suburbs — places such as the Joseph Road precinct, the Grollo development in central Footscray and the project Mr Elsbury, Mr Finn and I attended at the government services building in Footscray.

Together those projects show renewed confidence in Melbourne’s inner west, confidence that is again strengthened by this government’s urban renewal agenda and confidence that is strengthened by our metropolitan planning strategy agenda around urban renewal for inner city activities areas. This government has a great level of confidence and a huge level of faith that Melbourne’s inner west will be the place to do business and live into the future. It has an exciting future ahead of it.

PETITIONS

Following petitions presented to house:

National Centre for Farmer Health: funding

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the house the state government’s decision to cease funding for the National Centre for Farmer Health. In particular, we note:

1. the likely closure of the National Centre for Farmer Health due to the Baillieu government’s decision to cut its \$1 million annual state government contribution;
2. the detrimental impact this funding cut will have to the health, safety and wellbeing of farm men and women, farm workers, their families and communities across Australia; and
3. that the Baillieu government’s decision to cut funding for the National Centre for Farmer Health will mean that the centre will no longer be able to carry its important work such as research, service delivery and community for farming communities across regional Victoria.

The petitioners therefore request that the Legislative Council urge the Baillieu state government to immediately reinstate funding for the National Centre for Farmer Health and guarantee no further cuts will be made.

**By Ms TIERNEY (Western Victoria)
(10 signatures).**

Laid on table.

Higher education: TAFE funding

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the house the state government’s plans to cut hundreds of millions of dollars from TAFE funding. In particular, we note:

1. the TAFE Association has estimated up to 2000 jobs could be lost as a result of these cuts;
2. many courses will be dropped or scaled back and several TAFE campuses face the possibility of closure; and
3. with 49 000 full-time jobs already lost in this term of government, skills training has never been more important for Victorians.

The petitioners therefore request that the Legislative Council urge the Baillieu state government to abandon the planned funding cuts and guarantee no further cuts will be made.

**By Ms TIERNEY (Western Victoria)
(349 signatures).**

Laid on table.

Cycling: Fishermans Bend

To the Legislative Council of Victoria:

The petition of certain citizens of the state of Victoria draws to the attention of the Legislative Council our concerns about cycling safety in Fishermans Bend and the lack of provision of adequate safe cycling infrastructure for the increasing numbers of cyclists in the area.

The petitioners therefore request that action be taken to increase safe bicycle access along Lorimer Street, Fishermans Bend, which includes utilising the disused railway line alongside Lorimer Street as an off-road bike track, the provision of marked on-road bike lanes, traffic lights, stop signs, safe crossings and limiting the height of roadside vegetation to ensure visibility between drivers and cyclists.

**By Ms PENNICUIK (Southern Metropolitan)
(316 signatures).**

Laid on table.

Ordered to be considered next day on motion of Ms PENNICUIK (Southern Metropolitan).

Planning: permit process

To the Legislative Council of Victoria:

The petition of certain citizens of Victoria draws to the attention of the Legislative Council the Baillieu government’s plan to rush through ‘code assess’ legislation which threatens the livability of Melbourne and our suburbs.

In particular, we note:

1. developers that meet the ‘code assess’ standards will be fast-tracked for multistorey developments and local residents will have no warning, no say and no right to go to VCAT;
2. this legislation does not protect our suburbs from inappropriate development and it does not protect the rights of Victorians to have a say about the shape of their community; and
3. this unrestrained development will put more and more pressure on already strained infrastructure like roads, schools, health services and public transport.

The petitioners therefore request that the Legislative Council urge the Baillieu government to withdraw the radical reshaping of the planning act that will remove community consultation from the development approval process and to rethink, to consult with the community and to ensure that any proposal protects and improves rather than destroys our neighbourhoods.

**By Mr JENNINGS (South Eastern Metropolitan)
(22 signatures).**

Laid on table.

SCRUTINY OF ACTS AND REGULATIONS COMMITTEE

Alert Digest No. 17

**Mr O’DONOHUE (Eastern Victoria) presented
*Alert Digest No. 17 of 2012, including appendices.***

Laid on table.

Ordered to be printed.

ECONOMY AND INFRASTRUCTURE REFERENCES COMMITTEE

Commonwealth payments to Victoria

Ms PULFORD (Western Victoria) presented final report, including appendices, together with transcript of evidence.

Laid on table.

Ordered that report be printed.

Ms PULFORD (Western Victoria) — I move:

That the Council take note of the report.

The Economy and Infrastructure References Committee is pleased to present its second report.

Honourable members interjecting.

Ms PULFORD — I heard some interjections a moment ago from my fellow committee members who said it is a great committee.

An honourable member — You work hard.

Ms PULFORD — We do work hard, yes.

At the outset I would like to thank committee members and committee staff for their work throughout the year on this subject. We are indebted in particular to Robert McDonald, Vicky Delgos, Sean Marshall and Anthony Walsh for their assistance in a highly technical and specialised area of inquiry. I would also like to thank the Assistant Treasurer, Mr Rich-Phillips, for twice attending to assist the committee in its consideration of this subject.

Our committee's work has to date reflected the government's ongoing interest in commonwealth-state funding arrangements. Our first inquiry related to matters of federal health funding, which are largely beyond the realm of the Victorian government administration, and this inquiry sought to ascertain whether Victoria receives an adequate share of commonwealth funding; however, the government's terms of reference restricted our focus to national partnership payments and local government financial assistance grants. These payments represent only around 20 per cent of commonwealth payments to Victoria.

This being the case, it has been difficult to draw meaningful conclusions. The committee sought to examine partnerships without being able to consider one-half of the partnership equation — that being Victoria's responsibility under various commonwealth-state funding agreements. The committee noted that while the Victorian government argues for per capita funding from the commonwealth, it in no way seeks to apply this argument to the distribution of funds to Victorian local government, which is undertaken by the Victoria Grants Commission — something that unlike much of the subject of our terms of reference is actually within the power of the Victorian government.

The committee makes eight recommendations; seven of these propose ongoing monitoring of commonwealth payments, ongoing participation in Council of Australian Governments forums and the GST review, and representation of Victoria's interests in the national debate about the structural reform of commonwealth payments. Hopefully most of this is already occurring, given commonwealth payments comprise around half of the Victorian budget.

However, I would like to place on record my disappointment that the government's submission to the inquiry was late and was leaked to the media prior to the committee's receipt of it. It was reported extensively and quoted in the *Australian* of 2 July before the committee had had an opportunity to consider it. I do not intend these comments to be in any way a reflection on my fellow committee members but rather the conduct of the Treasurer and his disregard for the work of our committee in undertaking this inquiry.

I note that the terms of reference for our committee's next reference are indeed so close to the work undertaken for this report that it may well have been dispatched within this report had we had that reference before this day. I urge the government to treat these committees with greater respect both in its referral of references and in enabling them to undertake their work without being undermined by the executive. Our committee does work well and cooperatively, and I believe that the government could put it to better use.

The question of state-commonwealth financial relations is complex. A one-size-fits-all approach has advantages and disadvantages for Victoria that vary across different areas of government responsibility. As Victorian MPs we would all like a larger share of the pie for our constituents. The inquiry has occurred at an interesting time in commonwealth-state funding history, as commonwealth stimulus spending has been winding down from the extraordinary circumstances that arose from the global financial crisis and the commonwealth's response to safeguard the national economy. Members of our committee learnt, as many members already know, that arguments about federal-state funding are as old as Federation and have been particularly pointed since the commonwealth took away income tax powers during the Second World War.

Mr Lenders interjected.

Ms PULFORD — They hung on to them, Mr Lenders.

This report is the best we could do with the limited and quite selective terms of reference we were given. I expect that it is unlikely to resolve all questions that arise in relation to Australia's very high rate of vertical fiscal imbalance and unlikely to provide a timeless solution to the ongoing challenge of horizontal fiscal equalisation, but in any event I would like to commend it to the Parliament.

The PRESIDENT — Order! Before calling Mrs Coote I will just take up from the point of view of

the Chair what Ms Pulford brought to my attention — that is, the leak of a submission that was made to the committee ahead of the committee meeting to consider the submission. I must say that I took a dim view of that. I was most concerned — and I am always concerned — about submissions that are requested by committees that find their way to the media before they are considered by the committee and before the committee is given a chance to determine a course of action, which might well be to publish those submissions on a website and make them publicly available, or which might be to seek some other information to the advantage of the committee's work and perhaps protect the government or whichever organisation has provided that submission.

It occurs to me that there is a question about the protection of those submissions under parliamentary privilege, and that there is a significant discourtesy to the committee and to the Parliament when a submission is made available to the public by way of a media release before it is even tabled by the committee. There is a protocol in place that has been established by government for handling such submissions. The leaking of these documents is not in accordance with that protocol.

There is a risk when information is leaked ahead of time, and it is certainly a discourtesy to the committee concerned and to the Parliament itself. In a number of cases I have sought, and the Speaker has sought independently, to establish why these leaks have occurred. I have been advised by the Auditor-General that he expects that proposed amendments to the Audit Act 1994 might address and clarify people's responsibilities under the protocols and the ambit of parliamentary privilege a little more clearly so that everybody understands just how important these documents and the references to these committees are.

I do share that viewpoint. I raise it not in order to intervene in the debate on the take-note motion, which will not be truncated by these remarks at all, but to make the point that there is serious concern about matters where information is leaked.

Mrs COOTE (Southern Metropolitan) — I too would like to speak on the Economy and Infrastructure References Committee's report on its inquiry into commonwealth payments to Victoria. I praise the chair, Jaala Pulford, and indeed all of the committee. This is a committee that works cooperatively, and this report is further proof of that. I would like to commend Robert McDonald for his excellent work on this quite complex report, and I too would like to put on the record my praise for Gordon Rich-Phillips, who attended our

committee and provided a lot of very professional information, which certainly helped us to compile this report.

There are 8 recommendations in this report and 17 findings. It will come as no surprise at all for this chamber to understand that the vertical fiscal imbalance between the state of Victoria and the commonwealth is askew in many instances; red tape and time-consuming anomalies are hallmarks of so many of these national partnerships.

Something that is pertinent today that I would like to highlight in the short time I have is the issue of local road grants. The committee looked into the federal assistance grants to local government, and the statistics are particularly interesting. Road funding was actually not part of our primary reporting charter, but in fact it was extremely interesting to look into a report that was done by this Parliament's Road Safety Committee, which said in its report on its inquiry into road funding:

Vertical fiscal imbalance has had a particularly negative effect on roads in rural, regional and remote areas where many roads are literally crumbling as a result of years of inadequate funding.

Our committee's finding 14 was that:

Victoria's share of local road grants is fixed at 20.6 per cent, a substantially smaller proportion than Victoria's population share of 24.8 per cent. The basis for distributing these road grants is outdated and in need of review.

Mr FINN (Western Metropolitan) — I rise to speak on this particular report, as tabled by Ms Pulford. I congratulate the staff of this committee, in particular Robert McDonald, who has been able to ease us through some very difficult issues that have been hard to grasp for some of us.

Mr Ramsay interjected.

Mr FINN — More than one of us, I think, Mr Ramsay. Quite a few of us were a little bit perplexed from time to time by some of the issues that were raised. It is a credit to the other members of the committee as well as the staff, who were able to put together a report that has put forward some degree of a solution to the issues we have in this area.

At the end of the day, without putting too fine a point on it, we have to say that Victoria is being ripped off by the federal government. I do not think there is any doubt about that. We are being ripped off in a number of ways. Even though the Prime Minister comes from Victoria and she says she is a proud Victorian, supposedly — —

Mr Elsbury interjected.

Mr FINN — Mr Elsbury says she is a South Australian, and South Australians will vigorously deny that. She says she is a Victorian, but she is leading a government that is ripping Victorians off. It does not matter whether it is transport or taxes of various sorts, we are not getting our fair share from the federal government, and you have got to wonder why. You have got to wonder why the Prime Minister of this country would be ripping off the state she is supposed to represent. I wonder if it is a result of what happened two years ago today when the Labor Party was turfed out of government in this state. As we know, the Prime Minister is not beyond vindictiveness, and I think in this particular instance she is showing plenty of it.

Ms BROAD (Northern Victoria) — I wish to make some remarks on the report of the Economy and Infrastructure References Committee on commonwealth payments to Victoria. I note that the Secretary of the Department of Treasury and Finance was crystal clear in his statements to the committee that Treasury was not responsible for leaking the Victorian government's submission. It is fair to say that the dedicated followers of the issue of vertical fiscal imbalance will not find any great surprises in the findings and recommendations in this report.

It is also fair to say that the committee was not knocked down with a rush of submissions after it was provided with terms of reference to inquire into the adequacy of commonwealth recurrent funding to Victoria, including via national partnership payments and financial assistance grants to local government. There were three submissions from local government, a submission from the Victorian Grants Commission and one from the Australian National Audit Office. Despite this, the Leader of the Government in this place, Mr Davis, apparently wants to make a further reference to the committee on the subject of the adequacy of national partnership payments, and it will be interesting to hear his explanation as to why he thinks that is a good place to go to.

It was necessary for the parliamentary staff of this committee to do an enormous amount of work due to the lateness of the Victorian government's submission and the assembling of Victorian government survey responses. It was unfortunate that that was necessary. I particularly acknowledge the tremendous amount of work done by parliamentary staff due to failings on the part of the Victorian government.

Mr RAMSAY (Western Victoria) — I would also like to contribute to the debate on the motion to take note of this report. I congratulate my fellow committee members who were involved in tabling the eight recommendations in the report. Firstly, I thank the

Assistant Treasurer, Gordon Rich-Phillips, who made himself available twice to this committee. I also thank Robert McDonald and his staff for their professional presentation of the report.

As Mrs Coote said, the report has eight recommendations and a number of findings — I think there are 17. As the chair of the committee, Ms Pulford, said, most of those recommendations were fairly light in that they talked about monitoring, analysing and seeking further information et cetera. It gave us an opportunity to look at the potential contribution from both the commonwealth and state governments in relation to tax. As Mr Finn said, it became apparent during the committee's work that the commonwealth is underfunding Victorians, particularly in its contributions to national partnership grants and road funding arrangements.

Members of the Economy and Infrastructure References Committee need to be commended for allowing Council members to leave early on Wednesday nights so that the committee could sit. In fact on a number of Wednesday nights, when most members of this chamber were tucked up in bed, committee members were diligently working on the report. We tabled it on time, and I congratulate the chair on that. This report creates an opportunity for us to in the future look at the significant tax reforms that are required in relation to further commonwealth-state funding arrangements.

Motion agreed to.

PAPERS

Laid on table by Clerk:

Crown Land (Reserves) Act 1978 — Minister's Order of 12 November 2012 giving approval to the granting of a licence at Sandringham Beach Park Reserve.

Interpretation of Legislation Act 1984 — Notice pursuant to section 32(3)(a)(iii) in relation to Statutory Rule No. 115.

Planning and Environment Act 1987 —

Cardinia Planning Scheme Amendment C165.

Notices of Approval of the following amendments to planning schemes:

Ballarat Planning Scheme — Amendments C143 and C146.

Brimbank Planning Scheme — Amendments C53 Part 1, C116 and C141.

Corangamite Planning Scheme — Amendment C30.

Darebin Planning Scheme — Amendment C105.

Gannawarra Planning Scheme —
Amendment C26.

Greater Dandenong Planning Scheme —
Amendment C133.

Greater Shepparton Planning Scheme —
Amendment C163.

Hobsons Bay Planning Scheme —
Amendment C91.

Hume Planning Scheme — Amendment C174.

Latrobe Planning Scheme — Amendment C80.

Macedon Ranges Planning Scheme —
Amendment C81.

Maribymong Planning Scheme —
Amendment C93.

Melbourne Planning Scheme —
Amendment C172.

Melton Planning Scheme — Amendment C81.

Moonee Valley Planning Scheme —
Amendment C123.

Nillumbik Planning Scheme — Amendment C79.

Stonnington Planning Scheme —
Amendment C154.

Swan Hill Planning Scheme — Amendment C45.

Towong Planning Scheme — Amendment C24.

Warrnambool Planning Scheme —
Amendment C85.

Whittlesea Planning Scheme —
Amendment C159.

Wyndham Planning Scheme —
Amendments C121, C147 and C166.

Yarra Planning Scheme — Amendment C158.

Subordinate Legislation Act 1994 —

Documents under section 15 in respect of Statutory Rule
No. 126.

Legislative Instruments and related documents under
section 16B in respect of —

Amendments to the Greyhounds Australasia Rules
made under the Racing Act 1958.

Amendments to the Greyhound Racing Victoria
Local Racing Rules made under the Racing Act
1958.

Notice of 25 October 2012 of Lord Mayoral,
Deputy Lord Mayoral and Councillor Allowances
Alteration — Melbourne City Council under
section 26A(3) of the City of Melbourne Act 2011.

Notice of 25 October 2012 of Mayoral and
Councillor Allowances Adjustment under
section 73B(4) of the Local Government Act 1989.

Notice of 25 October 2012 of Mayoral and Deputy
Mayoral Allowances Alteration — Greater
Geelong City Council under section 13(3) of the
City of Greater Geelong Act 1993.

Water Act 1989 — Loddon Highlands Water Supply
Protection Area Groundwater Management Plan, September
2012.

**Proclamations of the Governor in Council fixing
operative dates in respect of the following acts:**

Associations Incorporation Reform Act 2012 — Remaining
provisions — 26 November 2012 (*Gazette No. S384,
20 November 2012*).

Australian Consumer Law and Fair Trading Act 2012 —
Remaining provisions — 26 November 2012 (*Gazette
No. S384, 20 November 2012*).

BUSINESS OF THE HOUSE

General business

Mr LENDERS (Southern Metropolitan) — By
leave, I move:

That precedence be given to the following general business
on Wednesday, 28 November 2012:

- (1) the notice of motion given this day by Mr Lenders
relating to election commitments made by the
government;
- (2) order of the day 6, the second reading of the Tobacco
Amendment (Smoking in Outdoor Areas) Bill 2012;
- (3) the notice of motion given this day by Mr Pakula
referring a matter to the Law Reform Committee
relating to access-to-justice matters;
- (4) notice of motion 478 standing in the name of Mr Tee
relating to a planning decision made by the Victorian
Civil and Administrative Tribunal and referring the
matter to the Environment and Planning References
Committee;
- (5) order of the day 1, resumption of debate on the second
reading of the Alcoa (Portland Aluminium Smelter)
(Amendment) Act Amendment Bill 2012;
- (6) the notice of motion given this day by Ms Pennicuik
relating to the production of documents in relation to
dredging in Port Phillip Bay; and
- (7) the notice of motion given this day by Mr Barber
relating to the production of documents in relation to the
reformed zones for Victoria review.

Motion agreed to.

MEMBERS STATEMENTS

Werribee employment precinct: development

Mr ELSBURY (Western Metropolitan) — I rise this afternoon to state that it was with great pleasure that I went out to Werribee on Tuesday last week to hear a series of announcements relating to the East Werribee employment precinct. The Premier, Ted Baillieu, the Minister for Planning, Matthew Guy, and the Minister for Agriculture and Food Security, Peter Walsh, were all there to announce that this project will bring 50 000 jobs into the city of Wyndham. Seven thousand dwellings will be included in this project, which will create a new city centre for Melbourne's new west. It also includes a \$40 million interchange at Sneydes Road onto the Maltby bypass, a project for which this government went to the federal government to seek support but which was duly ignored by the Prime Minister, Ms Gillard, and her party.

Aaron Lane

Mr ELSBURY — I would also like to take this opportunity to congratulate Mr Aaron Lane on being elected president of the Young Liberal Movement for the next 12 months. May he have as much enjoyment in that role as he did being the president of the Deakin University Liberal Club, of which I was president back in my university days.

Movember

Mr ELSBURY — I would also like to remind members of the house about Movember. This is not a fashion statement sitting on my face; it is about raising money for very important issues relating to men's health, including prostate cancer, and also men's mental issues.

Child abuse: federal royal commission

Mr EIDEH (Western Metropolitan) — I wish to praise the Prime Minister of Australia, the Honourable Julia Gillard, for announcing a royal commission into child abuse. It is hard to imagine a more disgusting crime than molesting children, and I know that absolutely every member of this house would agree with me. I also wish to praise the Premier of Victoria, the Honourable Ted Baillieu, for publicly supporting the inquiry and stating that our own cross-party inquiry will continue. As Victorians and Australians we must fully support honest and open inquiries that will hopefully work towards putting a stop to such evil and identify the guilty while also giving some closure and some hope to their victims.

Having just celebrated this year's White Ribbon Day, obviously we all need to extend that oath to never staying silent on, never excusing and never covering up violence towards children. Children are powerless to defend themselves against large, powerful adults. They also rarely see the evil in someone's eyes until too late. They believe in trusting, just as they have an urge to be loved. That is why we in this house and in the other place must always consider the safety of children in everything we do and why we must do all we can to support both the Victorian inquiry and the federal royal commission, leaving no stone unturned so that we can arrive at the truth.

Deliver Us from Diesel rally

Ms HARTLAND (Western Metropolitan) — This morning I was to have attended a rally organised by the Maribyrnong Truck Action Group (MTAG) and called Deliver Us from Diesel. It had to be cancelled because of the incredibly bad weather, as organisers were concerned about safety. However, the rally is clearly going to be reorganised, and when it is reorganised I will be with the residents at that rally. Basically people in the inner west are clearly saying to the government that they are no longer prepared to put up with the amount of diesel fumes that go into the atmosphere every day.

Mr Elsbury interjected.

Ms HARTLAND — They are concerned about their own health and the health of their children. This health matter is one that has clearly been ignored by the government. I have asked the minister on a number of occasions to look at the effects of diesel in the inner west, and he has chosen to ignore that. I would suggest to Mr Elsbury that, rather than yelling at me across the chamber, he actually come and speak to people in the inner west and that he actually engage with those people and try to come up with a solution.

Mr Elsbury — On a point of order, Acting President, the member is making an assertion that I do not communicate with those in my electorate, and I wish her to withdraw.

The ACTING PRESIDENT (Ms Crozier) — Order! That is not a point of order.

Ms HARTLAND — People in the inner west are seriously concerned about their health, and if Mr Elsbury would like to come and talk to MTAG, I would be happy to organise that for him.

South Eastern Metropolitan Region: multicultural organisations

Mrs PEULICH (South Eastern Metropolitan) — My apologies, Acting President; I was hoping to receive my 90-second statement on the email system, but regrettably, due to bad weather I think, the computer is down, so I will improvise.

I first of all make mention of some of the wonderful work that is undertaken by our multicultural organisations across the south-east. In particular, with the Premier I had the pleasure of attending the Diwali festival at the Carrum Downs temple, which was witnessed by thousands of devotees. It was a wonderful event, and it is great to see such a strong organisation thrive. The organisers raised a couple of transport issues, including the need for a crossing close to the temple, and I will certainly will be taking that up on their behalf to make sure that it is safe for attendees and devotees to attend.

I also had the privilege of attending the Diwali festival at Sandown Park and a number of Diwali festivals across the rest of the region, including attending in Springvale with the Tamil Senior Citizens Fellowship Victoria. I congratulate all those who put in an enormous amount of work on behalf of their communities on doing so, on looking after their communities and also on engaging the broader community — members of Parliament, councillors and so forth — to make sure that the rich traditions of our multicultural communities are shared more widely. They make a positive contribution to the strength and diversity of our community, in particular in the south-east, which I am very privileged to represent.

Higher education: TAFE funding

Ms TIERNEY (Western Victoria) — The Shire of Surf Coast recently made a submission to the Victorian Parliament's Economic Development Infrastructure Committee as part of its inquiry into local economic development initiatives in Victoria. A number of local councils made submissions detailing their views on assistance measures and barriers to economic development and infrastructure in their region. The Surf Coast shire made it a particular point to outline the detrimental impacts the Baillieu government's callous funding cuts to the TAFE system are having on the shire and on regional Victoria. The Surf Coast shire submission states:

The reduction in training programs through TAFE is considered a major blow to small business growth and reduces the opportunity for business to train employees, especially in an age of innovation and technology. A stronger

focus on education is necessary, not only for employees but also for business owners ...

The shire's submission tells a story that is being felt right across the state, and echoes are loud and clear from all sectors of the community. It is only those on the other side who are not listening. The member for South Barwon in the Assembly, whose electorate covers part of the Surf Coast shire, was recently quoted in the *Geelong Times* in an article headed 'The member for soft news'. Responding to the TAFE cuts he is quoted as saying:

...funding cuts to courses such as personal training and aromatherapy were necessary as 'We're matching training where there are job vacancies'.

I suggest the member for South Barwon read the shire's submission to understand the disastrous impacts this decision is having on the South Barwon electorate rather than sticking his head in the sand and pretending that these cuts will affect only a few courses, like personal training and aromatherapy.

Baptcare Sanctuary: Preston facility

Mr ONDARCHIE (Northern Metropolitan) — On Tuesday, 20 November, it was my absolute pleasure to officially open the Baptcare facility in Preston, which provides support for asylum seekers arriving legally in Australia as an alternative to being housed in detention centres. The Baptcare Sanctuary supports primarily male asylum seekers and provides transitional supported accommodation whilst they await the outcome of their applications for protection visas.

I have been a proud supporter and member of the Baptist community for many years, and the wonderful work that has been done by so many members of the community in Preston to support this project makes me delighted.

As hundreds of asylum seekers are released into the Australian community with little support, the services offered by Baptcare provide residents with on-site case management, spiritual care, material aid, referral to legal advice and other essential services. Residents are supported to address emotional, psychological and practical challenges they may encounter. The aim overall is to empower each resident to live independently in our community in Melbourne's north.

I would specifically like to thank and acknowledge Peter Francis, the Baptcare board chair; Graham Dangerfield, the chief executive of Baptcare; Sharron Kotz, who is the Sanctuary chaplain for Baptcare; Martyn Shaddick, the Baptcare Sanctuary program manager out there at Preston, who does a wonderful

job; and Marita Scott, general manager of family and community services at Baptcare, who is well respected in the community for both her business acumen and her pastoral heart. The work of the volunteers who support Baptcare should not go unrecognised, and I also thank them for their tireless work in supporting such a worthwhile endeavour. God bless them.

Minister for Racing: performance

Hon. M. P. PAKULA (Western Metropolitan) — Last Friday, Racing Victoria's chief steward, Terry Bailey, called for greater integrity powers in almost identical terms to the position the state opposition has been urging the government to adopt for months. Chief Steward Bailey has indicated that Victoria Police needs to be able to share with racing officials information that it gleans during the course of other investigations. He also called for the ability to regulate unlicensed persons, saying that those who made a living from racing should abide by racing's rules.

Now we have the outgoing CEO of Racing Victoria, Mr Hines, on the public record, the chief steward on the public record, Dayle Brown on the public record, the state opposition on the public record via its policy announcement of 2 September and a host of racing identities privately stating that these changes ought to be a no-brainer. When the Leader of the Opposition expressed that view last sitting week, the Minister for Racing, rather than conceding that perhaps he should have done something, responded with his typical spiteful, arrogant, dismissive vitriol. It is little wonder that Patrick Smith, in his column headed 'Minister froze when the heat turned up', said that Dr Napthine 'acts more like the sport's mascot than its leader', that he is — and I will paraphrase here — attempting to cover his backside and that he 'should be stood down now'.

Bruce James Evans

Hon. P. R. HALL (Minister for Higher Education and Skills) — On Thursday of the last sitting week I attended the funeral of Mr Bruce Evans. I was able to do that only because of the courtesy extended to me by the opposition in arranging a pair, and I thank it for that.

Mr Evans, as was mentioned during condolences today, was the member for Gippsland East for 31 years, a remarkable period of time during which he served in a very productive and constructive way. Bruce Evans was first elected to Parliament in 1961 and he retired in 1992. I had the privilege of serving with him during my first four years and his last four years in this Parliament. Bruce taught me a lot about the way members of

Parliament need to conduct themselves, both in terms of representing their electorates and in parliamentary business. I served with Bruce on the Public Bodies Review Committee during the years we spent together.

Bruce Evans was a remarkable man in many ways. He served his country in the Royal Australian Air Force between 1943 and 1946. He was also a person who looked to the future. I recall that he was the first member of Parliament to actively use a personal computer in the operations of his electorate office and that he formed the Parliament of Victoria branch of the Melbourne PC User Group.

He was a dairy farmer who was born and bred and lived all his life in Lindenow. His life was celebrated at the Lindenow community hall Thursday week ago. Again I am sure that I speak on behalf of all members when I extend condolences to Bruce's six children and their families.

Government: performance

Ms PULFORD (Western Victoria) — This time two years ago we had only an hour to go before the polls closed on election day 2010. On that day two years ago Victorians were sold a pup. There are so many areas in which this government has said one thing in opposition and done another in government that it would not be possible with even the speediest of talking to cover them in 90 seconds. I will just indicate three from the hall of fame that really go to the question of the Premier's integrity and honesty.

On 19 November 2010 the Premier, Mr Baillieu, said that the coalition opposition was really going to get debt under control. Indeed, around the time of the state budget in 2009 Mr Baillieu warned — —

Mr Finn — On a point of order, Acting President, I seek your guidance and advice. My understanding is that today notice was given of a motion that will be placed on tomorrow's notice paper. It seeks debate on the very matters that Ms Pulford would appear to be raising in her members statement now. I ask you to give me and the house guidance as to whether she is breaching the rule of anticipation, given that today notice has been given of that motion to be placed on the notice paper.

Mr Elasmarr — On the point of order, Acting President, I think the ruling Mr Finn is talking about has been on matters raised during question time, not in members statements.

The ACTING PRESIDENT (Ms Crozier) — Order! Ms Pulford can continue. Members can make

incidental reference to issues that will be raised. There is no point of order.

Ms PULFORD — Obviously government members are a little bit sensitive about being reminded the before and after the election contrast. Mr Baillieu warned that if Victorians did not elect the coalition our debt would reach 10 per cent of GSP (gross state product). What he did not warn Victorians of was what would be the impact of electing a coalition government. Indeed the consequence of that has been that Victorian debt as a percentage of GSP is now well over 20 per cent.

I refer also to the ironclad promise around public sector employment. Two years ago yesterday, the day before the election, Mr Baillieu said that there would be:

... absolutely no reduction in public servants. I am not going to cop this line from the Labor Party.

The ACTING PRESIDENT (Ms Crozier) — Time!

Planning: Point Cook

Mr FINN (Western Metropolitan) — I rise to congratulate and most warmly thank my friend and colleague the Minister for Planning, Matthew Guy, for his efforts in solving the problems faced by the people of Point Cook. As has already been pointed out by Mr Elsbury, last week the Premier, the Minister for Agriculture and Food Security, Mr Walsh, and Mr Guy visited Werribee — both Mr Elsbury and I were also there — for some exciting announcements about new developments in and around Werribee, including a new suburb, which is an exciting event in itself. Perhaps something that trumps that is the employment precinct, which will bring some 50 000 new jobs to that section of the west of Melbourne.

But the thing that really grabbed my attention and particularly made me excited for the people of Point Cook is the Sneydes Road interchange. This is a \$40 million project which has been needed for many a long year. This project will be a godsend for the residents of Point Cook.

I should point out that the former Labor government had allowed Point Cook to develop without any proper infrastructure at all. As a result, thousands of people in Point Cook face gridlock every morning. It is not unusual for them to face an hour trip or more just to get onto the Princes Freeway, and we know how hard that can be at that particular point. I am delighted to say that we have been working with the Minister for Planning, Mr Guy, to overcome Labor's legacy. I believe we are well into the process of doing that, and I assure the

people of Point Cook that the coalition government is working for the west.

City of Banyule: council elections

Mr ELASMAR (Northern Metropolitan) — On Monday, 7 November, I had the pleasure of attending Banyule City Council's swearing-in ceremony for the newly elected councillors. I congratulate all the successful candidates on their electoral success and wish them all the very best for their term of office. I took the opportunity to mingle and talk to Banyule residents who were present on the night. I thank the Banyule CEO and councillors for their kind invitation.

Gene Davis

Mr ELASMAR — On 14 November, along with several parliamentary colleagues, I attended the farewell morning tea for Mr Gene Davis, the former manager of VicFleet. Gene was a well-known, friendly face to all of us, especially when we needed assistance with our vehicle requirements. I wish him all the very best in his new endeavours.

Darebin community health centre: annual general meeting

Mr ELASMAR — On Saturday, 17 November, I attended the Darebin community health centre's annual general meeting. There were a large number of people in attendance, and the atmosphere was very friendly. I congratulate the health centre board, its CEO, Mr Jim Killeen, and his management team on doing a great job of caring for the health and wellbeing of the disadvantaged and elderly within the city of Darebin.

White Ribbon Day

Mr SCHEFFER (Eastern Victoria) — I commend the Victoria Police Chief Commissioner, Ken Lay, on his White Ribbon Day speech last Friday. On White Ribbon Day men reflect on violence against women and recommit to acting against such violence whenever and wherever it occurs. It is difficult to understand the men who perpetrate horrendous, misogynist crimes, but we know that every day so-called normal men fail to see the implications of their actions — when they crowd out women in conversation, when they tolerate their objectification through so-called jokes and images that denigrate or infantilise them, when they demean women belonging to other cultures and when they deny respect for women in authority on the basis of their gender.

Men must refuse other men permission to get away with these behaviours because they normalise the

prejudices that validate misogyny and ultimately the violent abuse of women. The extreme horrors that men perpetrate on women reveal a deep malaise that goes to the root of male identity manifesting itself in all cultures and in all classes. The extent of the violence is difficult to comprehend — 1 in 3 women have experienced physical violence since the age of 15; nearly 1 in 5 women have experienced sexual violence since the age of 15; and 16 per cent of women have experienced violence by a current partner or previous partner since the age of 15.

White Ribbon Day invites men to speak out against family violence in a bid to both expose the extent of abuse and to press men who perpetrate these outrages to stop their violence.

Minister for Children and Early Childhood Development: performance

Ms MIKAKOS (Northern Metropolitan) — In the two years that the Baillieu government has been in office, the Minister for Children and Early Childhood Development, Wendy Lovell, has officially opened 29 early childhood projects in this state, each one of which was funded by the Brumby Labor government. I also note that the minister has now taken to claiming credit for allocating federal money. Minister Lovell might enjoy the spotlight that comes with cutting ribbons, but Victorian families need a children's minister who is prepared to invest in early childhood services herself. This is a do-nothing government where early childhood services are built by Labor and opened by Minister Lovell.

School Focused Youth Service: future

Ms MIKAKOS — I also want to express my concerns at the Baillieu government's plan to axe the School Focused Youth Service program, an early intervention support program that helps thousands of vulnerable young people at risk of suicide and self-harm. This program helps young people experiencing issues such as mental illness, family dysfunction and bullying and connects them with important counselling services, drug and alcohol services, homelessness services and other important community supports. A recent YACVic report highlighted the frustration of young people at ineffective policies to combat bullying and antisocial behaviour at school. Much needs to be done to improve support to our young people, particularly our vulnerable young people. Cutting support services is not one of them.

FKA Children's Services: 103rd annual general meeting

Ms MIKAKOS — On 21 November I was pleased to attend and speak at the FKA Children's Services 103rd annual general meeting. This organisation has a longstanding history in the provision of early childhood services and responding to emerging needs — —

The ACTING PRESIDENT (Mr Finn) — Order! The member's time has expired.

CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES) (ENFORCEMENT) AMENDMENT BILL 2012

Second reading

Debate resumed from 15 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Hon. M. P. PAKULA (Western Metropolitan) — It gives me pleasure to rise to speak on the Classification (Publications, Films and Computer Games) (Enforcement) Amendment Bill 2012 and to indicate that the opposition does not intend to oppose the bill. There is a possibility that we will interrogate some matters in committee.

Mrs Peulich interjected.

Hon. M. P. PAKULA — No, interrogate, Mrs Peulich, although as I have indicated to government speakers, if the matters are addressed during their contribution, that might not be necessary. But if Mrs Peulich keeps provoking me, I might change my mind.

This is a slightly unusual bill to the extent that it was never, I suppose, within my contemplation that this Attorney-General would bring forward a piece of legislation to allow more graphic, more violent and more gratuitous computer games than we currently have on the market, but that is exactly what has occurred.

There is, however, a reason for that. As members know, for a reasonably long period of time now there has been a Council of Australian Governments process to try to get interstate agreement around the classification of R 18+ computer games. As members also know, there are already R 18+ movies. At the moment the MA 15+ classification is the highest category of computer game allowable, and if a computer game goes beyond the constraints of the MA 15+ criteria, it is refused

classification, and that has meant that a number of slightly more graphic computer games have been refused classification or have been modified from their original form to allow them to be sold in Australia. For a long period of time this has been a matter of extreme interest to the gamer community — if I can call it a community — and this bill is the culmination of those national conversations that have been going on.

The bill also allows law enforcement personnel to securely transmit child pornography and other objectionable material to national intelligence databases. At the moment that material cannot be transmitted over the web at all, which has meant that law enforcement agencies have had to physically transport the material. In terms of the ability of police to effectively implement law enforcement strategies in regard to that material, the ability to transmit that more efficiently is desirable provided there are appropriate safeguards, and I will come back to that later.

The bill has the effect of harmonising Victorian law with changes that have already been made in most other jurisdictions since the decision was made to introduce a new R 18+ classification category for computer games. That actual category was created by commonwealth legislation. There was a requirement at the time for states to implement corollary legislation, and some of the states of the commonwealth have already done so.

The national classification scheme goes back to the mid-1990s. It is overseen by the Australian government and state and territory censorship ministers, who effectively form a subset of SCAG, or the Standing Committee of Attorneys-General — attorneys-general are always grateful to have such a compelling acronym for their meetings. The Classification Board classifies films as well as computer games and the Classification Review Board approves those decisions. Both boards are independent statutory bodies. Once the state's attorneys-general and the federal Attorney-General were ultimately able to agree on a new classification for computer games it was inserted into the commonwealth act, and states and territories were allowed some discretion about whether to pass complementary legislation to enable its enforcement.

It is important to spend a bit of time understanding what will be included in the R 18+ classification. An impact test in the commonwealth's guidelines sets criteria which inform decisions of classification, and as I indicated earlier, if the impact test currently exceeds the MA 15+ standard, it is denied classification or, to use the technical term, refused classification. The R 18+ classification allows nudity, drug use, sexual simulation, violence and the implication of sexual

violence but applies no restriction on themes or language. The MA 15+ test essentially applies similar provisions to R 18+ but with elements which are 'justified by context' — the term used within the framework. The requirement of context prevents what might be described as gratuitous depictions.

It is reasonable to say that the move from MA 15+ to R 18+ will result in some more graphic scenes and some elements which are not necessarily justified by context as they are at the moment, and it will certainly allow for some games which are currently refused classification to be classified, albeit that as R 18+ games they will only be available for adults to purchase. I will come back to that in a moment because the nub of the opposition's concerns around the R 18+ nature of these games, and I suspect the nub of all Victorians' concerns, including members of the government, will be the extent to which access to these games by adults only is able to be enforced. That is the key. We fundamentally take the view — as does the government by virtue of the fact that it has brought this legislation forward — that if a grown-up wants to play these R 18+ computer games, that is a matter for adults.

But when it comes to the sale, display and advertising of these games the opposition sought some assurances during the departmental briefing and will be grateful for some further assurances today.

I will come back to this matter of objectionable material. As I have indicated, when child exploitation material is seized by police it has to be crosschecked with material stored in secure national databases, like the child exploitation tracking system and the Australian national victim image library. Right now our police cannot upload the images directly onto those databases, because — for very good reason — parts of the principal act prohibit the transmission or publication of such material. I think we all understand why the principal act contains such a prohibition.

In effect what that means for law enforcement purposes is that police have to view those images manually and then they have to physically transport that material to federal police and to the database administrators. The effect of this bill is that it exempts law enforcement officers and agencies authorised by the chief commissioner from that prohibition. We again sought assurances from the department that the exemption must only apply when authorised persons transmit that material for appropriate law enforcement purposes and not for any other purpose.

In terms of the concerns raised by members of the opposition — concerns that we have indicated to the

government that we seek some comfort on — the first is that safeguards need to be put in place at the point of sale of such material to ensure that minors are not exposed to these games. It is quite likely that such games will be on sale at major retailers. I am not going to give those retailers a free advertisement in the house, but major retailers routinely sell computer games, and in certain circumstances — or quite often in fact — the staff at those retail premises are themselves not able to purchase R 18+ games because some of them are younger than 18 years of age.

In those circumstances we seek from the government some explanation of how the prohibition on the sale or display of these games to minors will be implemented and enforced. None of us wants 15-year-old or 14-year-old children being able to easily access any of these games, take them up to a counter where they are served by a 16-year-old or a 17-year-old and then disappear into Southland or Chadstone with their computer game. I think the government understands that the opposition seeks some explanation of how that prohibition — which we acknowledge is in the bill — will work.

Secondly, there is the nature of the extreme content of some computer games. Some computer game manufacturers — and I use the term ‘manufacturers’ quite loosely — seek to place in these computer games extreme sexual violence, paedophilia and the like, and such computer games must continue to be refused classification. We understand from the departmental briefing that it will be the case that such games will continue to be refused classification, and we seek further assurance in that regard.

Thirdly, opposition members seek some understanding of the regime around the advertising of these games to ensure that R 18+ games will not be advertised, particularly in the electronic media, at times when minors are likely to be watching TV and that the advertising of games targeted at grown-ups should only occur, if at all, at times when only grown-ups are watching television. Fundamentally these are the undertakings or explanations that opposition members seek from the government.

Finally, let me say in regard to the law enforcement exemption that I made the point earlier that that exemption must not be able to be misused. The amendment limits the exemption to officers exercising the duties of law enforcement. The government has assured the opposition that that limit will be sufficient to prevent abuse from anyone who might be badly motivated, and I think it is important that that assurance

be reiterated as the bill goes through the second-reading stage.

Lastly — and really lastly this time — I think that while we are debating a bill which will allow into the community a new cohort of violent computer games, it should be acknowledged that violent crime is on the rise. Even now, and despite this government’s tough-on-crime rhetoric, recidivism is not just on the rise but is budgeted to rise in the state government’s 2012–13 budget. This is happening in an environment where we are seeing TAFE funding and the education maintenance allowance cut. We are also seeing the numbers of public servants cut and savings imposed upon Victoria Police.

All of those savings are being channelled into the building of a new prison, so one would hope that in those circumstances violent crime and recidivism would be going down, but that is not the case. Offences for drug possession and use have increased by over 27 per cent; offences for aggravated burglary have increased by over 16 per cent; and offences for handling stolen goods have increased by over 27 per cent. Motor vehicle theft is up, weapons and explosives offences are up, the incidence of arson is up and crimes of deception are up. At this time the statistics show that even the incidence of bicycle theft is up. I make those comments simply to expose the larceny at the heart of the government’s position on crime. This sort of ripping of money from vital services that might have the effect of making sure that young people have an alternative course in life, taking that money and putting it into jails at the same time — —

Mr O’Brien — On a point of order, Acting President, I have listened and I know that Mr Pakula is the lead speaker for the opposition and that there is bipartisan agreement about the merits of computer games classification at a national level, but I believe he is straying from the bill. I ask you, Acting Speaker, to wind up Mr Pakula’s contribution at perhaps the second-last point or to ask him to return to the bill.

The ACTING PRESIDENT (Mr Finn) — Order! I hear what Mr O’Brien has said, but we have received certain assurances from Mr Pakula that he is concluding very shortly. Unless I am under some misapprehension, that will happen very soon, so there is no point of order at the moment.

Hon. M. P. PAKULA — I appreciate your ruling, Acting President, as I know your desire is that members always stick exactly to the point of a bill or motion that is before the house.

To prevent any further points of order, I simply make the point that the opposition does not oppose this bill. I think I have been exceedingly clear on the assurances and undertakings we have sought during the briefing process and that we seek to have dealt with during the second-reading debate today. We do not object to the notion that if grown-ups want to play these R 18+ computer games, they should be allowed to do so. However, we want to ensure that this is limited to grown-ups rather than to children, because if we expose young members of our community to these sorts of violent and graphic images, you can bet London to a brick that the large rise in violence that we have seen over the last two years will only accelerate.

Mr O'BRIEN (Western Victoria) — I rise to support this bill and make a relatively brief contribution on it, given Mr Pakula's contribution. It is an important bill which is part of a national scheme in relation to the classification of R 18+ video games. The amendments of the bill are in two parts. The explanatory memorandum states that the amendments in the first part of the bill are to implement the decision of participating ministers in the national classification scheme to introduce a new R 18+ classification for computer games in Australia. The amendments in the second part of the bill insert an exemption for law enforcement personnel and authorised persons from certain offences prohibiting the online publishing or transmission of objectionable material and child pornography in the carrying out of those law enforcement activities.

Turning to the R 18+ classification for video games, I note that the opposition does not oppose the bill. Given that the bill is part of a national classification scheme and that the federal Attorney-General's department will in a sense coordinate the implementation of the scheme, one would hope that would be the case. I also seek to address in my contribution some of the specific matters Mr Pakula has raised in relation to how the provisions of the bill will be carried out in this state.

In relation to R 18+ it is important to remember and put in context that the issue of regulation of material of any sort is a widely vexed issue both in this country and overseas. A very helpful briefing paper has been prepared by the library staff, and I commend them again for that work. The best starting point is perhaps the international context, and particularly the situation in the United States, where issues in relation to violence in films and video games have raised the most alarming community concerns. There is a debate about whether these violent videos are contributing to tragic events such as the Columbine massacre. Suggestions have been made about the extent to which the perpetrators of

such horrific crimes were influenced by either violent videos or — more particularly in that case — violent games.

This has been a hotly contested issue in America because of its constitutional Bill of Rights, which enshrines free speech as a constitutional guarantee. We do not have a bill of rights in this country. This is perhaps an example of the type of legislation that allows our sovereign parliaments at state and federal levels to regulate such activity with greater certainty than can be done in the United States, because we have the ability to engage in a parliamentary debate and decide where the best balance for free speech lies.

In this regard I refer members to the statement of compatibility that the Attorney-General tabled as an introduction to his second-reading speech on this bill, which provides a very helpful discussion of how this material comes to be regulated and how it does not conflict with the Victorian Charter of Human Rights and Responsibilities, including the rights of freedom of expression that are outlined in section 15. The reason I direct members to the statement of compatibility is that it refers to a recent Supreme Court decision in *Magee v. Delaney* [2012] VSC 407, which held, as stated on page 2 of this statement of compatibility, that 'not all exercises of freedom of expression are covered by section 15(2)' of the charter. The statement of compatibility goes on to state that, on the basis of the Attorney-General's view of this bill reflecting the view of the court in that case, freedom of speech 'does not cover expression in the form of damage to a third party's property or the threat of such damage, nor expression in the form of violence including sexual violence against persons, or the threat of such violence'.

If we had the Bill of Rights that the Americans have, this issue would be debated ad nauseam through the courts and as a result parliaments would not be able to legislate sensible pieces of legislation, so this is an example of the importance of not enshrining so-called rights of ambiguity into a constitutional Bill of Rights. More importantly, our Attorney-General has undertaken the task, as guided by the court, of ensuring that this bill complies with our Charter of Human Rights and Responsibilities, as has been confirmed by the Scrutiny of Acts and Regulations Committee report, which made no adverse comment in relation to these issues.

Returning briefly to the background of the bill, there has been extensive consultation by the classification branch of the federal Attorney-General's department with the community to gain support for this new classification, and this follows on from the Australian

Law Reform Commission's comprehensive review of the national classification system. The ALRC's recommendations were extensive and far ranging. They deal with the challenges raised by the media and modern, interactive computer environments, which are evolving all the time. The introduction of iPhones, Wii technology and other interactive technology is occurring at a fairly rapid rate. In relation to the need for regulators to keep up with it, it is important that we have a view to the future as to where this interaction will lead and that we seek to provide harmonisation and greater sensibility where possible.

The library research paper well canvasses the debate that has occurred in the community. Some church and other groups had strong feelings both for and against bringing the RA 18+ rating into the classification system. I again urge members to read that paper.

In summarising some points from the paper, it is noteworthy that the commonwealth Attorney-General's department received 58 437 valid submissions to its discussion paper by email, fax, post and from the retailer EB Games and the organisation Grow up Australia, which did some further work. The majority of respondents, 98 per cent, supported the introduction of an R 18+ classification for video games. One must always be careful with raw numbers from survey data, but of the submissions received from individuals, 26.9 per cent were received by the organisation Grow up Australia and 58.6 per cent were received by the retailer EB Games.

Of the submissions received from groups and organisations — community, church and industry groups — 53 per cent supported the introduction of an R 18+ classification and 47 per cent opposed it. Even within the church groups, where there was debate about whether to regulate this area, as the bill does, or just continue with the existing MA 15+ rating and leave the rest as RC or refused categorisation, support for the changes in the bill was marginally stronger.

Some people might not expect that some of these groups would hold the position they do in relation to supporting or opposing the bill. For example, the Sporting Shooters Association of Australia is reported on page 12 of the parliamentary library's research paper as opposing the introduction of an R 18+ category for video games. In its submission the association referred to research linking violent video games with aggressive behaviour, and cited examples of school shootings and massacres in which the perpetrators had later been found to have been influenced by video games and had obtained guns illegally.

That takes me back to the introductory comments I made about the tragedies that have occurred in America and the debate about the source of those problems. They have perhaps led to what some would say were unexpected submissions in relation to regulation generally. The sporting shooters are generally opposed to greater regulation, certainly in relation to guns control and the need for primary producers to carry on their activities. They receive a lot of support from members in this place, particularly coalition members, who support the right of farmers and sporting shooters to lawfully carry on their activities. They seek to home in on the problem with this violence in terms of the link between violent video games and violent films with aggressive behaviour.

Turning to the Attorney-General's review, the issue of the relationship between aggression and video games was considered in the review. The conclusion of the 50-page review was that research into the effects of violent video games on aggression was contested and inconclusive, so one is left to form one's own views. I take the view that there may well be correlation between the activities of some people who commit violent acts and the background material, including violent video games, but whether one can draw that link in any individual case would be very difficult to prove. That is a personal view. The ultimate view of the state and federal governments is that this area should be regulated. That is what this bill does, and that is something I support.

Finally, before I turn to the concerns raised by Mr Pakula, I have been concerned about my six-year-old son, Sam, and his growing gaming activity. He would have to be described as a gamer now — of very non-violent stuff — on his Nintendo and his Wii. He is otherwise a very active child. I have tried to keep him away from video games because I have seen hundreds of children at social functions spending a lot of time playing little hand-held video games instead of kicking the footy and doing other sporting activities. But within the space of a year, through his training at school in the use of iPhones and iPads, my son learnt how to download games and play them quite well. I have relented and purchased a Wii in the belief that it will at least involve some physical activity with his video games.

I do not mean to overpersonalise the issue. I just want to acknowledge that the concerns Mr Pakula raised are common concerns. We did not have iPhones, iPads and Wiis four or five years ago and the increasing level of activity on them is something we need to be very careful about in terms of the need for continual regulation as these technologies grow. We also need to

be careful of our behaviour as parents and the extent to which we allow our kids video activity — some of which is healthy and normal, but which can also become an addiction and perhaps an obsession.

An important consideration in relation to the bill — to in part answer some of Mr Pakula's concerns — is that the effective regulation of R 18+ video games will bring the classification of video games into greater conformity with the classification of films. Presently all content stronger than MA 15+ is in effect unregulated or refused classification. That is a difficult issue, but the reasons for that situation have been well spelt out. They include a tendency under the present regime for some makers of video games to edit out material that would be in a R 18+ category to enable it to conform with MA 15+ requirements when that is not appropriate. Rather than have this practice continue, and it occurs lawfully under the current legislation, it is better that this material be directly regulated under the new R 18+ guidelines.

The final thing I will say on this important point is that in the correlation between films and games as set out in the guidelines — and it is helpful to refer members and people observing the debate to the guidelines — there is a particular concern about the interactivity level of computer games. There is a belief that a greater level of regulation is required for computer games than for films. There needs to be greater sensitivity with games. The guidelines state:

Interactivity is an important consideration that the board must take into account when classifying computer games. This is because there are differences in what some sections of the community condone in relation to passive viewing or the effects passive viewing may have on the viewer (as may occur in a film) compared to actively controlling outcomes by making choices to take or not take action.

I will return to the Wii example. I am reminded of a barbecue recently held by my electorate officer, Richard Troeth, at which he engaged in a singing interaction with his Wii machine. It was a Robbie Williams song about angels. I would have refused the song classification on the basis of it being offensive to my ears, but it was passionately sung by Mr Troeth, and ultimately he did a fantastic job. However, the relationship between human beings and computers, with developments like the Wii et cetera, is going to continually evolve, and we need to be careful that activities remain carefully regulated with the appropriate guidelines.

Turning to the specific concerns Mr Pakula had about the promotion and advertising of the scheme, the first general point to make is that it will be the federal

Attorney-General's responsibility to promote the legislation as part of a national scheme, while also indicating how it will operate in Victoria. Specific provisions of the bill deal with a couple of the matters that were raised by Mr Pakula, but careful interaction with the Australian Classification Board is needed.

Specifically on the bill, the matter of retail protections is dealt with in clause 8, which inserts proposed subsections (1A) and (2A) into section 42.

Subsection (2A) states:

It is a defence to a prosecution for an offence against subsection (1A) to prove that —

- (a) the minor produced to the accused or the employee or agent of the accused acceptable proof of age before the accused sold or delivered the computer game to the minor and the accused or employee or agent of the accused believed on reasonable grounds that the minor was an adult; or
- (b) in the case of delivery of a computer game classified R 18+, the minor was employed by the accused or the employer of the accused and the delivery took place in the course of that employment.

It is in effect a reverse onus provision that provides legislative protections for advertising during a film or video game and is required to be at the same level of the film or video game. Those protections are spelt out in the bill. To the extent that there needs to be coordination with the Australian Classification Board, that concern will be addressed through the community liaison officer, who has continuing liaison with retailers and others to ensure that they understand their obligations, including those that arise in the course of employment.

Without saying anything further at this stage, I endorse the bill to the house. I commend the attorneys-general at the state and federal levels for their work in bringing this important area of regulation to a satisfactory place in Victoria.

Ms PENNICUIK (Southern Metropolitan) — The Greens will be supporting the Classification (Publications, Films and Computer Games) (Enforcement) Amendment Bill 2012. We also supported the commonwealth Classification (Publications, Films and Computer Games) Amendment (R 18+ Computer Games) Bill 2012, which went through the commonwealth Parliament and became law in July this year and which has led to the situation we now have around the country. New South Wales may be the only state that has enacted complementary legislation, and we will be the second state to do so. The other states are in the process of

doing that, or have bills in their parliaments that have not yet passed.

The bill before us is reasonably simple, but the issues it deals with are not. They are complicated, and they have engaged the ministers of the Standing Council on Law and Justice, formerly known as the Standing Committee of Attorneys-General (SCAG). Ministers have been grappling with this issue for around 10 years. The bill implements the decision of the Standing Council on Law and Justice to introduce a new R 18+ classification for computer games in Australia.

Mr O'Brien mentioned the parliamentary library's research brief 8 on this bill, which was produced this year. It is a very informative and interesting document. I thank the parliamentary library staff for all its briefs, and in particular this one. Page 5 of the brief sets out why this bill is before us. In terms of film classification, we have the categories that people would be familiar with, including G, PG, M, MA 15+, R 18+, X 18+ and refused classification, or RC. So far as computer games go, we have a similar regime, except that we do not currently have R 18+ and X 18+ classifications. X-rated films are only available in the territories. This bill does not aim to create an X 18+ classification for computer games, only an R 18+ classification, which would indicate that a game is unsuitable for a minor. The bill will regulate films, publications and computer games by way of classification, which is what the commonwealth legislation does, and other state legislation will do the same. Regulations will apply according to the classification.

One of the major arguments that has been cited in favour of the need for an R 18+ classification is that many computer games cannot be classified because their content is too graphic to be MA 15+. The industry argument is that many games have had to be reconfigured in order for them to receive the MA 15+ classification. There is also the argument that some computer games have been incorrectly classified as MA 15+, because even though some of their graphic aspects had been modified, others were still present, and unsuitable material was being classified as MA 15+, so there is a need for the R 18+ category.

The bill is reasonably simple. It introduces the new R 18+ classification for games with various restrictions and related offences. It prohibits public demonstration, demonstration in the presence of a minor and the sale or delivery of such games to a minor. It increases the existing penalty for private demonstration of RC games from 20 penalty units to 240 penalty units, or two years imprisonment. Part 2 of the bill is concerned with implementing this new R 18+ classification for

computer games. There are already equivalent provisions for all of these offences as they relate to MA 15+ and RC games with varying penalties, depending on the classification of the game in question.

The bill inserts various offences and penalties relating to the implementation of the new classification scheme. It establishes an offence prohibiting the public demonstration of R 18+ computer games in a public place unless determined markings are exhibited. The penalty for that offence is 10 penalty units. Clause 6 of the bill also amends section 39 of the act to prohibit the private demonstration in the presence of a minor of a computer game classified as R 18+. This offence already applies to refused classification games, and the penalty for a breach of this provision is 40 penalty units. The bill increases the existing penalty and inserts the new offence of selling or delivering to a minor a computer game classified as R 18+, the penalty for which is 60 penalty units or imprisonment for six months.

Clauses 15 and 16 of the bill also make some amendments to the Classification (Publications, Films and Computer Games) (Enforcement) Act 1995. Clause 15 amends section 56 of the act to alter the definition of 'material unsuitable for minors of any age' and 'objectionable material' to include computer games that are classified as R 18+ or would if classified be classified as R 18+. Material which is unsuitable for minors of any age includes objectionable material, a film or computer game that is classified as R 18+ and a publication that is classified as category 1 restricted or would be if it was classified.

Clause 16 amends section 83 of the act to make R 18+ computer games content that can be published to a prescribed person or body, or to a person or body of a prescribed class or description of persons or bodies. It is a general clause allowing all games, films and publications to be made and distributed subject to the act.

Part 3 of the bill, as mentioned by Mr Pakula and Mr O'Brien, contains exemptions which allow for law enforcement agencies to share objectionable material — and I just mentioned what that means — including child pornography, with national databases. The explanatory memorandum to the bill says that one of the reasons this exemption is necessary is that by being able to share this material and compare it with material that may be already on a database, law enforcement officers will not have to actually view the material because it has been identified already. These amendments are needed to assist law enforcement with regard to child pornography and other objectionable

material. As Mr O'Brien said, the parliamentary library brief is comprehensive. He mentioned in his contribution some of the points I was going to make, so I will not cover them.

It is interesting to see what the situation is overseas. The US, for example, does not have legally enforceable prohibitions on the supply of unclassified computer games or the supply of classified computer games in breach of the classification. The classification of computer games is undertaken by an independent industry body. Online-enabled games rated by the body contain a notice. Online interaction is not rated to alert players about possible exposure to user-generated content that could not be considered in the rating.

In the United Kingdom under section 9 of the videorecordings Act 1984 it is an offence to supply unclassified computer games; however, some computer games are exempt from classification. These include games that are substantially designed to be informative, educational or instructional. In addition, games available only online are not covered by the Video Recordings Act.

There is quite a lot of literature on this issue. For example, there is the commonwealth Attorney-General's 2009 discussion paper, which Mr O'Brien mentioned had some 58 000 submissions. There is the Senate Legal and Constitutional Affairs References Committee's June 2011 report on its review of the national classification scheme. There is the Australian Law Reform Commission's report which followed the Senate committee review. There is a lot to read on this issue which is quite complicated. There are a range of views across the community as to what is the best way to go with regard to classification of films and of course computer games, which this bill refers to.

Mr O'Brien also raised the issue of advances in technology that happen very quickly, such as iPads and applications et cetera, which are not necessarily captured by this bill.

In his contribution to the debate Mr Pakula made the point that the implementation of the R 18+ classification for computer games means that more graphic games will be available for adults to view. Certainly the philosophy behind the regime that is being put in in Australia is that adults should, by and large, be able to decide what it is they want to see and hear and what it is they want to play in terms of computer games, but we do need to make sure that material classified as R 18+ is not available to minors. That is the philosophy behind the bill we have before us today.

It is interesting to note that the Senate committee devoted one full chapter, chapter 11, of its report to the issue of the sexualisation of children and the objectification of women in the media in the context of looking at the national classification scheme. It was looking beyond computer games — it was looking at advertising, television, film et cetera — but it did raise some important issues about those two very concerning phenomena: the rise of the sexualisation of children in the media and the issue of the objectification of women in all sorts of media. The Senate committee made some recommendations regarding that. Its first recommendation was:

... an express statement should be included in the national classification code which clarifies that the key principles to be applied to classification decisions must be given equal consideration and must be appropriately balanced against one another in all cases. Currently, these principles are:

adults should be able to read, hear and see what they want;

minors should be protected from material likely to harm or disturb them;

everyone should be protected from exposure to unsolicited material that they find offensive;

community concerns should be taken into account in relation to:

depictions that condone or incite violence, particularly sexual violence; and

the portrayal of persons in a demeaning manner.

Its second recommendation was:

... the fourth key principle in the national classification code should be expanded to take into account community concerns about the sexualisation of society, and the objectification of women.

The committee noted in its third recommendation:

... there has been no further consideration by the Senate of the Senate Environment, Communications and the Arts Committee's 2008 report, *Sexualisation of Children in the Contemporary Media*.

It also said:

... the Senate should, as a matter of urgency, establish an inquiry to consider the progress made by industry bodies and others in addressing the issue of sexualisation of children in the contemporary media ...

In terms of those issues, I do not have personal experience of computer games. In fact I have never played computer games — not even if you go back to *Pac-Man*, Nintendo or any of those things. They just have not been something that has interested me. But I know a lot of people have played computer games over

the years, and we know of course that a lot of computer games do contain graphic material.

One of the concerns that has been raised, certainly in the Senate inquiry and the other literature, is the extent of the objectification of women, the demeaning of women and violence against women in computer games. While we are debating this bill — and the Greens are supporting it — we are lining up the classifications of film with those of computer games, and it does need to be realised that a film is not the same as a computer game. It can be in terms of the content, but the interaction of people with computer games can occur over quite a long time. The other difference with games that has been pointed out in the literature is that within that interaction are stages that people progress through, and the games can include rewards for certain actions. In one game that was pointed out in the literature the player gets a reward for killing a prostitute after having sex with them and stealing their money. I do not know anything else about that game, I have just read about it in the literature, but it is an example of the sort of violence that can occur in these games. It may be that this particular game would not get an R 18+ classification; it may get a refused classification status. But it is worth bearing in mind what the content of these games can be.

It is worth stating that because of recent events we have all confronted. In fact Mr Scheffer, in what I believe was the last members statement today, talked about violence against women. We know that there have been some tragic events recently. Just last week the Chief Commissioner of Victoria Police made a speech at the Royal Women's Hospital White Ribbon Day breakfast — and people can read the speech for themselves — where he went through quite a number of incidents he knows about that police have had to attend. Towards the end of his speech he said:

Victoria Police responds to close to 140 incidents, such as the ones I have described, every day. In every suburb of Melbourne ...

That's close to one every 10 minutes ...

As I said before, we often talk about this issue in terms of numbers and statistics so we can better understand the magnitude of the problem.

But I sometimes think this takes us away from the reality of seeing women with broken eye sockets, missing teeth, broken arms, and broken spirits.

It also takes us away from the reality of the effect this has on our children ... Who don't argue with or answer back to their parents like normal children — just in case. Who grow up thinking it is OK to assault women.

He goes on to talk about what the police are trying to do to deal with this. He says:

But in the end, police are not the problem.

The problem is every one of us who laughs at that revolting joke which severely degrades women — knowing we shouldn't. It is those of us who verbally abuse and physically intimidate women in the way those young French women were abused on a Melbourne suburban bus a couple of weeks ago. It is every one of us who doesn't say something when we start to suspect something isn't right with our friends.

We create the environment in which these people — who are 95 per cent men — think it is OK to do what they do.

Violence against women is not OK; it is not acceptable. It is a major issue for every police agency across Australia and internationally. It is also not just a policing problem: violence against women is a public health problem; it is an education problem. Police cannot stop family violence on our own.

It is the responsibility of every man to stop it.

I raise that because I am not quite sure how you deal with the issue of the degradation and the demeaning of women in the media generally but also, as I have been told, in computer games and in the way that violence against women or degradation of women in a computer game elicits a reward. It is an issue that needs to be thought about in terms of the issues the police commissioner raised and the statistics we know about relating to the incidence of domestic violence, which is largely against women.

In the last sitting week, in my contribution to the debate on the motion to take note of the apology for forced adoptions, I talked briefly about the need to always be on guard to attitudes towards women that brought about the sort of treatment that was meted out to women who became pregnant in the 1940s, 1950s, 1960s and 1970s and then had their children taken from them. I get around and travel on public transport, and I hear lots of young men speaking in demeaning ways to women or about women. It is an ongoing problem.

I am not quite sure how we deal with it in terms of this particular bill because I feel that many of the games that will be given the R 18+ classification will contain that sort of material. I am not quite sure how we deal with that as a society, because I am really not in favour of blanket censorship, but we need to face the reality. In the work my office did on the bill we came across research from around the world which linked the mainstreaming or growing acceptance of this type of material involving the demeaning of women in films and computer games to the attitudes of men towards women. That is something we need to think about. It is a serious issue that is facing us.

Just returning to the provisions of the bill, the merits of having this new classification for computer games include: consistency with film classifications, bearing in mind the comments I made before regarding the difference between films and computer games; not having material which is unsuitable slipping back into the MA 15+ category; and also making it easier for parents to understand when they see a video game classified as R 18+ that it is not suitable for their children — even though clause 8 of the bill prevents anybody selling or providing a minor with an R 18+ computer game unless that person is their parent or guardian.

I questioned that with the minister, and he told me that that provision was to prevent a parent or guardian being charged with an offence if they provided an R 18+ computer game to someone who was under 18 who was their child or whom they were the guardian of. The minister tells me the reason for that is that it is presumed that a child may be 17 years going on 18 years and the parent is of the view that the child is mature enough to play the game. That is as the minister explained it to me.

With those comments we will support the bill, which will implement this nationally consistent classification system for computer games across the country, and that is overall a very good thing.

Debate interrupted.

DISTINGUISHED VISITORS

The ACTING PRESIDENT (Mr O'Brien) — Order! I would like to acknowledge the presence in the gallery of Mr Brian Dixon, former member for the now abolished seat of St Kilda in the Assembly and a significant contributor to the Melbourne Football Club as a player and administrator, who I know the President would have no objection to me acknowledging.

CLASSIFICATION (PUBLICATIONS, FILMS AND COMPUTER GAMES) (ENFORCEMENT) AMENDMENT BILL 2012

Second reading

Debate resumed.

Mr ONDARCHIE (Northern Metropolitan) — I am here to speak on the Classification (Publications, Films and Computer Games) (Enforcement) Amendment Bill 2012. Victoria, as we know, participates in a national scheme administered by the

Classification Board for the classification of films, publications and computer games. For expediency I am not going to go into the detail that others have today, but the consumer base for computer games has changed from being predominantly children to having a strong adult gamer presence.

Quite frankly I am not a big fan of violent computer games; in fact I am not a very big expert in computer games at all. My children would happily tell you that I am hopeless at *Angry Birds*, that I have had all sorts of trouble with *Tetris* and that I could never master *Frogger*, so I am not much of a computer games — —

Mrs Peulich — You mastered the dishwasher!

Mr ONDARCHIE — I know how to put the dishwasher on, Mrs Peulich.

I want to talk about what this bill is designed to do. I want to remind people that the R 18+ classification does not permit detailed instruction in crime and does not permit depictions of violent drug use, paedophilic activity or gratuitous sexual or violent activity, such as bestiality or cruelty. The amendments will still allow for the refusal of classification for games with extreme violence or abhorrent or gratuitously offensive content to protect consumers and maintain the illegality of sale and demonstration of such games. I do not know why we have them in the first place, to be quite frank. The bill complements amending commonwealth legislation to establish the new R 18+ category.

The bill enhances the efficiency and enforcement of all child exploitation offences. Enforcement agencies rely on databases such as the Child Exploitation Tracking System (CETS) and the Australian National Victim Image Library (ANVIL) to categorise previously seized child exploitation material. Law enforcement agencies can upload new material to crosscheck it with material already on those databases without manually viewing and categorising new seized material, as Mr Pakula talked about today. This bill will enhance the system by allowing officers to lawfully transmit seized child pornography through secure online transmission for the purposes of inclusion in the CETS and ANVIL databases without Victorian police having to physically hand over material to their federal counterparts so as to avoid breaching Victorian laws prohibiting online transmission of such material in Victoria. We have to protect our children. The child pornography enforcement amendments are sensible in improving the handling and sharing of material for the purposes of collaboration and intelligence gathering.

The United Nations Declaration of the Rights of the Child of December 1959 spells out a number of key things, including that:

2. The child shall enjoy special protection, and shall be given opportunities and facilities, by law and by other means, to enable him to develop physically, mentally, morally, spiritually and socially in a healthy and normal manner and in conditions of freedom and dignity. In the enactment of laws for this purpose, the best interests of the child shall be the paramount consideration.

The bill addresses paragraph 9 of the declaration, which states:

9. The child shall be protected against all forms of neglect, cruelty and exploitation. He shall not be the subject of traffic, in any form. The child shall not be admitted to employment before an appropriate minimum age ...

et cetera. The declaration also says:

10. The child shall be protected from practices which may foster racial, religious and any other form of discrimination. He shall be brought up in a spirit of understanding, tolerance, friendship among peoples, peace and universal brotherhood, and in full consciousness that his energy and talents should be devoted to the service of his fellow men.

The bill blocks some of that objectionable material. I do not know why we have computer games that depict gratuitous violence and gratuitous sexual activity. I support the passage of this bill.

Mr ELASMAR (Northern Metropolitan) — I rise to make a contribution to the debate on the Classification (Publications, Films and Computer Games) (Enforcement) Amendment Bill 2012. Before speaking on the bill, I indicate, as my colleague Mr Pakula has done already, that the opposition will not be opposing the bill.

The bill implements two very important and necessary reforms. Primarily, it amends the Classification (Publications, Films and Computer Games) (Enforcement) Act 1995 to allow for the sale, hire and distribution of R 18+-classified video games to adults. Secondly, but importantly, it makes an amendment that will allow law enforcement agencies and their personnel to securely transmit objectionable material and child pornography to national intelligence-sharing databases. The purpose of this is to assist law enforcement agencies to be more effective in legally cracking down on the distribution and use of pornographic and explicit material. This bill is in line with recent commonwealth legislation and follows a decision relating to the national classification scheme. The former Standing Committee of Attorneys-General,

renamed in July the Standing Council on Law and Justice, supports these reforms.

The second reform brings Victorian law into line with the practices and standards in other jurisdictions. The main focus of the bill is to put in place a national process that provides a capacity for adult computer games to be bought and sold in Victoria, in particular computer games with a classification level beyond the existing MA 15+ classification ceiling. The bill acknowledges that adults should be able to choose adult R-rated computer games, if they so desire. It is well known in the adult computer games industry that until the introduction of a proper adult rating of computer games, many games that were classified as being for mature audiences were in fact well and truly what we now know as R 18+. These games will now be the subject of an R 18+ impact test by the Australian Classification Board.

Graphic drug use, paedophile activity and explicit sexual violence, along with other cruel portrayals such as bestiality, are refused classification — and rightly so. While these types of games are probably not to everybody's taste, the fundamental intention of the legislation is to allow for the lawful sale of R 18+ computer games to adults in Victoria. This is a reasonable and logical regulation which attempts to balance the interests of the adult computer games industry and the protection of the overall community against completely objectionable material.

Mr FINN (Western Metropolitan) — I rise to speak briefly this evening on this bill. I come to this debate with the fundamental view that adults should be allowed, within reason, to view what they want to view. I suppose I could be described by some as a bit of a libertarian when it comes to that. I am sure that will come as a shock to my friends from the Greens in particular.

Putting aside the issues of child pornography and child exploitation that Mr Ondarchie raised and the issue of bestiality and some of the other matters that Mr Elasmarr raised, the thing that really concerns me about this legislation and something that I believe we should monitor very closely is what an influx of an ultraviolet series of computer games will potentially do to our society. I think we have to accept that not all adults are as mature as perhaps we are. We have to accept that some will be greatly influenced by what they see in such computer games. The point that Ms Pennicuik raised was a particularly good one, and that will not be said too often by me; she may be thrown out of the Greens if this ever gets out! She said that computer games are different from movies. What

she said is true. In fact there is that interaction — that stimulation, if you want to call it that — which is not necessarily there in movies. That can affect people who are unbalanced. It can send over the top people who are already close to being over the top.

I have seen some of these kinds of computer games in gaming arcades — even just down the road in Bourke Street, where they were in years gone by. Certainly I have seen them in shops in my electorate. They are vile; they are dreadful. They allow an individual to blow the head off another person. They allow some of the most degrading and gross acts of violence to be perpetrated on another person. To my way of thinking, they undermine our respect for each other as human beings.

If I had my way — and let me say I am not having my way too much at the moment — I would ban those computer games. I do not believe a healthy society is assisted by the sorts of computer games that have activities that allow people to get their jollies, if I can use that term, by inflicting pain on or causing mayhem for other human beings. Members have to wonder. I am not a psychologist — although perhaps I should be in here from time to time — but I have to wonder just how close some individuals are from viewing and participating in those sorts of computer games and then getting a gun, a bomb or some other weaponry and committing the same sorts of acts on others. That is something that should concern us all as legislators and, indeed, as human beings.

I will support the bill, but not, it has to be said, with a great deal of enthusiasm. I urge the government, the Attorney-General, the medical profession and the law enforcement agencies in this state to watch very carefully the impact of this legislation. I believe we are potentially playing with fire. I believe we could be impacting on or increasing a problem that has been with us for perhaps too long. With those few words, I commend the bill to the house but with a sense of deep caution. I urge all to take my words into consideration. This is a very serious issue now; it could be a fatal issue for many.

Motion agreed to.

Read second time.

Third reading

Hon. P. R. HALL (Minister for Higher Education and Skills) — By leave, I move:

That the bill be now read a third time.

In doing so, I thank the opposition and the Greens for their support of the bill.

Motion agreed to.

Read third time.

EDUCATION LEGISLATION AMENDMENT (GOVERNANCE) BILL 2012

Second reading

Debate resumed from 15 November; motion of Hon. G. K. RICH-PHILLIPS (Assistant Treasurer).

Ms MIKAKOS (Northern Metropolitan) — I rise today to speak on the Education Legislation Amendment (Governance) Bill 2012, and I indicate to the house at the outset that the Labor opposition does not support this bill. We have some very serious concerns about this legislation that I will be seeking to outline in my contribution, which I expect will continue after the dinner break.

This bill seeks to amend a number of acts of Parliament. The first is the Education and Training Reform Act 2006 to change the governance arrangements for TAFEs. It also proposes changes to the eight acts that establish the universities in Victoria — namely, Deakin University Act 2009, La Trobe University Act 2009, University of Melbourne Act 2009, Monash University Act 2009, Royal Melbourne Institute of Technology Act 2010, Swinburne University of Technology Act 2010, University of Ballarat Act 2010 and Victoria University Act 2010. One would expect that the longer the bill, the greater the detail in it, but nobody could ever accuse this government of presenting such a bill to this house.

Essentially the bill has four components. It seeks to abolish the Victorian Skills Commission and 16 industry training advisory boards; it makes changes to governance arrangements for TAFEs and scraps the positions of elected representatives on TAFE boards; it scraps the positions of elected representatives on university councils; and it makes a number of changes to the contractual arrangements for the provision of government-funded training.

I want to indicate at the outset that the Labor opposition is appalled at the lack of consultation with the sector and the general community in the development of this legislation. Prior to the introduction of this bill there was no consultation with the Victorian TAFE Association, a fairly significant stakeholder I would have thought, or with students and unions, and there was no opportunity for public submissions to be made.

The ad hoc nature of this government's decision making when it comes to Victoria's vocational education and training (VET) sector is dreadful. Its policy making has been a farce and its drafting of legislation has been woeful. The Labor opposition supports measures to strengthen the provision of quality education and training in our state and to crack down on rotting in the system. However, we do not think this bill adequately addresses those concerns.

Attempting to silence dissent and criticism by implementing corporate governance arrangements which will see the minister sit behind board appointments to our TAFEs and university councils is nothing short of disgraceful. Unfortunately, however, it is not surprising to see this from the Baillieu government, which in recent weeks has reminded us all of just where it stands on the issue of rotting — that is, it covers its tracks. What better way to silence its critics than to simply remove them from the picture and let the minister decide who is to sit on TAFE boards and who is to be appointed to university councils. This government has delivered blow after blow to Victoria's TAFE sector, and this bill is no different. That is why the Labor opposition will not be supporting this bill.

Mr Leane will move a reasoned amendment — and I wish to foreshadow that to the house — which will propose that the bill be withdrawn and redrafted to require the secretary to provide sufficient VET funding for the continuation of existing campuses, in particular, the Lilydale and Prahran campuses of Swinburne University of Technology. I am sure that Mr Leane will put forward a very forthright argument about why this reasoned amendment should be supported, because I know that what the government has put in place in relation to the TAFE sector will have an absolutely devastating impact on his local community. I urge members opposite to support Mr Leane's amendment, which will in effect spare campuses that have already been earmarked for closure as a result of this government's funding cuts. Members in the other place failed to stand up for the communities they were elected to represent, and I urge members in this house who cover the same electorate as Mr Leane not to do the same thing. Swinburne vice-chancellor Linda Kristjanson has stated that the decision to close its Lilydale campus and sell the land was as a result of the government's funding cuts. I remind members opposite that once a campus is closed, it is gone for good, leaving staff and students completely stranded.

I will now turn to the bill. I particularly want to turn to the issue of VET funding contracts and contract law issues. New part 3 in the bill aims to provide a new legal framework to govern Victoria's billion-dollar

annual funding for vocational education and training. The bill will in effect transfer the power of the Victorian Skills Commission to allocate training funding to education providers directly to the Secretary of the Department of Education and Early Childhood Development. This formalises the abolition of the powers of the Victorian Skills Commission and delivers those powers into the hands of the departmental secretary. The bill also proposes a name change to the contracts students enter into with education providers that provide government subsidised training. Service agreements will now be referred to as VET funding contracts.

Sitting suspended 6.30 p.m. until 8.02 p.m.

Ms MIKAKOS — Before the dinner break I was speaking about part 3 of the bill, which relates to vocational education and training funding contracts. The bill inserts new division 1 into part 3 allowing VET funding contracts to be enforceable despite the rules and principles of contract law. The government's rationale is that this will enable compliance with those contracts to be better monitored and enforced by the department. I note that the government has chosen to take this course of action rather than fund more expenditure on compliance. The bill also allows the VET funding contracts to include monetary penalties if a training provider is found to be in breach of contract or if standards are not met. However, it is not clear at exactly what level these penalties will be set.

The bill allows a court to order a training provider to allow students to complete their courses or sit any exams, particularly in a case where monetary compensation may not be a sufficient remedy, and it allows students to bring a claim against a training provider for a breach of contract. On paper this looks to be a good thing. The opposition certainly supports the cracking down on poor-quality training providers, but we have heard the government's rhetoric on this time and again and we want to see some action on this matter. As I said, the government has chosen to put these provisions in rather than pursue further compliance or monitor shonky training providers. I will seek clarification from the minister on whether that will be pursued.

The government has not consulted with the sector or the broader community on any of these provisions, and there is not much detail available as to exactly how these provisions will operate in practice. The bill fails to explain the most basic of questions, such as: what is the difference between the new VET funding contracts and the existing service agreements? What is the detail, type and severity of a contract breach that may result in a

monetary penalty for a training provider? What is the monetary penalty to be? The bill is silent on all those matters, and I will be seeking clarification from the minister in the committee stage.

There are other issues when it comes to training regulation and compliance. At present the regulatory framework for vocational education and training requires that all education providers must be registered with the Victorian Registration and Qualifications Authority or the Australian Skills Quality Authority, but under this government there has been some confusion in the sector as to who exactly is responsible for what. The changes proposed in this bill will concentrate training regulation and compliance within the department via the enforcement of contract law, and that confusion will remain.

Rather than improving quality provisions in service agreements and strengthening compliance and audit capacity, the government has decided to just bring it all in-house and worry about it later with no opportunity for scrutiny, so we have some serious concerns about this part of the bill and its autocratic nature.

In relation to the abolition of the Victorian Skills Commission and the industry training advisory boards, earlier this year the Baillieu government introduced legislation to strip the Victorian Skills Commission of its last remaining regulatory functions and transfer its ability to remove unsatisfactory TAFE directors directly into the minister's hands. With this bill it is now seeking to abolish the commission altogether along with Victoria's 16 industry training advisory boards. Labor has always supported a regulatory structure that provides for independent advice to government on education and training policy; the Baillieu government supports the opposite. It wants to shut down all avenues of independent advice.

I understand that the industry skills consultative committee, which comprises the minister's select industry leaders and has no input whatsoever from the union, has not met and does not provide an adequate model for consultation or independent advice.

In relation to the governance changes to TAFEs, the bill has a number of very worrying aspects. We are all acutely aware that to date this government has ripped \$300 million from Victoria's public TAFE institutions. These cuts have been felt right across the state, with a proposed 2000 jobs or more to be lost, and this is happening at a time when our state is facing an acute skills shortage. We all know that not everyone can go or will want to go to university; however, this government is making it harder for people to get skills

training and gain appropriate qualifications. We are seeing a multitude of TAFE campus closures on the cards, course cancellations and fee increases. We are seeing the systematic destruction of our TAFE sector and the loss of opportunities for thousands of Victorian students, particularly in regional communities where TAFE may be the only option for people who want to take on further study or training.

Members opposite can sit idly by whilst the Premier and the minister take the axe to our TAFEs, but the Victorian community is pushing back. That is why this government is on the nose; it is because the Victorian people are very alarmed by these cuts. They are also very concerned about the impact on young people's opportunities.

In the bill we are also seeing changes to governance structures in TAFE at a time when the sector is reeling and in turmoil, so it is a very odd time for these governance changes to be put in place. Currently TAFE institute boards and adult education institutes' governing bodies are bodies corporate, but the institutes themselves are not. The bill provides for TAFE institutes and adult education institutions, such as the Centre for Adult Education and the Adult Multicultural Education Service, to become bodies corporate themselves. This will include a new statement of objectives and functions for TAFEs and adult education institutions which will emphasise their commercial objectives.

The membership of the board is also to change. TAFE board directors currently include one staff member elected by staff, one student member elected by students and the CEO. The bill provides for the constitution of these boards to change so that a board must consist of not less than 9 and not more than 15 directors, of whom one is to be appointed by the Governor in Council as chair. The remaining directors are to be chosen by the minister, including 50 per cent after considering the advice of the TAFE directors. Directors will no longer be elected as representatives of stakeholder groups, and the CEO will no longer be a director.

Opposition members are concerned that, as we saw with the Victorian Skills Commission, these changes are proposing to remove governance powers from other bodies and place them in the hands of the minister. These changes are very concerning, given that, as I said, they are coming at a time of great turmoil and concern in the TAFE sector. As I said earlier, there has also been little consultation on these changes, which give the minister substantially greater powers in the appointment of TAFE boards.

What does this really tell us? It is telling us that this government wants to silence dissent and wants to stifle criticism at a time when the sector is very alarmed about its future. It is giving the minister complete control over board appointments and centralising a lot more power in his hands. The bill is going to lead to the politicisation of board appointments at a crucial time for TAFEs — at the beginning of next year. At the beginning of next year TAFEs and training providers will be looking to finalise their budgets for the year. They will have to make some very difficult decisions about how they can run their institution, given the cuts to their funding. They will have to make a whole new constitution. They will have to vote on this constitution, pass it and go through an entire process of new board appointments, and my understanding is that they will have to do all this by March of next year. I think it is a very ambitious goal that the government has set TAFE institutions in requiring them to go through all of these significant reforms in such a short period of time.

The Labor opposition is deeply concerned about the effect these changes will have, and that is why a future Labor government will invest in the TAFE system to ensure that all Victorians have access to affordable education and training.

Mr Ondarchie interjected earlier about what it is that that the Leader of the Opposition will do. I can advise Mr Ondarchie that he can have a look at the Leader of the Opposition's website, from where he can download a very good document entitled *Victorian Labor's Plan for Jobs and Growth*. It is an excellent document, and I take this opportunity to congratulate Daniel Andrews, the shadow Treasurer, Tim Holding, and the shadow minister for higher education, Steve Herbert, particularly for the inclusion in this significant document of a very significant commitment to TAFE by the Labor opposition.

Of course we will have more to say about this in the future, but we have made it very clear that the future growth of our economy depends upon a skilled workforce that can meet the needs of industry. A government that does not accept there is a problem is highly unlikely to develop a plan to fix it, and that is exactly what is happening under this government. Labor will ensure that all Victorians have the opportunity to acquire the skills they need to secure employment.

We will get young people started again on the path to employment. We will make sure that retrenched workers seeking retraining have the ability to access courses, and we will do so by funding TAFEs as our first budget priority, with additional funding coming

from savings obtained from the crackdown on unscrupulous training providers.

I think these are very significant announcements that have been made by the Labor opposition two years out from the next state election. One would be hard pressed to find a previous state opposition that has been prepared to announce this level of policy detail. The number of initiatives contained in this document is very impressive.

In terms of being prepared to support our TAFEs to meet the training and retraining needs of the community opposition members stand in stark contrast to this government, which has wreaked havoc on Victoria's public TAFE sector over the past two years. Not only are government members content to destroy our TAFEs but they are now moving on to control our university councils as well.

I move on to the provisions in the bill that relate to changes to the governance of our universities. At the beginning of my contribution I spoke about acts of Parliament that relate to our universities. I will not go through all of them again, but I will point out that those acts provide that university councils consist of between 14 and 21 members. Each must include at least 3 elected members who represent the staff and the students of that university.

The Baillieu government is seeking to implement governance changes to universities that will see those elected positions disappear. Members of the government want to remove staff and students from our university councils. To make matters worse, the bill provides that the number of government-appointed members must be equal to or greater than the number of council-appointed members. Not only does the government want to rid university councils of elected representatives, but it also wants to hold the balance of power. It wants to have the numbers on these university councils.

The Labor opposition is strongly opposed to these changes and is very concerned about them. We do not support any attempts to diminish legitimate democratic governance in this state. The democratic nature of Victoria's universities has been their key strength for many decades. Our universities are deeply respected institutions, well known both here in Australia and internationally.

There is a great deal of disquiet on our university campuses about these proposed changes. I received an email from the president of the La Trobe University student union council. La Trobe University is in my

electorate, and it is a very significant university. In her email Clare Keyes-Liley expresses great concern about these proposed governance changes and the way they will negatively impact on students' education and future. She sent me a copy of a motion that was passed unanimously by the La Trobe student union, which reads:

LTSU condemns the Baillieu government in their total lack of understanding in how a university operates. There is no evidence to suggest that these changes will have a positive impact on university governance and the LTSU council expresses extreme disappointment that LTU is allowing a government to impinge upon its autonomy as an educational institution.

I note that whilst the vice-chancellor of La Trobe has indicated his support for the bill, a number of people from La Trobe University have put their names to an open letter that was published in the *Age* of 12 November 2012. Over 225 of Victoria's academic leaders signed this letter, stating that the bill:

... is a fundamental threat to the autonomy of universities and will destroy, overnight, the centuries-old constitutional tradition that protects universities from direction by the state and interference from commercial and sectional interests.

Mrs Peulich — Who is that from?

Ms MIKAKOS — This is from 225 leading academics in our state, in an open letter published in the *Age* of 12 November. This is an open letter that government members should give a great deal of thought to and should be concerned about. If leading academics in this state say that this bill threatens their independence, then government members perhaps should pause and reflect on these provisions. You would have thought they would also want to properly consult with the sector, because I know that a number of university councils have not yet had the opportunity to look at these provisions and form a view about them.

Hon. P. R. Hall — The letter is wrong, Jenny.

Ms MIKAKOS — I look forward to the minister's clarification in the committee stage, but I think the letter is very concerning. We have some fine universities in our state. I am a graduate of the University of Melbourne, which is a university that I hold in great respect and esteem. It is one of the leading universities in this country, and it is also a leading university internationally. The chancellor of the University of Melbourne, Elizabeth Alexander, has also joined the call in expressing concern at the government's proposed changes.

In an opinion piece published on 14 November in the *Age*, Dr Colin Long from the National Tertiary Education Union commented:

No institution that seriously lays claim to the title 'university' could seek to exclude from its governing body those who represent the institution's essence.

Rightly so, given that the word 'university' derives from a Latin expression meaning 'a community of teachers and scholars'. Why you would seek to exclude them is very puzzling. We are concerned about these proposed changes.

In conclusion, members of the Labor opposition have very serious concerns about this bill, and that is why we will be opposing it. We see this bill as putting in place substantial changes to the regulatory framework for education providers in receipt of government funding in Victoria. There is no detail in the bill about how the new vocational education and training funding contracts will work. There is no opportunity for scrutiny of the actual terms of future contracts. There is no explanation of the types and severity of breaches that will result in fines. There is no detail of the amount of monetary penalties that will be applicable for contract breaches. There is also an overarching attempt by the government to diminish legitimate democratic governance, to remove effective governance relationships with staff and students and to threaten the autonomy of our universities.

The government should consult on this bill. It is a complex bill that includes a range of changes. The government should consult with the relevant stakeholders about each component of the bill and each of the changes that it introduces. We have identified many unanswered questions in relation to how this bill will work.

I will be proposing to take the bill into committee to try to get some further information from the minister about some of the questions that I have already posed and that my colleagues have posed in the Legislative Assembly. We believe that the foundation of every state is the education of its youth, but we feel that this bill does not deliver on that. It fails the youth of Victoria and fails our education institutions, and for this reason it should be opposed.

Ms PENNICUIK (Southern Metropolitan) — The Greens are not able to support this bill either. This bill makes changes to the Education and Training Reform Act 2006 and the eight university acts, and we agree with none of these changes. The changes just go further in 'fixing' a system that is not broken and does not need to be fixed. It did not need to be fixed until it was

tampered with by the previous government introducing full market contestability.

Under this government it became obvious that a lot of public money was going to registered training organisations (RTOs), some of which were not necessarily, let us say, providing quality training. We have a lot of public knowledge of private registered training organisations that have collapsed and that have been caught up in providing tick-and-flick training rather than the courses for which they were paid. I have raised this in the house with the minister.

Previously we had a functioning TAFE system which was accessible to all Victorians and was renowned for its quality training. Now we are seeing the demise of the TAFE system. The government has said, and government members in this house keep saying, that there was a cost blow-out in TAFE. That is not the truth of the matter. The cost blow-out was in the private provider sector. There was exponential growth in the number of private providers, not in TAFE. That is the truth. Yet TAFE is the sector that has had the money ripped out of it; somewhere between \$290 million and \$300 million has been ripped out of the sector.

We know that that has resulted in the loss of courses, the loss of hundreds of staff, the closure or impending closure of campuses and the sell-off of public assets that have been built up over decades to provide infrastructure and training for Victorian school leavers, VET in Schools students and for people in the workforce who want to retrain. We are confronting a very depressing situation now, after what I see as three years of destruction of the TAFE sector.

The bill will abolish the Victorian Skills Commission and the 16 industry training advisory boards. As Ms Mikakos said, that proposal was basically provided for in the previous bill, which we also opposed, which took away the functions of the skills commission. The government will have its own advisory bodies, which are not the same as the industry training advisory bodies. Those advisory bodies, which had representation from industry and unions, had been built up over decades. They provided good advice over the years with regard to the requirements for skills training in Victoria.

The bill is also going to change governance arrangements for TAFE institutes and adult education institutions by establishing new governing boards, to which people will be appointed solely on the basis of relevant skills and experience. The boards will no longer include elected or coopted directors. Chief

executive officers of TAFE institutes will be ineligible for appointment to the boards.

The changes to the TAFE boards are basically provided for in clause 20. The board chairperson will be appointed by the Governor in Council. Half the other directors, or one more than half if there is an odd number, are to be appointed by the minister alone. The remainder are to be appointed by the minister after considering the advice of the chairperson and the directors appointed by the minister alone. We are asked to note, in the explanatory memorandum, that:

... there will no longer be directors selected and appointed by the boards themselves through cooption. Further, there will no longer be guaranteed student and staff positions on boards ... however ... qualified individuals who are staff or students will not be ineligible for appointment as directors, other than the chief executive officer —

if they have the relevant skills and experience.

The point is there will no longer be elected appointments on TAFE boards, and that is the crux of the problem. Currently there are staff and student representatives on TAFE boards, who are there to represent the staff and student bodies. I personally believe — and it is certainly our policy — and certainly the staff and students of TAFE institutes believe they need to retain those positions on TAFE boards, not by virtue of some skill they might have but as elected representatives of their bodies. Therefore we oppose that change to the boards of TAFEs.

The bill also establishes TAFE institutes as incorporated entities, rather than just their boards as incorporated entities, which is the situation at the moment. The minister in his second-reading speech gives the rationale for that as being that TAFEs need to operate like corporations or large statutory bodies. But they are not corporations; they are educational institutions, and they do not have the same *raison d'être* as a corporation. That rationale is not a very strong one, and I would like to hear what other rationale the minister might put forward. There has been a functioning TAFE system in Victoria for decades that has not needed this kind of root and branch change to the structure. The structure has worked well.

I suspect it is all about making the competitive market more competitive. But I do not think a competitive market such as the one the government is envisaging and setting up with these changes and the changes it has already made to the system is the best way to deliver vocational education and training to a wide range of Victorians in an accessible, low-cost way.

The bill also gives the power to hand out money for training, taking it from the Victorian Skills Commission. The skills commission has been abolished — that is why that is happening — and its functions are being transferred to the Secretary of the Department of Education and Early Childhood Development. It is fair to say that the Victorian Skills Commission did a good job in this respect, up until very recently. It is interesting that the secretary of the department — by delegation, I presume — will have that power, and yet the bill also creates a situation where TAFEs are separate self-governing entities in and of themselves, which are not part of the department. That seems quite curious.

A very large part of the bill is devoted to enabling vocational education and training funding contracts to be entered into with RTOs that provide government-subsidised training and to enabling those contracts to include certain terms that may not otherwise be enforceable at common law. I have read through those provisions and the explanatory memorandum, and I have to agree with Ms Mikakos's comments. I cannot see how that is an improvement on the current situation, where there is a service agreement between the government and the provider. I cannot see how these contracts are going to be an improvement on that.

I am also concerned about whether the transfer of part or a lot of the onus for the recovery of either the monetary penalty or the retraining to a student is going to be better for students. I would have thought it was the government's role to monitor this and to make sure that the providers to which it gives money are actually complying with their service agreement, which is what we have in place now. I hope this will not go the way of contract law by way of providing education for students. I have read through the explanatory memorandum a few times, and I cannot see how it will be a more workable system than the one we have in place now, which I think is more straightforward. It puts the onus on the government to follow its own money and to make sure that providers are providing what they are paid to do. This is an issue that I have raised with the minister by way of questions and during debate on other bills and motions in this place regarding what has happened to TAFE over the two years of this government and the problems with the inadequate supervision of private providers.

I do not lay the full blame for that at the feet of this government. I lay some of it at the feet of the previous government, which set up that system, but did not provide adequate supervision. We ended up having a lot of private RTOs. But we are now two years into this

government's term of office, and it has not stepped up the compliance via the Victorian Registration and Qualifications Authority (VRQA).

We had a situation going back a couple of months in Bendigo. It was raised in the media by the ABC and a number of other media outlets. At the time VRQA said it was shocked and did not know what was happening, and that is the point — providers should be monitored and there should be more compliance enforced by the government. I am not quite sure that the contract system that has been set up is in any way a substitute for the oversight and compliance that the government should have in place for its own funds.

Hon. P. R. Hall — It is not a substitute for it; it is in addition to it.

Ms PENNICUIK — The explanatory memorandum, as long and comprehensive as it is, is not very clear on that particular point. I still maintain my point about the non-fulfilment of contracts being placed at the feet of the students to follow through.

There is an amendment to allow for information about contractors that provide government-subsidised training places to be exchanged between commonwealth and state education regulators and education agencies. I was not aware that they could not do that. That seems to be a sensible provision, but it does not make up for the other problems with the bill.

As we know, the bill changes the governance arrangements for the eight university councils. Those councils currently have between 14 and 21 members comprising the chancellor, the vice-chancellor and the president of the academic boards; at least four government-appointed members; and at least four council-appointed members — that is, coopted members. The number of government-appointed and council-appointed members must be exactly the same. The councils also include two or three elected staff members, and one or two elected student members. That will be changed and, if the bill passes, from 1 January there will no longer be elected staff and student positions on our university councils.

The explanatory memorandum goes on to say, 'staff and students would be eligible for appointment as council members if they have the appropriate skills and experience'. I again make the point that being appointed to a board by the minister by virtue of your skills and experience is not the same as being one of the three academic members elected by the academic staff or one of the two student members elected by the student body. These members fulfil a representative

role; that is their role. I was reading straight from the explanatory memorandum there. I see that Mr Hall is speaking with his advisers and checking what I am saying. I was referring to page 45.

I understand the minister is trying to say that there is nothing to preclude a staff member or student from being appointed by virtue of their skills. The problem is that they are not elected by the student body or academic staff to represent them and to represent their views or their issues. They may not have skills in finance, management, commerce, business, law, corporate governance or any of those things, but they certainly may be able to represent the views of their constituent bodies, which has been their role hitherto, and it has been an important role.

As Ms Mikakos mentioned, an open letter to the government was published in the *Age* of 12 November. I will not reread the parts of the letter Ms Mikakos read, but I will go on to the next paragraph, which says:

Universities are not businesses selling education and research products. They are some of our oldest public institutions and their autonomy is crucial to a properly functioning democracy and vibrant civil society.

University councils are essential to university autonomy and academic freedom. They allow representation of the diverse communities that have an interest in the university's activities.

To be a member of the academic or professional staff, or a student or graduate, is to be a 'member' of the university — yet it is precisely these members of the university that are to be excluded from the peak governance body of the institution.

Under this proposal a university council could be dominated by government appointees.

In effect, most of them are government appointees.

The same goes for the TAFE boards. Both TAFE boards and university councils could have in their memberships a majority of government appointees, who have been appointed by the minister. I really cannot fathom why the government wants to do this.

I refer also to an excellent article by Dr Colin Long, secretary of the Victorian division of the National Tertiary Education Union, published on 14 November. Dr Long starts out by saying:

It is true that the Australian National University is financed by this Parliament, but it is managed by a council that is, as far as possible, an independent body, on which we have a variety of people with a variety of experience.

The words are those of Robert Menzies. He would surely be turning in his grave to know that his political descendants in the Victorian coalition government are proposing a bill that

will fundamentally undermine the independence of university councils.

...

The government's changes to university governance arrangements not only remove elected representatives; they provide the state government with unprecedented ability to interfere in the running of universities ... the bill will make it possible for a university council to consist of one council appointee, the chancellor, vice-chancellor and head of academic board and seven government appointees. In other words, the government could capture control of the university's governance.

He goes on to say:

Universities get public funding and should be accountable for it, shouldn't they? Yes, universities receive public funding, although less than 50 per cent of their budgets are now provided by government, and only a bit over 2 per cent is provided by the state government.

It is a very good article and people should read it. Up until now, as Dr Long also points out:

Governments could appoint some council members, but never more than a few, and, until relatively recently, a wide range of people was sought. Integral to the council were the staff and students who made up the 'community of teachers and scholars' from which the term 'university' is derived.

It is apparent that Dr Long is also unsure why, if the government does not intend to interfere in university councils, it is giving itself the means to do so. I am nonplussed about why a university council or a TAFE board cannot consist of people with the type of skills or experience the government wants to see on the boards, along with elected representatives. I cannot see why people from those two categories cannot be on those boards and university councils. I presume that is the case at the moment. I agree with Dr Long that this legislation will open up the university boards and councils to interference and undue influence from the government and commercial interests. That is not the road we should be going down with our educational institutional institutions.

What is happening is regrettable, particularly in the TAFE sector. While part 6 of the bill amends the university acts with regard to university governance and membership of university councils, the vast bulk of the bill changes the structure of TAFE institutes and boards at a time when we have so much turmoil in the TAFE sector. Individual TAFE institutes have had millions of dollars cut from their respective budgets, resulting in staff losses in the tens to the hundreds and in the loss of campuses and a whole range of courses. The extent of those losses is very easy to find out but would take me too long to read into *Hansard*. As I said, it is pretty easy to find on the public record the amount of money that

has gone from each of the TAFE institutes, the number of staff that have been lost and the types and number of courses that have been cut with the closure of some campuses and the selling off of some public assets.

These cuts are regrettable wherever they happen, but in my electorate of Southern Metropolitan Region there is the loss of the Prahran campus of Swinburne University of Technology, a great TAFE campus which includes the David Williamson Theatre where students train to work in the performing arts, not necessarily as actors but more in terms of stage management, lighting, sound and that type of thing. It seems that that campus could be offloaded by Swinburne University. Who knows what will happen to it? It should be kept as a TAFE institute. That is an area where there is always going to be a need. It is well located next to public transport and is a vital hub in the Windsor area. It is also disgraceful that Swinburne University's Lilydale campus is going to be closed in an area which has a growing population and can only be seen as needing that campus going into the future. We remember when the previous Kennett government sold off schools in areas where they are now scratching around and trying to put schools back. The land was sold off for housing development and now land cannot be found to build schools in areas where they are needed.

I am unable to support the bill. There are one or two provisions in it that I think are okay, but they do not outweigh the rest of the bill which we cannot support.

Mrs PEULICH (South Eastern Metropolitan) — It is my pleasure to speak on the Education Legislation Amendment (Governance) Bill 2012, which proposes amendments to the Education and Training Reform Act 2006 to revise governance structures for Victoria's post-secondary institutions, including TAFE institutes and universities.

I could not believe my ears as I sat here listening to both Ms Mikakos and Ms Pennicuik basically arguing against the better governance of our education institutions, arguing against skills-based board appointments, arguing against more clarity and focus surrounding the functions of our TAFEs, and arguing against better industry engagement to provide advice to the minister on the development of courses in the skills sector. I could not believe my ears. Nor can I believe some of the arguments that have been used against change, especially given that Labor left Victoria in a mess which we have had to progressively clean-up. Part of this legislation is to clean up that mess, and part of that mess was, first and foremost, caused by a chronic shortage, nationally and certainly in Victoria, of critical skills. There were critical skill shortage areas and an

entitlement-driven model of funding in our TAFE and registered training organisation (RTO) sector, which saw a budget of \$800 million blow-out to \$1.2 billion.

Ms Pennicuik and Ms Mikakos claim there is no reason for change. In particular Ms Mikakos referred to the recently released document, *Victorian Labor's Plan for Jobs and Growth*, November 2012. On page 71 there is an elaboration of the savings that would supposedly be made in order to reinstate funding. In calling constantly for the reinstatement of TAFE funding, Ms Mikakos is actually arguing for the increased subsidies in skill shortage areas to be removed and to be redirected again to courses where there has been an oversupply, which will not result in jobs for those who complete them.

She is saying that Labor would somehow return the \$400 million in funds that, under its competitive neutrality system, which was ticked off by the Essential Services Commission, we saw move from the TAFEs to the RTOs under Labor's reforms back in 2009. Those opposite have let the cat out of the bag, they have let the genie out of the bottle, and now, having caused the mess, they are complaining that somehow the \$400 million blow-out would be reinstated by some savings.

The savings to which the Leader of the Opposition in the Assembly refers are listed on page 71 of Labor's plan, which states:

In the financial year 2015–16, the first budget year of an incoming Victorian Labor government, the amount to be saved through the measures outlined in *Victorian Labor's Plan for Jobs and Growth* will be:

reducing the number of executives in key departments:
\$3.2 million;

reducing legal expenses in key departments —

Well, the Labor Party did not do that when it was in government —

\$4.1 million; and

reducing entertainment expenses in key departments:
\$0.776 million.

The total amount to be saved in 2015–16 will be
\$8.07 million.

That is very short of the \$400 million black hole it left as a result of the entitlement-driven model that it implemented back in 2009. So much for the plan.

Hon. P. R. Hall — It is getting rid of all the public servants and getting rid of executives.

Mrs PEULICH — Yes. So much for the plan. The Labor Party wants to find \$8.07 million in order to reinstate an uncapped, entitlement-driven enrolment system and funding system which has left a \$400 million black hole. That is not good financial administration. But apart from that, it is most disconcerting to hear both of the members argue against what would essentially lead to improved governance of our educational institutions — and I will come to that in a moment.

First of all, let us be clear about what the bill does. It seeks:

- to abolish the Victorian Skills Commission;
- to repeal the provisions relating to industry training boards;
- to make provision for VET —

vocational education and training —

- funding contracts between the secretary and registered training organisations under which those organisations provide public vocational education and training programs and related services;
- to provide that non-compliance with a government training contract be taken into account in relation to the registration of training organisations;
- to provide for the disclosure of information and documents from the Victorian Registration and Qualifications Authority to the secretary or to specified commonwealth authorities or bodies in relation to VET funding contracts;
- to set out further governance provisions relating to TAFE institutes and adult education institutions;
- to make amendments to university acts to provide for the membership of councils of universities.

That was the summary in the *Alert Digest*, which is the publication put out by the Scrutiny of Acts and Regulations Committee, a well-respected committee on which I, with Ms Pennicuik, I think — —

Ms Pennicuik interjected.

Mrs PEULICH — No. the Greens decided they would not sit on the oversight committees — the Public Accounts and Estimates Committee and the Scrutiny of Acts and Regulations Committee — —

Ms Pennicuik — No, I was on the Public Accounts and Estimates Committee.

Mrs PEULICH — Nonetheless, the Scrutiny of Acts and Regulations Committee is tasked with the responsibility of identifying areas where legislation that comes before this parliament may engage various human rights provisions or diminish them, and of

course it raised no concerns in relation to this bill in its report to Parliament — that is, *Alert Digest 16* of 2012, dated 13 November.

Much of the argument that has been waged by Ms Mikakos and Ms Pennicuik is that if you are not an elected representative to a board, whether it is a university board or a TAFE board, that somehow diminishes the capacity or the effectiveness of the board. That idea has very little bearing on modern practice and good governance. In actual fact, I would reject it outright. I would say that it is this government's absolute responsibility to make sure that the administration of public funds is overseen by people who have the skill set to do that, especially when we look at, for example, some of the TAFE institutions which will need to modernise, which will need to refocus and which will need to respond to a globalised education market. They manage hundreds of millions of dollars in assets, collectively speaking, so they need a skill set in order to be able to do that.

We know, for example, that international students are one of the major export earners for this state and certainly for the nation. Indeed, they are very important to the future of both Victoria and Australia. High quality education is something that Victorians and Australians have built their future on, and the expectation is that we will continue to lift the quality of education, including through improved governance.

The bill formally abolishes the Victorian Skills Commission and repeals provisions relating to industry training boards. It provides for the making of VET funding contracts between the Secretary of the Department of Education and Early Childhood Development and the registered training organisations. That will allow the secretary of the department to undertake the contracting with RTOs, given that it is a system that was implemented by Labor and ticked off by the Essential Services Commission to ensure that there is competitive neutrality. The secretary of the department will undertake the contracting with RTOs for delivery of government-subsidised training that was previously undertaken by the Victorian Skills Commission. The bill winds up the Victorian Skills Commission, empowers the secretary to contract RTOs and repeals the provisions for the industry training advisory boards (ITABs). Ms Pennicuik had a few things to say about that.

I believe the new industry engagement model is a much more vibrant and modern one. There is greater capacity for this particular sector to benefit from a new model. A lot of thought has been given to this model and there will be further discussions on it. However, that does not

mean that ITABs will discontinue; in fact I believe the department has been advised that 12 ITABs will continue operation in 2013. There were previously 16, and 12 of those will continue self-funded — that is, without Victorian government funding. These are: Business Skills Victoria; the Community Services and Health Industry Training Board; the Victorian Electrotechnology, Printing, IT and Communications Industry Training Board; the Victorian Food Industry Training Board; ForestWorks Ltd; the Furnishing Industry Training Advisory Committee; Primary Skills Victoria; Racing Victoria Ltd; Service Skills Victoria; the Textiles, Clothing, Footwear and Leather Industry Advisory Body; the Transport and Distribution Industry Training Board Victoria; and the Victorian Water Industry Association. Many associations are able to self-fund, and I see no reason why these industry training boards, if they wish to continue, could not do so in the same way many others have.

The industry skills consultative committee, particularly its terms of reference, deserves to be mentioned as part of the debate on this new model. The committee will enable individuals with enterprise and industry experience to address key strategic issues and provide direct feedback to government. Obviously the items that will be the subject of that relationship will have regard to the critical skills, workforce issues and performance of the training market from an industry perspective. The committee may also give its auspices to various working groups that focus on current and emerging economic workforce skills development and productivity issues in the context of the training market.

The functions of that committee will be to advise the minister on current, emerging and future economic workforce productivity challenges and associated training issues; to provide direct feedback through strengthening relationships between industry and government regarding critical skills and workforce issues; to advise the minister on training market conditions that restrict or discourage participation of businesses in training; to offer an industry perspective on national and state government training policy; to convene an annual industry conference to ensure a broader consultation with all stakeholders of the training market; and to advocate the benefits of investing in training to improve the productivity, capacity and innovation of the workforce to employers. I think that is exciting, and I look forward to seeing that engagement model restructured and up and running, because it will take our education into the 21st century.

There are five flagship projects designed to support better decision making through this new industry participation model, including the Victorian Skills

Gateway, an online one-stop shop for vocational training clients; eMarketplace, a secure online exchange for employees wanting to secure training services from RTOs; an industry ratings tool, a simple-to-use star-rating tool for employers to rate RTOs; industry quality indicators, including the development of comparable, timely data to support quality indicators for RTOs; and industry-moderated assessment, including independent industry-validated assessment paths to improve employer confidence in vocational training qualifications. I commend the minister on bringing forward this model, and I look forward to our education system benefiting from it.

The bill transfers the responsibility of managing the \$1.2 billion in state funding for vocational training from the Victorian Skills Commission to the Department of Education and Early Childhood Development. It protects the interests of the state and students, obviously, in government-subsidised vocational training. It will increase the legal remedies available to the department to enforce its contracts with training providers, particularly regarding access to information. It will facilitate the actions of the market monitoring unit to enable problems identified by the market monitoring unit to be addressed through vocational education and training funding contracts.

The role of the market monitoring unit will be to monitor, analyse and report on matters relating to the efficiency of the Victorian government's subsidised vocational training market, including subsidy levels, fees and other market dynamics, behaviours that damage competition, thin markets or compromise training quality and/or participation in training by particular cohorts. I commend the minister on those reforms.

In terms of TAFE governance, we have 14 TAFE institutions and 2 adult education institutions. Basically they are unincorporated bodies, like the technical schools from which they evolved in the 1980s. Each is governed by an incorporated board, which evolved from the skills advisory boards. From now on the boards will be partly self-appointed. There has been representation of stakeholder groups. This does not need to continue. Whilst they may not serve on the board, because the board will be essentially comprised of people with a skill set that is required to run a modern educational institution, I would expect a modern institution to have advisory committees and reference groups and to regularly make sure — as do members of Parliament who are elected to this or any other board or decision-making body — that it engages with stakeholders and clearly understands what the issues and needs are.

The suggestion, by the reputable academics who signed the open letter in the *Age* that somehow the sky is going to fall in because more members will be appointed by the board and there will be no students or staff representatives and that this will somehow diminish the capacity and the effectiveness of the board is just a really poor argument. As I said, I would expect some of those institutions to establish reference and advisory groups — or subcommittees, for that matter — and have them operate in parallel.

The Victorian government is reforming the financial and legal governance of TAFE institutes to strengthen their accountability, address existing risks and strengthen their capabilities to operate in an increasingly commercial operating environment. The legal structures will reflect that. The main reforms are welcome and will lead to an improvement in the way our TAFE institutes operate. The objectives and functions of TAFE institutes are clarified for the first time in the history of Victoria, and that is to be commended. The bill's reforms to the governance of the TAFE sector are designed to improve its performance and efficiency by re-establishing it along modern management lines. The new governance arrangements will ensure that Victoria's TAFE institutes operate in an efficient manner, with boards chosen solely for their professional skills and experience to manage such important public undertakings with greatly strengthened accountability.

In relation to university governance, the bill leaves the shape of each council as a matter largely to be determined for each university according to its wishes and circumstances. In practice this means allowing flexibility to alter the size and composition of councils, if requested by the university, in place of the set formula laid down in the university acts. The complaints are really misguided and misunderstand the flexibility that exists in the reforms that are contained in this bill. The bill introduces greater flexibility in fixing the size and composition of university councils, and these reforms reflect the views of most but obviously not all universities; there will be differences of opinion amongst our intelligentsia and academics. Change may only be made by a university if the university asks for it, and any change must be tabled in both houses of Parliament and will be subject to a disallowance, so I see absolutely no cause for concern there.

Time is galloping away and I have been asked to wind up, but there are just a couple of rebuttal matters I would like to touch on. One of those was Ms Pennicuik's claim that the Victorian Registration and Qualifications Authority has somehow not been doing its job. I place on record that the VRQA has

cancelled the registration of over 75 RTOs in the last year, as opposed to the federal Australian Skills Quality Authority, which has only deregistered 12 over the same time.

The reforms that the minister has introduced and that the house has debated are biting. They are giving the institutions a wider suite of tools to make sure that they lift their performance and are more accountable.

Earlier in the debate a comment was made about Swinburne University of Technology's campus closures. A fact sheet produced by Swinburne University outlines its 2020 vision. It says:

Consistent with Swinburne's long-term vision, the TAFE course portfolio for 2013 has been reshaped to better align with Swinburne's focus on science, technology and innovation.

To suggest that it is all as a result of the dreadful refocusing of resources from the oversubscribed courses that may not necessarily lead to a job for those in the skills shortage area is certainly an oversimplification.

Ms Pennicuik interjected.

Mrs PEULICH — Ms Pennicuik has been prophesying doom and gloom. Clearly that is not matched by the detail of the bill. With those few words, I commend the bill to the house. I look forward to these significant governance improvements lifting the quality of education in our TAFEs, by our RTOs and in our universities, and as a result not only lifting the opportunities available to Victorians but also making the most of an important export market — that is, international education.

Mr LEANE (Eastern Metropolitan) — It was interesting to hear Mrs Peulich talk about refocusing TAFE spending that will result in the Swinburne University of Technology's Lilydale and Prahran campuses closing. Those campuses are being refocused out of existence! That comes from members of a government who said that theirs would be a no-spin government. They should call it as they see it: the funding cuts are resulting in those campuses closing.

I ask the Clerk to distribute my reasoned amendment, and I formally move:

That all words after 'That' be omitted with the view of inserting in their place 'this bill will be withdrawn and redrafted to require the secretary to provide sufficient VET funding for the continuation of existing campuses, in particular the Lilydale and Prahran campuses of the Swinburne University of Technology'.

Mrs Peulich mentioned that those campuses are not being closed because the government is refocusing TAFE spending. Let me read from a letter to a concerned citizen who lives in Lilydale and who wrote to the chancellor of Swinburne University. Her letter was responded to by Mr Andrew Dempster, the principal adviser, chancellery. It states:

Like every other TAFE and dual-sector university in Victoria, Swinburne has had to respond to the impact of budget decisions taken by the Victorian government which will have a \$35 million impact on Swinburne in 2013.

The people at Swinburne have responded by deciding that they will no longer supply training for young people at Lilydale due to this government's cuts.

I turn to other responses to inquiries. The reaction of people at Swinburne was to put on their website a document headed 'Transforming Swinburne: frequently asked questions'. Under 'TAFE courses' it has the following question:

What has been the financial impact on Swinburne of recent changes to vocational education and training funding?

The answer is:

Recent changes to vocational education and training funding will have a \$35 million impact on Swinburne in 2013.

The federal member for Casey said in the federal Parliament that:

Recently Swinburne, which has a number of campuses, announced it would close its Lilydale campus. It said that the decision for this closure was largely to do with a refocusing of funding by the state government with respect to TAFE courses.

Even the federal member for Casey is not using weasel words about what is actually happening at Lilydale and Prahran.

Ms Pennicuik gave a good outline of the training that is provided at the Prahran campus. It is fantastic work and we are all proud of it. People who train at that campus end up working in all sorts of areas, especially in the theatre arts. The Prahran campus is purpose built for that training. It also works in parallel with the National Institute of Circus Arts, supplying NICA's IT, shared services, classrooms and student support. If the Prahran campus of Swinburne is not there all of a sudden, that will put in peril a great institution that we all like to brag about, have photos taken in front of and whatnot. This is coming from NICA. It is not coming from bogus adjunct professors or anyone like that; this is coming from the horse's mouth. There is a huge issue to be addressed at Prahran.

There is also a huge issue at the Lilydale campus, which is the only tertiary education campus in the outer east. The results of that campus closing will be absolutely catastrophic for the young people who live out there. If the closest campus for someone who is doing a course at Lilydale is Holmesglen, the Metlink site shows that that person will have to travel by two buses, a train and sometimes a tram. That will take 1 hour and 45 minutes to 2 hours to travel one way. We are talking about youth in the outer east who are at risk and who just will not travel that far and for that long. There is a desperate need for TAFE and other tertiary training to be nearby and accessible to all young people. I thought that would be a right in this state.

The member for Evelyn in the other place said that all the courses were mickey mouse lifestyle courses. Let me tell members which courses in the TAFE sector that were available in Lilydale but will not be available next year. These are courses in the automotive area to obtain a certificate II and a certificate III, a number of diplomas in information technology and a certificate III in public safety (firefighting and emergency operations). I spoke to a constituent out there who made an inquiry to Swinburne's transitional number and said they want to do the course to get a certificate III in public safety (firefighting and emergency operations). He said that the person at the end was helpful, but after the person looked at the computer he said, 'The nearest place now for you to do that course is Ballarat'. The Dandenong Ranges are prone to bushfires. If someone from the area wants to do a course to get a certificate II or certificate III in public safety (firefighting and emergency operations), that course is not available near the Dandenong Ranges; it is available in Ballarat. It is just wrong.

In health and community services, the course for a diploma of children's services will not be available there, and neither will a course for a diploma of nursing. In hospitality, tourism and event management the course for a certificate in kitchen operations will not be available. The courses for a certificate II and a certificate III in hospitality will not be available. The Victorian certificate of applied learning and vocational education and training subjects that are offered there now will not be available in the automotive, hospitality and conservation and land management areas.

Supported learning courses, which are important to all areas, will not be available in the east. Students who have undertaken supported learning programs in secondary schools will not be able to go to TAFE and take the bridging courses that will get them through a TAFE certificate. That is the awful situation we find ourselves in.

Ms Mikakos put our overall position on the bill, so I will not go any further. However, I implore all members to oppose this bill or at least support the reasoned amendment so that people in Lilydale and Prahran will be able to access the special facilities that are available there now.

Mr RAMSAY (Western Victoria) — My contribution will be short, but I have to say after listening to Mr Leane's contribution for the last 10-odd minutes, I am at a bit of a loss to understand what relationship his contribution had to the bill in hand, because I understand this bill to be all about accountability, transparency and governance. What I heard from Mr Leane was a bit of a rant about Swinburne University's Lilydale campus.

Notwithstanding that, I rise to speak on the debate on this bill which will amend the Education and Training Reform Act 2006. The bill also proposes governance arrangements for the eight acts that establish Victorian universities — namely, Deakin University Act 2009, La Trobe University Act 2009, the University of Melbourne Act 2009, Monash University Act 2009, Swinburne University of Technology Act 2010, the University of Ballarat Act 2010 and the Victoria University Act 2010.

Universities should have flexibility in the size and composition of their councils. This bill proposes that there will no longer be automatically elected members on university councils, but they will need skills-based qualifications and hold qualifications to perform the duties required, and that is expected in relation to a good governance model in the public and private sector.

This bill also proposes a legislative framework for the public funding of vocational education and training programs. This funding will be provided through contracts between the Department of Education and Early Childhood Development (DEECD) and providers of vocational education and training, both public and private. This bill also proposes several changes to contract law so as to facilitate monitoring and enforcement.

In regard to TAFE institutes, the bill aims to create a more contemporary, accountable and effective TAFE sector. It promotes and allows TAFEs to compete effectively in a demand-driven market, which will ensure greater accountability and ensure that a risk-based approach to public funds is better managed. On that basis the legal structure of TAFE institutes is proposed to be changed. Under current TAFE structures there are unincorporated bodies with incorporated boards that are partly self-appointed, with

institute CEOs as of right, but under the bill we will see TAFE institutes become incorporated like other major public entities. They will have a skills-based board responsible for institutional governance, but the institute will be incorporated rather than the board. This is typical private company governance practice. There will be similar governance changes to the two adult education institutions, the Centre for Adult Education and the Adult Multicultural Education Services. The bill's reforms to the governance of the TAFE sector are designed to improve its performance and efficiency.

The bill will formally abolish the Victorian Skills Commission (VSC) and repeal provisions for industry training boards. This change is in the context of a new model for industry engagement and will increase industry's voice in the training market and support more direct relationships between employers and training providers. The bill also provides that the making of VET funding contracts will now be between the Secretary of the Department of Education and Early Childhood Development and registered training organisations (RTOs). Mrs Peulich has already discussed this. It will allow the secretary of the department to undertake the contracting with RTOs for delivery of government subsidised training that was previously undertaken by VSC, and that hopefully will be effective by 1 January 2013. In essence the bill transfers the responsibility for managing \$1.2 billion in state funding for vocational training from the VSC to DEECD and ensures that VET funding contracts will be enforceable, despite rules under commercial law to make government contracts enforceable for public services.

This bill is in response to industry demand to modernise and reform an industry model. State TAFE institutes, adult education institutions and universities will be able to continue to develop modern professional governance structures drawing on the skills of suitably qualified board members. The proposed new contractual provisions will also strengthen the mechanisms available to the state to protect students from unscrupulous providers, by ensuring that government subsidised programs have the appropriate scrutiny.

The bill provides for the board of a TAFE institute to govern both the institute and an adult education institution. This allows for the proposed new arrangements between the Centre for Adult Education and the Box Hill Institute of TAFE. The bill also allows the Victorian Registration and Qualifications Authority to consider a provider's history of compliance with a government training contract when determining registration matters. This will strengthen VRQA's regulatory powers in relation to registration in cases

where there are or have been demonstrated breaches of government training contracts, and it gives some protection to students from potential poor-quality training providers.

The bill also amends section 4.9.4 of the act. The amendment is to ensure that information about a provider's compliance with a government training contract or with the relevant quality standards may be disclosed by the secretary of DEECD to the VRQA, commonwealth departments or other education regulators. The outcome of this will be to ensure that the VRQA and DEECD have much more relevant information to make decisions regarding registration or training contracts. That is all about proper governance, all about accountancy and about scrutiny. This should reduce the burden on providers by allowing one agency to collect information and share it as required.

In conclusion, this bill aims to modernise a structure that is being reformed to an industry demand model for state TAFE institutes, adult education institutions and universities. The protected species of governance of the past will be replaced with a modern professional governance model that will have suitably qualified board members. New contractual provisions will also strengthen mechanisms available to the state to protect students from unscrupulous providers by ensuring that government-subsidised training is delivered to the appropriate standards in accordance with funding contracts. It will give students greater rights and help ensure that public training funds are expended and accounted for properly.

That is in direct contrast to the opposition, which has policies of spending without accountability, training without transparency and funding training outcomes that are not demand driven, and which is supporting bureaucratic walls to protect a heavily unionised sector while refusing to acknowledge the need to modernise the governance of Victoria's education and training institutions.

I commend the bill to the house.

Mr SCHEFFER (Eastern Victoria) — Every government bill that comes before the Parliament says something about the government — what it values, whom it values and how it thinks Victorians should be treated — but some bills express this more starkly than others, and the Education Legislation Amendment (Governance) Bill 2012 that is before us today is, I think, such a piece of legislation. This document reveals a great deal about what the Baillieu government substantively believes and how the government thinks Victorians and Victorian institutions should be dealt

with when important change is afoot. The bill abolishes the time-honoured practice of including elected representatives on the councils of our universities and on the boards of our TAFE institutions. As well as that the bill provides for the removal of the Victorian Skills Commission and the 16 industry training boards and makes a range of changes to the administration of state funding to the education and training sector.

As we have heard from Ms Mikakos and Mr Leane, the opposition does not support this bill, particularly because it believes that while all bills should be subject to consultation with communities affected, this bill in particular, because of the many important changes it makes to the governance of institutions that provide education and training, should have had very careful consultation. That is especially true for this bill because it comes at a time when the government's attack on the TAFE sector through its \$290 million budget cut has precipitated almost universal criticism right across the community.

The government's attack on the sector has damaged its credibility so severely it is unlikely to recover, because that single destructive and inept action has harmed so many Victorians who will never trust this government again. The second-reading speech purports to set out the government's justification and rationale for the legislation, and it devotes considerable space to explaining why state funding for vocational education and training will be allocated through funding contracts. The Minister for Education does not actually put the case that a funding contract is superior to a service agreement, but he goes straight into arguing that funding contracts as set out in the bill need modification because contracts, under contract law, are designed for commercial environments rather than for the delivery of services to the community.

The logical question then is: why make the change from a service agreement to a funding contract in the first place? Make the primary case. Sadly, and in typical fashion for this government, the second-reading speech and the explanatory memorandum contain no clear rationale that sets out what the problem is with the current arrangements and how the provisions of the bill will fix the problems. The TAFE sector confronts many challenges, is the key to strengthening the productive skills of the future workforce and is the major pathway along which thousands of Victorians have improved their abilities to find better and well-paying jobs with all the benefits that entails.

Let us be clear on the kind of sector that we on this side want the TAFE sector to be. We want it to be better than it is, and we stand willing to support any reforms

that will bring this about. But given this government's track record and this minister's initial public admission that the \$290 million budget cuts are unacceptable, the opposition can be forgiven for taking nothing from this government on trust.

Returning to the bill, I ask the question: where can we find a clear explanation of the weakness of the present service agreement arrangements and the merit of introducing funding contracts? In general terms the government says that the provisions contained in the bill will make sure that TAFE institutes can operate as contemporary, accountable and effective organisations, which is of course all very laudable. To do this the government says the legal structure that underpins TAFE institutes needs to change and three things need to happen: the first is that the power to allocate state government funds to TAFE institutes will become the responsibility of the Secretary of the Department of Education and Early Childhood Development; the second is that the funds will be allocated through vocational education and training funding contracts; and the third is that TAFE boards will be incorporated.

The opposition has said that in the first place the government really has to explain what the difference is between a service agreement and a contract, and our spokesperson, the shadow minister for higher education and member for Eltham in the Assembly, Mr Herbert, is still waiting to receive the independent legal advice from the government that it said it relied on to come to this position. On this side we are not convinced that there is any point in switching from service agreements to contracts, especially as the change requires modifications to contractual law to make it work and to deliver the increased compliance and capacity to enforce which the government is after.

We have said that we support measures that clean up bad practices on the part of unscrupulous providers — for example, not delivering the training they are paid to deliver, falsifying records or squandering money — and measures that strengthen the protection of students through imposing monetary fines, for example. But what we have here in this bill is a gesture rather than substance. Where is the detail that sets out the problems with the current service agreements? Why can the service agreements not be strengthened to enforce the compliance and protection of students that the government said it is after? The government is asking this Parliament to trust it and agree to measures that are unexplained and the implications of which are unclear, but we will not, because insofar as TAFE is concerned the government has forfeited trust and does not have a shred of credibility.

The opposition can trust this government on nothing. The government has the majority and the bill will undoubtedly pass, but not with the agreement of the opposition, because the government has not made the case that the provisions in this bill can address the problems that it is supposed to fix. The opposition has set out the specific issues the government needs to answer. Why is a service agreement not enforceable? Why is an enrolment form not an enforceable contract? What types of contracts are to be drawn up? What penalties will they incur? What are the connections between a registered training organisation's obligations under a contract and an individual student's right to litigate, and so on? I will not go over them again, because they are, as I said, on the record already.

The government has got itself into this mess. It has failed to consult with the sector because the government knows that it will not like what the sector has to say. The minister and the government are responsible for the discontinuation of courses — 20 from GippsTAFE and 34 from Advanced TAFE — thereby hanging students out to dry, ruining their dreams and disrupting their plans, sacking around 2000 teachers, closing campuses, and undermining related community activities in large and small towns across the state. They have forfeited the trust with the sector on which truthful consultation relies.

The other matters contained in the bill that I want to say something about concern the changes to the governance structure of TAFE institutes and universities and the abolition of the Victorian Skills Commission and the industry training advisory boards. Electing representatives is a long tradition in our universities. It has become an element of the governance structures of many tertiary institutions and has served to link decision making to the community of the campus. It has stood the test of time, and it has provided a forum for the contestation of policy and direction in the affairs of many universities that have in some instances led the community. At the same time it is clear that universities and tertiary institutions are much changed and serve broader interests today than they did. While for the most part universities still serve the interests of elites, the tertiary sector as a whole is open to talents and serves the general community much more than it did in the past. There may well be a case for beefing up the expert base of university and TAFE councils, but the government once again has not explained exactly why the current arrangements cannot handle the greater accountability needed in the TAFE sector.

Given the absence of coherent discussions on these issues and the highly shocking track record of this government in the TAFE area, we suspect that the real

agenda is to silence oppositional voices raised within the institutions themselves. The government knows that the general public overwhelmingly trusts the leadership of our tertiary educational institutions in the way they generally trust the public service, emergency services, the police and the armed forces. Voices raised against the government over its attack on the TAFE sector are very damaging to the government, as we have seen in recent weeks when the Victorian TAFE Association spoke out against the budget cuts. This is why CEOs will be thrown off their boards and why students and staff have lost their elected positions. From now on it will be only experts appointed by the minister.

I am an optimist, and I think the government is dreaming if it thinks it can suppress opposition and protest. I am confident the new and suitable experts the minister will choose will arrive in time to identify with the institutions they lead. The government's objective is clearly to subdue dissent to ensure that the TAFE leadership will not oppose the future plans it has for the sector. We know, because this minister, who himself lacked the courage to follow on his outrage over the cuts initially exacted by his Liberal colleagues, has lost credibility.

The bill abolishes the Victorian Skills Commission, and the defunding of the state training boards. We think this is a backward step that will harm the quality of independent industry advice the sector needs to develop appropriate and cutting edge training programs. As we know, Labor has promised to re-establish a skills commissioner to provide oversight of the training market and to develop and access the best possible data to better determine future skills shortage areas and appropriate workforce training needs. We have also committed to developing effective industry training bodies, the membership of which will include key industry employer organisations, trade unions and professional associations.

As for the skills consultative committee the minister has said he will establish, we run up against the same problem with this government — that is, a profound lack of specifics. What will the committee actually do? Who will be on it? Will they be appointed by the minister? That seems likely. When will it get started? Is it true that it will only meet once a year and, importantly, will the trade unions have a seat at the respective tables?

We have a reasoned amendment before the chamber that was moved by Mr Leane. It calls on the government to provide funds that will enable campuses to stay open — in particular Lilydale, which is in my electorate and that of the minister — Eastern Victorian

Region. As members will know, the budget cuts of last May have impacted heavily on the viability of courses at the Lilydale campus — 27 of them down to 7. Mr Leane spelt out the details of those courses, so I will not run through them again. What they do is threaten the continuation of the campus, the enrolment of which will collapse by some 30 per cent, and student contact hours could decrease by around 25 per cent. The closure of the Lilydale campus is directly caused by the \$290 million budget cut in May this year. If the amendment is passed, Lilydale, Prahran and other campuses will be thrown a lifeline, but members of the government will need to vote for it, and we wait for that support.

This is a poor piece of legislation that does not deserve the support of the house. It is not based on sound policy that identifies problems and formulates measures that can fix those problems. One of the reasons for this is that the government has not consulted; it has not factored in the views of the sector, which is a very complex policy area. As a result the so-called remedies and reforms that are presented in the bill are no such thing and suffer from superficiality and sometimes incoherence. The bill should therefore be rejected, and the government should do some serious work to fix it.

Mr ONDARCHIE (Northern Metropolitan) — I rise to speak on the debate on the Education Legislation Amendment (Governance) Bill 2012. Others in the chamber today have been through the parts of the bill, and I shall not do that again for the purposes of the efficiency of this chamber. The bill makes modifications to contract law applying to VET (vocational education and training) funding contracts. One of the key elements is that the VET funding contracts will specify that certain contractual terms are to operate for the benefit of students — explicitly supporting students, which is what we are here to do.

When I joined this Parliament in December 2010 some comments were made to me about members of the opposition. I thought to myself, 'That is not fair; that can't be true, that can't be realistic. They cannot be exactly as they are described to me'. But can you believe that here today — in 2012 — the opposition and the Greens are advocating for a suboptimal governance model? I cannot believe it. I have some experience in governance, and this bill goes towards improving the governance structure at our TAFE institutions.

The bill makes further governance provisions relating to TAFE institutes and adult education institutes. Currently TAFE institutes are unincorporated bodies, while their partly self-appointed boards are

incorporated. This bill provides that institutes will become incorporated entities, just like other public authorities, with powers and functions to provide education and related services. The board will be responsible for institutional governance, but the entity will be incorporated.

Under this bill directors will be chosen solely for skills and experience suitable for membership of a governing body of a large public authority responsible for substantial taxpayer assets delivering important services, and the minister will appoint people based on their qualifications. Directors will no longer be elected by staff or students as of right nor chosen by the board itself. The CEO of a TAFE institute will no longer be a director of the board. This bill requires that orders in council that established TAFE institutes and their governing structures be reviewed and remade, providing new constitutions and providing for new boards under the revised current arrangements.

Boards act for the moral and legal owners of the institution, the people of Victoria. They act for Victorians who are not even born yet. We are suggesting that board members should be skilled and experienced and have appropriate acumen to ensure that we achieve optimal education outcomes and deliver appropriate use of taxpayer funds. We want to make sure boards meet both the fiduciary requirements and the educational outputs that we are looking for. We want board members to be the best people, from all sorts of backgrounds, but the opposition want to mandate where board members come from. I will tell you what I want. I want better governance, and the opposition should too. The opposition should want better governance, although to be fair, the Bracks-Brumby-Lenders governments did not have a very good track record for appropriate use of taxpayer funds. I commend the bill to the house.

Mr EIDEH (Western Metropolitan) — I rise to speak on this very important bill. While I have a high regard for the Minister responsible for the Teaching Profession and the Minister for Education, I am unable to express the same regard for the education policies that the Premier and the Treasurer have forced on our state, on our youth and on our future, which are in dire trouble. The devastating blows to TAFE are a prime example of what I mean.

However, let us get back to the bill before the house, although my foregoing remarks are also very relevant to this bad bill. It is a bill that is anti-community, anti-education and anti-democracy; a bill that is an insult to the people of Victoria; and a bill which reminds us of when former Premier Jeff Kennett won

office and immediately acted against community representatives on hospital boards. That action had a negative effect on some hospitals, as community members must always be highly regarded for their great input and their selfless, dutiful service.

In the main, this government has little respect for volunteers, given the key provisions of this bill, which will guillotine into non-existence the positions of elected representatives on university councils — after all, the Premier knows better than everybody else! The bill makes changes to governance arrangements and terminates the positions of elected representatives on TAFE boards, but then we already know the low level of respect for TAFE held by the Premier and the Treasurer. Again, I pay due respect to Minister Hall, who we all know disapproves of the nastiness done to TAFE but who defends the changes due to his belief in collective ministerial responsibility.

This nasty bill also abolishes the Victorian Skills Commission and 16 Victorian industry training advisory boards. I am sure that some of those opposite will wrongly try to lay the blame on the federal Labor government for these negative decisions from a government that seems hell bent on destroying Victoria's skills base and thus its manufacturing and industry sectors. The government must value imports more highly than all other Victorians do because these policies are anti-Victoria; there is no other way of viewing the collective assault on TAFE since this government assumed power. Certainly this is precisely how TAFE people who have approached my office have viewed the policies of this government, which is why I cannot support the bill, why the opposition will not support the bill and why those in the post-secondary sector — TAFEs, universities, private colleges and the like — only see doom on the horizon as long as this government remains in office.

Under the Baillieu-Ryan administration, under which good ministers such as Minister Dixon and Minister Hall are ignored, our state is going not only backwards but going backwards at an accelerating rate. This bill adds to that acceleration and makes the growing concerns within the TAFE sector far worse. It proves that Victoria is not moving in a forward direction. The cuts are hurting the TAFE and university sectors deeply and, with those cuts, the government further intends to silence any opposition and force the various governing authorities to make no negative remarks about it.

That will all be reinforced when the Secretary of the Department of Education and Early Childhood Development, most likely under orders from the government, makes decisions on funding instead of the

Victorian Skills Commission — that body will no longer exist — without any input from the relevant body. Under this government we are moving to a corporate model. While that is one thing in business circles, it is not appropriate when we are dealing with the community and with areas such as health and education, sport and disability, and caring and volunteering. Other areas that I have mentioned may be targeted next by a government hell bent on making Victoria the state where fewer people want to be.

I have grave concerns that as these changes are pushed through by a government with no real insight into education and training, or skills, manufacturing and industry, employers will leave, tradies will leave and trainers will leave. That will make our great state of the past decade-plus the basket case of the nation. Victoria led under Labor, but now we are heading in a negative direction under this government. While those opposite may disagree, we have already seen letters in newspapers with hundreds of signatures and we have already seen large rallies by the very people who will be first hurt by such changes: the staff who have until now given us the best-skilled and best-trained state in the nation. Small businesses, medium businesses and larger enterprises will all suffer and will either close, reduce services at increased cost or move overseas.

In closing, I offer a suggestion for a new car rego plate slogan: 'Victoria, state of missed opportunity'. Therefore, the opposition opposes the bill.

Mr ELASMAR (Northern Metropolitan) — I do not think it is going to be a good night for the minister. No-one on this side will have any mercy. I rise to speak on the Education Legislation Amendment (Governance) Bill 2012. The bill amends the Education and Training Reform Act 2006, the primary act, and proposes governance arrangements for the eight acts that establish Victorian universities: the Deakin University Act 2009, the La Trobe University Act 2009, the University of Melbourne Act 2009, the Monash University Act 2009, the Royal Melbourne Institute of Technology Act 2010, the Swinburne University of Technology Act 2010, the University of Ballarat Act 2010 and the Victoria University Act 2010.

The bill contains four components: it abolishes all positions from university councils previously designated for elected representatives it alters governance arrangements and abolishes the positions of elected representatives on TAFE institution boards; it abolishes the Victorian Skills Commission and the 16 Victorian industry training advisory boards; and it makes changes to the contractual arrangements for the provision of government-funded training. I must say at

this point that we are opposing this bill because it is a backward step for democracy in education. It gives the impression that this government has a problem with consultation.

We all know new ideas and progressive new programs or projects can only succeed if everyone is on board. Everybody knows about the training scams that have been carried out by bogus or sham registered training organisations which operated under the cloak of respectability provided by the government. By all means, root them out, but this bill is throwing the baby out with the bathwater by abolishing the Victorian Skills Commission and the 16 Victorian industry training advisory boards and transferring and centralising all power to the public service proper.

The impact of the bill will be a negative downward spiralling of student expectations, but, importantly, at the end of the day it will be the employers in this state who are the ultimate losers. The economic sector will lose its capacity for growth, and the de-skilling or non-skilling of the workforce will see Victoria heading towards becoming a welfare state that will be unable to sustain future generations of workers. I would have thought that that was bad for business. That is why we oppose the bill, and I urge members to support the amendment moved by Mr Leane.

Hon. P. R. HALL (Minister for Higher Education and Skills) — It seems that opposition members have had some memory lapses here this evening. They have lamented and moaned about changes in this bill yet blithely ignored the fact that this system — the training world that we have in Victoria now — is their system. It is the system introduced under the previous government. The world has changed, and it changed on 1 July 2009 when the Labor government introduced a demand-driven uncapped training system in Victoria. It was those opposite, with their system, who gutted the Victorian Skills Council and gutted the industry training boards, because they no longer had a role under the system.

Previously the VSC and the industry training boards were there to advise government about how many training places needed to be funded in each vocational area. That was their principal role. Do members opposite agree that was the role that they played? Under a demand-driven, competitive training system no longer do governments say, 'We need to fund this many places in this vocational area and that many in another'; the market looks after itself. The market-demand system that the opposition introduced when in government in 2009 gutted the Victorian Skills Commission. It was those opposite who took away its prime role. They did

the same with industry training advisory boards. They should admit it. They did the same. The boards no longer had a role because the way in which training is now funded in this state is driven by those who are signing up to participate in a training course.

I am making general comments in response to the matters that have been raised here, and I cannot ignore the memory lapses of opposition members and the fact that they completely ignore the fact that they were the architects of this system. I will talk about some of the comments made by Mr Scheffer. He said that having elected representatives is a 'time-honoured practice'. It is a time-honoured practice around which time has elapsed because of the changes that Labor made.

Mr Ramsay — Mr Scheffer is in a time warp. He is still in the time warp.

Hon. P. R. HALL — He is in the time warp; exactly right.

I will go through some of the issues that have been raised here during the course of the debate. Perhaps we will explore these in committee if the opposition still wants to after I have made these comments.

Ms Mikakos — Yes, we do.

Hon. P. R. HALL — I am really pleased about that, because Ms Mikakos described this legislation drafting as being 'woeful'. I look forward to an explanation of that. She described us as having done no consultation for this bill, and she specifically said there was no consultation with the TAFE association. I chaired round tables with every university chancellor, every university vice-chancellor, every TAFE director and every TAFE board chair a number of times. On the occasions when those TAFE institutes came along so did the TAFE association. Do not put to me again that the TAFE association has not been party to the construction of these changes.

It has also been suggested by the Labor Party that there has not been sufficient effort by this government to crack down on dodgy providers — let me say dodgy providers that were let into the system because the previous government when it introduced this system did not have the controls in place. What did we see under that system? We saw an absolute explosion in providers. We had no architectural control. We had service agreements, not vocational education and training funding contracts, which this legislation put in place, which are going to tighten the whole system up. It was Labor when it was in government that allowed this to occur. Those opposite smile about it and forget, but it is a problem that we have had to address.

Let me go to that issue about cracking down on training providers. Ms Mikakos quoted Labor's recently released policy document *Victorian Labor's Plan for Jobs and Growth*. Labor has said it is going to crack down on dodgy providers, and yet at the same time this document states:

A future Victorian Labor government will refer powers of registration and regulation of registered training organisations (RTOs) to the Australian government.

The opposition is going to secede all its control over providers, both public and private, to the commonwealth government, and yet it says it is going to crack down on dodgy providers. It is giving away its powers to crack down. Labor cannot have it both ways, just like it cannot have it both ways in designing this system and then coming in and criticising this particular legislation.

I am amazed at the gall of members of the opposition in the way they have raised matters. They referred to a letter about this issue that was printed in the *Age* of 12 November and signed by 250 academics at various universities. The letter is factually wrong. It says:

To be a member of the academic or professional staff, or a student or graduate — —

Mr Lenders interjected.

Hon. P. R. HALL — Do you want to hear where it is wrong?

Mr Lenders — Is it your letter or their letter?

Hon. P. R. HALL — It is their letter, Mr Lenders. Do not try to distract me. Their letter that was printed in the *Age* is factually wrong.

The ACTING PRESIDENT (Ms Pennicuik) — Order! Mr Lenders is not in his place. The minister will speak through the Chair.

Hon. P. R. HALL — The letter states:

To be a member of the academic or professional staff, or a student or graduate, is to be a 'member' of the university — yet it is precisely these members of the university that are to be excluded from the peak governance body of the institution.

They are not being excluded. There is no exclusion of staff or student representatives. What the previous government did was exclude members of Parliament from participation on TAFE boards. There is no reason for them to be excluded. They are eligible just like anybody else to serve on a university council. They are eligible, just like anybody else, except members of Parliament, because the opposition excluded members

of Parliament from serving on TAFE boards along with CEOs or directors of TAFEs. Anybody else, apart from people falling within those two categories, is entitled to be a member of a university council or TAFE board. That letter is factually wrong.

Business interrupted pursuant to sessional orders.

Hon. P. R. HALL (Minister for Higher Education and Skills) — I move:

That the sitting be extended.

House divided on motion:

Ayes, 20

Atkinson, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Crozier, Ms	Lovell, Ms
Dalla-Riva, Mr	O'Brien, Mr
Davis, Mr D.	O'Donohue, Mr (<i>Teller</i>)
Davis, Mr P.	Ondarchie, Mr
Elsbury, Mr (<i>Teller</i>)	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr
Hall, Mr	Rich-Phillips, Mr

Noes, 18

Barber, Mr	Pakula, Mr
Broad, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms (<i>Teller</i>)	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr
Leane, Mr	Tee, Mr (<i>Teller</i>)
Lenders, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr

Pairs

Drum, Mr	Darveniza, Ms
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Motion agreed to.

Debate resumed.

Hon. P. R. HALL (Minister for Higher Education and Skills) — The comments from members of the opposition, and I might add Ms Pennicuik from the Greens, were littered with the denial that there should be any commercial focus to TAFE and university council boards. I refer members to comments made by Mr Pakula on 16 September 2010 in this place, when we were debating the Education and Training Reform Amendment (Skills) Bill 2010, where he said:

In that environment it is important that the governing boards of major public authorities have the professional skills, competencies and experience to discharge those responsibilities and functions.

...

The new boards will be responsible — just like the board of a private company — for the commercial operations of the

institution. They will be accountable — as major public statutory authorities answering to the minister and hence to this Parliament — for their stewardship of the public resources entrusted to their care and for their operational performance.

Very clearly the commercial focus that was recognised by the then government in 2010 is now ignored by the present opposition for the convenience of the arguments it is putting tonight. You cannot have it both ways.

Finally, in summing up, I want to go to the ridiculous reasoned amendment advanced by Mr Leane, where he said that money should be provided to Swinburne so that it can continue to provide programs at its Lilydale campus. For the sake of Mr Leane and other members, I say universities are autonomous organisations. I could give Swinburne \$100 million or I could give it \$200 million, but I cannot make it provide programs at any of the campuses of its university. I do not have that power. In the acts that establish universities no minister has the power to require them to deliver programs, which is why this reasoned amendment is an absolute nonsense. It practically cannot be done.

Instead of this sort of political rubbish, Mr Leane should join me and start working to make sure we have provision at those campuses of Lilydale and Prahran, because that is where my efforts are focused, to work with providers — —

Mr Leane interjected.

Hon. P. R. HALL — Giving weasel words! Talk about weasel words. What a hypocrite Mr Leane is with these words, which are purely weasel words because — —

The PRESIDENT — Order! I cannot accept the word 'hypocrite' in the context in which the minister has used it. I ask him to withdraw that word.

Hon. P. R. HALL — I withdraw that word.

The PRESIDENT — Order! The minister to continue without the interjections by Mr Leane that provoked that remark.

Hon. P. R. HALL — Despite what Mr Leane and others may think, it is the earnest desire of this government to make sure we continue to provide training programs and higher education programs throughout this state. That is why I work regularly with Swinburne University on the future of both of its campuses. Ms Pennicuik might be interested to know that I was talking to the National Institute of Circus Arts just on Friday of last week. It is our earnest desire to bring about an outcome which will see the continuation of delivery from those campuses, albeit

Swinburne has made its intentions clear on its involvement with those campuses.

I just want to say one final thing, and it is about a comparison between the current structures of TAFE governance boards and university councils. Currently a TAFE board has a membership of somewhere between 9 to 15 and that number is going to remain the same under this legislation. The chair is currently elected by the board and under this legislation the chair will be appointed exactly the same as Labor wanted in 2010. There will not be any elected representatives, that is absolutely true, and in terms of the additional members the CEO will not be a board member. Common commercial practice is that a managing director or CEO is frequently not a member of the board but rather an employee of the board. When members are appointed the same numbers will apply — that is, the government will appoint at least half of the remaining membership in exactly the same way as it does now instead of the board coopting members. Further appointments to the board will be made in consultation with the remainder of the board.

In the case of university councils, currently a university council has between 14 and 21 members. Under the legislation they will have greater flexibility, not less, because they will be able to set the number they wish to have on their council by order in council. There will be three official members, just the same as there are now. The only difference is that there will be no as-of-right position — I repeat: as of right. There is nothing to prohibit a staff member or indeed a student from participating on a TAFE council board.

The government does not accept this reasoned amendment. It is impractical, it is politically motivated and it will not achieve anything. I am more than happy to canvass discussion with the opposition and the Greens during the committee stage.

House divided on amendment:

Ayes, 18

Barber, Mr (<i>Teller</i>)	Pakula, Mr
Broad, Ms (<i>Teller</i>)	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr
Leane, Mr	Tee, Mr
Lenders, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr

Noes, 20

Atkinson, Mr	Koch, Mr (<i>Teller</i>)
Coote, Mrs	Kronberg, Mrs (<i>Teller</i>)
Crozier, Ms	Lovell, Ms

Dalla-Riva, Mr	O'Brien, Mr
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Ondarchie, Mr
Elsbury, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr
Hall, Mr	Rich-Phillips, Mr

Pairs

Darveniza, Ms	Drum, Mr
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Amendment negatived.

House divided on motion:

Ayes, 20

Atkinson, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs
Crozier, Ms (<i>Teller</i>)	Lovell, Ms
Dalla-Riva, Mr	O'Brien, Mr
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Ondarchie, Mr (<i>Teller</i>)
Elsbury, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr
Hall, Mr	Rich-Phillips, Mr

Noes, 18

Barber, Mr	Pakula, Mr (<i>Teller</i>)
Broad, Ms	Pennicuik, Ms
Eideh, Mr	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr (<i>Teller</i>)
Leane, Mr	Tee, Mr
Lenders, Mr	Tierney, Ms
Mikakos, Ms	Viney, Mr

Pairs

Drum, Mr	Darveniza, Ms
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Motion agreed to.

Read second time.

Committed.

Committee

Clause 1

Ms MIKAKOS (Northern Metropolitan) — I want to ask the Minister for Higher Education and Skills about his comments earlier on consultation. Can he advise the house what consultation occurred with various stakeholders prior to the introduction of this bill? I am asking about consultation specifically in relation to the bill, not about the regular consultation he might have with stakeholders.

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I said in my summing up of the second-reading debate on the bill, formal consultation

on these matters was undertaken with TAFE council chairs, TAFE directors, the Victorian TAFE Association, university chancellors and university vice-chancellors.

Ms MIKAKOS (Northern Metropolitan) — Did that include the TAFE association?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Yes.

Ms MIKAKOS (Northern Metropolitan) — Was there any consultation with representative bodies of students or of staff, including unions?

Hon. P. R. HALL (Minister for Higher Education and Skills) — No formal consultation was undertaken with those persons prior to the tabling of the bill in the Parliament of Victoria, which is not unusual. Many Victorians first see a piece of legislation when it is tabled in the Parliament.

Ms PENNICUIK (Southern Metropolitan) — Just on that issue, why did the minister not have formal consultation with the unions with regard to this bill — for example, the National Tertiary Education Union, which represents the academic staff who by virtue of the bill will no longer be able to elect representatives to the boards or councils of universities?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Quite frankly I do not know what the unions have to do with it. The previous legislation provided for an elected staff representative and an elected student representative; it did not have any provision for an elected union representative.

Ms PENNICUIK (Southern Metropolitan) — This is not by way of a question, but the union represents academic staff, so in that respect it would be able to represent the views of academic staff. However, the minister has answered my question; he did not have a formal consultation.

Ms MIKAKOS (Northern Metropolitan) — I want to move on now to the issue of appointments to boards. I want to ask: what analysis has the minister's department made of the failings of the current system of appointment? There were a number of references in his summing up and from other members of the government to appointing people on a skills-based or qualifications-based system. That currently happens, so what are the failures of the current system that the minister is seeking to rectify?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The matters which a TAFE board has to

deal with and which a university council has to deal with are many and complex and of a commercial orientation, as the previous government said; I quoted those words from Mr Pakula at that particular point in time. Therefore there needs to be a whole-of-council or whole-of-board consideration of the collective skills of those members where some are appointed by government and where others are coopted or appointed by council. It does not always provide the best opportunity to look at the skills of those members on a collective basis. Therefore these changes, I might add, were suggested and requested by those who were participating on such boards; in particular the university chancellors and TAFE council presidents approached the government asking it to convene some discussions on this. We did so, and what is contained in this legislation is reflective of the general view that came out of those discussions.

Ms MIKAKOS (Northern Metropolitan) — Was there any analysis done by the department? The minister has identified some stakeholders who requested these changes, but did the minister actually have some analysis or a consultant's report done identifying that there were some significant failures in the current system?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I said, these changes were requested by people who are well experienced in the positions they occupy within either university councils or TAFE boards. As I said, we convened round table discussions on a number of discussions with people representative of those positions on all universities and TAFEs in Victoria, and that was the conclusive view.

Ms MIKAKOS (Northern Metropolitan) — Given that the minister has referred to the debate of 16 September 2010 I also want to remind him of some comments he made during that debate, particularly his vocal and strident opposition to similar amendments the then government made in terms of giving the minister more powers or ability to appoint members of TAFE boards. At the time the now minister said:

It does not go into any detail as to what the changes mean, how the management boards are going to be strengthened or how the lines of accountability between the boards and the minister are going to be clarified. Currently the act requires the board to report to the minister and have a direct line of accountability.

The minister then went on to say:

... I repeat that under the current arrangement more than one-half of the members must be appointed by the minister anyway. This is an unnecessary grab for power. It is an expression of the minister's wish to centralise all these

appointments. It is typical of this Labor government, the members of which feel they must have their hands on absolutely everything. The minister suggested there needed to be more lines of accountability because these institutes are engaging in commercial activities and as they receive significant funding from the taxpayer they need to be accountable to the taxpayer. They are already accountable, and they are already engaging in significant commercial activity.

I point out that in the minister's summing up earlier he was justifying these changes as needing to reflect the commercial activities of TAFEs, yet he was prepared to say in 2010 that that was already reflected in the composition of the board. He characterised those changes as 'an unnecessary grab for power', yet he is critical of us making a similar argument in relation to measures where he has gone much further than the previous government was proposing, because he is not only seeking to appoint all the members of the board but also completely remove student and staff representation from the institute board.

I also point out that in the debate in 2010 the now minister went on to say:

To suggest that this government now must appoint every single board member apart from the staff representative, the student representative and the CEO is ludicrous. It is an unnecessary grab for power and in the view of the coalition is simply not warranted.

It is a slap in the faces of local people on TAFE boards and suggests that they do not do well enough now. They do do well — they do magnificently well — and they coopt people responsibly. They coopt people's experience, skills and knowledge of what is required locally.

I ask the minister: what has changed between September 2010 and today that has caused him to change his view so significantly?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Let me quote the response from the then government — again from Mr Pakula — to my comments in that debate:

The opposition has characterised the change that the government proposes in this piece of legislation as politicisation. We would rather look at it as professionalisation of the board.

Mr Pakula went on to say:

I could go on, but let me say in conclusion that if this amendment succeeds as has been foreshadowed, the government will be proposing that the commercial powers that were to be or are to be conferred on TAFEs as a consequence of this bill would be omitted from the bill.

Ms Mikakos knows very well that those commercial powers are absolutely essential for TAFE institutes to operate in the system the previous government

designed. They need those commercial powers now that they are competing — now that the previous government's market is well and truly in place. Yes, we need to make sure that those TAFE governing bodies are best equipped to deal with the commercial realities the previous government set up under its legislation. That has happened. That is why we now need to appoint the board members — half of them in consultation with the board, I might add. It is not just an autocratic position to appoint those people. The practice I have employed in the two years I have been in this job — and, I can assure you, will continue to employ — is that the appointments I make are all in consultation with the chairs, whether they be university appointments or TAFE appointments. I see neither myself nor, I might add, future ministers changing that practice no matter what government they may be part of. As important as it is, it is important to consult with the board over those appointments, and that is something I will continue to do.

Ms MIKAKOS (Northern Metropolitan) — The minister is not prepared to respond to the position he took in 2010 and explain to us why he no longer stands by those comments. He chooses to quote back at me the contributions from other members' in *Hansard*. The key point here is that the current minister was the shadow minister at the time. He was outlining a position on behalf of the coalition. He was very critical of these provisions in that bill of 2010, yet he is seeking to go further in his own bill and has no response.

What we have had is members of the coalition verballing the Labor Party's position. We understand that this is a commercial environment. As I said earlier, there are currently very capable, qualified people being appointed to TAFE boards. Essentially the minister is saying that none of these people is suitable, that only with his legislative changes can he appoint people who are appropriately qualified and suitable to manage our TAFE institutions and that no staff member or student is capable of doing so. However, unless the minister wishes to comment further or Ms Pennicuik has something further to add on this point, I will move on because I want to come to the issue of process, which the minister has just touched upon in his response.

I am happy to give the minister an opportunity to respond, because he has not done so in the hypocrisy, really, that he has reflected tonight in this debate in terms of his position in 2010 and his position tonight. Does the minister stand by those 2010 comments?

The DEPUTY PRESIDENT — Order! The President asked the minister to withdraw a variation of the term that Ms Mikakos has just used. The term used

probably just gets in, but I ask members to take note of the rules of debate.

Ms MIKAKOS — Inconsistency, perhaps, of positions.

The DEPUTY PRESIDENT — Order! If Ms Mikakos wishes to withdraw the other term, I will accept that, but I do not need her to do so by interjection.

Ms MIKAKOS — I am happy to ask: can the minister explain his 180-degree reversal of position? I withdraw the expression that I used.

The DEPUTY PRESIDENT — Order! Ms Mikakos is inserting which words?

Ms MIKAKOS — And I am inserting: can the minister explain his complete backflip on his 2010 position to his position tonight?

Hon. P. R. HALL (Minister for Higher Education and Skills) — If Ms Mikakos had listened to my original answer to this particular question, she would have heard that I answered her question. I made reference to the fact that if the amendment I moved at that time had got up, the Labor government of the day would not have granted those commercial powers to TAFE institutes, and it did not do so. While those opposite had their time in government they did not change the commercial powers of the TAFE institutes. It has become patently obvious that TAFEs need those commercial powers to operate in the current market environment. Consequently that it is why I now consider it necessary to appoint people with the appropriate skills to manage what are in some cases organisations with annual turnovers of more than \$100 million in the commercial world in which they now operate. Because they are going to be given those commercial powers now, they need a board with members with the appropriate skill mix. The only way we can ensure that is by my consulting with the boards on the appointment of their members.

Ms MIKAKOS (Northern Metropolitan) — I just want to make the point that the comments I was quoting from *Hansard* of 2010 related to the minister's comments about the minister's powers to appoint members to a board.

Hon. P. R. HALL (Minister for Higher Education and Skills) — I have answered that question.

Ms MIKAKOS (Northern Metropolitan) — I think the minister is moving on to other issues, but I want to come to his earlier comments about how he will be

consulting in relation to appointments to boards. What will be the process for those appointments? Will the positions be advertised, and will there be some expressions-of-interest process? How will potential applicants be able to put themselves forward?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The practice of this government, as was the case with the previous government, has been to periodically call for expressions of interest by way of public advertisements, and at times names have been suggested and put forward by university councils or TAFE boards. As said, the practice is that I will confer with the council through the chancellor or the chair of the board as to the appropriateness, suitability and desirability of such appointments. That is a practice I will continue.

Ms PENNICUIK (Southern Metropolitan) — I know we have moved along slightly from my earlier question, but the minister answered that he did not see a role for the National Tertiary Education Union being consulted on the views of academic staff. I wonder whether the minister met with the National Union of Students to ascertain the views of students on their representation on university councils and TAFE boards?

Hon. P. R. HALL (Minister for Higher Education and Skills) — No.

Ms PENNICUIK (Southern Metropolitan) — It is regrettable that the minister has left out the representative bodies of the people who are now being excluded from councils and boards by way of being elected representatives.

Mr O'Donohue — They are not excluded.

Ms PENNICUIK — They are being excluded from being elected as representatives. That is very clear.

My next question goes to something I raised in my contribution to the debate on the bill. The minister is talking about needing people with the types of skills listed in the bill — financial, management et cetera — because of the new commercial focus of TAFE institutes. Accepting that argument, my query is: given that the role of university councils is not being changed by the bill, why are the elected student and staff representatives being removed from university councils?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I said, in the round table discussions the chancellors and vice-chancellors came to the majority view that it was more appropriate not to have

those guaranteed, as of right, positions. I repeat that there is no prohibition on a staff member or a student serving on those councils. One of the arguments that was raised in all the discussions we have had was that there may be a conflict of interest in an employee of a university or a TAFE also being a member of the governing body of that institution.

In respect of this particular matter, I might add also that there is the imputation from some of the comments that governing bodies of universities or TAFEs will no longer consult with their staff or students on these particular matters. Again, that is far from the case. I think that every one of those universities and TAFEs expressed an absolute need to consult and to receive some views expressed by both those university or TAFE cohorts, their staff and students, but did not consider that council or board membership was the most appropriate way in which to hold those discussions and consultations.

I cite by way of example a note received from the chancellor of La Trobe University, in which she says:

I have recently had a discussion with the current president and president elect of our students representative council regarding the future of student interaction with the council.

We have agreed to expand our existing model of consultation between the students and council to include representatives from each faculty.

And it goes on.

What this bill does is provide the stimulus and incentive for universities and TAFEs to engage in some broader consultation with those important members of their institution community, being their staff and students.

Ms PENNICUIK (Southern Metropolitan) — I am aware that universities and indeed TAFEs have other consultative bodies which include staff, students, and faculty advisory councils et cetera, but it is not the same as having legislated elected representatives, which, as somebody said, is a time-honoured practice. The minister read something said by the chancellor of La Trobe University, but everyone who has been following this argument would know the chancellor of Melbourne University has come out against these proposals, saying that Melbourne University has always operated with two members elected by students and three members elected by staff and that they add a valuable voice to ensure good governance of the university.

On that point, why is it not possible to have members who have skills in business et cetera working alongside members of the TAFE board or university council, who

are there in a representative role? It appears that that has worked in the past. Why could that not still work?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I said, it was the majority view of those at the round table discussions that I had that, while not prohibiting those people from being members of the governing body, the governance would work more effectively if people were not there to represent a section of the organisation but rather shared the interests of the whole of the organisation as their prime focus.

Ms PENNICUIK (Southern Metropolitan) — Just on that point, it may have been a view, but my question is to the minister. It may have been the view of some universities, but it is not the view of others. It is certainly not the view of the 200 people who wrote the letter. It is not the view of the staff and student representatives I have spoken to, so my question is: why does the minister think that a university council cannot do its job with a mix of people with skills and people who are representative. As Elizabeth Alexander said:

We value the perspective these members bring to the debate in council and the dedication they show to their responsibilities. Their presence is a practical application of council's commitment to consultation and transparency ...

and to the good governance of the university.

Hon. P. R. HALL (Minister for Higher Education and Skills) — I take advice from those more experienced than I, and that is why I convened the forums I did, and that is why I took the majority advice of the people with whom I sat around the table — they being people who sit at the top tables of those governing bodies. So I say to Ms Pennicuiik: we have a different view about the effectiveness or not of elected representatives on governing bodies of organisations, but it is just one of the things we are going to disagree on, I think.

Ms MIKAKOS (Northern Metropolitan) — On the same point, can the minister advise if there is any other state or territory where staff or student representatives are not guaranteed a place on university councils?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I would need to take that on notice, but I can recall just a week ago having a chat to the South Australian minister about the appointment of the board to run TAFE South Australia, and if my memory is correct, and I qualify what I am about to say by saying, 'If my memory is correct', he is in the process of appointing, I think, a seven-person board, and I am

pretty sure that that does not provide for elected representatives.

Ms MIKAKOS (Northern Metropolitan) — According to the *Australian* of 26 October Victoria is the only state to be moving in this direction, but I look forward to the *Australian* article being corrected if in fact Andrew Trounson got it wrong. But I want to ask what is the rationale in having the number of government-appointed members being equal to or greater than the number of council-appointed members other than to ensure that the minister will effectively appoint the majority of the university council?

The DEPUTY PRESIDENT — Order! Was the member referring to a specific clause then?

Ms MIKAKOS — No, we are still on clause 1, the purposes clause. My question follows on directly from the discussion we have just been having in relation to appointments to university councils, so I thought it would be easier if we kept going in this way.

The DEPUTY PRESIDENT — Order! I am sorry; the member was quite specific. I missed what she was referring to at the beginning of her contribution.

Ms MIKAKOS — Sorry, Chair. We have been discussing the issue of the composition of university councils and the fact that references to elected members have now come out of the legislation, but my question to the minister concerns why the bill provides that the number of government-appointed members must be equal to or greater than the number of council-appointed members.

The DEPUTY PRESIDENT — Order! I guess my point was — and the minister may be quite on top of it — that there are 110 clauses in the bill, we are on clause 1 and I do not see that issue mentioned specifically in clause 1. I am sorry if I have missed it, but in fairness, if the member is asking the minister a specific question about something in the bill, we need to either be on that clause or she needs to be able to direct the minister to specifically where that is mentioned.

Hon. P. R. Hall — I am happy to answer the question.

Ms MIKAKOS — I think it is going to expedite the committee stage, Chair, because I have been deliberately dealing with the issues thematically and we are about to move off university councils to get on to another part of the bill. I think this is a much quicker way of doing business, but I am happy to be guided by you and the minister.

The DEPUTY PRESIDENT — Order! That is appreciated, but if members are going to refer to specific clauses in the bill, not only for the benefit of the minister but I think for the benefit of all members, we need to know what specifically the member is referring to. The minister indicates he is happy to answer, so I will call the minister.

Hon. P. R. HALL (Minister for Higher Education and Skills) — I used the same rationale as the previous government did in the current composition, which says that in respect of TAFE governance, overall at least half of the board must be government appointed, and the same with university governance. Each of the university acts talks about after the three official members at least half of the remaining members are government appointed, so the same rationale was applied by the previous government.

Ms MIKAKOS (Northern Metropolitan) — Just for your benefit, Chair, we are looking at clause 1(b) that refers to the university acts that are being amended to provide for the membership of councils of universities. As I understand it, the way things will work under this change is that the government will be matching or exceeding the number of university-appointed members, so effectively those appointments will be the majority of the university council membership.

Hon. P. R. HALL (Minister for Higher Education and Skills) — The answer to that question is no. I will give you an example. If a university decided to have a council, say, of 15 members, 3 are going to be official members, and then there will be 12 remaining and at least half of those must be appointed by the government. The government would appoint 6, and the remaining 6 would be appointed on the recommendation of the council, so in that case the government's 6 people do not have a majority on a 15-member university council.

The DEPUTY PRESIDENT — Order! Does Ms Mikakos have anything further,?

Ms MIKAKOS (Northern Metropolitan) — I am proposing to move on to vocational education and training (VET) contracts. Can the minister explain the difference between the existing service agreements and the new VET funding contracts?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I understand we are still speaking in general terms about the concepts in clause 1, just for the purposes of the bill, because we have not agreed to anything.

The DEPUTY PRESIDENT — Order! That is correct.

Hon. P. R. HALL (Minister for Higher Education and Skills) — Currently we have service agreements which are struck between the government and the provider who is contracted to deliver the government-subsidised training. The service agreement is delegated via the Victorian Skills Commission to the Secretary of the Department of Education and Early Childhood Development who is the signatory. We are moving towards funding contracts, and my advice — and Ms Mikakos might know this better than I, having been trained in the law — is that the nature of the legal funding contract provides greater security and legal standing than the service agreement. The advice the department has received is that this model provides greater security both for the government and for those who receive that service from a provider. It gives them additional powers to be a party to any recourse that might need to be taken if there was a failure of part of the funding contract.

Ms MIKAKOS (Northern Metropolitan) — Has the minister received advice that the existing service agreements are not enforceable?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The answer to the question is that it would need to be tested in a court of law, and rather than subject these service agreements to that, the government is seeking to strengthen those provisions by enacting the arrangements of the vocational education and training (VET) funding contracts as set out in the legislation.

Ms MIKAKOS (Northern Metropolitan) — As I understand it students will also have the ability to derive some benefit indirectly through these new contracts. If a registered training organisation (RTO) is fined or there is some action taken against it, will that preclude a student from taking their own individual legal action against that RTO?

Hon. P. R. HALL (Minister for Higher Education and Skills) — No, it does not. Students are entitled to do that. The bill really ensures that students become a third party to the funding contract. The current service agreement is between two bodies, the provider and the government, and therefore any breach of that agreement is a matter that indirectly — but not legally — gives students a right to participate. The advice that I have received regarding these provisions is that students virtually become a third party to the contract, and this will strengthen their rights.

It does not mean the government will abrogate its responsibilities to seek recourse in the event of some provision of a funding contract being breached, and I know Ms Pennicuik raised this point in debate. Does that mean the government is just going to hand over the responsibility of pursuing a breach of contract to a student? No, that is absolutely not the case. The government is still determined, as I have said consistently in this house, to ensure that those contracted to deliver services on behalf of the government do so as required by their contract. Again I say my advice from the legal people is that the legislation is structured to ensure that the interests of students are better protected by the way the legislation is currently framed.

Ms MIKAKOS (Northern Metropolitan) — Does the department currently collect any data about the number or type of complaints? This is in relation to being able to keep data about breaches of contracts in the future. Is that data kept at the moment and will it be kept in the future?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Yes, the government receives complaints and audits from time to time. Some people have criticised us because there is a bit of duplication in relation to the issue of auditing and the auditing of the quality of that service being provided, but I make no apology for that. This is a new market-driven training system. We must make sure it delivers what we expect and what we are paying for. The government department has contractual arrangements regarding a service agreement with providers to deliver training. Where we believe there is a breach of those agreements we have the ability to seek recourse or act upon the current service agreement. In some cases that has meant the suspension of payments while matters have been sorted. I have been quite open about that; I have said that in this Parliament before.

Equally, the VRQA (Victorian Registration and Qualifications Authority) or ASQA (Australian Skills Quality Authority) — whichever a body is registered with — also has an ability to act on a complaint. This legislation provides for a better exchange of information between those regulatory and contractual bodies as well. That is important. There will be a better coordinated collection of data of the various organisations involved in this issue.

Yes, the department receives complaints; yes, I can tell the member how many complaints we have received and how many were followed up.

Ms Mikakos — I was about to ask you that.

Hon. P. R. HALL — I do not have those figures with me, but I know there have been instances where I have picked up a newspaper and read a letter involving someone complaining about the quality of training that has been provided who has asked the department to pursue that issue. I am saying to the member that while I do not have the figures here with me tonight, I am more than happy to pursue this issue and give the member data about complaints and follow-ups the department has undertaken.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister because I was going to ask him about the current data. We are in furious agreement that we all want a better deal for students. In terms of the community seeing where the benchmark is and being able to see the current number of complaints and whether this new legislation will actually do its job properly in 12 months time or sometime down the track, it would be useful if the minister could provide those figures at some stage.

I want to ask the minister about issues regarding students completing their courses, because as I understand it there is an ability now for a court to order an RTO to fulfil the terms of its contract so that students can complete their courses and sit their exams. Can the minister explain how this will operate in practical terms, particularly if a provider has been declared insolvent?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I will explain the practice by way of example. Recently a private provider, a community college in East Gippsland, was in financial difficulty or, if not, insolvency. The board of the college agreed to appoint an administrator in that case. As a result of that appointment the Victorian Registration and Qualifications Authority sent people to the college to ensure that the awarding of qualifications to students of that organisation happened and was appropriate and that the students had been given appropriate instruction. A person from VRQA went to the college and went through all the records, checked them and justified whether the students' qualifications should be credited. If some students were deemed to have not completed sufficient work to be awarded a qualification, then an alternative provider was arranged to deliver that program completely so those students could complete their qualifications. I know representatives from Advance TAFE in East Gippsland said the TAFE was prepared to stand in to help those students complete their qualifications.

Ms Mikakos — At whose cost? Does the government pay for that?

Hon. P. R. HALL — It would usually be the administrator of that organisation who would do that after the realisation of the assets of that organisation. The interests of those students completing their qualifications and the interests of the staff were paramount in those circumstances. That is an example of how things operate in that particular instance. There may be differences in that process from time to time, but that is an example of how it can be dealt with.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister. Does the government intend to seek financial security from RTOs to cover these eventualities over and above the current insurance requirements?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I need to get advice on that question. I am not aware that that is the case, but it is one I will need to take on notice. It is a matter of detail about how the contract is to be executed. The legislation is a framework legislation which says that the matter is to be covered in such a contract, but the question Ms Mikakos asked me was one of more detail not contained in the legislation, so I will need to take that on notice.

Ms MIKAKOS (Northern Metropolitan) — I want to ask the minister about the types of breaches that could trigger a monetary penalty. Can the minister give us some examples in terms of getting a sense of the severity of contract breaches in which a fine would be imposed and an indication of what the proposed amounts of the penalties will be for these contract breaches?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I said, this legislation is enabling legislation and it sets out the matters which are able to be contained within a contract. It does not prescribe financial penalties for the breach of particular provisions within that contract, but the way in which the contract is ultimately constructed spells out what sorts of measures would be taken if certain aspects of that contract were breached. However, it does not prescribe financial penalties to that extent. If a contract is being breached and a quality issue is being breached, then in the first instance you would ask that provider to address that issue about quality and determine whether they had qualified instructors or whether the facilities they had were appropriate.

In other matters, if they failed on reporting requirements or lodged false documentation to claim payments, then that is a matter that can be dealt with as part of the contract detail not necessarily described in

the general terms of the legislation. I have seen some of these contracts. They are quite thick documents. Some of them are 40 or 50 pages in length. This legislation prescribes what can be, should be and will be put into those contracts. It does not describe exactly what the wording of each clause of those contracts is.

Ms MIKAKOS (Northern Metropolitan) — To follow on from that point, fines probably would not have been the best way to describe it. As I understand it proposed section 3.1.3(k), inserted by clause 10, talks about monetary amounts being paid to the state by the contractor for breach of contract. Maybe it is a damages amount and a fine is probably the wrong way to describe it, but there is an ability there for the contract to prescribe amounts to be paid. Can the minister confirm that my understanding is in fact the case — that is, that an RTO on a breach of contract could make payment to the state? Again I ask the minister to indicate and give some examples of the kinds of circumstances where those payments would be required.

The DEPUTY PRESIDENT — Order! Before calling the minister, Ms Pennicuik indicated to me earlier that she wanted to raise questions on clause 10 that may well relate to these same things, so before asking the minister to respond I might give Ms Pennicuik an opportunity to raise any issues on this matter.

Ms PENNICUIK (Southern Metropolitan) — Yes, on clause 1 — —

The DEPUTY PRESIDENT — Order! Yes, I am going to call clause 10 later, as Ms Pennicuik asked, but because this matter has been raised I am giving Ms Pennicuik the opportunity to raise questions on this first. Then perhaps, if the minister wishes, we can hold it until we actually get to the detail of clause 10.

Ms PENNICUIK — I go back to something the minister said a bit earlier when he referred to concerns I raised during my contribution to the second-reading debate about whether the onus is going to all fall on the student. I think that goes more to clause 10. But the minister said that that is not the intention. I queried the whole idea of contracts between the government and the VET provider and why they were different from service agreements, and the minister said, by way of interjection at the time, that service agreements and contracts would operate together. Could the minister explain that position?

Hon. P. R. HALL (Minister for Higher Education and Skills) — If I interjected, I apologise. What I was

talking about when Ms Pennicuik said I interjected was that the government was one of the signatories to the funding contract with a provider and that those students who might be impacted by a breach of contract would be working together. It was not about the fact we would have a service agreement and a funding contract, because we are replacing service agreements with funding contracts.

A funding contract is a legal mechanism. The provisions of this legislation enable a student to be a third party to that and therefore have greater rights under the VET funding contract. This means that in the case of some sort of breach of that contract, governments would have a role to play. They would exercise their rights and responsibilities with regard to that contract and assist or work with students if they wanted to individually pursue a particular complaint about something not being delivered.

In terms of Ms Mikakos's question, overpayments would be one very clear example where moneys might be transferred from a provider back to the department where it is proven that false claims have been made for training. Overpayments, which I know have happened in the past, are one example where payments could be returned to the department.

Ms PENNICUIK (Southern Metropolitan) — I thank the minister for that explanation. He stopped me in my tracks during my contribution when I raised the issue of the differences between service agreements and funding contracts. The minister said, 'They are not a substitute; they will be together', so I got a bit confused. I just have a general question: is it then the intention of the government to enter into one of these contracts with every service provider?

Hon. P. R. HALL (Minister for Higher Education and Skills) — Absolutely. Every provider that delivers training which is subsidised by the government does so by way of a contractual arrangement with the government. That includes all public and private providers that currently have a service agreement. Under this legislation they will have a training contract.

Ms PENNICUIK (Southern Metropolitan) — I have a follow-up question similar to the one Ms Mikakos asked about the enforcement of service agreements. Up until now has there been a problem with enforcing service agreements?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The advice we received on this is that changing to funding contracts rather than service agreements gives us greater legal strength. There was a

risk that a service agreement might be disputed legally. This will make sure that we are in a much stronger position to protect the rights of both the department — that is, the public of Victoria — and particular people in Victoria who might be receiving training from an organisation.

Ms PENNICUIK (Southern Metropolitan) — I appreciate what the minister is saying, which is a similar answer to one he gave to Ms Mikakos, but my question was: has there been a problem enforcing service agreements up until now?

Hon. P. R. HALL (Minister for Higher Education and Skills) — There have been issues where service agreements have been breached and we have taken action. To my knowledge we have been able to do that without limitations to this point of time, but again the legal advice was that we would be better off strengthening these arrangements to make absolutely sure that the contractual arrangement — whatever form it is in — is such that the risk to the state would be limited. That is why we have gone into the funding contracts.

Ms PENNICUIK (Southern Metropolitan) — Deputy President, I will try and keep it general to avoid clause 10, but I will take your advice. The new contracts bring a student into the picture where a student was not necessarily in the picture before. My concern is that either soon or some way down the track this might have the effect that if there is no entity left — if the registered training organisation that is not fulfilling its contract has in fact collapsed — this does not leave the student with anywhere to go in terms of getting their money back or getting their training completed, particularly if in the contracts other registered training organisations have signed there is no requirement for them to take on board students who have been let down by other RTOs. Can the minister comment on that?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I understand the point Ms Pennicuik is making, but is this not the same situation as would apply currently with service agreements? I do not understand Ms Pennicuik's question, or the scenario she is pointing to, because what she is describing is a situation that would equally apply whether it was a service agreement or a funding contract. Could Ms Pennicuik explain it to me again?

Ms PENNICUIK (Southern Metropolitan) — The minister explained to Ms Mikakos how, in the terms of one example, another TAFE was able to take a student or students and continue their training. If the contracts

are more rigid regarding what a registered training organisation will and will not do, I am concerned that unless it is actually in the contract there may be nowhere for a student to go.

Hon. P. R. HALL (Minister for Higher Education and Skills) — I think quite the opposite. These contracts would place greater requirements on those organisations and they gives us greater legal security in addressing breaches of a contract. Therefore in terms of enabling students to complete a qualification with another provider — the outcome that can be achieved — there is no difference between contractual arrangements and service agreements. Let me emphasise that, as it has been explained to me, the essential difference between a service agreement and a funding contract is that a funding contract gives greater legal security to address breaches of a contract. It does not in any way limit the ability to assist students who might be affected by the breach of a contract.

Ms PENNICUIK (Southern Metropolitan) — Just one more question along this line: if there is a breach of contract and the government is going to step in to make sure the student is not left in the lurch and it can find another place for the student so that they do not lose their funded place or training, why is there the provision for the student to take action against the trainer? If the contract allows the government to do that on the student's behalf, why would the student then need to take action against a training provider?

Hon. P. R. HALL (Minister for Higher Education and Skills) — As I understand it the new arrangement provides for a student to be a legally interested party in any legal action that might arise out of a breach of contract. If the government decides to pursue a breach of contract, as I understand it, the interested student is guaranteed to be an interested party to the contractual arrangements. Currently, as I understand it, the service agreement does not give them a legal role in the execution of any action which may arise out of a breach of a contract.

Ms PENNICUIK (Southern Metropolitan) — Where would that action arise on behalf of the student? Where would the student take that action?

Hon. P. R. HALL (Minister for Higher Education and Skills) — My advice on this particular matter is that whether the provider has sufficient assets to meet its liabilities is a regulatory issue. The bill addresses a more fundamental issue of whether the student has a right to sue at all, which means the bill makes it absolutely certain that a student does have a right to sue, if they choose to, for the failure of the provider to

deliver what they have enrolled in and expected to have had delivered.

Ms PENNICUIK (Southern Metropolitan) — I think it is the role of the government to make sure there is redress for the student. I am concerned about TAFE students, most of whom probably do not have a lot of money, having to launch actions in court against training providers that are in breach of their contracts.

Hon. P. R. HALL (Minister for Higher Education and Skills) — The only other thing I will say in respect of that is that under the current service agreement it is not absolutely clear that a student has the right to sue a provider should they choose to. As it has been explained to me, now a student will have a right to sue a provider because they will be part of the contractual arrangements. I say again that this is not the government saying, 'It is now your problem'. The government is spending public money — paying it to the provider — so it is in the government's best interest to make sure that any breach of contract is dealt with appropriately. If on top of that the student wishes to take his or her own personal action, they will now have that right, whereas there is certainly some doubt that they have that right under the current arrangement.

Ms MIKAKOS (Northern Metropolitan) — Coming back to the issue of payments by a registered training organisation back to the state, the minister gave one example before of overpayment. Would there be any circumstances where such a payment would be required due to the volume of complaints about a particular RTO by students? If a large volume of students complained to the minister or to the department about a particular provider not providing satisfactory quality education and stated that in their view the course they had undertaken was substandard, could that be an example of a case in which such a payment could be made?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I would have thought that at the very least moneys paid by students and indeed government would be required to be returned if it was proven that the terms of those payments had not been met. If a student had paid a contribution towards their training and it had not been delivered, there could be a requirement, as part of the contractual arrangement, for those funds to be returned to the student and to the government. That is an example that could be applied.

Ms MIKAKOS (Northern Metropolitan) — Are these contracts going to be available under freedom of information legislation? Will they be publicly available documents through FOI?

Hon. P. R. HALL (Minister for Higher Education and Skills) — I will get some further written advice for Ms Mikakos on this matter because what I have got to say to her now I do not think will satisfy her in terms of an answer. Contract arrangements, most frequently commercial arrangements between government and organisations — no matter whether this is for training or something else — while sometimes in part made publicly available, are not always made available. I do not know the answer to this — whether these will be FOI-able or not — but the conditions of the contracting, so far as it relates to students, must be made available so that students know their rights when they are entering a course. Those matters relating to student rights certainly would be public. I will get a written response to Ms Mikakos about whether those commercial contractual arrangements would be made public under FOI or other circumstances.

Ms MIKAKOS (Northern Metropolitan) — I thank the minister and look forward to that written advice. I propose to move on to a final issue. The minister will be happy to know it is final. I am seeking some clarity around who is ultimately responsible for monitoring the quality of our training system: is it the department or is it the Victorian Registration and Qualifications Authority? I particularly ask this question because there have been different public documents released recently that seemed to give contradictory indications. For example, it was stated in the *Future Direction for the Victorian and Registration Qualifications Authority* document that VRQA was going to be the one-stop shop for registration and quality assurance matters; however, the department, in its *Victorian Training Guarantee Compliance Framework*, seems to suggest that it will play a role in enforcing quality issues. Can the minister shed some light on these issues?

Hon. P. R. HALL (Minister for Higher Education and Skills) — About half the providers in Victoria are registered with the Victorian Registration and Qualifications Authority and half are registered with the federal body, the Australian Skills Quality Authority, but of those who have contracts with government to deliver subsidised training, about 82 per cent are registered with ASQA. The imbalance there is that many of these smaller providers, like our Learn Local organisations et cetera, may not have funding agreements with government, and some operate without funding agreements. There are plenty of providers in Victoria who operate on a fee-for-service basis and do not have a contractual arrangement with government. My last reckoning was that there were about 500 organisations that were contracted with the Victorian government to deliver government-subsidised training, but around 1000 were registered with either

VRQA or ASQA. Many operate without government support for delivering training in this state.

In terms of standards and registration matters, there is no doubt VRQA, or federally ASQA, is the body that determines the standards and makes sure that organisations are delivering to the standards required of them under their conditions of registration. On top of that, the Victorian government has contracts to deliver government-subsidised training. They contain some other matters which may not be of relevance to either of the regulatory authorities — for example, the requirement to report on all forms of training activity is a requirement of the contract that the government has with these providers; it is not part of their registration requirements.

In terms of ensuring that the terms of the funding contract that the government has with these organisations is delivered, the interest of government is in pursuing the issues that ensure the terms of those funding contracts are being met. The ultimate responsibility for standards of operation clearly lies with the regulatory authorities, VRQA and ASQA. However, as I said, if there is a bit of duplication and overlap, I make no apologies for it because in this system, which is still an immature, competitive, demand-driven system, overcaution is better than under effort.

Ms PENNICUIK (Southern Metropolitan) — As to the minister's remark regarding fee-for-service providers, will they be covered by a contract?

Hon. P. R. HALL (Minister for Higher Education and Skills) — No. There are organisations in Victoria which do not have a contract with the government to deliver government-subsidised training but which are still registered training organisations that deliver accredited training on a fee-for-service basis.

Ms PENNICUIK (Southern Metropolitan) — I am clarifying my earlier question which related to whether all RTOs would be covered by a contract. The minister said yes. So my next question is: will the fee-for-service providers continue without a contract?

Hon. P. R. HALL (Minister for Higher Education and Skills) — The funding contracts are contracts between the government and a provider to deliver government-subsidised training. There are still providers which do not seek or do not meet the standards expected of government to deliver government-subsidised training. They are registered, and as part of their registration requirements they have to enter into certain standards in relation to the students

who enrol with them. Those standards are set by the regulatory authorities, VRQA and ASQA, and any breach or deficiency in training activity is dealt with through a consumer arrangement between the provider and students who are enrolled in any of their courses.

Ms PENNICUIK (Southern Metropolitan) — I have a final question. Earlier I mentioned the problem with the Bendigo training provider, which I have canvassed in this place previously, and the issue that VRQA did not know what was going on in that particular institution, which was quite a serious matter. It has been said by others that I asserted in my contribution that VRQA did not do its job. I actually asserted that VRQA was not well-enough resourced. My question is: has VRQA been allocated any more resources to ensure compliance with training requirements?

Hon. P. R. HALL (Minister for Higher Education and Skills) — This might be a personal judgement with respect to the amount of resources required for VRQA to undertake its duties, but VRQA undertakes a range of duties, and one of those is compliance. It is my view that the resources it has are sufficient for it to carry out its statutory obligations, despite Ms Pennicui's claims when she raised the matter of the Bendigo company that VRQA should have known about this prior to that problem arising. It is a matter of balance in terms of being proactive as well as reactive. Quite frankly, I think VRQA does a good job in fulfilling its functions. I have given an answer in this house before. In the last 12 months 75 training organisations have been deregistered by VRQA. Mrs Peulich mentioned that in her contribution to the debate today. There is activity there, and VRQA has adequate resources and does a good job of regulating organisations for which it has responsibility to do so.

Clause agreed to; clauses 2 to 110 agreed to.

Reported to house without amendment.

Report adopted.

Third reading

The PRESIDENT — Order! The question is:

That the bill be now read a third time and that the bill do pass.

House divided on question:*Ayes, 20*

Atkinson, Mr	Koch, Mr
Coote, Mrs	Kronberg, Mrs (<i>Teller</i>)
Crozier, Ms	Lovell, Ms
Dalla-Riva, Mr	O'Brien, Mr (<i>Teller</i>)
Davis, Mr D.	O'Donohue, Mr
Davis, Mr P.	Ondarchie, Mr
Elsbury, Mr	Petrovich, Mrs
Finn, Mr	Peulich, Mrs
Guy, Mr	Ramsay, Mr
Hall, Mr	Rich-Phillips, Mr

Noes, 18

Barber, Mr	Pakula, Mr
Broad, Ms	Pennicuik, Ms
Eideh, Mr (<i>Teller</i>)	Pulford, Ms
Elasmar, Mr	Scheffer, Mr
Hartland, Ms	Somyurek, Mr
Jennings, Mr	Tarlamis, Mr
Leane, Mr	Tee, Mr
Lenders, Mr	Tierney, Ms (<i>Teller</i>)
Mikakos, Ms	Viney, Mr

Pairs

Drum, Mr	Darveniza, Ms
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Question agreed to.**Read third time.****ADJOURNMENT**

Hon. R. A. DALLA-RIVA (Minister for Employment and Industrial Relations) — I move:

That the house do now adjourn.

Barmah State Forest: feral horses

Mr LENDERS (Southern Metropolitan) — The matter I raise tonight is for the attention of the Minister for Environment and Climate Change, Ryan Smith. It relates to the Barmah feral horse management project, which received \$400 000 of commonwealth funding in the 2009–10 financial year. A press release from last year quotes the minister as saying:

The horse management program will aim to reduce the impact of the feral horses and protect habitat and cultural heritage sites in the forest while recognising the social and heritage value of the horses.

Parks Victoria was to develop options for the management of the Barmah horses to reduce the impacts of grazing pressure, trampling et cetera on the sensitive environment and cultural sites. However — and I find this most interesting — the state of Victoria has had to return \$330 000 to the commonwealth because the Baillieu government did nothing.

We often hear the Minister for Health and many other ministers in this place blame the federal government for cutting funds or for a lack of funding to undertake projects — and undoubtedly focus groups have told them to do this — but here we have a specific example, the Barmah feral horse management project, where \$330 000 of unspent money has been recalled by the commonwealth because the Baillieu government and its Minister for Environment and Climate Change, Ryan Smith, have not been able to spend the money given to them to fund the program.

The action I seek from the Minister for Environment and Climate Change is that he address the problem of feral horses in the Barmah State Forest by leveraging off the \$330 000 that he has had to hand back to the commonwealth, that he does not put pressure on limited state resources — the budget of his portfolio has been reduced by 8 per cent — but actually does something with the resources available to him to address the feral horse issue. He has received funding for this, but he has been singularly incapable of spending the money and dealing with the problem.

Higher education: Auslan programs

Mrs COOTE (Southern Metropolitan) — My adjournment matter this evening is for the Minister for Higher Education and Skills, Mr Hall — no wonder he is not in the chamber now; he had such a big committee process, which he did very well on. It is to do with Auslan training. There has been a lot of discussion in this place about Kangan Institute not going ahead with Auslan courses, and it is interesting to know that the minister is very positive about Auslan and the entire deaf community. The minister announced recently the release of the document entitled *Report of the Auslan Training and Delivery Consultation — 2013 and Beyond*. I commend the minister because the report takes a very good look at where Auslan training is going in the future, which is important. I deal a lot with the deaf community, and Auslan and interpreting is an integral part of the deaf community being totally integrated within the wider community.

The minister said that given the social and economic importance of the delivery of Auslan training, the coalition government is undertaking a competitive tender. Listed in the competitive tender is a whole range of things including the themes of innovative and flexible delivery, the need for new teaching methods, appropriate student support and innovative solutions for students and teachers in regional areas, continuous improvement of provision and the future need to develop robust quality assurance of course provision,

including appropriate consideration of newer practices in assessment and so forth.

The action I seek of the minister is that he place particular emphasis, when looking at the competitive tender process and at the themes, on the strategy for improved student recruitment and management. I ask that he address concerns that the timetabling of classes, poor teacher/student engagement and a lack of support and mentoring services are current barriers to completion. I hear this all the time, and I ask the minister to take particular note of what is being discussed on this because it is really important.

Nadrasca community farm: future

Mr LEANE (Eastern Metropolitan) — My adjournment matter is directed to the Minister for Roads. It concerns some land owned by VicRoads that has been reserved for the Healesville freeway. It is currently occupied under lease by Nadrasca community farm, which does fantastic work. The farm was established at that location in 2005 when it moved from the EastLink reserve. Nadrasca provides day services for adults with intellectual and physical disabilities within an amazing rural setting. I think the Minister for Employment and Industrial Relations, who is the minister at the table, would know it. It is in Morack Road, Vermont, in a lovely rural setting.

The people at Nadrasca are concerned about VicRoads declaring that some of the land in the reserve will be sold, including the area the farm occupies. The action I seek from the minister is that he perhaps facilitate a transfer of the land to a department, such as the Department of Human Services, to facilitate a continuation of the peppercorn lease arrangement that VicRoads has with Nadrasca so that it can continue its great work. As I said, Nadrasca has been located on this site since 2005. It is supported by community groups such as the Lions Club of Blackburn North, Rotary and companies like the Good Guys at Nunawading. They have been doing some great work in the area of donations. The farm facilitates the use of the gardens and the farm by groups like Yooralla, Scope, Melba Support Services, Heatherwood School and Alkira. It is also negotiating with local schools to further this initiative.

I hope the minister can see the importance of this land being occupied by Nadrasca community farm into the future. It would be much appreciated by the whole community if he could facilitate that.

Planning: Williamstown development

Ms HARTLAND (Western Metropolitan) — My adjournment matter is for the attention of the Minister for Planning. Residents group Save Williamstown has organised a public rally to be held at 11.00 a.m. on 8 December at the Williamstown Mechanics Institute. The Williamstown community is facing a development proposal with no height limits and developers wanting to build a high-rise building with 813 dwellings that will house approximately 2000 people. The site used to have strict heritage controls and a three-storey height limit. However, the proposed Williamstown high-rise building will tower over the surrounding areas and will be out of place and out of character with heritage values. An extra 2000 people will put a strain on services such as health care, child care, schools and public transport.

The *Age* reported that the Minister for Planning is introducing tough controls along the Yarra River to protect the waterway from being overrun by inappropriate development. The newspaper reported that Minister Guy has conceded that the river is at risk of encroachment and requires new strict rules to limit overdevelopment and inconsistent planning decisions along its edge. To me this sounds like Williamstown. However, it appears that the minister's new controls do not apply to the Williamstown section of the river, where a high-rise building is proposed to be built at the mouth of the river. Not only is the height and density of the development inappropriate, but it is also in close proximity to a shipyard and a hazardous facility. Part of the proposed development is less than 300 metres from fuel tanks, which raises serious concerns for safety and evacuation in the case of an explosion.

Serious concerns have been raised in a report produced by explosion and dispersion consultancy, GexCon Australia, and Williamstown's chemical engineers and expert witnesses, I. F. Thomas and Associates. Residents have invited Minister Guy to attend the rally and talk to the people who are directly affected. I understand Mr Elsbury will be attending. The action I seek is that the minister attend the community forum and answer the community's questions.

Asbestos: non-occupational exposure

Mr SCHEFFER (Eastern Victoria) — I raise a matter for the attention of the Minister for Health in relation to concerns over the content of a commonwealth publication entitled *Asbestos — A Guide for Householders and the General Public* by enHealth. The publication was released in May and is endorsed by the Australian Health Protection Principal

Committee. It is a guide for the general public on the health risks associated with asbestos, especially during home renovations.

Professor Chris Baggoley, the Australian government chief medical officer, writes in the foreword that the guide provides useful information to enable householders to:

... sensibly and safely manage the risks arising from any occasional encounters with asbestos materials in and around their homes.

In part page 16 of the publication states:

... very occasional exposure to a larger number of asbestos fibres (e.g. unsafe home renovation or demolition next door) is unlikely to be harmful ...

That is part of the publication is causing great concern amongst experts and organisations, such as Gippsland Asbestos Related Diseases Support Inc., which is very clear that there are no safe exposure levels for asbestos. The minister knows that these concerns were raised with him and with the commonwealth Minister for Health, Tanya Plibersek, in June and that requests have been made to have the publication withdrawn and the inaccurate parts corrected.

Ms Vicki Hamilton, CEO of Gippsland Asbestos Related Diseases Support., issued a media release this week warning that dangerous and misleading information on asbestos exposure could lead to more Australians becoming unwitting victims of mesothelioma and other deadly asbestos-related diseases. She says that the publication gives the false and misleading impression that exposure to small amounts of asbestos is okay, when it is not okay.

I ask the minister to advise me of the government's position on the accuracy of the advice on pages 16 to 20 of the enHealth publication entitled *Asbestos — A Guide for Householders and the General Public* and to write to the federal Minister for Health urging her to have the document withdrawn and not redistributed until appropriate corrections are made. I also ask the minister to have the document withdrawn and not distributed in Victoria until appropriate corrections are made. The minister knows that this country is about to see a third wave of asbestos disease and that this new health burden will result from home renovations. That will affect, for example, children who played on building sites and adults who worked on their homes on weekends. It is estimated that some 30 000 to 40 000 Australians will be diagnosed with an asbestos-related disease and that asbestos-related disease could kill more Australians than died in World War I.

Finally, I draw to the attention of the minister the fact that the federal Minister for Employment and Workplace Relations, Bill Shorten, has publicly said that it is misleading to say that there are any safe exposure levels.

Sri Durga Temple: bus services

Mr ELSBURY (Western Metropolitan) — My matter this evening is for the Minister for Public Transport, the Honourable Terry Mulder. I wish to inform the minister about the Sri Durga Temple. According to this organisation, it is Australia's largest Durga Mata temple. It sits on the corner of Hopkins and Neale roads in Rockbank. This facility provides youth activities during the week, and elderly citizens groups also meet at the site. On weekends, when the main religious activities — the main worship of the goddess — occur at the site, the organisation claims that it can get up to 2000 people moving through the site, making offerings and praying to the goddess. It will shortly be opening a new main temple complex, and it is expected that even more people will be going to Sri Durga Temple to worship and participate in many of the events that occur at the site. I was lucky to go to the Dussehra festival, which celebrates a triumph of good over evil. Six thousand people attended the temple in one evening. It was a mass of humanity; it was absolutely unbelievable.

The issue is that public transport to this site is exceptionally poor. It is on the edge of the Caroline Springs estate, but with the vast volume of people moving in and out of the site and the fact that we have young people who wish to access the site as well as the elderly, some effort is needed to improve public transport access to it. Bus route 456 travels past the temple, and I think there is some opportunity — if not with this particular route, then certainly with another bus route — to provide the temple facility with some form of bus access. At the moment people get off at the St Albans train station, and a shuttle bus is provided by the temple on the weekends to move people back and forth. During the week there is nothing available except for taxis.

I request that the minister take into consideration the public transport needs of this site as part of any future improvements to bus services in the Rockbank area, because this is a great community asset and it is a place of great importance to the Indian community. I hope a resolution to this issue can be forthcoming.

Students: education conveyance allowance

Ms TIERNEY (Western Victoria) — My matter this evening is directed to the Minister for Education, and it is in relation to the school bus conveyance allowance. In what is considered to be yet another blow to rural and regional Victorians, this government has made a change to the school bus conveyance allowance that will essentially deny thousands of Victorian students public transport access to their schools. In relation to regional students who receive the conveyance allowance, I am led to believe that their allocation will be slashed from \$38 000 to \$9000. Victorian parents will be asked to pay up to \$1100 per student because of this change.

I understand that in the last parliamentary sitting week Ms Pulford raised this matter in this house and Mr Merlino, the member for Monbulk, raised it in the other place. That was in relation to this issue as it pertains to residents around the Bacchus Marsh area according to students and parents. My intention tonight is to make sure that the minister knows that this issue is widespread throughout my electorate.

The dissatisfaction is coming not only from students and parents but also from school principals, and they have been very loud and clear in their contact with my office. For example, the principal of Baimbridge College in Hamilton, Robert Vecchiet, was quoted in the Warrnambool *Standard* of 22 November as having said:

... some families felt 'betrayed' by the Liberal-National coalition, which promised to support the interests of country people.

Des Trotter of Trotters Coaches in Hamilton, is reported in the Hamilton *Spectator* as saying:

This is yet another burden lumped on us ...

...

How do you attract people to Hamilton when they can't even work out how to get their kids to school?

All it does is disadvantage smaller towns like us ... yes it's a kick in the stomach ...

The Hamilton *Spectator* goes on to brand this decision as another blow to Hamilton's public transport system, as the Baillieu government made cuts to the public transport system there earlier this year.

What I seek from the minister is for him to immediately reverse his government's decision to reduce funding of the conveyance allowance and ensure that Victorian schoolchildren, whether they be rural, regional or from

interface communities, are not disadvantaged and are able to go to school as they were prior to this decision being taken by the government.

Wallan-Kilmore bypass: route

Hon. M. P. PAKULA (Western Metropolitan) — The matter I raise is for the Minister for Racing, and it concerns the future of Kilmore racecourse and the racing precinct that surrounds it. Last Wednesday I visited what is a most picturesque course and met with the club chairman, Lawrie Boyd, and the club CEO, John Cameron.

While I was at Kilmore, Lawrie and John showed me maps with potential alignments for the proposed Wallan-Kilmore bypass, and it is easy to appreciate why the local community is becoming somewhat concerned. It is not simply because the Minister for Roads, Terry Mulder, stubbornly refuses to meet with the local community to listen to those concerns — although that is certainly not helping — but it is because it is very likely that the government will choose an option which might have a significant impact on country racing.

What is understood by the club to be VicRoads' most likely option runs within metres of the Kilmore back straight and right through the stables and racing precinct to the north of the course. Apart from the fact that that would severely constrain Kilmore Racing Club's efforts to grow its stabling and training facilities, anyone who knows anything about what finely tuned beasts racehorses are would question the wisdom of having a freeway bypass chock-full of semitrailers screaming past the back straight whilst horses are racing.

Ministers in this government, including the Minister for Employment and Industrial Relations, who is in the house tonight, always tell me how cooperative and collaborative they are with one another, and of course the Minister for Racing and the Minister for Roads are in the same party, sit at the same cabinet table and have adjoining electorates. Therefore the action I seek from the racing minister is that he use his influence with the Minister for Roads, by whatever means necessary, to ensure that the interests of Kilmore Racing Club and the racing precinct more generally are fully protected from whatever decision the Minister for Roads makes regarding the Wallan-Kilmore bypass.

Students: education conveyance allowance

Ms BROAD (Northern Victoria) — My adjournment matter is for the Minister for Education,

Mr Dixon, and the action I seek is for the minister to reconsider the Baillieu-Ryan government's changes to the school bus conveyance allowance in rural and regional Victoria and outer metropolitan areas.

I note that time has almost run out as schools, bus companies and parents make their decisions for 2013 across northern Victoria. I also note that at least one government member in this place has raised the issue, as well as members of the Labor opposition, which should have set off alarm bells for the minister and the government by now — or perhaps not.

The minister is reported as saying that the changes to the conveyance allowance are about providing targeted additional support to families most in need. Schools and parents facing massive hikes in the cost of getting students to school now find that they will bear this additional cost and that this is another broken promise from the Baillieu government, which promised before the last election that it would minimise increases in the cost of living caused by government actions.

Getting the kids to school next year just became more difficult for an estimated 38 000 families following this decision by the Baillieu government to slash school transport assistance. Far from minimising increases in the cost of living, the government is costing families thousands of dollars because of the choices it is making — choices that mean that, increasingly, families are on their own, and the government is definitely not on their side. Like other members who have spoken on this issue, both here and in the other place and on many other occasions I have had a huge number of representations from bus companies, schools and parents about this issue. It is now midnight, and it is well and truly time for the government to reconsider its decision.

YMCA: Bridge Project

Ms MIKAKOS (Northern Metropolitan) — My matter is for the Minister for Employment and Industrial Relations. I wish to raise my concerns about the Baillieu government's cut in funding to the YMCA Bridge Project, which provides support, training, mentoring and employment opportunities for young people leaving custody to help them transition back into the community. This is the second time I have raised this matter with the Baillieu government due to a complete lack of response by the Minister for Community Services, Mary Wooldridge. Whilst the Bridge Project receives its funding —

The PRESIDENT — Order! I have just been queried on this. I understand the issue is that

Ms Mikakos raised it with the wrong minister last time, not that she is unhappy with the response.

Ms MIKAKOS — President, the response I received from Minister Wooldridge, even though I made it clear that I knew the matter related to Minister Dalla-Riva, was that matters of funding should be raised with the Minister for Employment and Industrial Relations. That is what I am proposing to do this evening.

The PRESIDENT — Order! All right, but that explanation is not consistent with how Ms Mikakos started her adjournment item.

Ms MIKAKOS — I will make it clear. Given that the nature of the project is about young people leaving custody I thought it was more appropriate that the matter should warrant the attention of the Minister for Community Services. I was trying to secure a meeting between that minister and the stakeholder, but the Minister for Community Services turned a blind eye to this issue. I am disappointed about that.

I hope Minister Dalla-Riva is going to be able to respond to this matter because the Bridge Project is an important one. It is a project that has secured 160 full-time jobs since its establishment in 2005. It has trained over 974 young people in a wide variety of work-related skills. It provides financial incentives to employers to provide a 16-week supported employment placement. Over 80 per cent of people who completed this placement used it as a pathway to a sustainable job. The Bridge Project has been successful in diverting young people away from a life of crime by dramatically reducing the rate of reoffending from 66 per cent to just 3 per cent.

A KPMG cost-benefit analysis of the Bridge Project in 2009 found that this program has the potential to save the government \$8 million per annum in incarceration costs and provide savings of a further \$17 million per annum to society more broadly. The project has proven its worth to the community. It has huge stakeholder and community support. Over 600 people turned up to its annual breakfast in August this year, so I am astounded that the government has cut its funding by 50 per cent — from \$300 000 to \$150 000 — this financial year, with an expectation that it will lose its remaining funding the following year. I call on the Minister for Employment and Industrial Relations to urgently address the funding shortfall to the Bridge Project to allow it to continue its success in working to rehabilitate young ex-offenders leaving custody.

The PRESIDENT — Order! I was a little concerned about Ms Mikakos's interpretation of Minister Wooldridge's response in saying that she had turned a blind eye to the issue when in fact what she said was that it was not in her jurisdiction and suggested that Ms Mikakos contact the minister who was responsible for the program. I understand how Ms Mikakos saw that the minister may well have an interest in the issue, but it would be wrong to characterise Minister Wooldridge's response in such a way in relation to her adjournment matter.

Responses

Hon. R. A. DALLA-RIVA (Minister for Employment and Industrial Relations) — At 5 minutes past midnight I am happy to say I have written responses to adjournment debate matters raised by Mr Finn on 31 August 2011; Mr Lenders on 8 December 2011 and 23 May 2012; Mr Barber and Mr Lenders on 30 August this year; Mr Tee and Ms Pennicuik on 6 September; Ms Mikakos on 12 September, 9 October and 10 October; Mr O'Donohue on 10 October; Mr Viney, Ms Darveniza and Mrs Petrovich on 11 October; Mr Eideh and Mrs Petrovich on 23 October; Mr Lenders again, Mrs Petrovich, Mr Ondarchie, Mr O'Donohue and Ms Mikakos on 24 October; Mr Elsbury, Ms Hartland and Mr O'Donohue on 25 October; and Mr O'Donohue on 14 November this year.

In terms of the matters raised tonight, Mr Lenders raised a matter for the Minister for Environment and Climate Change in relation to feral horses. I will refer that matter to the minister.

Mrs Coote raised a matter for the Minister for Higher Education and Skills regarding Auslan, and I will refer that matter to Minister Hall.

Mr Leane raised a matter with the Minister for Roads with regard to Nadrasca. The President and I, the other members for Eastern Metropolitan Region and the relevant lower house members are well acquainted with the work that Nadrasca does. Christmas cards might be high on our agenda this year. We are very closely attuned to the issue of the Healesville freeway reserve. I will refer that to the Minister for Roads.

Ms Hartland raised a matter for the Minister for Planning regarding the minister attending a community forum, although I note that she indicated Mr Elsbury was also going to that event. I will refer that matter to the minister.

Mr Scheffer raised the important issue of asbestos for the Minister for Health. I will refer that matter on.

Mr Elsbury raised a matter for the Minister for Public Transport regarding places and events which I hope Hansard has a good copy of because I was also trying to keep up with him. It was in regard to a temple complex — I think I will put it in those simple words — and the issue of public transport accessibility, on which I heard the interjections by Mr Pakula on the odd occasion.

Ms Tierney raised an issue for the Minister for Education, as did Ms Broad. Both matters related to the school bus conveyance allowance. I will refer those matters to the Minister for Education in respect of each of the requests for action.

Mr Pakula raised a matter for the Minister for Racing asking him to influence the Minister for Roads, which I thought was a novel way of getting to the matter of the Kilmore-Wallan bypass. It is an important issue, and I will refer that matter on to the Minister for Racing.

Ms Mikakos raised a matter for me in terms of the issue of the Bridge Project. The Minister for Community Services, Ms Wooldridge, is in fact correct: the responsibility for funding of employment programs, as in the Bridge Project, amongst a number of others, is within the employment and industrial relations portfolio. We are offering a number of private sector youth employment programs. These are being provided through the 2012–13 budget and our commitment to the Youth Employment Start Up program. There is a range of programs that Ms Mikakos would be aware of, including Whitelion, Youth Connect with St Kilda Youth Services and of course the Bridge Project through the YMCA.

It must be made clear that the continuation of these various projects has been funded through a reprioritisation of existing programs. We made an election commitment to ensure that the programs would continue, but I make the point that at that time there was no forward funding for these projects beyond the 2010–11 year. Why have we provided the money to the YMCA Bridge Project? We remain committed to supporting training and employment opportunities for young offenders in Victoria who have been incarcerated in Victoria's youth detention centres.

Ms Mikakos — Why have you cut their funding in half?

Hon. R. A. DALLA-RIVA — I will take up Ms Mikakos's interjection. As I indicated earlier, there was no forward funding for these projects beyond the

2010–11 period. It is pretty hard to cut in half money that did not exist under the previous government. What we did, as I outlined, was reprioritise existing programs. We believe that there is an important process in terms of ensuring that these programs are maintained. That is why in the recent budget I approved an additional \$144 000 for the Bridge Project to achieve a further 12 employment outcomes for young offenders in the 2012–13 year.

We do have two existing youth projects which have been approved for extensions in 2012–13. I indicated earlier that they are SKYS — the St Kilda Youth Service — and Whitelion. These projects also work with disadvantaged young people, including young offenders, young people on court orders, homeless young people and others. We have approved \$150 000 for Whitelion to achieve 15 employment outcomes in 2012–13, and SKYS has been granted \$100 000 to achieve 12 employment outcomes in 2012–13.

On the issue that was raised by Ms Mikakos, in extinguishing the adjournment matter she has raised, the real question that should be put is not why have we cut the funding in half, but why members opposite did not provide any forward funding whatsoever for any of the other programs for which we have now provided funding.

The PRESIDENT — Order! The house stands adjourned.

House adjourned 12.12 a.m. (Wednesday).

