

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2024-25 Budget Estimates questionnaire

Department of Treasury and Finance

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Questionnaire information

The Committee's inquiry into the 2024-25 Budget Estimates examines the Government's expenditure and revenue.

The Committee's Budget Estimates inquiry aims to benefit the Parliament and the community by:

- promoting the accountability, transparency and integrity of the executive and the public sector
- encouraging effective and efficient delivery of public services and assets
- enhancing understanding of the budget estimates and the wider economic environment
- assisting members of Parliament in their deliberation on the appropriation bills.

This questionnaire seeks information about how the budget affects each department, including how budget allocations are connected to service delivery, infrastructure projects and assets, and other key economic, financial management and emerging issues.

Timeline and format

Responses to this questionnaire are due by **5.00pm on 8 May 2024**.

It is essential that the Committee receive responses by this date to allow sufficient time to consider them before the budget estimates hearings.

The completed questionnaire and Excel worksheet in response to Question 9 should be sent (in the format received) to: paec@parliament.vic.gov.au.

Consistency with the budget papers

Wherever referring to an initiative (including output, asset and savings initiatives) that is also referred to in the budget papers, please use the name used in the budget papers. This ensures that the Committee can correlate the information provided by the Department with the information in the budget papers.

Wherever providing details about the Department (including amounts of funding, anticipated expenditure and revenue and savings targets) please provide figures for the Department on the same basis of consolidation as is used in the budget papers, unless otherwise specified.

Machinery of government changes

For initiatives (including output, asset and savings initiatives) that have been subject to any prior machinery of government changes, the Department with responsibility for the initiative at the time of the 2024-25 Budget is the relevant reporting Department for this inquiry.

Specific guidance

Additional guidance is provided for particular questions in the questionnaire.

For any inquiries about this questionnaire, please contact the Committee secretariat:

paec@parliament.vic.gov.au or 03 8682 2867.

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Major initiatives

Question 1

What progress has been made in implementing the major initiatives/programs identified in the 2023-24 Budget for the Department. Please identify a minimum of five initiatives/programs.

Response

	Major initiatives/programs	Objectives	Output	Activities undertaken	Progress against performance measures as at 30 April 2024	Progress achieved against key Government outcomes
1.	Making Victoria an Easy Place to do Business through Regulatory Reform	Strengthen Victoria's economic performance	Economic and Policy Advice	<p>1. In 2023, the Government agreed a Whole of Victorian Government reform program across state and local government to modernise regulatory frameworks, enhance capability and resource sharing across regulators and councils and streamline and digitise approvals processes. This program is currently in implementation.</p> <p>2. The Better Practice Permissions Playbook and the Victorian Permissions Framework were published in 2023 for use by departments and regulators to</p>	N/A	<p>The WoVG Regulatory Reform Program Implementation is in progress with 26 reform initiatives underway with departments, regulators, and councils. Round 1 of the Business Acceleration Fund (BAF) 2023-24 was approved by the Assistant Treasurer in February 2024. Round 1 funded 13 initiatives totalling \$7.412 million for delivery by departments and regulators. Applications for Round 2 of the BAF closed in late March 2024 and are being considered. Applications for Round 2 were extended out to local councils to onboard the reform program.</p>

				<p>streamline business licences and application processes and prepare for digitisation.</p> <p>3. The Victorian Government established the Economic Growth Commissioner to undertake inquiries commissioned by the Government into impediments to economic growth and identify opportunities for economic and regulatory reform. The Economic Growth Commissioner, Cressida Wall was appointed in December 2023.</p> <p>4. The Business Acceleration Fund 2023-24 to 2026-27 is a \$30 million fund to save Victorians time and money by streamlining regulatory processes across Victoria's regulators and local councils.</p>		
2.	Maximising outcomes through social investments	Strengthen Victoria's economic performance	Economic and Policy Advice	See "Progress achieved against key Government outcomes" column	N/A	Partnerships Addressing Disadvantage (PADs) - finalised focus areas for the new PADs through engagement with relevant

						<p>departments and Ministerial offices. Planning work for market sounding is underway with the development of a Statement of Intent and guidance documents.</p> <p>The Empowerment Fund has closed for applications. DTF received 100 submissions and is currently in the process of assessing the applications.</p> <p>Development of a Cultural Safety Framework is also underway in collaboration with the Victorian Aboriginal Child Care Agency (VACCA) and consultation with other Aboriginal Community Controlled Organisations across each of the Early Intervention Investment Framework (EIIF) portfolios, with the aim of encouraging greater self-determination and improving outcomes for Aboriginal Victorians through new EIIF initiatives. The Cultural Safety Framework is expected to be implemented ahead of the <i>2025-26 Budget</i>.</p> <p>The first client pathway report is being progressed for</p>
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						release in Q4 2023-24, with two more reports being developed and planned for release before August 2024.
3.	Standing up for workplace safety (Regulation)	Strengthen Victoria's economic performance	Economic and Policy Advice	\$24.1 million was provided over four years in the 2023-24 Budget to create a dedicated inspectorate for the construction industry within WorkSafe Victoria, with 20 new inspectors and up to five monitoring and enforcement officers.	N/A	Timelines for the new inspectors and monitoring and enforcement officers are to be determined.
4.	State Revenue Office Compliance Program (SRO)	Optimise Victoria's fiscal resources	Revenue Management and Administrative Services to Government	<ul style="list-style-type: none"> • Compliance activities in the third quarter produced strong results across Land Tax, Payroll Tax and Vacant Residential Land Tax. • Recruitment activities continued in the third quarter where several vacancies were filled. • Significant progress continues to be made on data quality, with the completion of the validation and remediation of property address data. • Commenced work on analysing and validating land tax exemption data. • Work commenced on building a profile of the attributes of the data held in 	N/A	Revenue has improved during the third quarter and is now sitting within 5 per cent of target. The current economic environment continues to influence the property market and landholder revenue; however Land Tax and Payroll Tax revenue have been strong. Recruitment activities continued in the third quarter where several vacancies were filled. Revenue will continue to be closely monitored in the final quarter. Significant progress continues to be made on data quality, with the completion of the validation and remediation of property address data. Commenced work on

				<p>the core revenue management system.</p> <ul style="list-style-type: none"> • Finalised the procurement for the migration of the Informatica toolset to a cloud-based service. • Progress continues on the creation of an Oracle cloud tenancy to support the establishment of a Data Lakehouse in Q4. • Planning has commenced on scheduling the migration of data to the Lakehouse once established. 		<p>analysing and validating land tax exemption data. Work commenced on building a profile of the attributes of the data held in our core revenue management system.</p> <p>Finalised the procurement for the migration of the Informatica toolset to a cloud based service. The migration is expected to complete in Q4 as planned. Progress continues on the creation of an Oracle cloud tenancy to support the establishment of a Data Lakehouse in Q4.</p> <p>Planning has commenced on scheduling the migration of data to the Lakehouse once established.</p>
5.	Gender responsive budgeting (Budget Strategy)	Optimise Victoria's fiscal resources	Budget and Financial Advice	<p>The Government has introduced a bill in May 2024 to amend the <i>Financial Management Act 1994</i> to embed gender responsive budgeting, consistent with the Government's response to Recommendation 4 of the PAEC Inquiry into Gender Responsive Budgeting, tabled in 2022.</p> <p>DTF has assessed the gender impacts of budget proposals</p>	N/A	N/A

				<p>through the <i>2024-25 Budget</i> process. DTF has provided workshops and training sessions to departments and agencies to build capability in and understanding of gender responsive budgeting.</p>		
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Question 2

For each of the output initiatives detailed in the 2021-22 Budget, 2021-22 Budget Update, 2022-23 Budget, 2022 Victorian Economic and Fiscal Update, 2023-24 Budget and the 2023-24 Budget Update that have allocated funding in 2023-24 and 2024-25, please detail (on the same basis of consolidation as the budget papers):

- the original funding allocation for 2023-24 and 2024-25
- the current expected funding allocation for 2023-24 and 2024-25
- an explanation for any variances between the current funding and what was originally published in the budget papers when the initiative was announced. If machinery of government changes affected the implementation of these initiatives, please detail how.

Response

	Output initiative	Original funding allocation for 2023-24	Current expected funding allocation for 2023-24	Explanation of variance (if any)	Original funding allocation for 2024-25	Current expected funding allocation for 2024-25	Explanation of variance (if any)
2021-22 Budget	Improving expenditure advice, oversight and accountability	\$4.0m	\$5.5m	Budget carried over from 2022-23 to 2023-24.	\$4.0m	\$4.0m	N/A
2021-22 Budget	Boosting efficiency in infrastructure procurement: resourcing the Construction Supplier and Residential Cladding Rectification Registers	\$1.3m	\$1.3m	N/A	\$1.1m	\$1.1m	N/A

2021-22 Budget	Monitoring and assurance of the state capital program	\$3.1m	\$4.0m	Budget rephased to 2023-24	\$3.1m	\$3.5m	Budget rephased to 2024-25.
2021-22 Budget	Embedding early intervention in government service delivery	\$3.8m	\$2.7m	Budget reprioritised to <i>Supporting the sector to maximise outcomes through social investments</i> (2023-24 Budget ERC).	\$3.8m	\$2.5m	Budget reprioritised to <i>Supporting the sector to maximise outcomes through social investments</i> (2023-24 Budget ERC).
2021-22 Budget	Partnerships Addressing Disadvantage	\$6.6m	\$2.1m	The original budget allocation for 2023-24 included \$5m held in contingency and \$1.6m appropriation funding. The appropriation funding allocated for 2023-24 has increased to \$2.1m due to funds rephased and carried over from prior years. The funding in contingency has mostly been released to DFFH.	\$6.6m	\$1.6m	The original budget allocation for 2024-25 included \$5m held in contingency and \$1.6m appropriation funding. There is no change to the appropriation funding allocated for 2024-25. The funding in contingency has mostly been rephased to 2023-24 and released to DFFH.

2021-22 Budget	Expansion of regulatory activities of the Essential Services Commission	\$0.5m	\$0.5m	N/A	\$0.5m	\$0.5m	N/A
2021-22 Budget	Support for the expansion of the Victorian Energy Upgrades program	\$1.5m	\$1.5m	N/A	\$1.5m	\$1.5m	N/A
2021-22 Budget	State Revenue Office Advanced Revenue Management Program	\$17.7m	\$17.7m	N/A	\$18.6m	\$18.6m	N/A
2021-22 Budget	Maintaining Positive Public Sector Industrial Relations ¹	\$1.2m	\$1.2m	N/A	\$1.2m	\$1.2m	N/A
2022 Victorian Economic and Fiscal Update	Expanding the Victorian Homebuyer Fund	\$5.1m	\$5.1m	N/A	\$4.1m	\$9.1m	Additional funding was announced in the 2024-25 budget.
2022-23 Budget	Unlocking the potential of loans and guarantees to support more housing	\$1.0m	\$1.2m	Budget carried over from 2022-23 to 2023-24.	NIL	NIL	N/A
2022-23 Budget	Workplace Gender Pay Equity initiatives ¹	\$0.1m	\$0.4m	Funding was rephased from 2022-23 to 2023-24.	NIL	\$0.5m	Funding rephased to 2024-25 to meet contractual commitments.

2023-24 Budget	Gender responsive budgeting	\$0.5m	\$0.5m	N/A	\$0.5m	0.5	N/A
2023-24 Budget	Delivering a memorial to recognise those who have lost their lives on the job	\$2.5m	\$2.5m	N/A	NIL	NIL	N/A
2023-24 Budget	Making Victoria an Easy Place to do Business through Regulatory Reform	\$11.5m	\$3.8m	2023-24 budget rephased to 2024-25.	\$11.2m	\$18.9m	2023-24 budget rephased to 2024-25.
2023-24 Budget	Maximising outcomes through social investments	\$4.3m	\$1.9m	2023-24 budget rephased to 2024-25.	\$7.8m	\$10.2m	2023-24 budget rephased to 2024-25.
2023-24 Budget	Standing up for workplace safety	\$5.9m	\$5.9m	N/A	\$6.0m	\$6.0m	N/A
2023-24 Budget	State Revenue Office Compliance Program	\$44.9m	\$44.9m	N/A	\$46.9m	\$46.9m	N/A
2023-24 Budget	Building Equity ¹	\$0.8m	\$0.8m	N/A	\$0.8m	\$0.8m	N/A
2023-24 Budget	Industrial relations attraction and retention policies ¹	\$2.5m	NIL	Funding rephased into 2024-25.	\$2.5m	\$5m	Funding rephased into 2024-25 from 2023-24.
2023-24 Budget	On-demand worker support ¹	\$4.5m	\$4.9m	Funding was rephased from	\$4.5m	\$5.6m	Funding was rephased from prior years to 2024-25.

				prior years to 2023-24.			
2023-24 Budget	Wage theft laws compliance and enforcement	\$6.7m	\$6.7m	N/A	NIL	NIL	N/A
2023-24 Budget Update	Commonwealth Games ²	\$380.0m	\$380.0m	N/A	NIL	NIL	N/A

Notes:

1. Machinery of government changes effective 1 February 2024 saw the Industrial Relations output and associated functions transferred from the Department of Premier and Cabinet to the Department of Treasury and Finance. The budget to be transferred for Industrial Relations Victoria is still being settled at the time of this publication.
2. Commonwealth Games is an administered item.

Strategic issues

Question 3

In order of priority, please list the five most significant strategic issues that influenced the development of the Department's estimates for the 2024-25 financial year. Please describe how the Department will address these issues in 2024-25.

Response

	Strategic issue	How the Department will address the issue in 2024-25	What progress, if any, has been made as at 30 April 2024, if applicable
1.	Continue to create jobs, reduce unemployment and restore economic growth	The following initiatives were in the 2023-24 Budget and will continue in 2024-25	
		<ul style="list-style-type: none"> Making Victoria an Easy Place for Business through Regulatory Reform (four-year initiative from 2023-24 to 2026-27) 	<p>In 2023, the Government agreed a whole of Victorian Government reform program across state and local government to modernise regulatory frameworks, enhance capability and resource sharing across regulators and councils and streamline and digitise approvals processes. This program is currently in implementation.</p> <p>The Better Practice Permissions Playbook and the Victorian Permissions Framework were published in 2023 for use by departments and regulators to streamline business licences and application processes and prepare for digitisation.</p> <p>The Victorian Government established the Economic Growth Commissioner to undertake inquiries commissioned by the Government into impediments to economic growth and identify opportunities for economic and regulatory reform. The Economic Growth Commissioner, Cressida Wall was appointed in December 2023.</p> <p>This initiative includes the continuation of the Business Acceleration Fund, which will provide \$30 million from 2023-24 to 2026-27 to save Victorians time and</p>

			money by streamlining regulatory processes across the state's regulators and local councils.
		The following initiatives were in the 2022-23 Budget and will continue in 2024-25	
		<ul style="list-style-type: none"> Business Acceleration Fund 	<p>The 2022-23 Budget provided \$10 million for the Business Acceleration Fund to reduce red tape, enabling established businesses to operate more efficiently and to help new business open sooner.</p> <p>The 2022-23 Business Acceleration Fund funded 28 reform initiatives across regulators and local councils. 23 initiatives have now completed with the remaining 5 due to complete in 2024.</p>
		The following initiatives were in the 2020-21 Budget and will continue in 2024-25	
		<ul style="list-style-type: none"> Big Housing Build: Expanded Social Housing Growth Fund 	Through successive funding rounds completed across 2020-21 to 2023-24, the Big Housing Build (BHB) component of the Social Housing Growth Fund has awarded contracts for projects worth \$1.62 billion, which support 3,537 new social housing dwellings that are to be delivered through the community housing sector. Construction has commenced on 2,131 dwellings, of which 934 dwellings have been completed.
		<ul style="list-style-type: none"> Big Housing Build: Victorian Homebuyer Fund 	The Victorian Homebuyer Fund (VHF) has committed \$1.97 billion in shared equity contributions to help thousands of Victorians achieve home ownership. Since launching in October 2021, almost 9,000 participants have settled on their homes and an additional 3,400 Victorians have been approved in the scheme to start house-hunting. At least two-thirds have been first home buyers. In an environment of relatively high interest rates, scheme demand has remained strong, with a record high uptake occurring in February 2024.
		<ul style="list-style-type: none"> Regulatory reform package 	<p>Funding for this initiative was announced in the 2020-21 Budget for regulatory reforms to support the state's economic recovery.</p> <p>This included the \$40 million Regulation Reform Incentive Fund (RRIF) to support the Victorian regulators and local governments to reduce red tape,</p>

			<p>speed up approvals and simplify processes and deliver up to \$200 million in annual ongoing benefits when fully delivered.</p> <p>The \$40 million RRIF has supported 69 projects that are speeding up approval times for businesses, making it easier to start up and grow. This includes 24 regulatory reforms across local councils to make approvals easier. The reforms are delivering more than 290 000 faster approvals each year related to licences and permits for individuals to undertake work and businesses to operate. The saving in time is estimated at over 287 000 days annually.</p> <p>Outcomes for businesses delivered through the Regulatory Reform Package include:</p> <ul style="list-style-type: none"> • expanding the network of pre-approved routes for oversized vehicles that will reduce delays in approvals and save the construction industry money • digitising elements of the assessment and rating process for early childhood services, including reporting and submitting a Quality Improvement Plan, saving more than 13 000 days of staff time across the sector each year • local councils were funded to deliver automatic approvals on the Service Victoria platform for footpath trading, outdoor fitness and placing skip bins, speeding up the time it takes for businesses to get approvals – up to 10 days in some cases. <p>Most initiatives under the RRIF have completed with the remainder due to complete in 2024.</p>
2.	Renewing lapsing programs	The 2024-25 Budget provides funding for the following initiatives:	
		<ul style="list-style-type: none"> • Supporting the community and public sector to tackle 	<p>Since its establishment, the Victorian Asbestos Eradication Agency (VAEA) has overseen the removal of 39 metric tonnes of asbestos from 64 government-owned buildings. This supports government's responsibilities under the</p>

		<p>asbestos and its impacts</p>	<p><i>Occupational Health and Safety Act 2004</i>: to ensure any risks associated with asbestos in the workplaces they control are managed.</p> <p>The VAEA's AIRSystem is an Australian-first system that provides a live, digital, consolidated register of asbestos in workplaces across almost 13,000 Victorian government-owned buildings. A total of 54 Victorian Government agencies now use AIRSystem to manage asbestos containing material records in their buildings.</p> <p>The VAEA has worked with DTF to finalise the establishment of two new prequalification categories on the Construction Supplier Register and is commencing assessment of applications for prequalification.</p> <p>The VAEA has commenced a hazardous material register project with Victorian government transport agencies, VicRoads and Metro.</p>
		<ul style="list-style-type: none"> Wage Inspectorate Victoria (WIV) – Fair and Safe Victorian Workplaces 	<p>On 1 July 2021 WIV was set up as an independent statutory authority under the Wage Theft Act 2020, which introduced criminal wage theft offences. The new authority also assumed responsibility for administering existing child employment, long service leave and owner driver and forestry contractor legislation. In its second year of operations as a statutory authority, WIV's remit has grown to include promoting and enforcing compliance with the Child Safe Standards by those employers who employ children under the age of 15.</p> <p>WIV's continuing compliance and enforcement work creates strong general deterrence to employer contravention of the laws within the Inspectorate's remit.</p> <p>In 2023-24 year to date, the progress made by WIV includes the following:</p> <ul style="list-style-type: none"> On 1 July 2023, the child employment regulatory regime moved from a permit to a licensing system. As at 31 March 2024, there have been 662 licences issued. WIV has answered 8106 phone calls, and responded to 617 written queries.

			<ul style="list-style-type: none"> • WIV completed 348 investigations and compliance monitoring activities. There has also been a recent increased emphasis on compliance and enforcement with Victoria’s child employment laws resulting in prosecutions of businesses that are deliberately non-compliant. • WIV has had 18 matters before the court. • WIV has recovered hundreds of thousands of dollars in underpaid long service leave, amounting to over \$1.3 million for Victorian workers. <p>In 2022-23, WIV delivered the following outcomes to ensure productive and prosperous workplaces for all Victorians:</p> <ul style="list-style-type: none"> • protected the safety and welfare of children working in Victoria by administering child employment laws, including assessing and issuing 9,121 child employment permits, conducting 395 child employment investigations and proactive regulatory activities across the State; • answered 13,248 calls about wage theft, long service leave, child employment and owner-driver laws through its helpline and responded to 1,845 written enquiries; • finalised 144 long service leave investigations, helping to recover more than \$1 million in outstanding long service leave entitlements; • had 17 matters before a court, including the first criminal wage theft charges laid under the Wage Theft Act, as well as alleged breaches of the Long Service Leave Act and the Child Employment Act, and was successful in securing guilty verdicts against two employers (the remaining matters were still before a court as of 30 June 2023); • undertook regulatory responsibilities under the Owner Drivers and Forestry Contractors Act, including through proactive auditing activities
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			<p>focused on hirers of owner-drivers and checking compliance with the law for 248 individual drivers; and</p> <ul style="list-style-type: none"> continued implementing its three-year education strategy to raise awareness of workplace rights and obligations in Victoria and ran two major education campaigns, released educative videos and e-learning modules, engaged more than 200 stakeholders and translated information into nine languages.
3.	Implement tax reforms and enhance compliance activities	The following budget decisions have been approved in the 2024-25 Budget:	
		<ul style="list-style-type: none"> State Revenue Office (SRO) Expanded Compliance program 	Funding is approved from 1 July 2024 to build upon and further expand the broad range of taxation compliance programs administered by the State Revenue Office. This includes technology modernisation to support more efficient tax administration and enhanced compliance.
		The following initiatives were in the 2023-24 Budget and will continue in 2024-25	
		<ul style="list-style-type: none"> SRO Compliance Program 	<p>The revenue compliance and base protection work commenced in July 2023 to maintain and expand the broad range of taxation compliance programs and to enhance data quality and management. The program is expected to generate significant revenue of \$700 million gross for the period 2023-24 to 2026-27.</p> <p>SRO also commenced the implementation of enhancements to support a range of payroll tax initiatives from the <i>2023-24 Budget</i>. This includes the introduction of a temporary payroll tax surcharge, which applies on wages paid in Victoria by businesses with national payrolls over \$10 million a year. The surcharge applies for ten years from 1 July 2023.</p>
4.	Continue to apply the Early Intervention Investment Framework	The following initiatives were in the 2023-24 Budget and will continue in 2024-25	
		<ul style="list-style-type: none"> Supporting the sector to maximise outcomes 	DTF is completing preparatory work for the next Partnership Addressing Disadvantage process and will seek approval for a market sounding process in the second half of 2024.

		through social investments	<p>The Government released its Empowerment fund in November 2023 to address barriers the social service sector faces relating to data and evaluation capability. DTF has now received applications for the fund and is currently assessing proposals.</p> <p>DTF is currently consulting with departments on release of the first client pathway reports, with its release as well as further reports expected progressively in the future.</p> <p>In November 2023, the Victorian Government also held its inaugural Early Intervention and Social Investment Summit, connecting government with critical voices across the social services sector.</p>
		The following initiatives were in the 2021-22 Budget and will continue in 2024-25	
		<ul style="list-style-type: none"> • Embedding Early Intervention in Govt Service Delivery 	<p>The Early Intervention Investment Framework (EIIF) has been government policy for the last four years, further embedding a focus on wellbeing for funding submissions in the Victorian budget process. For each EIIF initiative, government quantifies expected impacts in terms of avoided fiscal costs, other economic benefits and broader social outcomes.</p> <p>The evidence generated through EIIF enables Government to make more informed decisions with the aim of increasing social impact. Annual tracking of the outcomes from each initiative also informs future budget deliberations and decisions.</p>
		<ul style="list-style-type: none"> • Partnerships Addressing Disadvantage (PAD) 	<p>Following completion of the joint development phase that DTF led with DJCS, DFFH, and the Victorian Association for the Care and Resettlement of Offenders & Social Ventures Australia, DFFH is now leading implementation of the program, with DTF preparing the evaluation approach for the program.</p>
5.	Capital investment which supports the delivery of existing government commitments	The capital investment funding is allocated to SRO for the following initiatives:	

		<ul style="list-style-type: none"> • SRO Expanded Compliance Program – new decision in the <i>2024-25 Budget</i>. • State Revenue Office Advanced Revenue Management Program (Melbourne) – announced in the <i>2021-22 Budget</i> with funding allocated in 2024-25 	<p>SRO Expanded Compliance – revenue management system developments are to be undertaken in 2024-25. This initiative is part of SRO Expanded Compliance as described in Q3 above.</p> <p>SRO Advanced Revenue Compliance – the four-year program commenced in 2021-22, activities are continuing. This initiative is part of SRO Advanced Compliance as described in Q3 above.</p>
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Revenue and expenditure – variances

Question 4

Budget Paper No. 5: Statement of Finances provides a comprehensive operating statement that details each department's revenue and expenses on an accrual basis reflecting the cost of providing its output.

For each line item of the comprehensive operating statement if there is a variance greater than 10 per cent (positive or negative) or greater than \$100 million (positive or negative) please explain the reason for the variance between the budget for 2023-24, the revised estimate for 2023-24 and the budget for 2024-25.

Guidance

Where the variance is in 'Other operating expenses', please supply the relevant expense category.

Response

Line item	2023-24 Budget (\$ million)	2023-24 Revised estimate (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) 2023-24 Budget vs. 2023-24 Revised estimate
Sales of goods and services	28	-	Decrease in the 2023-24 revised estimate primarily reflects the reporting classification change made to the Essential Services Commission (ESC). From the 2023-24 financial year, ESC will be reported under the regulatory bodies and other part funded agencies in the budget papers. This change was made to better align the reporting in the budget papers following the changes to the ESC legislation where the majority of ESC services will be directly funded from fee for service income.
Grants and other transfers	29	34	Increase in the 2023-24 revised estimate primarily reflects grants to the Essential Services Commission (ESC) which needs to be separately reported following the ESC reporting classification change discussed in Sales of good and services section above.

Line item	2023-24 Budget (\$ million)	2024-25 Budget (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) 2023-24 Budget vs. 2024-25 Budget
Sales of goods and services	28	-	Decrease in the 2024-25 Budget primarily reflects the reporting classification change made to the Essential Services Commission (ESC). From the 2023-24 financial year, ESC will be reported under the regulatory bodies and other part funded agencies in the

			budget papers. This change was made to better align the reporting in the budget papers following the changes to the ESC legislation where the majority of ESC services will be directly funded from fee for service income.
Fair value of assets and services received free of charge or for nominal consideration	-	8	Increase in the 2024-25 Budget reflects recognition of services received free of charge from the Department of Government Services (DGS). This was following the machinery of government change effective from 1 January 2023 where corporate functions of DTF were transferred to DGS.
Depreciation and amortisation	10	13	Increase in the 2024-25 Budget primarily reflects depreciation associated with the State Revenue Office's capital expenditure funding for the Expanded Compliance Program.
Grants and other transfers	29	34	Increase in the 2024-25 Budget primarily reflects grants to the Essential Services Commission (ESC) which needs to be separately reported following the ESC reporting classification change discussed in Sales of good and services section above.

Line item	2023-24 Revised estimate (\$ million)	2024-25 Budget (\$ million)	Explanation for any variances greater than ±10% (or greater than \$100 million) 2023-24 Revised estimate vs. 2024-25 Budget
Depreciation and amortisation	10	13	Increase in the 2024-25 Budget primarily reflects depreciation associated with the State Revenue Office's capital expenditure funding for the Expanded Compliance Program.

Revenue initiatives – new and changed

Question 5

For all new revenue initiatives in the 2024-25 budget papers and for all existing revenue initiatives that have changed in the 2024-25 budget papers as compared to the previous financial year, please provide the:

- a) name of the initiative as used in the 2024-25 budget papers
- b) objective/s of the initiative
- c) reason for the new initiative or change to the initiative
- d) expected outcome/benefit for the Victorian community of the new initiative/change to the initiative
- e) anticipated revenue in the financial year 2024-25 and over the forward estimates gained or foregone as a result of the new initiative/change to the initiative.

Response

Name of the initiative as used in the 2024-25 budget papers	Commercial and Industrial Property Tax Reform
Objective/s of the initiative	Replacing stamp duty with the commercial and industrial property tax will: <ul style="list-style-type: none"> • encourage businesses to expand or set up in the best location, for example closer to their customers or where there is a growing workforce • support businesses to invest in buildings and infrastructure • promote more efficient use of commercial and industrial land.
Reason for new initiative or change	Stamp duty adds to the upfront cost of purchasing property. When applied to commercial and industrial properties, it discourages businesses from investing, expanding, or relocating their operations – impeding growth and productivity. Abolishing stamp duty and replacing it with a more efficient annual based tax on land, similar to the commercial and industrial property tax, has been recommended by numerous inquiries over recent decades – including the Henry Tax Review, the Productivity Commission and the Grattan Institute.
Expected outcome/benefit for the Victorian community of the new initiative/change to the initiative	Benefits include reducing upfront costs on commercial and industrial property purchases. This in turn frees up capital to undertake additional investment in commercial and industrial sectors, accelerating business growth and boost jobs – with the cumulative increase in the size of the Victorian economy as a result of this reform up to \$50 billion in Net Present Value terms.

Anticipated revenue in financial year 2024-25 gained or foregone	..
Anticipated revenue in financial year 2025-26 gained or foregone	-\$30 million
Anticipated revenue in financial year 2026-27 gained or foregone	-\$88.2 million
Anticipated revenue in financial year 2027-28 gained or foregone	-\$147.5 million

Name of the initiative as used in the 2024-25 budget papers	Harmonise the waste levy with NSW and South Australia
Objective/s of the initiative	<ul style="list-style-type: none"> To harmonise with levy rates in New South Wales and South Australia, Victoria's metropolitan industrial and municipal waste levy will be increased to \$169.79 per tonne from 1 July 2025. The waste levy rates will also be proportionally increased at rural landfills, which attract lower levies than metropolitan landfills. The Priority Waste Levy for Category C and D waste will also increase to \$169.79 per tonne on 1 July 2025. The rates for other categories of priority waste will be unchanged to continue to encourage the safe disposal of hazardous waste materials.
Reason for new initiative or change	These levy increases will encourage investment in resource recovery infrastructure and disincentivise waste going to landfill.
Expected outcome/benefit for the Victorian community of the new initiative/change to the initiative	The revenue raised from the waste levy first goes to fund the Environment Protection Authority, Sustainability Victoria and Recycling Victoria, with the remainder added to the Sustainability Fund to be used for programs supporting climate change action and waste reduction.
Anticipated revenue in financial year 2024-25 gained or foregone	..
Anticipated revenue in financial year 2025-26 gained or foregone	\$143.0 million
Anticipated revenue in financial year 2026-27 gained or foregone	\$139.0 million
Anticipated revenue in financial year 2027-28 gained or foregone	\$141.0 million

Name of the initiative as used in the 2024-25 budget papers	Return Fire Services Property Levy collections to statutory parameters
Objective/s of the initiative	<ul style="list-style-type: none"> From 1 July 2024, there will be a modest increase in the Fire Services Property Levy to return revenue collections to the statutory parameters of the <i>Fire Services Property Levy Act 2012</i>.
Reason for new initiative or change	To better support the resourcing of Victoria's fire and rescue services.
Expected outcome/benefit for the Victorian community of the new initiative/change to the initiative	All revenue raised from the Fire Services Property Levy will continue to be invested in Victoria's fire and rescue services, including life-saving equipment, firefighters, staff and volunteers, training, infrastructure, and community education.
Anticipated revenue in financial year 2024-25 gained or foregone	\$166.3 million
Anticipated revenue in financial year 2025-26 gained or foregone	\$142.9 million
Anticipated revenue in financial year 2026-27 gained or foregone	\$139.2 million
Anticipated revenue in financial year 2027-28 gained or foregone	\$142.1 million

Name of the initiative as used in the 2024-25 budget papers	Standalone land tax exemption for social and emergency housing
Objective/s of the initiative	<ul style="list-style-type: none"> The Government will introduce a standalone land tax exemption for land that is used to provide social and emergency housing. Additionally, the exemption will apply to charity-owned land where social and emergency housing is under development.
Reason for new initiative or change	The exemption clarifies existing arrangements that owners of land used to provide social and emergency housing are not liable to pay land tax.
Expected outcome/benefit for the Victorian community of the new initiative/change to the initiative	The exemption will support the continued provision of social and emergency housing.
Anticipated revenue in financial year 2024-25 gained or foregone	..
Anticipated revenue in financial year 2025-26 gained or foregone	..
Anticipated revenue in financial year 2026-27 gained or foregone	..

Anticipated revenue in financial year 2027-28 gained or foregone	..
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Expenditure – new programs and initiatives (output and asset)

Question 6

For all new programs and initiatives (output and asset) in the 2024-25 budget papers, please provide the:

- name of the program/initiative
- objective(s) of the program
- budgeted expenditure in financial year 2024-25 on the program/initiative
- details of how it will be funded (i.e. through new output appropriation, Commonwealth funding, internal reprioritisation etc.)

Response

Name of the program/initiative	Objective(s) of the program	Budgeted expenditure in financial year 2024-25 on the program/initiative (\$ million)	Details of how it will be funded
Psychological health regulations – public sector planning and implementation	To assist public sector departments in preparing for upcoming Occupational Health and Safety Amendment (Psychological Health) Regulations.	1.278	Internal reprioritisation
SRO expanded compliance program	To expand the State Revenue Office's (SRO) taxation compliance programs and modernise SRO technology for more efficient tax administration (SRO expanded compliance program).	15.634	Output appropriation
Supporting the community and public sector to tackle asbestos and its impacts	To continue the VAEA's critical operations, as well as support the Asbestos Council of Victoria/Gippsland Asbestos Related Diseases Support Inc services for people impacted by asbestos and silica-related diseases.	4.936	Offsets from available and unallocated program funds and cost recovery via a service fee model from departments with government owned buildings. Furthermore, this program is also funded from the Community Support Fund (CSF).

Wage Inspectorate Victoria – fair and safe Victorian workplaces	To ensure fair and safe workplaces in Victoria through strong compliance and enforcement under Victoria’s Industrial Relations (IR) laws.	3.129	Output appropriation
Expanding the Victorian Homebuyer Fund	Funding is provided to expand the Victorian Homebuyer Fund to accelerate more Victorians into home ownership. The fund contributes to the purchase price in exchange for a proportionate equity interest in the property. This reduces the size of the deposit required and will help Victorians buy suitable homes sooner. Aboriginal Victorians also have access to a higher shared equity contribution and require a lower deposit. This initiative contributes to the Department of Treasury and Finance’s Commercial and Infrastructure Advice output.	5.02 700.0	Output appropriation Payment on Behalf of the State appropriation

Expenditure – lapsing programs (output initiatives, including grants)

Question 7

For all programs (output initiatives, including grants) with total funding of equal to or greater than \$5 million that were to lapse in the financial year 2023-24, where funding is to be extended in the 2024-25 Budget, please provide the:

- a) name of the program
- b) objective(s) of the program
- c) expenditure in the financial years 2023-24 and 2024-25 (and where relevant, future years)
- d) details of how the program will be funded (i.e. through new output appropriation, Commonwealth funding, internal reprioritisation etc.)
- e) confirmation that an evaluation of the program has been conducted as per *Section 6.1 Evaluating lapsing programs* of the Resource Management Framework.¹ Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation in the questionnaire response.
- f) evidence of the continued need for the program, and Government's role in delivering it
- g) evidence of the program's progress toward its stated objectives and expected outcomes, including the alignment between the program, its output (as outlined in *Budget Paper No. 3: Service Delivery*), departmental objectives and any government priorities
- h) evidence of the program being delivered within its scope, budget, expected timeframe and in line with appropriate governance and risk management practices
- i) extent and level of efficiencies realised in the delivery of the program
- j) information about the nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts
- k) evidence that the further funding reflects the actual cost required to deliver the program.

Guidance

Lapsing program—the Committee uses the definition of lapsing program as set out in the Department of Treasury and Finance, *Resource Management Framework*: A lapsing program is a program to deliver services (output-related) that is funded for a specified time period only (and not ongoing in nature). Programs of a 'one-off' or a time-specific nature (e.g. funding provided for specific events) are considered 'fixed-term' and do not fall under the definition of a 'lapsing program'.

¹ Department of Treasury and Finance, *The Resource Management Framework*, Melbourne, 2023, pp. 139-140

Response

Name of the program	<i>Supporting the community and public sector to tackle asbestos and its impacts</i>	
Objective(s) of the program	To continue the VAEA's critical operations, as well as support the Asbestos Council of Victoria/Gippsland Asbestos Related Diseases Support Inc (ACV/GARDS) services for people impacted by asbestos and silica-related diseases.	
Expenditure in the financial years 2023-24 and 2024-25 (and where relevant, future years) (\$ million)	2023-24	2024-25
	\$10.113 million	\$4.936m in 2024-25, \$4.936m in 2025-26, \$5.036m in 2026-27 and \$4.936m in 2027-28
Details of how the program will be funded	<p>\$19.844 million over four years:</p> <ul style="list-style-type: none"> • \$10.917 million output funding over four years ongoing for the VAEA to continue to deliver expert best practice advice to government on the management and removal of asbestos • \$8.367 million output funding over four years to maintain the management and operation of the VAEA's AIRSystem database. • \$0.560 million output funding over four years to enable the ACV/GARDS to continue its operations supporting the Victorian community. 	
Confirmation that an evaluation for the program has been conducted. Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation	An evaluation will be undertaken after two full years of operation to understand progress and long-term outcomes. The evaluation will use qualitative and quantitative data and engage a variety of data collection techniques.	
Evidence of the continued need for the program and the Government's role in delivering it	<p><u>VAEA</u> The program ensures the VAEA's knowledge in relation to prioritised asbestos removal and consolidated database of asbestos-containing materials (ACMs) in over 13 000 government buildings is maintained. This supports Government's responsibilities under the OHS Act to ensure any risks associated with asbestos in the workplaces they control are managed. Funding will also reduce the risk of exposure to hazardous ACMs, noting that asbestos exposure is the greatest cause of work-related deaths in Australia.</p> <p><u>ACV/GARDS</u> There has been a dramatic increase in cases of silicosis and silica-related disease in Australia in recent years and curtailing its impact is becoming a national priority. ACV/GARDS is a not-for-profit community organisation formed in 1991 that provides a range of support services to people impacted by asbestos and silica-related diseases in Gippsland. ACV/GARDS provides advocacy, education, and</p>	

	<p>support to the community on asbestos and silica-related diseases and its membership has been growing year on year.</p> <p>Current Government funding for ACV/GARDS, which makes up a large portion of their operating budget, will expire in 2024. Funding provided in the 2024-25 Budget will support continuation of its services.</p>
<p>Evidence of the program's progress toward its stated objectives and expected outcomes</p>	<p><u>VAEA</u></p> <p>The VAEA was initially set up to provide government with a consolidated register of the location and condition of asbestos in government-owned buildings and a schedule for its removal. This objective has been met through the development of AIRSystem which includes ACM data within 13 000 government buildings which continues to be updated.</p> <p>In 2018, the VAEA made 16 recommendations to the Victorian Government in the Ending the Lethal Legacy report including about expanding its role, which Cabinet accepted-in-principle in April 2020. This resulted in the VAEA starting to manage prioritised removal of the most hazardous ACMs from community, health and emergency service buildings, with a view to remove all ACMs from Victorian Government buildings by 2035. The VAEA has overseen the removal of 39 metric tonnes of asbestos from 64 government-owned buildings.</p> <p>The Victorian Asbestos Forum (VAF) is an inter-agency working group chaired by the VAEA that promotes a whole of government approach to asbestos policy. The VAEA's expertise and coordination of the VAF is often tapped into for advice about asbestos policy issues.</p> <p><u>ACV/GARDS</u></p> <p>ACV/GARDS provides advocacy, education, and support to the community on asbestos and silica-related diseases. ACV/GARDS's membership has continued to grow in recent years with the group attracting around 40-45 new members each year over the last four years.</p>
<p>Evidence of the program being delivered within its scope, budget, expected timeframe and in line with appropriate governance and risk management practices</p>	<p><u>VAEA</u></p> <p>The VAEA received \$21 million in the 2020-21 <i>State Budget</i>. Since its establishment, the VAEA has overseen the removal of 39 metric tonnes of asbestos from 64 government-owned buildings, taking a risk based approach to prioritised asbestos removal.</p> <p>The VAEA is currently a subsidiary of WorkSafe, with its own Board, and reports annually to the Minister for WorkSafe and the TAC on the progress of asbestos removal.</p>

	<p><u>ACV/GARDS</u> ACV/GARDS's membership has continued to grow in recent years with the group attracting around 40-45 new members each year over the last four years.</p>
Extent and level of efficiencies realised in the delivery of the program	<p><u>VAEA</u> Prioritised asbestos removal conducted by the VAEA takes into consideration key risk factors in identified ACMs to inform scheduled asbestos removal. This early intervention approach limits the risk of disease and is estimated to be at least 20 per cent more cost-efficient than unplanned.</p> <p><u>ACV/GARDS</u> ACV/GARDS's membership has continued to grow in recent years with the group attracting around 40-45 new members each year over the last four years. The organisation has been able to supplement additional costs by attracting external funding.</p>
Nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts	<p><u>VAEA</u> The ceasing of VAEA would mean that government would lose its source of advice about prioritised asbestos removal. Should the government not have decided to continue to fund the VAEA's functions, the alternative option considered was to consolidate the VAEA functions into an existing government department.</p> <p><u>ACV/GARDS</u> Current Government funding for ACV/GARDS, which makes up a large portion of their operating budget, was to expire in 2024. Should Government funding have ceased, ACV/GARDS would have had to seek other funding avenues and pare back the services provided to members.</p>
Evidence that the further funding reflects the actual cost required to deliver the program	<p><u>VAEA</u> The funding sought over four years is largely in line with the VAEA's expenditure history.</p> <p><u>ACV/GARDS</u> Current Government funding for ACV/GARDS makes up a large portion of ACV/GARDS' operating budget. The remaining balance is funded by other, non-government sources.</p>
Name of the program	Wage Inspectorate Victoria - fair and safe Victorian workplaces
Objective(s) of the program	The Wage Inspectorate Victoria sought funding for 2024-25 to ensure fair and safe workplaces in Victoria through strong compliance and enforcement under Victoria's Industrial Relations (IR) laws.

Expenditure in the financial years 2023-24 and 2024-25 (and where relevant, future years) (\$ million)	2023-24	2024-25
Details of how the program will be funded	\$ 6.7 million	\$ 3.1 million
Confirmation that an evaluation for the program has been conducted. Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation	<p data-bbox="974 233 1951 443">Output appropriation</p> <p data-bbox="974 269 1951 443">Since establishment on 1 July 2021, the Wage Inspectorate has undertaken informal evaluations annually. Annual evaluations have provided evidence demonstrating the efficiency and effectiveness of the Wage Inspectorate as a regulator committed to delivering optimum outcomes for Victoria and the Victorian public.</p> <p data-bbox="974 488 1951 839">When the Wage Inspectorate was established in 2021, it was proposed that independent evaluation of the reforms would begin after 1 July 2024, three years post-establishment. However, since this time, the Wage Inspectorate's remit and operations have changed significantly. On 7 December 2023, the Commonwealth Government passed the <i>Fair Work Amendment (Closing Loopholes) Bill 2023</i>, which introduced criminal offences for wage theft.² As the Commonwealth legislation overtakes the Victorian wage theft scheme, the Victorian Government has announced its intention to repeal Victorian offences to avoid uncertainty for the community, employees and businesses.³ As such, the Wage Inspectorate is no longer enforcing the Victorian wage theft offences.</p> <p data-bbox="974 884 1951 1123">In addition to this, the Wage Inspectorate's remit was expanded following introduction of the Child Employment Licensing Scheme and the Child Safe Standards regulatory operations, the upcoming review of the Child Employment regulations, and the expansion of the Child Employment and Long Service Leave regulatory operations. Given these significant changes, it has been recommended that consideration is given to postponing any independent evaluation on this basis.</p>	
Evidence of the continued need for the program and the Government's role in delivering it	<p data-bbox="974 1171 1951 1265">Reliable funding is essential for the Wage Inspectorate to maintain core functions, including the <i>Child Employment Act 2003</i>, <i>Child Safe Standards</i>, <i>Long Service Leave Act 2018</i>, and <i>Owner Drivers and Forestry Contractors Act 2004</i>.</p>	

² https://www.aph.gov.au/Parliamentary_Business/Bills_Legislation/Bills_Search_Results/Result?bld=r7072

³ *ibid*

<p>Evidence of the program's progress toward its stated objectives and expected outcomes</p>	<ul style="list-style-type: none"> • The Wage Inspectorate's operations support the new department objective to 'Strengthen Victoria's economic performance' through fair, equitable and productive workplaces. • It does so by promoting compliance and enforcement with the laws within its remit including the Child Employment Act, the Child Safety and Wellbeing Act, the Long Service Leave Act and the Owner Driver Forestry Contractors Act. • Since establishment on 1 July 2021 and up to 31 March 2024, the Wage Inspectorate has delivered the following outcomes to promote productive and safe workplaces: <ul style="list-style-type: none"> ○ protected the safety and welfare of children working in Victoria by administering child employment laws, including assessing and issuing 799 child employment licences (and administered 9,121 permits under the previous permit scheme), and conducting over 1000 child employment investigations and proactive regulatory activities across the state ○ answered over 35,000 calls and responded to 4,875 written enquiries about Victoria's IR laws ○ finalised 301 long service leave investigations, helping to recover more than \$1 million in outstanding entitlements ○ brought 22 matters before a court for alleged breaches of the laws within the Wage Inspectorate's remit. ○ undertook regulatory responsibilities under the Owner Drivers and Forestry Contractors Act, including conducting over 250 investigations and proactive auditing activities focused on hirers of owner-drivers and checking compliance with the law for over 500 individual drivers. ○ implemented its three-year education strategy to raise awareness of workplace rights and obligations in Victoria and ran several major education campaigns, released educative videos and e-learning modules, engaged over 200 stakeholders and translated information into nine languages.
<p>Evidence of the program being delivered within its scope, budget, expected timeframe and in line with appropriate governance and risk management practices</p>	<p>Since establishment, the Wage Inspectorate has consistently met its annual BP3 measures. It has operated within its annual budget.</p>

	<p>On 1 July 2023, the child employment regulatory regime moved from a permit to a licensing system. As at 31 March 2024, the Inspectorate has issued 662 licences.</p> <p>In the 2023-24 financial year (as at 31 March 2024) the Inspectorate:</p> <ul style="list-style-type: none"> ○ has answered 8,106 phone calls, and responded to 617 written queries. ○ has completed 348 investigations and compliance monitoring activities. There has also been a recent increased emphasis on compliance and enforcement with Victoria's child employment laws resulting in prosecutions of businesses that are deliberately non-compliant. ○ has brought 18 matters before the court. <p>The Inspectorate has recovered hundreds of thousands of dollars in underpaid long service leave, amounting to over \$1.3 million for Victorian workers.</p>
Extent and level of efficiencies realised in the delivery of the program	The Wage Inspectorate, as a smaller organisation, leverages existing government services and contracts to access services at a reduced cost, including the Edupay payroll system from the Department of Education and corporate services from the Department of Premier and Cabinet, the Department of Government Services and the Department of Treasury and Finance.
Nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts	As an established regulator, the Wage Inspectorate has periodically assessed the resources and funding required to deliver its advice, intake and licensing function; its compliance and enforcement work (including prosecutions); its proactive compliance and educative work; and its enabling services. Without funding, the Wage Inspectorate would have reassessed its operations in 2024-25.
Evidence that the further funding reflects the actual cost required to deliver the program	The Wage Inspectorate's remit and operations have changed significantly. The funding will provide support in the interim to enable continued delivery of the Wage Inspectorate's legislated function while it reassesses its operations following change in remit.

Question 8

For all programs (output initiatives, including grants) with total funding of equal to or greater than \$5 million that are to lapse in 2023-24, please provide the:

- a) name of the program
- b) objective(s) of the program
- c) expenditure in the financial year 2023-24
- d) reasons why the program was established
- e) details of who (describe the type of users for example, health care providers, families, volunteers etc.) and how many used the program, and evidence of the outcomes achieved
- f) reasons why further funding is not being sought
- g) nature of the impact of ceasing the program
- h) strategies that are being implemented to minimise any negative impacts.

Response

Name of the program	Nil return
Objective(s) of the program	
Expenditure in the financial year 2023-24 (\$ million)	
Reasons why the program was established	
Details of who and how many used the program and evidence of the outcomes achieved	
Reasons why further funding is not being sought	
Nature of the impact of ceasing the program	
Strategies that are being implemented to minimise any negative impacts	

Capital asset expenditure

Question 9

Budget Paper No. 5: Statement of Finances provides cash flow statements for departments.

Budget Paper No. 4: State Capital Program provides the capital projects undertaken by departments.

For the 'Payments for non-financial assets' line item in the 2024-25 budget cash flow statement, please provide a breakdown of these costs and indicate which capital project they relate to.

If any other line items in the cash flow statement comprises expenditure on Public Private Partnerships (PPPs), please list the PPP it relates to and the cost.

Guidance

Capital projects extracted from the cash flow statements are expected to correspond to capital projects listed in *Budget Paper No. 4: State Capital Program* as 'New projects', 'Existing projects', or 'Completed projects'.

Response

Please see Excel Worksheet for response

Public Private Partnerships – expenditure

Question 10

Budget Paper No. 5: Statement of Finances provides a comprehensive operating statement that details each department's revenue and expenses on an accrual basis reflecting the cost of providing its output.

- a) In the 2024-25 comprehensive operating statement please identify all expenditure on Public Private Partnerships (PPP) by line item and provide a breakdown of these costs and indicate to which project they relate.

Guidance

If the line item 'Other operating expenses' in the comprehensive operating statement comprises expenditure on PPPs, please also list the PPP it relates to and the cost.

- b) Please also provide the estimated/forecast expenditure for all PPPs across forward estimates.

Response

a)

Line item	2022-23 Actual (\$ million)	2023-24 revised Budget (\$ million)	2024-25 Budget (\$ million)	Related project(s)
Nil return				
Total				

b)

PPPs	2022-23 Actual (\$ million)	2023-24 revised Budget (\$ million)	2024-25 Budget (\$ million)	2025-26 Estimated/Forecast (\$ million)	2026-27 Estimated/Forecast (\$ million)	2027-28 Estimated/Forecast (\$ million)
Nil return						
Total						

Public Private Partnerships – expected and actual benefits

Question 11

For Public Private Partnerships (PPP) projects in operation and in procurement and delivery, please provide detail on:

- the expected benefits of the PPP project in the uncommissioned (planning and construction) stages
- the value of the expected benefits of the PPP project in the uncommissioned stages to the State
- the actual/existing benefits of the PPP projects in its commissioned (operations and maintenance) stage
- the value of the actual/existing benefits of the PPP projects in its commissioned stage per year

Response:

PPP	Expected benefits in uncommissioned (planning and construction) phases	Value of expected benefits to the State (\$ million)	Actual/existing benefits of commissioned (operations and maintenance) stage	Value of actual/existing benefits per year (\$ million)
Nil return				

Major project contracting – DTP only

Question 12

- a) For all the major transport projects, please provide the following details:
- i) Total estimated investment at the announcement and the budget year
 - ii) Revised total estimated investment in the 2024-25 Budget
 - iii) Delivery model – please specify if the major projects are delivered through either PPP, alliance contracting or any other financing arrangement
 - iv) Estimated completion date at the announcement
 - v) Revised estimated completion date in the 2024-25 Budget
 - vi) Cost/benefit analysis – please specify if a cost/benefit analysis has been undertaken for the project, and if so, what the cost/benefit ratio is and whether the analysis is publicly available and if so, where/how it can be accessed.

Response

Project name	Total estimated investment at announcement	Budget year	Revised total estimated investment	Delivery model (PPP, Alliance contracting or other)	Estimated completion date at announcement	Revised estimated completion date	Explanation for variances in cost and timeliness of the project	Cost/benefit analysis (y/n) If yes, what is the ratio and where the analysis can be publicly accessed

b) What is the owner’s cost (i.e. cost to the Government) of delivering the projects via alliance contracting as opposed to PPP projects? Owner’s costs under traditional contracts may include, direct costs, contingency for risks, profit margin and contribution to corporate overheads, and internal contract administration expenses.⁴

Please provide the following details:

- i) project name
- ii) project value
- iii) project delivery model
- iv) expense category
- v) expenses incurred.

Please replicate the below table according to DTP’s major projects.

Response

Project name (E.g. Suburban Rail Loop)	Project value	Project delivery model (PPP, Alliance contracting, etc.)	Expense category	Expenses incurred by the Vic Government (\$ million)
Total cost				

⁴ PricewaterhouseCoopers Australia, *Collaborative Contracting*, March 2018, p. 9.

Savings initiatives

Question 13

For each of the savings initiatives detailed in the 2023-24 Budget,⁵ please detail:

- the Department's saving target for 2023-24 and 2024-25
- a breakdown of how the Department will meet the various savings targets in 2023-24 and 2024-25
- the impact that these actions will have on the delivery of services and assets/infrastructure during 2023-24 and 2024-25.

Response

Initiative	Savings target for 2023-24 (\$ million)	Breakdown of how the Department met various savings targets in 2023-24	Impact these actions had on the delivery of services and assets/infrastructure in 2023-24	Savings target for 2024-25 (\$ million)	How the Department will meet various savings targets in 2024-25	Impact these actions will have on delivery of services and assets/infrastructure in 2024-25
<i>Labor's Financial Statement Savings</i>	0.7	Reduction in the use of consultancy, labour hire and discretionary professional services.	No impacts on frontline service delivery or asset/infrastructure projects.	2.2	Reduction in the use of consultancy, labour hire and discretionary professional services.	No anticipated impacts on frontline service delivery or asset/infrastructure projects.

⁵ Department of Treasury and Finance, *Budget Paper No. 3: 2023-24 Service Delivery*, Melbourne, 2023, p. 118.

Whole of Government savings and efficiencies	10.4	The Department undertook measures to reduce expenditure including managing staffing levels, capping the budgets allocated for purchase of supplies and services and stronger centralised budget management to ensure the department remains within the allocated funding.	There was no impact on service delivery. The savings were achieved by reducing the costs associated with the service delivery.	10.7	The target is expected to be met by measures that do not impact frontline services.	No anticipated impacts on frontline service delivery or asset/infrastructure projects.
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Question 14

For each of the savings initiatives detailed in the 2024-25 Budget, please detail (on the same basis of consolidation as the budget papers):

- a) the Department's saving target for 2024-25
- b) how the Department will meet the various savings targets in 2024-25
- c) the impact that these actions will have on the delivery of services and assets/infrastructure during 2024-25.

Response

Initiative	Savings target for 2024-25 (\$ million)	Savings target for 2025-26 (\$ million)	Savings target for 2026-27 (\$ million)	Savings target for 2027-28 (\$ million)	How the Department will meet various savings targets	Impact these actions will have on delivery of services and assets/infrastructure
Savings and efficiencies and expenditure reduction measures in 2024-25 Budget	0.1	0.0	0.0	0.0	The target is expected to be met through a reduction in advertising expenditure.	No anticipated impacts on frontline service delivery or asset/infrastructure projects.

Use of funds saved from other programs or initiatives

Question 15

In relation to any programs or initiatives that have been reprioritised, curtailed or reduced for 2024-25 (including lapsing programs), please identify:

- the amount expected to be spent under the program or initiative during 2024-25 at the time of the 2023-24 Budget
- the amount currently to be spent under the program or initiative during 2024-25
- the use to which the funds realised by this reduction will be put. Please include the name(s) of any program or initiative that will be funded or partially funded.

Response

Program/initiative that has been reprioritised, curtailed or reduced	The amount expected to be spent under the program or initiative during 2024-25 (\$ million)		The use to which the funds will be put
	At the time of the 2023-24 Budget	At the time of the 2024-25 Budget	
Nil return			

Performance measures – new

Question 16

For all new performance measures in the 2024-25 Budget Paper No. 3: Service Delivery, please provide:

- a) a description/purpose of the measure
- b) the assumptions and methodology underpinning the measure (including how the supporting data is calculated or derived, source and frequency of data collection, as well as any other business rules and assumptions)
- c) how the target was set
- d) the shortcomings of the measure
- e) how the measure will enable assessment of the impact of the service.

Response

Performance measure	Litigated success rate
Description/purpose of the measure	The SRO's primary strategic goal is to provide fair and efficient revenue management. The purpose of this measure is to provide a benchmark for tax appeal litigation, which is a key component of revenue administration.
Assumptions and methodology underpinning the measure	The methodology is based primarily on decisions handed down by Tribunals and Courts.
How target was set	A 70 per cent success rate is intended to ensure tax appeal litigation is conducted primarily where the Commissioner maintains reasonable prospects of success and/or litigation is in the public interest, and to support early resolution of disputes in appropriate circumstances.
Shortcomings of the measure	Nil
How the measure will enable assessment of the impact of the service	A reduction in the litigation success rate below 70 per cent may inform the Commissioner's approach to future matters.

Performance measure	Assurance and Gateway reviews undertaken
Description/purpose of the measure	The number of Gateway reviews (gates) organised/undertaken and the number of project assurance reviews undertaken.
Assumptions and methodology underpinning the measure	The number of policies and procedures completed are counted and added to the number of training days run by DTF

How target was set	Gateway review target is based on the number of forecasted reviews. Project assurance review is based on completion of a review on an average monthly frequency considering each review requires planning, engagement and conduct, report writing and briefing the Treasurer.
Shortcomings of the measure	Nil
How the measure will enable assessment of the impact of the service	Sum of gateways reviews undertaken and the number of project assurance reviews undertaken.

Performance measure	Department action plans
Description/purpose of the measure	Number of finalised action plans identifying activities for VPS entities to undertake over a 2-3 year period to support improved psychological health in their workplaces and implementation of relevant reforms.
Assumptions and methodology underpinning the measure	DTF will work closely with VPS entities and the VPSC to develop entity-specific action plans that identify priority actions required to support improved workplace psychological health. Action plans will be informed by analysis of each entity's current approaches to psychosocial hazard identification and risk management; the design, delivery and evaluation of prevention and early intervention activities; processes and systems for incident notification and response; and internal guidance, training and governance to support management of psychosocial risks.
How target was set	The target of 9 completed action plans reflects the total number of VPS entities that will be required to develop action plans.
Shortcomings of the measure	Volume based metric only.
How the measure will enable assessment of the impact of the service	Developing an action plan that identifies appropriate priority actions specific to the entity's context to improve psychological health in its workplaces, informed by analysis of strengths and limitations in the current approach.

Performance measures – modifications

Question 17

For all existing performance measures with an associated target that has been modified in the 2024-25 *Budget Paper No. 3: Service Delivery*, please provide:

- a description/purpose of the measure
- the previous target
- the new target and how it was set
- the justification for changing the target
- an explanation of why the target was not met in 2022-23, if applicable and the 2023-24 expected outcome
- the methodology behind estimating the 2023-24 expected outcome in the 2024-25 Budget.

Response

Performance measure	Customer satisfaction level
Description/purpose of the measure	Overall satisfaction rating given by Customers with regard to the SRO's telephone services displayed as a percentage.
The previous target	≥85
The new target and how it was set	≥80
The justification for changing the target	The lower 2024-25 target reflects the SRO's review of this performance measure against Australian benchmarks for similar organisations and found that the most appropriate figure to use is an 80 per cent satisfaction rate.
An explanation of why the target was not met in 2022-23, if applicable, and the 2023-24 expected outcome	N/A The 2023-24 expected outcome is 82 per cent.
The methodology behind estimating the 2023-24 expected outcome in the 2024-25 Budget	Surveyed customers from the SRO Voice of the Customer program are asked to rate their telephone interaction on a 1 - 10 scale. A satisfaction rating of 7 and above is measured and reported as a percentage.

Performance measure	Victorian Energy Upgrades program approvals and refusals
Description/purpose of the measure	Amount of product approvals/refusals, PBA approvals/refusals and accreditation approvals/refusals
The previous target	6 000

The new target and how it was set	1 780 The 2024-25 target is lower to reflect a change to the activities included in the measure. This revised target measures the amount of product approvals and refusals, project-based activities approvals and refusals and accreditation approvals and refusals.
The justification for changing the target	The measure no longer captures registration of certificates, as the level of activity is largely independent of the Essential Services Commission actions.
An explanation of why the target was not met in 2022-23, if applicable, and the 2023-24 expected outcome	N/A The 2023-24 expected outcome is 8 000.
The methodology behind estimating the 2023-24 expected outcome in the 2024-25 Budget	The 2023-24 expected outcome is higher than the 2023-24 target due to changes in process as a result of legislative changes, managing duplicate claims and splitting batches for investigation.

Performance measure	Provide effective monitoring of the delivery of HVHR public infrastructure commitments through quarterly reporting
Description/purpose of the measure	Completion of a report within 8 weeks from the end of the quarter, detailing major projects performance, key risks affecting delivery and portfolio level insights.
The previous target	100
The new target and how it was set	4
The justification for changing the target	The measure renames the 2023-24 performance measure 'Develop and implement reporting to ensure the effective monitoring of the delivery of HVHR public infrastructure commitments' to better reflect activity. This performance measure is reclassified as a 'Quantity' measure from a 'Timeliness' measure and the unit of measure from 'per cent' to 'number'.
An explanation of why the target was not met in 2022-23, if applicable, and the 2023-24 expected outcome	N/A The 2023-24 expected outcome is 100 per cent.
The methodology behind estimating the 2023-24 expected outcome in the 2024-25 Budget	Sum of the number of reports completed in the financial year.

Performance measures – discontinued

Question 18

For performance measures that are identified as to be discontinued in the 2024-25 *Budget Paper No. 3: Service Delivery*, please provide:

- a description/purpose of the measure and the year the measure was introduced
- the previous target
- when the target was last modified and reasons for modification
- the justification for discontinuing the measure, including any further information that is not available in *Budget Paper No. 3*
- any performance measures that will replace the discontinued measure in part or full.

Response

Performance measure	Remuneration Tribunal's legislated work program delivered within established timeframes
Description/purpose of the measure and year introduced	To determine the timeliness of the Tribunal's activities against statutory timeframes (where relevant) or the Tribunal's internal timeliness standards. The Tribunal's legislated work program comprises: comprehensive and/or annual adjustment Determinations of remuneration for specified groups; commissioned reports at the request of the Minister; the Tribunal's annual report; and advice to public sector employers on proposals to pay an executive above the relevant remuneration band. The timeliness of an activity is measured based on the date a Determination, commissioned report or annual report is completed, and on the number of days to provide 'payment above the band' following the receipt of a complete submission with all mandatory information.
The previous target	85 per cent
When the target was last modified and reason for modification	Nil
The justification for discontinuing the measure	This performance measure is proposed to be discontinued as the timeliness of the Remuneration Tribunal's work program is captured in the performance measure 'Satisfaction of key stakeholders, including Member of Parliament, public sector employers and elected local government officials, with the Remuneration Tribunal's process regarding determinations, reviews and advice'.
Performance measures that will replace the discontinued measure	Nil

Performance measure	Revenue banked on day of receipt
Description/purpose of the measure and year introduced	Actual \$'s banked as a percentage of \$'s available to be banked.
The previous target	≥99 per cent
When the target was last modified and reason for modification	Nil
The justification for discontinuing the measure	The performance measure is proposed to be discontinued as most revenue is collected electronically as cheques have been phased out almost entirely.
Performance measures that will replace the discontinued measure	Nil

Performance measure	On-demand matters resolved or referred to a more suitable body within 180 days
Description/purpose of the measure and year introduced	The measure was introduced in 2023-24 to reflect funding for support for on-demand workers in Victoria.
The previous target	50 per cent
When the target was last modified and reason for modification	N/A
The justification for discontinuing the measure	This performance measure is to be discontinued in 2024-25, as the Government will wind up the Gig Worker Support Service as of 30 June 2024.
Performance measures that will replace the discontinued measure	Nil

Performance measure	Wage Inspectorate Victoria: Wage Theft reports closed within 90 days of lodgement
Description/purpose of the measure and year introduced	The measure was introduced in 2023-24 to reflect funding for Compliance and enforcement of wage theft laws.
The previous target	30 per cent
When the target was last modified and reason for modification	N/A
The justification for discontinuing the measure	The measure is proposed to be discontinued as it is no longer relevant. The Government intends to repeal its wage theft laws as the Commonwealth Government has introduced its own wage theft laws.

Performance measures that will replace the discontinued measure	Nil
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Performance measure	Cost to collect \$100 of tax revenue raised is less than the average of State and Territory Revenue Offices
Description/purpose of the measure and year introduced	Measure reflects the relative efficiency of processes for the collection of revenue compared with other jurisdictions.
The previous target	achieved
When the target was last modified and reason for modification	Nil
The justification for discontinuing the measure	This measure is proposed to be discontinued as it is not consider a reliable measure, which is supported by the most recent OECD report on tax administration which also points to the deficiencies in this measure.
Performance measures that will replace the discontinued measure	Nil

Performance measure	Gateway reviews undertaken
Description/purpose of the measure and year introduced	The 2023-24 expected outcome is lower than the 2023-24 target due to a number of HVHR projects moving into delivery stage.
The previous target	70
When the target was last modified and reason for modification	The 2023-24 expected outcome is lower than the 2023-24 target due to a number of HVHR projects moving into delivery stage.
The justification for discontinuing the measure	This performance measure is proposed to be discontinued as it has been replaced by the 2024-25 performance measure 'Assurance reviews undertaken'.
Performance measures that will replace the discontinued measure	Assurance reviews undertaken

Performance measure	Undertake project reviews to support the Government's program in the delivery of public infrastructure projects
Description/purpose of the measure and year introduced	The number of project reviews led by DTF under the HVHR Framework. Independent Reviews or independent reviews requested by delivery entities to express findings, conclusions and recommendations about specific projects or organisational arrangements are included.
The previous target	12
When the target was last modified and reason for modification	Nil
The justification for discontinuing the measure	This performance measure is proposed to be discontinued as it has been replaced by the 2024-25 performance measure 'Assurance reviews undertaken'.
Performance measures that will replace the discontinued measure	Nil

Performance measure	Conduct surveys on the stakeholder experiences of OPV initiatives to determine the effectiveness of project system initiatives, technical advice and trainings provided to internal government clients
Description/purpose of the measure and year introduced	Surveys conducted through the Construction Leadership Group and its sub-working group.
The previous target	satisfactory
When the target was last modified and reason for modification	Nil
The justification for discontinuing the measure	This is measure is proposed to be discontinued following changes to the Department's structure.
Performance measures that will replace the discontinued measure	Nil

Employees

Question 19

The *COVID Debt Repayment Plan* outlined a plan to reduced Victorian Public Service (VPS) levels by 3,000 to 4,000 roles in 2023-24. For the Department, please detail:

- the number of VPS (including executive) roles reduced in 2023-24
- the number of roles planned for reduction in 2024-25
- Total budgeted savings under the *Plan* for 2023-24
- Total actual savings in 2023-24 (\$ million)
- Number of roles reduced by VPS/Executive classification (Please list each level and actual FTE)
- the functions within the Department that were most impacted or expected to be impacted by the reduction of roles
- the impact of role reductions on service delivery

Response

Number of roles reduced in 2023-24 (Actual FTE)	Number of roles planned for reduction in 2024-25 (FTE)	Total budgeted savings for 2023-24 (\$ million)	Total actual savings in 2023-24 (\$ million)	Number of roles reduced by VPS/Executive classification in 2023-24 (Actual FTE)	Functions most impacted or expected to be impacted by the reduction of roles	Impact of the role reductions on service delivery
The Department will be reporting on workforce data as part of its Annual Report for 2023-24	Target is expected to be met by measures that do not impact frontline services.	Refer to table 1 below.	The Department will be reporting on workforce data as part of its Annual Report for 2023-24.			The target is expected to be met by measures that do not materially impact frontline services.

Table 1: Department of Treasury and Finance savings and efficiencies in the 2023-24 Budget

Budget paper 3 line item	2023-24
COVID debt repayment plan	10.4

DTF

Total	10.4
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Question 20

Please provide the Department's (actual/expected/forecast) Full Time Equivalent (FTE) staff numbers for the financial years ending 30 June 2023, 30 June 2024 and 30 June 2025:

- a) broken down into employee classification codes
- b) broken down into categories of on-going, fixed term or casual
- c) according to their gender identification
- d) employees identifying as Aboriginal or Torres Strait Islander or having a disability.

Guidance

In responding to this question please provide details about the Department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the Department's Annual Report.

Response

a)

Classification	As at 30-06-2023		As at 30-06-2024		As at 30-06-2025	
	Actual FTE Number	% of total staff	Expected FTE Number	% of total staff	Forecast FTE Number	% of total staff
Secretary	1	0%	1	0%	1	0%
SES-3	4	0%	6	0%	6	0%
SES-2	32	2%	33	2%	33	2%
SES-1	51	4%	53	3%	53	3%
VPS Grade 7.3	1	0%	1	0%	1	0%
VPS Grade 7.2	0	0%	0	0%	0	0%
VPS Grade 7.1	9	1%	13	1%	13	1%
VPS Grade 6.2	132	10%	146	9%	148	9%
VPS Grade 6.1	109	8%	124	8%	126	8%
VPS Grade 5.2	178	13%	209	13%	211	13%
VPS Grade 5.1	155	12%	181	11%	183	11%
VPS Grade 4	259	20%	296	19%	299	19%
VPS Grade 3	305	23%	386	24%	392	24%
VPS Grade 2	69	5%	120	8%	120	7%
VPS Grade 1	0	0%	0	0%	0	0%
Other (Legal Officers and Solicitors)	20	2%	27	2%	29	2%
Total	1,327		1,594		1,614	

Notes:

(1) Table may not add due to rounding.

(2) Workforce figures presented in this section include the Department of Treasury and Finance and the State Revenue Office (SRO) as per the comprehensive operating statement audited by the Victorian Auditor-General's Office in the Department's Annual Report.

b)

Category	As at 30-06-2023		As at 30-06-2024		As at 30-06-2025	
	Actual FTE Number	% of total staff	Expected FTE Number	% of total staff	Forecast FTE Number	% of total staff
Ongoing	1269	96%	1458	91%	1457	90%
Fixed-term	58	4%	136	9%	156	10%
Casual	0	0%	0	0%	0	0%
Total	1327		1594		1614	

Note: Table may not add due to rounding

c)

Identification	As at 30-06-2023		As at 30-06-2024		As at 30-06-2025	
	Actual FTE Number	% of total staff	Expected FTE Number	% of total staff	Forecast FTE Number	% of total staff
Men	647	49%	750	47%	747	46%
Women	681	51%	843	53%	865	54%
Self-described	0	0%	1	0%	1	0%
Total	1327		1594		1614	

Note: Table may not add due to rounding

d)

Identification	As at 30-06-2023		As at 30-06-2024		As at 30-06-2025	
	Actual FTE Number	% of total staff	Expected FTE Number	% of total staff	Forecast FTE Number	(% of total staff)
People who identify as Aboriginal or Torres Strait Islander	3	0%	8	<1%	11	1%
People who identify as having a disability	11	1%	14	<1%	16	1%
Total	14	1%	22	1%	27	2%

Note: Table may not add due to rounding

Workforce capability and capacity

Question 21A

What are the main gaps in the Department's capability and capacity identified in the 2023-24 financial year, and expected in the 2024-25 and 2025-26 financial years?

Response

Financial year	Main gaps in capability and capacity
2023-24	<ul style="list-style-type: none"> • DTF advertises roles to both the VPS and external labour market when capability gaps exist within the VPS market. • In 2023-24, DTF experienced difficulty recruiting for roles across some skillsets and professions, including legal, finance and accounting and project management. • DTF continues to develop internal capability for skills that are growing in demand. DTF's training program includes offerings from external providers and online training accessible by all staff. • The State Revenue Office (SRO) has experienced difficulty attracting IT professionals due to competition with the private sector which can offer higher remuneration and greater flexibility (e.g. full-time working from home). The SRO has experienced some difficulty in attracting marketing and communications specialists and solicitors and compliance professionals with an accounting or law background
2024-25	<ul style="list-style-type: none"> • DTF and SRO anticipate capability and capacity gaps highlighted above to persist in 2024-25, particularly in those categories where competition with the private sector contribute to the VPS capability shortage.
2025-26	<ul style="list-style-type: none"> • Anticipated as above.

Contractors

Guidance

In responding to this question please provide details about the Department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the Department's Annual Report.

Question 21B

- For the 2022-23 financial year please outline: what the Department spent on contractors, the relevant occupation categories for those contractors, and the total number of contractor arrangements
- For the 2023-24 financial year please outline: the Department's expected spend on contractors, the relevant occupation categories for those contractors, and the total number of contractor arrangements
- For the 2024-25 financial year please outline: the Department's anticipated spend for contractors, and what the anticipated occupation categories are for contractor arrangements.

Response

	2022-23	2023-24	2024-25 (Anticipated)
Spend	\$24.1 million	\$11.6 million	\$10.0 million
Occupation categories	Includes a range of categories including IT, telecommunications, training, accounting, administrative support	Same as 2022-23	Same as 2022-23
Total number of contractor arrangements	154	Not available.	Not available.

Consultants

Guidance

In responding to this question please provide details about the Department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the Department's Annual Report.

Question 21C

- a) For the 2022-23 financial year, please outline the Department's total spend on consultants and completed consultancy projects

Response

	2022-23
Total spend	\$26.3 million
Total number of completed consultancy projects	65

- b) For the 2022-23 financial year please outline: the **top five** Department consultancy projects that were completed by spend, the actual outcomes achieved by the listed **top five**, the relevant occupation categories for those consultants, and the total number of consultant arrangements

Response

	2022-23 (Top Five)
Spend	\$11.48 million spent in 2022-23 over 5 consultancies.
Actual outcome achieved	<ul style="list-style-type: none"> \$9.23 million was spent in 2022-23 on the two consultancies relating to the VicRoads Modernisation. This work has supported the successful execution of the VicRoads Modernisation joint venture partnership in July 2022, generating \$7.9 billion in upfront proceeds for the State. \$1.1 million was spent in 2022-23 on one consultancy engagement to provide a framework for developing the Better Permissions Framework and the Victorian Permissions Framework. These resources were published in 2023 for use by departments and regulators to streamline business licences and application processes. \$697 330 was spent in 2022-23 on one consultancy relating to independent assessments on high value high risk projects at key project milestones.

	<ul style="list-style-type: none"> \$448 800 was spent in 2022-23 on one consultancy engagement to deliver and streamline operations for business experience and support business activity in the State.
Occupation categories	Commercial and Financial Advisory Services, and Economic advisory services and Technical advisory services.
Total number of consultants arrangements	5

- c) For the 2023-24 financial year please outline: the Department's expected spend on consultants, the relevant occupation categories for those consultants, and the total number of consultant arrangements
- d) For the 2024-25 financial year please outline: the Department's anticipated spend for consultants, and what the anticipated occupation categories are for consultant arrangements.

Response

	2023-24 (Expected)	2024-25 (Anticipated)
Spend	\$22.7 million	\$36 million
Occupation categories	Commercial and transaction advice, and general professional advice	Same as 2023-24
Total number of consultants arrangements	Not available.	Not available.

Labour Hire arrangements

Guidance

In responding to this question please provide details about the Department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the Department's Annual Report.

Question 21D

- For the 2022-23 financial year please outline: what the Department spent on labour hire arrangements the relevant occupation categories for those labour hire arrangements, and the total number of labour hire arrangements
- For the 2023-24 financial year please outline: the Department's expected spend on labour hire arrangements (the relevant occupation categories for those labour hire arrangements, and the total number of labour hire arrangements)
- For the 2024-25 financial year please outline: the Department's anticipated spend for labour hire arrangements, and what the anticipated occupation categories are for those labour hire arrangements.

Response

	2022-23	2023-24 (Expected)	2024-25 (Anticipated)
Spend	\$19.7 million	\$30.2 million ^[6]	\$26.1 million
Occupation categories	Includes a range of categories including IT, telecommunications, HR, accounting, administrative support, project management	Same as 2022-23	Same as 2023-24
Total number of labour hire arrangements	Not available at this stage.	Not available.	Not available.

⁶ Please note the increase in 2023-24 labour hire is mainly due to the SRO's expenditure in IT and telecommunication.

Enterprise Bargaining Agreements

Question 22

- Please list all Enterprise Bargaining Agreements (EBAs) that are expected to be completed during the 2024-25 year that affect the Department, along with an estimate of the proportion of your Department's workforce (Full Time Equivalent) covered by the EBA.
- Please describe the effect the EBAs listed above have had on estimates of 2024-25 employee benefits.

Response

- Below is a list of EBAs in the Department of Treasury and Finance's Portfolio expected to be completed during the 2023-24 year:

Enterprise Agreements ¹	FTE	Nominal Expiry Date
Victorian Public Service Enterprise Agreement (VPS) 2020	1 447 ^{2,3}	20 March 2024 ⁴
Victorian WorkCover Authority Enterprise Agreement 2020-2024	1 494 ⁵	30 November 2024

- Previous responses included State Trustees Limited and ESS Super. However, whilst within the DTF portfolio, these entities are not encompassed by the DTF performance measures in the budget papers nor in the budget portfolio outcomes statement in DTF's annual report. On that basis these entities have not been listed in response to this question.
- June 2023 data excluding Executive Officers. Total FTE number consists of: Department of Treasury and Finance FTEs (500) and State Revenue Office FTEs (739) sourced from the Department of Treasury and Finance Annual report 2022-23, Essential Services Commission FTEs (177.3) sourced from the Essential Services Commission Annual report 2022-23, and Infrastructure Victoria FTEs (29.6) sourced from the Infrastructure Victoria Annual report 2022-23. Department of Treasury and Finance FTEs (500) as at June 2023 included the Office of Projects Victoria and Invest Victoria FTEs.
- This data includes VPS officers and Senior Technical Specialists covered in the Victorian Public Service Enterprise Agreement (VPS) 2020.
- The VPS EBA 2020 had a nominal expiry date of 20 March 2024 but continues in operation until the replacement agreement is approved by the Fair Work Commission.
- WorkSafe workforce data of 1505 FTE less 11 executives, sourced from the WorkSafe Annual Report 2022-23.

- The Victorian Public Service Enterprise Agreement (VPS EBA) applies to employees at Department of Treasury and Finance and portfolio agencies within Department of Treasury and Finance, excluding Executive Officers. The Victorian WorkCover Authority Enterprise Agreement 2020-2024 applies to employees at WorkSafe Victoria.

These agreements were settled under the Government's 2019 Wages Policy and are anticipated to have no net impact on the Victorian Budget at the aggregate level. The 2019 Wages Policy provided that all enterprise agreements must be fiscally sustainable and fully funded from capped indexation, revenue, or appropriate costs offsets over the life of the agreement.

Advertising – expenditure

Question 23

Please provide a list of forecasted/budgeted advertising expenditure for the Department and its portfolio agencies in 2024-25 and across the forward estimates, including the following:

- a) total expenditure
- b) breakdown of expenditure by medium (for example, radio/TV/print/social media etc.)
- c) campaign title and date
- d) objectives and outcomes
- e) global advertising costs for recruitment (i.e. it is not necessary to breakdown costs for recruitment of every vacancy).

Response

Department of Treasury and Finance (DTF)

No specific advertising is approved at this stage for DTF Divisions. The State Revenue Office (SRO) has variable advertising requirements relating to statutory notices and recruitment. This is generally print media or digital. Current estimates for 2024-25 and forward years include \$11,000 for advertising of statutory notices and \$14,000 for recruitment advertising per year. SRO forecasts are based on anticipated full year requirements and are consistent each year.

Infrastructure Victoria

Infrastructure Victoria forecast that their advertising expenses for 2024-25 financial year will amount to approximately \$2,738 for online recruitment advertising. Infrastructure Victoria expects similar expenditure for the forward years.

Relationship between the Commonwealth and Victoria

Question 24

What impact, if any, have changes to federal/state capital funding agreements and Commonwealth Government policy initiatives have had on the Department's 2024-25 Budget?

Response

There are no changes to Commonwealth funding agreements that will impact the Department's 2024-25 budget.

Service delivery

Question 25

- a) Please provide the total estimated cost to the department (if any) of the Machinery of Government changes made since July 2023?

Response

\$203,980 will be spent on staff onboarding into the DTF ICT systems.

- b) Please complete the table below detailing the impacts of any machinery of government changes on the department since July 2023.

Response

Impact to the department	Industrial Relations Victoria, Wage Inspectorate Victoria and Victorian Independent Remuneration Tribunal have transferred from DPC to DTF.
Impact to departmental outputs	Industrial Relations output has been transferred from DPC to DTF.
Impact to departmental agencies	Portable Long Service Authority and Labour Hire Authority have been transferred from DPC to DTF.
Impact to portfolios	Industrial Relations Victoria, Wage Inspectorate Victoria, Victorian Independent Remuneration Tribunal, Portable Long Service Authority and Labour Hire Authority have transferred from DPC to DTF.
Impact to statutory authorities	Wage Inspectorate Victoria and Victorian Independent Remuneration Tribunal have transferred from DPC to DTF.
Estimated cost and date changes are anticipated to be fully implemented	\$203,980. The changes will be fully implemented through IT systems by 30 June 2024.
New portfolio responsibilities and/or how responsibilities are shared, if relevant	Industrial Relations portfolio and associated agencies (Industrial Relations Victoria, Wage Inspectorate Victoria, Portable Long Service Authority and Labour Hire Authority) transferred from DPC to DTF. Victorian Independent Remuneration Tribunal transferred from Government Services portfolio to Assistant Treasurer portfolio.

Question 26

Budget Paper No. 3: Service Delivery presents departmental performance statements that state the Department's outputs by departmental objectives.

Please provide by ministerial portfolio, the relevant output(s), objective(s), objective indicator(s) and performance measure(s) as provided in the 2024-25 Budget. Where responsibility for outputs, initiatives or performance measures is shared, please clearly outline what is shared and how responsibility is divided between Ministers or portfolios.

Please also indicate in the response where changes have occurred in the output structure since the 2023-24 Budget.

Response

		Changes (if any) since 2023-24 Budget
Minister*	Treasurer	N/A
Portfolio	Treasurer	N/A
Output(s)	Budget and Financial Advice	N/A
Objective(s)	Optimise Victoria's fiscal resources	N/A
Objective indicator(s)	General government net debt as a percentage of gross state product (GSP) to decline in the medium term	Updated from 'general government net debt as a percentage of gross state product (GSP) to stabilise in the medium term'
	Fully fund the unfunded superannuation liability by 2035	N/A
	A net operating cash surplus consistent with maintaining general government net debt at a sustainable level	N/A
	General government interest expense as a percentage of revenue to stabilise in the medium term	N/A
	Agency compliance with the Standing Directions under the Financial Management Act 1994	N/A
	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.	N/A
Performance measure(s)	Number of funding reviews contributed to by DTF	N/A
	Percentage of attendees at Gender Responsive Budgeting (GRB) and Gender Impact Assessment (GIA) information session who indicated the session helped improve their understanding of associated requirements	This performance measure renames the 2023-24 performance measure 'Percentage of GRB/GIA

		information session attendees who indicated the session helped improve their understanding of the GIA requirements' to improve clarity and readability.
	Unqualified audit reports/reviews for the State of Victoria Financial Report and Estimated Financial Statements	N/A
	Variance of the revised estimate of general government budget expenditure	N/A
	Annual Budget published by date agreed by Treasurer	N/A
	Budget Update, Financial Report for the State of Victoria, Mid-Year Financial Report, and Quarterly Financial Reports are transmitted by legislated timelines	N/A
	Delivery of advice to Government on portfolio performance within agreed timeframes	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Assistant Treasurer	N/A
Portfolio	Assistant Treasurer	N/A
Output(s)	Budget and Financial Advice	N/A
Objective(s)	Optimise Victoria's fiscal resources	N/A
Objective indicator(s)	General government net debt as a percentage of gross state product (GSP) to decline in the medium term	Updated from 'general government net debt as a percentage of gross state product (GSP) to stabilise in the medium term'
	Fully fund the unfunded superannuation liability by 2035	N/A
	A net operating cash surplus consistent with maintaining general government net debt at a sustainable level	N/A
	General government interest expense as a percentage of revenue to stabilise in the medium term	N/A
	Agency compliance with the Standing Directions under the Financial Management Act 1994	N/A
	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.	N/A

	Recommendations on financial management framework matters made by PAEC and VAGO and supported by Government are actioned	N/A
	VPS stakeholder feedback indicates delivery of advice and information sessions supported the financial reporting framework across the VPS and supported the VPS to understand the financial management framework	N/A
	Annual financial management compliance report for the previous financial year is submitted to the Assistant Treasurer	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Treasurer	N/A
Portfolio	Treasurer	N/A
Output(s)	Revenue Management and Administrative Services to Government	N/A
Objective(s)	Optimise Victoria's fiscal resources	N/A
Objective indicator(s)	General government net debt as a percentage of gross state product (GSP) to decline in the medium term	Updated from 'general government net debt as a percentage of gross state product (GSP) to stabilise in the medium term'
	Fully fund the unfunded superannuation liability by 2035	N/A
	A net operating cash surplus consistent with maintaining general government net debt at a sustainable level	N/A
	General government interest expense as a percentage of revenue to stabilise in the medium term	N/A
	Agency compliance with the Standing Directions under the Financial Management Act 1994	N/A
	Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources.	N/A
	Compliance revenue assessed meets target	N/A

Performance measure(s)	Revenue accrued as a percentage of State Budget forecast	This performance measure renames the 2023-24 performance measure 'Revenue collected as a percentage of State budget target' in line with a VAGO 2023 Performance Audit recommendation on Collecting State-based Tax Revenue.
	Average debt over 12 months overdue as a percentage of overdue debt	N/A
	Business processes maintained to retain ISO 9001 (Quality Management Systems) Certification	N/A
	Customer satisfaction level	The lower 2024-25 target reflects the SRO's review of this performance measure against Australian benchmarks for similar organisations and found that the most appropriate figure to use is an 80 per cent satisfaction rate.
	Objections received to assessments issued as a result of compliance projects	N/A
	Ratio of outstanding debt to total revenue (monthly average)	N/A
	Achievement of scheduled milestones in the Advanced Revenue Management Program	N/A
	Timely handling of objections (within 90 days)	N/A
	Timely handling of private rulings (within 90 days)	N/A
	Litigated success rate	This performance measure replaces the 2023-24 performance measure 'Cost to collect \$100 of tax revenue raised is less than the average of State and Territory Revenue Offices'.
Total output cost	N/A	
		Changes (if any) since 2023-24 Budget

Minister*	Treasurer	N/A
Portfolio	Treasurer	N/A
Output(s)	Commercial and Infrastructure Advice	N/A
Objective(s)	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	N/A
Objective indicator(s)	High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope	N/A
	Government Business Enterprises performing against agreed financial and non-financial indicators	N/A
	Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure	N/A
	Quality infrastructure drives economic growth activity in Victoria.	N/A
Performance measure(s)	Develop and implement policy guidance and infrastructure investment frameworks to govern and build capability to deliver infrastructure	N/A
	Develop and implement training to build capability to deliver infrastructure	N/A
	Number of HVHR project assurance plans in place	N/A
	Provision of PNFC/PFC financial estimates and actuals, along with commentary and analysis, for the State budget papers and financial reports	N/A
	Senior responsible owner agrees Gateway review was beneficial and would impact positively on project outcomes	N/A
	Provide effective monitoring of the delivery of HVHR public infrastructure commitments through quarterly reporting	The measure renames the 2023-24 performance measure 'Develop and implement reporting to ensure the effective monitoring of the delivery of HVHR public infrastructure commitments' to better reflect activity. This performance measure is reclassified as a 'Quantity' measure from a 'Timeliness' measure and the unit of measure from 'per cent' to 'number'.

	Credit agencies agree that the presentation and information provided support annual assessment	N/A
	Dwellings supported by Affordable Housing Investment Partnerships	This performance measure is transferred directly from the Economic and Policy Advice output.
	Home purchases settled through the Victorian Homebuyer Fund	This performance measure is transferred directly from the Economic and Policy Advice output.
	Social Housing dwellings committed by the Social Housing Growth Fund Grants Program	This performance measure is transferred directly from the Economic and Policy Advice output.
	Assurance and Gateway reviews undertaken	This performance measure replaces the 2023-24 performance measures 'Gateway reviews undertaken' and 'Undertake project reviews to support the Government's program in the delivery of public infrastructure projects'.

		Changes (if any) since 2023-24 Budget
Minister*	Assistant Treasurer	N/A
Portfolio	Assistant Treasurer	N/A
Output(s)	Commercial and Infrastructure Advice	N/A
Objective(s)	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	N/A

Objective indicator(s)	High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope	N/A
	Government Business Enterprises performing against agreed financial and non-financial indicators	N/A
	Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure	N/A
	Quality infrastructure drives economic growth activity in Victoria.	N/A
Performance measure(s)	Percentage of registered housing agencies assessed annually against performance standards	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Treasurer & Assistant Treasurer	N/A
Portfolio	Treasurer & Assistant Treasurer	N/A
Output(s)	Commercial and Infrastructure Advice	N/A
Objective(s)	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	N/A
Objective indicator(s)	High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope	N/A
	Government Business Enterprises performing against agreed financial and non-financial indicators	N/A
	Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure	N/A
	Quality infrastructure drives economic growth activity in Victoria.	N/A
Performance measure(s)	Advice provided to Government on board appointments at least three months prior to upcoming board vacancies	N/A
	Analysis and review of corporate plans within two months of receipt	N/A
	Dividend collection in accordance with budget decisions	N/A
	Total output cost	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Treasurer	N/A
Portfolio	Treasurer	N/A
Output(s)	Infrastructure Victoria	N/A
Objective(s)	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	N/A
Objective indicator(s)	Quality infrastructure drives economic growth activity in Victoria.	N/A
Performance measure(s)	Number of publications or discussion papers released	N/A
	Stakeholder satisfaction with consultation process	N/A
	Delivery of research, advisory or infrastructure strategies within agreed timelines	N/A
	Total output cost	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Treasurer	N/A
Portfolio	Treasurer	N/A
Output(s)	Economic and Policy Advice	N/A
Objective(s)	Strengthen Victoria's economic performance	N/A
Objective indicator(s)	Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change)	N/A
	Total Victorian employment to grow each year (annual percentage change)	N/A
	Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.	N/A
Performance measure(s)	Economic research projects and papers completed that contribute to deeper understanding of economic issues and development of government policy	N/A
	High-level engagement with non-Victorian Public Service stakeholder groups that contributes to public policy debate	N/A
	Accuracy of estimating State taxation revenue in the State budget	N/A
	Accuracy of estimating the employment growth rate in the State budget	N/A
	Accuracy of estimating the gross state product growth rate in the State budget	N/A

	Briefings on key Australian Bureau of Statistics economic data on the day of release	N/A
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		Changes (if any) since 2023-24 Budget
Minister*	Assistant Treasurer	N/A
Portfolio	Assistant Treasurer	N/A
Output(s)	Economic and Policy Advice	N/A
Objective(s)	Strengthen Victoria's economic performance	N/A
Objective indicator(s)	Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change)	N/A
	Total Victorian employment to grow each year (annual percentage change)	N/A
	Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.	N/A
Performance measure(s)	Regulation reviews completed	N/A
	Benefit to business (including through red tape savings) as a ratio of grant funding from the Business Acceleration Fund	The measure renames the 2023-24 measure 'Benefit to business as a ratio of red tape savings delivered by the Business Acceleration Fund' to better reflect the intent of the Business Acceleration Fund which aims to make the Victorian regulatory system easier and cheaper for business to engage with by streamlining and digitising approvals and helping business understand their compliance obligations.
	Better Regulation Victoria's support for preparing Regulatory Impact Statements or Legislative Impact Assessments was valuable overall, as assessed by departments	N/A
	Conduct an annual survey to assess the impact of changes to Victorian regulations on business	N/A
	Proportion of stakeholders that found Better Regulation Victoria's "regulatory helpdesk service" responsive to their needs	The measure renames the 2023-24 measure 'Proportion of people

		making inquiries to the Red Tape Unit who found it responsive to issues raised' to reflect the measure incorporating broader feedback from Non-VPS and VPS stakeholders.
	Better Regulation Victoria's advice on Regulatory Impact Statements or Legislative Impact Assessments was timely, as assessed by departments	N/A
	Regulation reviews completed by scheduled date	N/A
	Satisfaction of key stakeholders, including Members of Parliament, public sector employers and elected local government officials, with the Remuneration Tribunal's process regarding determinations, reviews and advice	This performance measure was transferred directly from the Department of Premier and Cabinet 2023-24 output 'Public sector administration advice and support' due to machinery of government changes.

		Changes (if any) since 2023-24 Budget
Minister*	Treasurer & Assistant Treasurer	N/A
Portfolio	Treasurer & Assistant Treasurer	N/A
Output(s)	Economic and Policy Advice	N/A
Objective(s)	Strengthen Victoria's economic performance	N/A
Objective indicator(s)	Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change)	N/A
	Total Victorian employment to grow each year (annual percentage change)	N/A
	Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.	N/A
Performance measure(s)	Total output cost	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Assistant Treasurer	N/A
Portfolio	Assistant Treasurer	N/A
Output(s)	Economic Regulatory Services	N/A
Objective(s)	Strengthen Victoria's economic performance	N/A
Objective indicator(s)	Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change)	N/A
	Total Victorian employment to grow each year (annual percentage change)	N/A
	Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes.	N/A
Performance measure(s)	Compliance and enforcement activities – Energy	N/A
	Performance reports for regulated industries	N/A
	Compliance and enforcement activities – Victorian Energy Upgrades	The measure renames the 2023-24 measure 'Performance reviews and compliance audits of regulated businesses' to better reflect the work in the Victorian Energy Upgrades compliance and enforcement space following legislative changes which took effect on 1 July 2023.
	Price determinations of regulated businesses	N/A
	Victorian Energy Upgrades program approvals and refusals	The measure renames the 2023-24 measure 'Registration, project-based activity, product and accreditation decisions/approvals in relation to the Victorian Energy Upgrades program'. The 2024-25 target is lower to reflect a change to the activities included in the measure. This

		revised target measures the amount of product approvals and refusals, project-based activities approvals and refusals and accreditation approvals and refusals. The measure no longer captures registration of certificates, as the level of activity is largely independent of the Essential Services Commission actions.
	Reviews, investigations or advisory projects	N/A
	Setting of regulated prices and tariffs in the energy sector	This performance measure edits the 2023-24 performance measure 'Setting of regulated price and tariffs in the energy sector'.
	Stakeholder satisfaction survey result	N/A
	Delivery of major milestones within agreed timelines	N/A
	Total output cost	N/A

		Changes (if any) since 2023-24 Budget
Minister*	Industrial Relations	N/A
Portfolio	Industrial Relations	N/A
Output(s)	Industrial Relations	N/A
Objective(s)	Strengthen Victoria's economic performance through fair, equitable and productive workplaces	Previously under the Department of Premier and Cabinet objective 'Stronger policy outcomes for Victoria'
Objective indicator(s)	Advice contributes to the achievement of government policies and priorities relating to industrial relations outcomes	New objective indicator

Performance measure(s)	Employers informed on OH&S obligations under both State and Commonwealth legislation and regulations	N/A
	Wage Inspectorate Victoria: Child employment investigations and compliance activities completed	This performance measure renames the 2023-24 performance measure 'Wage Inspectorate Victoria: Child employment compliance activities completed'. The new measure reports on the same activity as the previous measure, however, has been amended for increased clarity.
	Workers informed on OH&S obligations under both State and Commonwealth legislation and regulations	N/A
	Public sector agreements renewed and approved within current enterprise bargaining framework	N/A
	Victoria represented in major industrial relations cases and inquiries	N/A
	Review and assessment of submitted public sector enterprise bargaining costings and proposed agreements completed and submitted for approval within four weeks	N/A
	Wage Inspectorate Victoria: Long Service leave investigations completed within 90 days of lodgement	N/A
	Total output cost	N/A

		Changes (if any) since 2023-24 Budget
Minister*	WorkSafe and the TAC	N/A
Portfolio	WorkSafe and the TAC	N/A
Output(s)	Commercial and Infrastructure Advice	Transferred from the Economic and Policy Advice output
Objective(s)	Improve how Government manages its balance sheet, commercial activities and public sector infrastructure	Transferred from the Strengthen Victoria's economic performance objective

Objective indicator(s)	High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope	N/A
	Government Business Enterprises performing against agreed financial and non-financial indicators	N/A
	Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure	N/A
	Quality infrastructure drives economic growth activity in Victoria.	
Performance measure(s)	Department action plans	New performance measure for 2024-25 to reflect Government priorities regarding psychological health regulations - public sector planning and implementation.

Question 27

Please provide by ministerial portfolio a list of the agencies/entities/bodies and their category (for example statutory/administrative office/authority) to which the information contained in this questionnaire relates.

Response

Ministerial Portfolio	Name of agency/entity/body	Category of agency/entity/body
Treasurer	Department of Treasury and Finance	Department
Assistant Treasurer	Essential Services Commission	Office
Treasurer	Infrastructure Victoria	Office
Industrial Relations	Victorian Independent Remuneration Tribunal	Special body
Industrial Relations	Wage Inspectorate Victoria	Office
Industrial Relations	Portable Long Service Authority	Office
Industrial Relations	Labour Hire Authority	Office
WorkSafe and the TAC	Victorian Asbestos Eradication Agency	Independent state body
WorkSafe and the TAC	WorkSafe Victoria	Statutory authority

Climate Change

Question 28

- a) Please specify the initiatives in the Department's/Court Services Victoria's (CSVs) 2024-25 Budget that will contribute to Victoria's Climate Change Strategy. Please also outline the budget allocation, the ways in which the initiatives will contribute to Victoria's Climate Change Strategy and the year the initiative will likely realise benefits.

Response

Initiatives in 2024-25 Budget that contribute to Climate Change Strategy	Budget allocation in 2024-25 Budget	How will the initiative contribute to Victoria's Climate Change Strategy	Year likely to realise benefits
DTF does not have any initiatives in the 2024-25 Budget that will contribute to Victoria's Climate Change Strategy.			

- b) *The Climate Change Act 2017*, Part 3, section 17, requires decision makers from some Departments/CSV to have regard to climate change.
- What is the most significant challenge for the Department in complying with section 17?
 - What guidance does the Department have in place to assist decision makers to comply with the *Climate Change Act 2017*?
 - What work is planned and budget allocated in 2024-25 to facilitate compliance of the Department with section 17?

Response

i.	Most significant challenge with compliance	N/A.
ii.	Guidance in place to assist decision makers	Section 17 of the Climate Change Act 2017 states that decision makers must have regard to climate for the decisions or actions authorised under Acts specified in Schedule 1 of the Climate Change Act 2017. DTF is not required to follow Schedule 1 in the Act.
iii.	Work planned/budget allocation to facilitate compliance in 2024-25	

- c) Under *FRD 24 Reporting of environmental data by government entities*, Victorian Government organisations must report their greenhouse gas emissions and other environmental impacts. Does the Department/CSV have internal targets for reducing greenhouse gas emissions? If yes, please provide details, quantifying where possible and outlining actions that will be taken in the 2024-25 year onwards to achieve these targets.

Response

Internal targets for reducing greenhouse gas emissions	Actions to be taken in 2024-25 and onward to achieve these targets
N/A	DTF is not required to have internal targets for reducing greenhouse gas emissions.

Gender Responsive Budgeting

Question 29

- a) Please list the programs/initiatives (output and asset) from the 2024-25 Budget for which the Department has undertaken a gender impact assessment and describe the main outcomes or results of the gender impact assessment process for each program/initiative. Please also advise what percentage of the Department's 2024-25 output and asset initiatives have been subject to a gender impact assessment.
- b) Please list any other programs/initiatives (output and asset) in the 2024-25 Budget where Gender Responsive Budgeting (GRB) processes or principles were applied/considered by the Department. Please detail: the initiative, how GRB was applied/considered and the outcome of this consideration.
- c) Please list what evaluations of the Department's programs/initiatives have been undertaken from a gender perspective and what the key findings of the evaluations were.
- d) What further work is being undertaken by the Department in 2024-25 to embed GRB?

Response

a)

Initiative	Outcome/result of gender impact assessment
Wage Inspectorate Victoria – fair and safe Victorian workplaces	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive. As women are more likely to depend on minimum wage regulation, including the regulatory operations of the Wage Inspectorate, continued efforts to improve compliance with minimum standards will benefit women working in low-paid industries. In addition to protecting women from financial hardship, and the consequences of this, this will increase the impact of the minimum wage increases on the gender pay equity by reducing the gap between average female earnings and average male earnings.
State Revenue Office expanded compliance program	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact was neutral. This initiative applies the principle of “fairness” by taxing all Victorian landowners, all persons acquiring lands (or interests in lands) in Victoria, and employers, the same. The initiative does not increase existing gender inequality by reinforcing unbalanced norms, roles and relations, and it does not consciously take account of existing differences in resource allocation for women and men and gender diverse people.
Psychological health regulations – public sector planning and implementation	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive. Women comprise 68 per cent of the VPS workforce, and WorkSafe data has identified that, generally, women are more likely to lodge a claim for mental injury (with younger women lodging the greatest proportion of mental injury claims), and many of these claims are driven by workers exposed to

	aggression, violence or traumatic events in frontline public sector workforces. The recommended solution seeks to improve the psychosocial safety of these cohorts and reduce their rates of mental injury.
Supporting the community and public sector to tackle asbestos and its impacts	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact was neutral. The program is expected to lead to a reduced risk of asbestos exposure and improved health outcomes for the Victorian public sector workforce, 68 per cent of which are women. While the exact gender breakdown of the asbestos removalists is unknown, this is expected to comprise a majority of men. As such, the recommended option is unlikely to have an obvious positive or negative gender impact.

	Proportion of initiatives subject to Gender Impact Assessment (as percentage)
Output budget	100
Asset budget	N/A

b)

Initiative	How GRB was considered	Outcome of GRB consideration
Nil return		

c)

Programs/initiatives that have been evaluated from a gender perspective	Key findings of the evaluation
Wage Inspectorate Victoria – fair and safe Victorian workplaces	n/a
State Revenue Office expanded compliance program	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact was neutral. This initiative applies the principle of “fairness” by taxing all Victorian landowners, all persons acquiring lands (or interests in lands) in Victoria, and employers, the same. The initiative does not increase existing gender inequality by reinforcing unbalanced norms, roles and relations, it does not consciously take account of existing differences in resource allocation for women and men and gender diverse people.
Psychological health regulations – public sector planning and implementation	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive. Women comprise 68 per cent of the VPS workforce and WorkSafe data has identified that, generally, women are more likely to lodge a claim for mental injury (with younger women lodging the greatest proportion of mental injury claims), and many of these claims are driven by workers exposed to aggression, violence or traumatic events in frontline public sector workforces. The recommended solution seeks to improve the psychosocial safety of these cohorts and reduce their rates of mental injury.
Supporting the community and public sector to tackle asbestos and its impacts	A gender impact assessment (GIA) was undertaken and determined that the overall gender impact was neutral. The program is expected to lead to a reduced risk of asbestos exposure and improved health outcomes for the Victorian public sector workforce, 68 per cent of which are women. While the exact gender breakdown of the asbestos removalists is unknown, this is expected to comprise a majority of men. As such, the recommended option is unlikely to have an obvious positive or negative gender impact.

d)

Further work being undertaken by the Department in 2024-25 to embed GRB
The Department of Treasury and Finance, through the Gender Responsive Budgeting Unit, will continue working to ensure that gender impacts are considered at the budget bid drafting stage and considered throughout the delivery of initiatives. Furthermore, the Department will continue to support budget bid authors to thoroughly assess the impacts of new programs and initiatives with a gender perspective.

Implementation of PAEC recommendations

Update on status of implementation

Question 30

Please provide an update on the status of the implementation of each of the below:

- a) Committee recommendations that were made in the *Report on the 2022-23 Budget Estimates* and supported by the Government.
- b) Committee recommendations that were made in the *Report on the 2023-24 Budget Estimates* and supported by the Government.

Please populate the below table according to each department's supported recommendations.

Response

Update on the implementation of recommendations made in the *2022-23 Budget Estimates Report*

Department	Recommendation supported by Government	Actions taken at the time of 2024-25 Budget Estimate questionnaire	Update on status of implementation
DTF	<p>2023-24 Recommendation 1: The 2023–24 budget papers include further detail about how the Government will maintain an operating cash flow surplus beyond 2022–23 (step two of the fiscal strategy) and how an operating surplus will be achieved in 2025–26 (step three of the fiscal strategy).</p>	<p>As outlined in the <i>2024-25 Budget</i>, the Government developed a four-step fiscal strategy to support Victorians through the COVID-19 pandemic and to restore the budget position over the medium term.</p> <p>Budget Paper No. 2, Chapter 1 <i>Economic and Fiscal Overview</i> details the Government's progress against this strategy and forecasts:</p> <ul style="list-style-type: none"> • an operating cash surplus being maintained in 2023-24 and over the budget and forward estimates • an operating surplus being maintained in 2025-26 through to the end of the forward estimates. 	Acquitted

DTF	<p>2022-23 Recommendation 2: All government departments and Court Services Victoria provide information relating to the programs and initiatives that received Treasurer's Advances/off budget funding during a financial year to the Committee, in the same manner as they have in previous years, in response to the Committee's questionnaire.</p>	<p>Treasurer's Advances are approved in-principle and will not be finalised until the end of the 2023-24 financial year. Any Treasurer's Advances drawn down in 2023-24 will be reported in the Annual Financial Report and will be disclosed by the department.</p>	Acquitted
DTF	<p>2022-23 Recommendation 3: The Department of Treasury and Finance's annual report detail the performance of the Victorian Future Fund including the opening and closing balance at the end of each financial year and how its performance assists in stabilising net debt.</p>	<p>As outlined in March 2023 as part of the Government's Response to PAEC's Report on the 2022-23 Budget Estimates (released in August 2022), the Department of Treasury and Finance (DTF) supports publishing information in its annual report regarding the Victorian Future Fund (the Fund, or 'VFF') including in relation to its balance and performance in assisting to stabilise net debt.</p> <p>As part of the 2022-23 DTF Annual Report tabled on 1 November 2023, DTF published details in relation to the VFF including its opening balance, contributions made during the 2022-23 financial year and its closing balance. Consistent with usual practice, the presentation of specific disclosures will be finalised as part of the preparation of DTF's annual report.</p> <p>Further, the <i>Victorian Future Fund Act 2023</i> (the Act) received Royal Assent on</p>	Completed

		22 August 2023. The Act requires DTF to publish in its report of operations and financial statements (i.e., DTF's annual report) the opening and closing balances of the Fund, details of contributions made to the Fund and details of payments made from the Fund in the relevant financial year.	
DTF	<p>2022-23 Recommendation 4: The Victorian Funds Management Corporation consider publishing the investment strategies used to grow the Victorian Future Fund and provide real time information about the achievements of the Fund.</p>	<p>The Victorian Funds Management Corporation will provide information to DTF to support the publication of its annual report regarding the Victorian Future Fund.</p> <p>DTF notes that annual reporting is consistent with the VFF's growth-oriented, long-term objective and purpose. Comprehensive portfolio reporting on an annual basis is also consistent with best practice in the broader industry for institutional long-term multi-asset class portfolios.</p> <p>Consistent with usual practice, the presentation of specific disclosures will be finalised as part of the preparation of DTF's annual report.</p>	Completed
DTF	<p>2022-23 Recommendation 94: The Government introduce performance measures in the 2023–24 Budget to track the progress made toward embedding Gender Responsive Budgeting (GRB) in</p>	<p>Performance measure introduced as part of the <i>2023-24 Budget</i> Legislation to amend the <i>Financial Management Act 1994</i> to embed GRB was introduced to Parliament by the Treasurer on 7 May 2024.</p>	Acquitted

	Victoria's legislation as well as the outcomes achieved by GRB		
DTF	<p>2022-23 Recommendation 97: In its 2022–23 Budget Update the Department of Treasury and Finance clearly account for the up to \$1 billion that will be made available for low interest loans and government guarantees to community housing agencies.</p>	<p>Consistent with applicable accounting standards the loans and guarantees relating to the Affordable Housing Investment Partnerships initiative are reflected in the budget papers as follows:</p> <ol style="list-style-type: none"> 1. The net present value of the interest subsidy (over the life of the loan) is recognised in full as each loan is transacted, in the grant expense as 'general government sector grant expenditure' (in the income statements). A corresponding liability is also recognised in the State's general government sector balance sheet (enabling the effective recognition of the fair value of the loan in conformity with Accounting Standard AASB9). 2. As the loan matures the reversal of this liability is recorded as discount interest income in the general government sector income statements. 3. External market borrowings (including those the subject of Affordable Housing Investment Partnerships (AHIP)) appear in multiple sections of the <i>2024-25 Budget</i>, including Budget Paper 2, Chapter 5 (specifically Tables 	Acquitted.

		<p>5.8 and 5.10) and in Budget Paper 5, Chapter 2 (Table 2.12) in the line item titled “Investments, Loans and Placements”. The cashflow impact of AHIP is included in Table 2.13 in the line item titled “Net cash flows from investment in financial assets for liquidity management purposes”.</p> <p>4. The interest rate subsidy is recognised in the “grant expense” items in the General Government sector operating statement (see Budget Paper 5, Chapter 1, Comprehensive Operating Statement), with a corresponding increase in the financial liability on the balance sheet within the “borrowings” line item (see Budget Paper 5, Chapter 1, Balance Sheet).</p> <p>5. As loans are repaid, the unwinding of the subsidy is recognised in the “interest revenue” line item in the General Government sector operating statement (see Budget Paper 5, Chapter 1, Comprehensive Operating Statement), with a corresponding decrease in the financial liability on the balance sheet within the “borrowings”</p>	
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		line item (see Budget Paper 5, Chapter 1, Balance Sheet).	
DTF	<p>2022-23 Recommendation 98: The 2022–23 Budget include performance measures that provide insight into the number of new social and affordable housing dwellings facilitated as part of the low interest loans and government guarantees to community housing agencies.</p>	<p>DTF continues to report on a new performance measure introduced in the <i>2023-24 Budget</i> and will continue to do so for future budget publications.</p> <p>This performance measure (renamed to “Dwellings facilitated by Affordable Housing Investment Partnerships”) will capture the number of new social and affordable housing dwellings that are supported by Affordable Housing Investment Partnerships loans and guarantees.</p> <p>The expected outcome for 2023-24 is 1,089 dwellings. This higher-than-expected outcome is a result of continued robust demand for concessional rate finance from the community housing sector as well as delayed approvals of loan applications from 2022-23.</p> <p>A target of 500 dwellings has been set for 2024-25.</p> <p>This will be included in the <i>2024-25 Department Performance Statement</i> under the Department of Treasury and Finance’s performance statement.</p>	Acquitted.

DTF	2022-23 Recommendation 99: The Department of Treasury and Finance address the shortcomings in the four new performance measures introduced in 2022–23 and identified by the Committee with further, or altered, performance measures in the 2023–24 Budget.	The Department of Treasury and Finance (DTF) continues to review performance measures as part of its annual performance measures review process.	Completed in 2022-23 (refer to DTF 2023-24 Budget Estimates questionnaire response).
DTF	2022-23 Recommendation 100: The Department of Treasury and Finance review the performance measure under the Economic Regulatory Services output— ‘Decisions overturned on review’ — that is proposed to be discontinued in 2022–23.	The Department of Treasury and Finance (DTF) continues to review performance measures as part of its annual performance measures review process.	Completed in 2022-23 (refer to DTF 2023-24 Budget Estimates questionnaire response).

Update on the implementation of recommendations made in the *2023-24 Budget Estimates Report*

Department	Recommendation supported by Government	Actions taken at the time of 2024-25 Budget Estimate questionnaire	Update on status of implementation
DTF	2023-24 Recommendation 3: The Government provide further details on the Department of Treasury and Finance website on how savings initiatives related to the Whole of Government savings and efficiencies, Labor’s financial statement savings and COVID Debt Repayment Plan amounting to \$2.9 billion will be achieved.	The Government response to the 2023-24 Budget Estimates Report was tabled on May 2, 2024. Due to timing, the implementation of supported recommendations is yet to occur.	-

DTF	<p>2023-24 Recommendation 70: WorkSafe Victoria report on the outcomes and performance of changes to mental health injury claim eligibility and the establishment of Return to Work Victoria in upcoming annual reports.</p>	<p>The Government response to the 2023-24 Budget Estimates Report was tabled on May 2, 2024. Due to timing, the implementation of supported recommendations is yet to occur.</p>	-
DTF	<p>2023-24 Recommendation 78: When multiple departments share responsibility for an output, the budget papers outline how this responsibility is divided between Ministers, including how initiatives and performance measures are allocated to ensure clarity.</p>	<p>The Government response to the 2023-24 Budget Estimates Report was tabled on May 2, 2024. Due to timing, the implementation of supported recommendations is yet to occur.</p>	-

Community consultation on budget initiatives

Question 31

With regard to the new initiatives in the 2024-25 Budget, which relevant and interested community groups and stakeholders did the department consult or engage with? Please detail the budget initiatives' consultation related to and the final outcomes of consultation.

Response

The Department of Treasury and Finance (DTF) has engaged with relevant and interested community groups and stakeholders on new initiatives as part of the *2024-25 Budget*. DTF utilises such consultation to identify the impact of new initiatives on relevant community groups and stakeholders, highlight potential challenges and opportunities for new initiatives to minimise the risk of unintended negative consequences and poor outcomes. The following examples illustrate the outcomes of consultation undertaken by DTF in relation to new initiatives in the *2024-25 Budget*:

- The Wage Inspectorate Victoria undertook broad community engagement to understand the impact of unlawful underpayments on the community, as well as how it can be best addressed, when drafting the Act. As an established regulator, the Wage Inspectorate commits to better understanding those it serves, and who are most impacted by its work, as one of its five strategic priorities. This involves engaging with stakeholders and the community and using their feedback to improve the service it provides and make compliance easier.
- WorkSafe conducted a public consultation process in 2022 following the development of an initial exposure draft of the proposed Occupational Health and Safety Amendment (Psychological Health) Regulations. WorkSafe received 79 submissions on the exposure draft regulations and Regulatory Impact Statement. Overall, the public consultation process revealed broad support from respondents for making the proposed Regulations.

Early Intervention Investment Framework

Question 32

- a) Please list all initiatives in the 2024-25 Budget for the department that were subject to an early intervention investment framework proposal

Response

Initiative	2024-25 funding (\$ million)	2025-26 funding (\$ million)	2026-27 funding (\$ million)	2027-28 funding (\$ million)

- b) What are the avoided costs expected as a result of the initiatives
- i. Over 2024-25 and the forward estimates (if known)?
 - ii. Over the medium term (e.g. the next 5 to 15 years) (if known)?
 - iii. Over the long term (e.g. the next 16-30 years) (if known)?

Response

Initiative	Avoided costs over 2024-25 to 2027-28 (if known)	Avoided costs over the next 5 to 15 years (if known)	Avoided costs over next 16 to 30 years (if known)

- c) What are the expected outcome measures associated with the initiatives?

Response

Outcome measure	Associated EIIF initiative	Baseline result	2024-25 expected outcome	2025-26 expected outcome	2026-27 expected outcome	2027-28 expected outcome

Response**Early Intervention Investment Framework (EIIF) – Question 32 (a and b)**

The table below responds to questions 32 (a) and (b), noting avoided costs estimates are only available over 10 years (not over 4 or 15+ years as per the specific request). In addition, we have not included a response to 32 (c) because the EIIF Outcome measures are not made public with annual reporting informing budget deliberations each year.

Early intervention initiatives ^{(a)(b)}

Output initiative	Question 32 (a)				Question 32 (b)	Economic benefits (\$ million, 10 years)
	2024-25 funding (\$ million)	2025-26 funding (\$ million)	2026-27 funding (\$ million)	2027-28 funding (\$ million)	Avoided costs (\$ million, 10 years)	
Strengthening participation of CALD children in early childhood education	2.0	3.6	3.8	0.0	<5	<20
Place-based education and wellbeing programs	1.9	3.8	3.4	2.7	<5	<20
Education support for students at risk	8.8	9.6	10.2	8.1	10-15	<20
Supporting senior secondary completion in non-school settings ^(c)	2.1	4.2	4.2	4.0	5-10	40-60
Respectful relationships for children and youth	10.4	10.0	9.3	9.4	20-25	<20
Improving school staff mental health and wellbeing support	8.9	18.4	18.0	18.5	10-15	20-40
School-wide positive behaviour support	2.3	4.5	4.5	4.5	<5	<20
Student health and wellbeing	9.7	12.6	12.4	12.6	5-10	<20
Strong Families, Safe Children	132.5	65.1	0.0	0.0	60-65	20-40
Victorian Social Investment Model	1.0	0.0	0.0	0.0	<5	<20
Continuing support for Victorians with disability	24.0	0.0	0.0	0.0	5-10	<20
Driving down family and sexual violence	10.4	10.1	10.4	10.7	30-35	20-40
Family violence victim survivors supports	35.8	36.2	0.0	0.0	50-55	20-40
Breaking the cycle of homelessness (Journey to Social Inclusion and other components)	6.2	11.4	16.1	11.6	75-80	20-40
Breaking the cycle of homelessness (non-J2SI components)	36.0	38.5	38.5	38.5	40-45	<20
Innovative support to re-engage young people	3.6	0.0	0.0	0.0	5-10	<20
Financial counselling support for victim survivors of family violence	1.7	1.7	1.7	1.7	10-15	<20
Aboriginal Health in Aboriginal Hands: Strengthening cultural safety and supporting culture and kinship	2.6	3.2	3.0	2.0	5-10	<20
Improved data capability to support early intervention investment	2.1	2.5	3.4	3.7	<5	<20

Timely emergency care ^(c)	34.4	0.0	0.0	0.0	30-35	<20
Supports for people with disability outside of the NDIS	23.1	0.0	0.0	0.0	<5	20-40
Support and treatment for Eating Disorders	8.1	8.4	9.1	0.0	15-20	20-40
Culturally appropriate justice diversion and family violence supports	5.3	5.4	5.6	0.0	5-10	<20
Justice system costs associated with court programs ^(c)	6.2	6.0	6.2	6.3	<5	<20
Youth Crime Prevention and Early Intervention Project	1.6	1.6	1.7	1.7	15-20	<20
Supporting the corrections system to improve community safety	19.8	18.4	7.1	7.3	60-65	20-40
Community sector legal support and early intervention services	8.7	9.0	5.5	5.6	45-50	20-40
Continuing to support a safe and stable Youth Justice system ^(c)	6.2	6.3	6.5	6.7	10-15	<20
Continuing Victoria's commitment to therapeutic justice	18.6	22.3	23.1	23.4	140-145	20-40
Total	434.1	313.0	203.6	179.1	655-770	360-560

Notes:

(a) Funding amounts correspond to the output funding allocated in Budget Paper 3 Chapter 1.

(b) Table may not add due to rounding.

(c) Only select components of these initiatives align with EIFF. Only funding for relevant components is included in the table.

- Supporting senior secondary completion in non-school settings: NSSFSPs and Education Benalla Program components
- Timely access to emergency care: Priority Primary Care Centres component
- Justice system costs associated with court programs
- Continuing to support a safe and stable Youth Justice system.

Victoria's Housing Statement

Question 33

- a) Please list the Department's output and asset initiatives in the 2024-25 Budget that will deliver on outcomes outlined in *Victoria's Housing Statement: The decade ahead 2024-2034*.⁷

Response

Initiative	2024-25 funding (\$ million)	2025-26 funding (\$ million)	2026-27 funding (\$ million)	2027-28 funding (\$ million)
Short Stay Levy				
• Revenue	37.5	75	75	75
Expanding the Victorian Homebuyer Fund	5.020 (output) 700.00 (asset)	2.200 (output)	2.200 (output)	2.200 (output)

- b) What will be the impact of the initiatives on
- i. Housing affordability
 - ii. Victoria's planning system
 - iii. Housing supply
 - iv. The regulation of rental properties
 - v. Social housing supply

⁷ Department of Premier and Cabinet, *Victoria's Housing Statement: The decade ahead 2024-2034*, Melbourne, 2023, <https://content.vic.gov.au/sites/default/files/2023-09/DTP0424_Housing_Statement_v6_FA_WEB.pdf>

Response

Initiative	Impact	Timeframe (e.g. 1-5 years, 5-10 years)	Housing affordability (if applicable)	Victoria's planning system (if applicable)	Housing supply (if applicable)	The regulation of rental properties (if applicable)	Social housing supply (if applicable)
Short Stay Levy	The levy will encourage the return of short-stay properties to the long-term rental market, while raising revenue for social and affordable housing.	1 year	Increasing supply of long-term rental properties will put downward pressure on rents.	-	No impact on aggregate stock but positive impact on dwellings available for secure and stable housing.	Government intends to pass legislation that prevents councils from levying specific charges on short stay properties. This will ensure consistency across the state and avoid multiple government charges on the short stay sector.	Estimated revenue raised will be transferred to Homes Victoria, supporting their work in building and maintaining social housing across the state.
Expanding the Victorian Homebuyer Fund	This additional funding will allow more Victorians to enter home ownership sooner.	1 year	The shared equity model: <ul style="list-style-type: none"> - Overcomes the deposit hurdle, enabling people to buy suitable homes sooner. - Avoids the cost of Lenders Mortgage Insurance. 	-	-	-	-

Cyber security

Question 34

- a) What actions has the department taken over 2023-24, and plans to take over 2024-25, to improve cyber security and mitigate the risk of a cyber-attack or data breach?

Response

Following machinery of government changes, responsibility for cyber security policy and processes sit with the Department of Government Services (DGS). This question has been referred to DGS for response.

	Cyber security and cyber-attack risk mitigation measures planned by department

- b) What resources in terms of funding levels and staffing has the department assigned to cyber security for 2023-24 and 2024-25?

Response

Following machinery of government changes, responsibility for cyber security policy and processes sit with the Department of Government Services (DGS). This question has been referred to DGS for response.

	Department cyber security funding (\$million)	Staff (Equivalent FTE)

If the department (or any of the department's agencies) have experienced a cyber attack or data breach since 2021:

- c) What was the impact of this data breach on the department/agency's resources, staffing, services provided to the community and ongoing support to individuals impacted by the cybersecurity event?

Response

Following machinery of government changes, responsibility for cyber security policy and processes sit with the Department of Government Services (DGS). This question has been referred to DGS for response.

Cyber attack/data breach	Impact on department/agency resources	Impact on staffing	Impact on services provided by department/agency to community	Ongoing support to individuals impacted by cyber-attack or data breach

- d) What measures were implemented after the event to improve cyber security?

Response

Following machinery of government changes, responsibility for cyber security policy and processes sit with the Department of Government Services (DGS). This question has been referred to DGS for response.

Cyber security – DGS only

Question 35

Victoria's Cyber Strategy 2021: A Cyber Safe Victoria comprises three core missions:

1. the safe and reliable delivery of government services
2. a cyber safe place to work, live and learn
3. a vibrant cyber economy

- a) For 2023-24 and 2024-25, what are the priorities, actions and anticipated target state once the actions are completed DGS has planned to improve cyber security across government services and prevent possible cyber attacks and data breaches?

Response

	Priorities	Actions	Target state once actions have been completed
2023-24			
2024-25			

- b) Has a Mission Delivery Plan (an annual update of the Cyber Strategy) for 2024-25 been prepared, and if yes, when will this be made publicly available?

Response

- c) If not, what actions is DGS taking to inform the community of measures it is implementing to protect against cyber-crime and data breaches?

Response

Health spending – DH only

Question 36

- a) When comparing one year to the next from 2020-21 to the forecast for 2025-26, please state the amount of funding provided to each of the below service types. Where the year-on-year variance is +/- 5 per cent, please provide an explanation for the increase/decrease in spending for the service type:

- Primary and community health
- Ambulance services
- Public hospitals
- Services for mental health

Guidance

The Committee notes that for the purposes of this question, the Committee uses the definitions of services in the sector as used in the Productivity Commission, Report on Government Services. See: <https://www.pc.gov.au/ongoing/report-on-government-services/2022/health> (accessed 15 December 2022).

Response

	2020-21	2021-22	2022-23	2023-24	2024-25	2025-26	Reason for any year-on-year variances +/- 5%
Primary and community health							
Ambulance services							
Public hospitals							
Services for mental health							

- b) Please explain how DH's 'Victorian public health and wellbeing outcomes framework' is used to inform funding allocations.

Response

- c) How much did the Victorian Government spend overall on health in 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25. Where the year-on-year variance is +/- 5 per cent, please provide an explanation for the increase/decrease in spending.

Response

Year	Total health spending	Reason for any year-on-year variances +/- 5%
2020-21		
2021-22		
2022-23		
2023-24		
2024-25		

Large scale infrastructure projects – DTF/DTP only

Question 37

For the North-East Link, Melbourne Airport Rail, West Gate Tunnel, Suburban Rail Loop and the Level Crossing Removal Program please provide the information requested in the tables below regarding expenditure and outcomes.

Expenditure – response

Project name	Level Crossing Removal Program
Total estimated investment at announcement	<p>The pre-business case estimate for the removal of 50 level crossings was \$5- 6 billion.</p> <p>The estimate was adjusted to \$6.878 billion for the Level Crossing Removal Project ('LX 50') in the 2017-18 State Budget following release of the Level Crossing Removal Program Business Case in 2017.</p> <p>An additional \$1.392 billion for the Metropolitan Network Modernisation Program (MNMP) for works associated with level crossing removals was allocated in the 2017-18 State Budget.</p> <p>An additional \$6.550 billion for the inclusion of 25 additional level crossing removals ('75 by 2025') was allocated in the 2019-20 State Budget.</p> <p>An additional \$2.536 billion for the inclusion of 10 additional level crossing removals ('85 by 2025') was allocated in the 2021-22 Budget Update.</p> <p>Note in the 2022-23 Budget, the line items '75 by 2025' and '85 by 2025' were combined for reporting purposes.</p> <p>An additional \$6.522 billion for the inclusion of 25 additional level crossing removals ('Twenty-five more level crossing removals by 2030') was reported in the 2022 Victorian Economic and Fiscal Update (to reach a total of 110 level crossing removals announced and funded).</p>
Total estimated investment in the 2024-25 Budget	<p>\$8,746.801 million for '85 by 2025'.</p> <p>\$6,509.565 million for 'Twenty-five more level crossing removals by 2030'.</p> <p>The 2024-25 Budget Paper No.4. reports that LX50 and MNMP are completed.</p>
Actual cost of the program to date (i.e. cost since announcement)	<p>As published in the 2024-25 Budget Paper 4: State Capital Program, the estimated expenditure to 30 June 2024 for the Level Crossing Removal Program are comprised of the following:</p> <ul style="list-style-type: none"> • 85 by 2025 (Level Crossing Removals), \$7,352.231 million

	<ul style="list-style-type: none"> • Twenty-five more level crossing removals by 2030, \$303.065 million • Level Crossing Removal Program (metropolitan various) (LX50) - \$6,277.542 million. • Metropolitan Network Modernisation Program (metropolitan various) (MNMP) - \$1,333.996 million.
Amount allocated to the project/program in the 2024-25 Budget	<p>No new funding allocated in the 2024-25 Budget.</p> <p>As published in the 2024-25 Budget Paper 4: State Capital Program, the forecast expenditure for the Level Crossing Removal Program in 2024-25 is comprised of the following:</p> <ul style="list-style-type: none"> • 85 by 2025 (Level Crossing Removal), \$644.314 million • Twenty-five more level crossing removals by 2030, \$825.440 million <p>The LX50 and MNMP are completed.</p>
Total forecast remaining expenditure	<p>As published in the 2024-25 Budget Paper 4: State Capital Program, the forecast remaining expenditure for the Level Crossing Removal Program is comprised of the following:</p> <ul style="list-style-type: none"> • 85 by 2025 (Level Crossing Removal), \$750.256 million • Twenty-five more level crossing removals by 2030, \$5,381.060 million.
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.
Cost/benefit ratio of the project/program	<p>The Business Case, which include BCRs and economic analysis, are considered by BFC and are Cabinet-In-Confidence. For select major projects, a government decision has been made to release the business case, including the BCR and any associated economic analysis. The business case for the Level Crossing Removal Program is available via the Big Build website.</p>

Outcomes – response

Project name	Level Crossing Removal Program
The outcomes achieved by the project/program to date	Total of 75 level crossing removals removed to date (as of 10 April 2024), a year ahead of schedule.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	The Level Crossing Removal Program is a rolling program to remove 110 level crossings, with 85 committed for removal by 2025 and 110 by 2030.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.

Expenditure – response

Project name	Suburban Rail Loop – Airport
Total estimated investment at announcement	The State and Commonwealth Governments have each committed \$5.000 billion in funding to the project.
Total estimated investment in the 2024-25 Budget	TBC
Actual cost of the program to date (i.e. cost since announcement)	Actual cost for the 2023-24 financial year, as per Budget paper No 4: \$1,015.270 million
Amount allocated to the project/program in the 2024-25 Budget	Forecast cost for the 2024-25 financial year as per Budget Paper No 4: \$132.300 million
Total forecast remaining expenditure	TBC
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report
Cost/benefit ratio of the project/program	The benefit cost ratio of the Melbourne Airport Rail is estimated to be between 1.8 to 2.1. The analysis behind this ratio can be found on the Big Build Website.

Outcomes – response

Project name	Suburban Rail Loop – Airport
The outcomes achieved by the project/program to date	The project was subject to the Commonwealth Government’s Infrastructure Investment Program (IIP) review in 2023. The TEI and estimated completion date are not reported at this time due to uncertainty associated with the negotiations proposed by the Commonwealth. The Government has paused or concluded the procurement of all SRL – Airport main works contracts pending the outcome of project negotiations.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	TBC
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects’ performance reports, provided to the Implementation Committee of Cabinet.

North East Link

Project name	North East Link – Primary Package (Tunnels) and State Tolling Corporation (Greensborough)
Total estimated investment at announcement	The Victorian Government committed \$15.8 billion for North East Link at announcement. Funding arrangements reflected in 2022-23 Budget recognised the North East Link State Tolling Corporation. The TEI reported for North East Link – Primary Package (Tunnels) and State Toll Co (STC) in the 2024-25 Budget is \$14.034 billion. The TEI includes the \$11.1 billion contract with the Spark consortium to deliver the Primary Package (Tunnels) and other costs associated with the operations of STC. The TEI includes a share of \$1.750 billion of Commonwealth Government funding. The TEI excludes financing costs associated with the Primary Package.

	STC is responsible for providing funding contributions to the North East Link – Primary Package (Tunnels).
Total estimated investment in the 2024-25 Budget	\$14,034.000 million
Actual cost of the program to date (i.e. cost since announcement)	Estimated cost to 30 June 2024 as per 2024-25 Budget Paper No.4: \$4,555.890 million
Amount allocated to the project/program in the 2024-25 Budget	Forecast cost for the 2024-25 financial year as per 2024-25 Budget Paper No.4: \$2,948.245 million
Total forecast remaining expenditure	Total forecast remaining expenditure as per 2024-25 Budget Paper No.4: \$6,529.865 million
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report and the North East Link State Tolling Corporation Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects¹ performance reports, provided to the Implementation Committee of Cabinet.
Cost/benefit ratio of the project/program	The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website.

Outcomes – response

Project name	North East Link – Primary Package (Tunnels) and State Tolling Corporation Greensborough)
The outcomes achieved by the project/program to date	<p>The key project achievements to date include:</p> <ul style="list-style-type: none"> • The Environment Effects Statement (EES) process undertaken for North East Link was Victoria’s most comprehensive. • All primary planning and environmental approvals required for works to date have been obtained. • Completion of Early Works, involving the relocation of around 100 local utilities, to facilitate the commencement of major construction for North East Link. • Approval of the Urban Design and Landscape Plan (UDLP) for the North East Link tunnels, following community consultation.

	<ul style="list-style-type: none"> • Contract award and commencement of major construction for the North East Link tunnels. • North East Community Fund established to support and strengthen local communities most impacted by construction. Nearly 100 recipients have already received funding for festivals, events, and upgrades to local infrastructure and community, sporting and recreational facilities. • Six brand new pavilions have been built as part of major upgrades being delivered at 19 sports grounds to support community sport in the northern and eastern suburbs.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	<p>Anticipated outcomes in 2024-25 and across the forward estimates:</p> <ul style="list-style-type: none"> • Launch of two tunnel boring machines (TBMs) for major tunnelling construction in Watsonia and Bulleen. • Tunnel boring completed and works commenced to connect the North East Link tunnels with the upgraded Eastern Freeway and M80 Ring Road. • Finalise funding requests from the North East Community Fund. • Completion of local sporting facility upgrades including a new soccer facility at Templestowe Road
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects¹ performance reports, provided to the Implementation Committee of Cabinet.

Project name	Eastern Freeway Upgrade (Springvale to Hoddle)
Total estimated investment at announcement	This project was previously published as part of 'North East Link (State and Freeway Packages)' in the 2023-24 Budget Paper No. 4 State Capital Program. The Commonwealth Government is contributing \$1,750 million to the North East Link program.
Total estimated investment in the 2024-25 Budget	\$5,708.993 million

Actual cost of the program to date (i.e. cost since announcement)	TBC. The estimated expenditure will be reported when the procurement processes and commercial arrangements are finalised.
Amount allocated to the project/program in the 2024-25 Budget	TBC. The estimated expenditure will be reported when the procurement processes and commercial arrangements are finalised.
Total forecast remaining expenditure	TBC. The estimated expenditure will be reported when the procurement processes and commercial arrangements are finalised.
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects¹ performance reports, provided to the Implementation Committee of Cabinet.
Cost/benefit ratio of the project/program	The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website.

Outcomes – response

Project name	Eastern Freeway Upgrade (Springvale to Hoddle)
The outcomes achieved by the project/program to date	<p>The key project achievements to date include:</p> <ul style="list-style-type: none"> • Contract award and commencement of construction phase for the Burke Road to Tram Road project. • Public exhibition and community consultation undertaken in October 2023 for the Urban Design and Landscape Plan (UDLP) for the Burke Road to Tram Road project. • Appointed the Independent Environmental Auditor for the overhaul of the Eastern Freeway and the completion of the M80 Ring Road. • Procurement phase commenced for the Tram Road to Springvale Road and Hoddle Street to Burke Road projects as part of the Eastern Freeway Upgrade. • Opened the new Bulleen Park & Ride, the first part of the Eastern Express Busway.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	<p>Anticipated outcomes in 2024-25 and across the forward estimates:</p> <ul style="list-style-type: none"> • Approval of the UDLPs for the Burke Road to Tram Road.

	<ul style="list-style-type: none"> • Public exhibition and community consultation of UDLPs for the Tram Road to Springvale Road and Hoddle Street to Burke Road projects as part of the Eastern Freeway Upgrade. • Contract award and commencement of construction phase for the Tram Road to Springvale Road and Hoddle Street to Burke Road projects. • Connecting an upgraded Eastern Freeway to the North East Link tunnels. • Build more than 45 kilometres of new lanes and traffic management systems along the freeway. • Build Melbourne’s first dedicated busway from Doncaster to the City, and an upgraded Park & Ride at Doncaster. • Deliver 10 kilometres of walking and cycling paths and a rebuilt Koonung Creek Reserve. • Completion of construction in 2028.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report. • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects¹ performance reports, provided to the Implementation Committee of Cabinet.

Project name	M80 Ring Road Upgrade (Greensborough)
Total estimated investment at announcement	This project was previously published as part of ‘North East Link (State and Freeway Packages)’ in the 2023-24 Budget Paper No. 4 State Capital Program. The Commonwealth Government is contributing \$1,750 million to the North East Link program.
Total estimated investment in the 2024-25 Budget	\$3,824.210 million
Actual cost of the program to date (i.e. cost since announcement)	Estimated cost to 30 June 2024 as per 2024-25 Budget Paper No.4: \$720.287 million
Amount allocated to the project/program in the 2024-25 Budget	Forecast cost for the 2024-25 financial year as per 2024-25 Budget Paper No.4: \$765.549 million

Total forecast remaining expenditure	Total forecast remaining expenditure as per 2024-25 Budget Paper No.4: \$2,338.374 million
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports.
Cost/benefit ratio of the project/program	The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website.

Outcomes – response

Project name	M80 Ring Road Upgrade (Greensborough)
The outcomes achieved by the project/program to date	<p>The key project achievements to date include:</p> <ul style="list-style-type: none"> • Contract award and commencement of construction phase for the M80 Ring Road Upgrade project. • Community consultation undertaken in October 2023 for the UDLP for the M80 Ring Road Upgrade project. • Appointed the Independent Environmental Auditor for the overhaul of the Eastern Freeway and the completion of the M80 Ring Road.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	<p>Anticipated outcomes in 2024-25 and across the forward estimates:</p> <ul style="list-style-type: none"> • Approval of the UDLP for the M80 Ring Road Upgrade project. • Connect the upgraded M80 Ring Road to the North East Link tunnels. • Expand the existing Hurstbridge line rail tunnel ready to build the freeway on top. • Build more than 15 kilometres of new lanes and traffic management systems along the freeway. • Deliver 10 kilometres of walking and cycling paths including a wider brighter underpass at Yando Street in Greensborough, and 2 wide landscaped bridges at Watsonia Road and Elder Street. • Completion of construction in 2028.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report.

	<ul style="list-style-type: none"> Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.
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Project name	North East Link Connections (Bulleen/Watsonia)
Total estimated investment at announcement	This project was previously published as part of 'North East Link (State and Freeway Packages)' in the 2023-24 Budget Paper No. 4 State Capital Program. The Commonwealth Government is contributing \$1,750 million to the North East Link program.
Total estimated investment in the 2024-25 Budget	\$2,642.257 million
Actual cost of the program to date (i.e. cost since announcement)	Estimated cost to 30 June 2024 as per 2024-25 Budget Paper No.4: \$858.225 million
Amount allocated to the project/program in the 2024-25 Budget	Forecast cost for the 2024-25 financial year as per 2024-25 Budget Paper No.4: \$458.418 million
Total forecast remaining expenditure	Total forecast remaining expenditure as per 2024-25 Budget Paper No.4: \$1,325.615 million
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> Budget Papers Department of Transport and Planning Annual Report Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.
Cost/benefit ratio of the project/program	The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website.

Outcomes – response

Project name	North East Link Connections (Bulleen/Watsonia)
The outcomes achieved by the project/program to date	<p>The key project achievements to date include:</p> <ul style="list-style-type: none"> Community consultation undertaken in October 2023 for the UDLP for the Burke Road to Tram Road project.

	<ul style="list-style-type: none"> Contract award and commencement of construction phase for the Burke Road to Tram Road project. Land acquisition and utilities relocations.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	<p>Anticipated outcomes in 2024-25 and across the forward estimates:</p> <ul style="list-style-type: none"> Approval of the UDLP for the Burke Road to Tram Road project as part of the Eastern Freeway Upgrade. Completion of construction in 2028.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> Budget Papers Department of Transport and Planning Annual Report Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.

Expenditure – response

Project name	West Gate Tunnel (metropolitan various)
Total estimated investment at announcement	\$5,500.00 million
Total estimated investment in the 2024-25 Budget	\$10,159.204 million
Actual cost of the program to date (i.e. cost since announcement)	Estimated cost to 30 June 2024 as per 2024-25 Budget Paper No.4: \$9,130.397 million
Amount allocated to the project/program in the 2024-25 Budget	Forecast cost for the 2024-25 financial year as per 2024-25 Budget Paper No.4: \$513.317 million
Total forecast remaining expenditure	Total forecast remaining expenditure as per 2024-25 Budget Paper No.4: \$515.489 million
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> Budget Papers Department of Transport and Planning Annual Report Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.

Cost/benefit ratio of the project/program	The benefit cost ratio of the West Gate Tunnel project is 1.3 applying Victorian Government guidelines without wider economic benefits.
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Outcomes – response

Project name	West Gate Tunnel (metropolitan various)
The outcomes achieved by the project/program to date	Completion of tunnelling tunnels with the first Tunnel Boring Machine (TBM) achieving breakthrough in February 2023 and the second in May 2023. Construction is nearing completion with widening of the West Gate Freeway, and the construction of the elevated roadway well advanced.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	2024-25 Construction to continue to progress and further transition into the completions phase of project across all zones. The project provides a network-wide solution to reducing congestion along the M1 corridor, expanding travel choices for motorists, and reducing travel times across one of Melbourne's main cross-city road corridors.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance (previously Office of Projects Victoria) for inclusion in its quarterly major project's performance reports, provided to the Implementation Committee of Cabinet.

Project name	Suburban Rail Loop East – Development, Initial and Early Works
Total estimated investment at announcement	Announced funding to date covers development and planning costs, Initial and Early Works and a provision towards the Main Works packages. 2019-20: \$300 million funding allocated for detailed planning and development. 2020-21: Additional \$2.2 billion funding allocated for Initial and Early Works to prepare for Main Works.
Total estimated investment in the 2024-25 Budget	\$2,371.618 million
Actual cost of the program to date (i.e., cost since announcement)	Estimated cost to 30 June 2024 as per 2024-25 Budget Paper No.4: \$1,160.964 million.
Amount allocated to the project/program in the 2024-25 Budget	Forecast spend for the 2024-25 financial year as per 2024-25 Budget Paper No.4: \$449.164 million.

Total forecast remaining expenditure	TBC
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.
Cost/benefit ratio of the project/program	1.1 to 1.7 for SRL East and SRL North assuming completion by 2053.

Outcomes – response

Project name	Suburban Rail Loop East– Development, Initial and Early Works
The outcomes achieved by the project/program to date	<ul style="list-style-type: none"> • Crews have moved and upgraded the 109 tram terminus in Box Hill to enable development of the SRL East station and tunnels. • Underground services and utilities have been moved in Clayton and Glen Waverley. • Construction of a replacement park and playground in Burwood. • Work sites established at all six SRL East station sites and the stabling facility in Heatherton. • Safe removal of contaminated materials from the stabling facility site in Heatherton. • Start of construction of a tunnel access shaft in Burwood, with piling now complete and excavation to start shortly. • Construction of a tunnel access structure underway at the stabling facility in Heatherton. • Land acquisition process 92 per cent complete, with 49 per cent in possession, as at 3 April 2024. • Demolition of existing structures underway across the SRL East alignment to make way for worksites and construction.

Project name	Suburban Rail Loop East– Development, Initial and Early Works
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	<ul style="list-style-type: none"> • Completion of the temporary bridging structure on Whitehorse Road. • Completion of tunnel access structures in Burwood and Heatherton. • Completion of demolition works. • Completion of the safe removal of contaminated materials from stabling facility site in Heatherton. • Utilities relocation in Cheltenham, Clayton, Monash, Glen Waverley, Burwood, Box Hill. • Construction of a replacement multi-storey car park in Glen Waverley to offset loss of parking due to station construction. • Completion of land acquisition program. • Ongoing community and stakeholder consultation to inform the structure planning process.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.

Expenditure – response

Project name	Suburban Rail Loop East – Main Works packages
Total estimated investment at announcement	SRL East is expected to cost between \$30-34.500 billion with project completion by 2035. The expected cost includes \$3.610 billion (GST exclusive) for the Suburban Rail Loop East Tunnels South contract from Cheltenham to Glen Waverley awarded in December 2023. The TEI, estimated expenditure and estimated completion date will be disclosed following procurement of the main works packages. The TEI includes \$2.200 billion of Commonwealth Government funding.
Total estimated investment in the 2024-25 Budget	TBC
Actual cost of the program to date (i.e. cost since announcement)	TBC

Project name	Suburban Rail Loop East – Main Works packages
Amount allocated to the project/program in the 2024-25 Budget	TBC
Total forecast remaining expenditure	TBC
How the Department will report on expenditure in relation to the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.
Cost/benefit ratio of the project/program	1.1 to 1.7 for SRL East and SRL North assuming completion by 2053.

Outcomes – response

Project name	Suburban Rail Loop – Main Works packages
The outcomes achieved by the project/program to date	<ul style="list-style-type: none"> • Suburban Connect was awarded the Tunnels South contract in late 2023 to build the twin tunnels between Cheltenham and Glen Waverley. • Tunnels South site investigations underway with portable crib rooms (caravans) to support investigations set-up. • Two bidders participating in a Request for Proposal (RFP) process for Tunnels North contract for twin tunnels between Glen Waverley and Box Hill. RFP submissions were received and evaluation is in progress. • Two shortlisted bidders for Line-wide package to build SRL trains, fit-out of the tunnels, including the signalling systems, and for operation and maintenance of the network. • Market sounding complete for two Stations packages. • Structure planning process underway for the broader areas around each station, with the release of the SRL Precincts Discussion Paper in August 2023, six Draft SRL Precinct Visions released for consultation in December 2023. • Extensive ongoing program of online and in-person consultation with the community, local councils and stakeholders to inform draft structure plans for areas around each SRL East station site.
The anticipated outcomes of the project/program in 2024-25 and across the forward estimates	<ul style="list-style-type: none"> • Tunnels North to be awarded this year. • Linewidth package to be awarded in 2025. • Stations packages Expressions of Interest to be released this year. • Main works are now in delivery, with tunnelling to commence in 2026. • Draft Structure Plans and Planning Scheme Amendments to go on public exhibition in late 2024 or early 2025.
How the Department will report on the outcomes achieved by the project/program as it progresses	<ul style="list-style-type: none"> • Budget Papers • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and

DTF

	Finance for inclusion in its quarterly major projects' performance reports, provided to the Implementation Committee of Cabinet.
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Economic forecast – DTF only

Question 38

Budget Paper No. 2: Strategy and Outlook, Table 2.1, provides forecasts for the following indicators:

- real gross state product
- employment
- unemployment rate
- consumer price index
- wage price index
- population.

Variance analysis

- a) For each of the above indicators, please provide a detailed explanation for the variance when comparing the same year in the 2023-24 Budget, the 2023-24 Budget Update and the 2024-25 Budget, including the assumptions used to forecast the specific indicator.

Trend analysis

- b) For each of the above indicators, when comparing one year to the next in the 2024-25 Budget, please explain the reason for the variance and provide details for any improvement or deterioration for the indicator.

Response

a)

Economic indicator	Real Gross State Product					
	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection
Year for which variance relates						
Forecast/projection in 2023-24 Budget	2.75	1.50	2.50	2.75	2.75	-
Forecast/projection in 2023-24 Budget Update	2.6 (actual)	1.50	2.50	2.75	2.75	-
Forecast/projection in 2024-25 Budget	2.6 (actual)	2.00	2.50	2.75	2.75	2.75
Variance from 2023-24 Budget	-0.15	0.5	-	-	-	-

Reason for variance	<p>In 2022-23, actual gross state product (GSP), as reported by the Australian Bureau of Statistics (ABS) in the annual State Accounts, was in line with that estimated in the <i>2023-24 Budget</i>. Household consumption and business investment made large positive contributions to growth.</p> <p>Revised growth in 2023-24 reflects national accounts data for the first half of the year that show resilient domestic demand, coinciding with strong exports and lower imports.</p>
Assumptions used to forecast indicator	<p>The key assumptions underlying our GSP forecasts are outlined below:</p> <ul style="list-style-type: none"> • Interest rates broadly follow market economists' expectations • Oil prices follow the path suggested by oil futures • An Australian dollar trade weighted index of 61.4

Economic indicator	Employment					
Year for which variance relates	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection
Forecast/projection in 2023-24 Budget	3.50	0.75	1.00	1.75	1.75	-
Forecast/projection in 2023-24 Budget Update	4.3 (actual)	2.25	1.00	1.75	1.75	-
Forecast/projection in 2024-25 Budget	4.3 (actual)	3.25	1.00	1.75	1.75	1.75
Variance from 2023-24 Budget	0.8	2.50	-	-	-	-
Reason for variance	Revised employment growth in 2023-24 mainly reflects a higher level of employment in 2023-24 to date, as reported by the Australian Bureau of Statistics.					
Assumptions used to forecast indicator	Employment growth is assumed to be correlated with GSP growth.					

Economic indicator	Unemployment rate					
Year for which variance relates	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection
Forecast/projection in 2023-24 Budget	3.75	4.25	4.50	4.75	4.75	-

Forecast/projection in 2023-24 Budget Update	3.7 (actual)	4.00	4.25	4.50	4.75	-
Forecast/projection in 2024-25 Budget	3.7 (actual)	4.00	4.25	4.50	4.75	4.75
Variance from 2023-24 Budget	0.0	-0.25	-0.25	-0.25	-	-
Reason for variance	Unemployment in 2022-23 was in line with the <i>2023-24 Budget</i> forecast. The lower unemployment rate forecast for 2023-24 reflects lower actuals for most of 2023-24. Reflecting a lower starting point, forecasts for 2024-25 and 2025-26 have also been revised down.					
Assumptions used to forecast indicator	The unemployment rate is projected to gradually rise from low levels to a rate consistent with stable inflation within the RBA's target band.					

Economic indicator	Consumer Price Index					
Year for which variance relates	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection
Forecast/projection in 2023-24 Budget	7.00	4.25	2.75	2.50	2.50	-
Forecast/projection in 2023-24 Budget Update	6.9 (actual)	4.25	2.75	2.50	2.50	-
Forecast/projection in 2024-25 Budget	6.9 (actual)	4.00	2.75	2.50	2.50	2.50
Variance from 2023-24 Budget	-0.1	-0.25	-	-	-	-
Reason for variance	Growth in the Consumer Price Index in 2022-23 was in line with the <i>2023-24 Budget</i> forecast. The forecast for Consumer Price Index (CPI) growth in 2023-24 has been revised due to a somewhat faster than expected easing of inflationary pressure over calendar 2023.					
Assumptions used to forecast indicator	Projections assume that inflation returns to a trend rate 2.5 per cent, the middle of the Reserve Bank of Australia's 2–3 per cent inflation target band.					

Economic indicator	Wage Price Index					
Year for which variance relates	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection

Forecast/projection in 2023-24 Budget	3.5	3.5	3.5	3.25	3.25	-
Forecast/projection in 2023-24 Budget Update	3.4 (actual)	3.75	3.5	3.25	3.25	-
Forecast/projection in 2024-25 Budget	3.4 (actual)	3.75	3.75	3.25	3.25	3.25
Variance from 2023-24 Budget	-0.1	0.25	0.25	-	-	-
Reason for variance	Wages growth in 2022-23 was in line with the forecast in the <i>2023-24 Budget</i> . The 2023-24 and 2024-25 wages growth forecasts have been revised. This reflects the Fair Work Commission's larger-than-expected increase in the minimum wage and modern awards in 2023-24, and evidence that ongoing labour market tightness and high inflation are having a greater effect on recent multiyear Enterprise Bargaining Agreements (EBA). These agreements tend to respond to economic conditions with a lag.					
Assumptions used to forecast indicator	<p>Assumptions</p> <ul style="list-style-type: none"> Wages growth is assumed to be influenced by the degree of spare capacity in the labour market as well as inflation and inflation expectations. Trend growth is assumed to be 3.25 per cent. 					

Economic indicator	Population					
	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection
Year for which variance relates						
Forecast/projection in 2023-24 Budget	1.90 (estimate)	1.90	1.80	1.70	1.70	
Forecast/projection in 2023-24 Budget Update	2.60 (estimate)	2.20	1.80	1.70	1.70	
Forecast/projection in 2024-25 Budget	2.70 (actual)	2.30	1.80	1.70	1.70	1.70
Variance from 2023-24 Budget	0.8	0.4	-	-	-	-
Reason for variance	Population growth in 2022-23 was higher than estimated in <i>2023-24 Budget</i> , due to stronger outcomes for net overseas migration as reported by the Australian Bureau of Statistics. Leading indicators (student visa grants) indicate arrivals of students are easing from high levels, but net overseas migration will likely remain elevated over 2023-24.					
Assumptions used to forecast indicator	Population growth is assumed to return to its long-term average growth rate of 1.7 per cent.					

b)

	2022-23 Actual	2023-24 Forecast	2024-25 Forecast	2025-26 Forecast	2026-27 Projection	2027-28 Projection
Real gross state product	2.6 (actual)	2.00	2.50	2.75	2.75	2.75
Variance	N/A	-0.6	0.5	0.25	-	-
Explanation for any variance year over year		Growth is estimated to have slowed from the previous year as high inflation and elevated interest rates have weighed on consumer spending and demand for new housing. Economic activity has been supported by strong growth in business investment and population growth.	Growth rises from the previous year, with most major components of Victoria's GSP forecast to contribute to growth. Real household disposable income is expected to increase, supported by lower inflation, wage growth, income tax cuts and some easing in interest rates.	Economy returns to trend rate of growth.	Unchanged from previous year.	Unchanged from previous year.
Employment	4.3 (actual)	3.25	1.00	1.75	1.75	1.75
Variance	N/A	-1.1	-2.25	0.75	-	-
Explanation for any variance year over year		Employment growth eases from the very rapid increase over the previous two years but remains high.	Employment growth eases amid an already elevated employment to population ratio and the lagged effect of an easing in economic growth.	Employment growth returns to trend alongside a pick-up in economic growth.	Unchanged from previous year.	Unchanged from previous year.

Unemployment rate	3.7 (actual)	4.00	4.25	4.50	4.75	4.75
Variance	N/A	0.3	0.25	0.25	0.25	–
Explanation for any variance year over year		Unemployment rate rises from 50-year lows amid slower economic growth but remains historically low.	Unemployment rate gradually rises with growth in employment lower than growth in the labour force but remains historically low.	Unemployment rate gradually rises with growth in employment lower than the labour force but remains historically low.	Unemployment rate reaches a level consistent with stable inflation within the labour RBA's target band.	Unchanged from previous year.
Consumer price index	6.9 (actual)	4.00	2.75	2.50	2.50	2.50
Variance	N/A	–2.9	–1.25	–0.25	–	–
Explanation for any variance year over year		Inflation eased significantly over 2023, driven by goods price disinflation.	Inflation continues to ease as business cost growth eases and supply and demand in the economy come further into balance.	Inflation returns to trend of 2.5 per cent, the middle of the RBA's inflation target band.	Unchanged from previous year.	Unchanged from previous year.
Wage price index	3.4 (actual)	3.75	3.75	3.25	3.25	3.25
Variance	N/A	0.35	–	-0.5	–	–
Explanation for any variance year over year		A strong labour market, high inflation and a large Fair Work Commission increase contribute	Higher wage increases in new EBAs, which tend to lag other wage setting methods, offset some easing	Wages growth returns to trend.	Unchanged from previous year.	Unchanged from previous year.

		to higher wages growth.	in labour market conditions.			
Population	2.70 (actual)	2.30	1.80	1.70	1.70	1.70
Variance	N/A	-0.4	-0.5	-0.1	-	-
Explanation for any variance year over year		Departures of international students pick up, after stronger arrivals over the last two years, as they graduate and begin to leave the country.	Net overseas migration flows normalise further, with arrivals and departures returning to around pre-COVID levels.	Population growth returns to trend.	Unchanged from previous year.	Unchanged from previous year.

Grants – DTF only

Question 39

Budget Paper No. 5: Statement of Finances, Table 4.3, details the expected total grant revenue to be received by Victoria in 2023-24 by grant type.

For the ‘General purpose grants – goods and services tax’ line item if there is a variance:

- a) between the 2023-24 budget figure in the 2023-24 Budget and the 2023-24 revised figure in the 2024-25 Budget, please explain the:
 - i. reason for the variance
 - ii. impact of the variance on Victoria
 - iii. action taken in response to expected changes in the value of general purpose grants.

- b) from year to year in the 2024-25 Budget please explain the:
 - i. reason for any variance
 - ii. impact of the variance on Victoria
 - iii. action taken in response to expected changes in the value of general purpose grants.

Response

a)

Line item	2023-24 budget	2023-24 revised	Variance 2023-24 budget vs. 2023-24 revised	Reason for variance	Impact on Victoria	Action taken
General purpose grants - goods and services tax	\$19 836 million	\$20 100 million	\$264 million	Reason for variance is largely an upgrade to the national GST pool.	Higher than expected GST revenue has a positive impact on Victoria’s revenue and net operating balance.	The cause of the increase in GST revenue in 2023-24 has been incorporated into forecasts for GST revenue for the <i>2024-25 Budget</i> .

b)

	2023-24 revised	2024-25 budget	2025-26 estimate	2026-27 estimate	2027-28 estimate
General purpose grants – goods and services tax	\$20 100 million	\$23 487 million	\$25 014 million	\$25 761 million	\$24 948 million
Variance	N.A.	\$3 387 million	\$1 527 million	\$747 million	-\$813 million
Reason for any variance year over year	N.A.	The forecast variance in 2024-25 reflects a stronger outlook for the GST pool and an increase in Victoria's no-worse-off relativity recommended by the Commonwealth Grants Commission, caused by an increase in mining royalties in mining states and updated population density measures.	The forecast variance from the prior year is caused by growth in GST pool and growth in Victoria's no-worse-off relativity due to a forecast increase in the revenue raising capacity of mining states.	The forecast variance from the prior year is caused by growth in GST pool which is partly offset by a decrease in Victoria's no-worse-off relativity, largely due to a forecast decline in the revenue raising capacity of mining states.	The forecast variance from the prior year is caused by growth in GST pool which is more than offset by a decrease in Victoria's no-worse-off relativity, largely due to a further forecast decline in the revenue raising capacity of mining states.
Impact of the variance on Victoria	N.A.	The additional revenue positively impacts Victoria's total state revenue and net operating balance.	The additional revenue positively impacts Victoria's total state revenue and net operating balance.	The additional revenue positively impacts Victoria's total state revenue and net operating balance.	The lower revenue negatively impacts Victoria's total state revenue and net operating balance.
Action taken in response to expected changes in the value of general purpose grants	N.A.	Additional GST revenue is used to fund service and infrastructure delivery in Victoria.	Additional GST revenue is used to fund service and infrastructure delivery in Victoria.	Additional GST revenue is used to fund service and infrastructure delivery in Victoria.	Lower GST revenue reduces funds for service and infrastructure delivery in Victoria.

Question 40

Budget Paper No. 5: Statement of Finances, Table 4.5, lists Commonwealth grants for specific purposes, with detailed tables by expenditure category in Tables 4.6 to 4.12.

For each line item of the detailed tables by expenditure labelled 'Other' in the 2024-25 Budget, for both years listed (2023-24 revised Budget and 2024-25 Budget) that has a value exceeding \$10 million, please provide details of the grants to which they relate.

Response

Table number	Grant details	2023-24 revised Budget (\$ million)	2024-25 Budget (\$ million)
4.14 – Payments for contingent and other services	<u>Health and hospitals</u> Includes payments from the Commonwealth for hospitals, Pharmaceutical Benefits Scheme (PBS), and residential aged care subsidies and supplements. Also includes estimates of additional Commonwealth grants to support service delivery requirements under the NHRA.	1,538	1,573
4.14 – Payments for contingent and other services	<u>Other grants</u> Includes Commonwealth Own Purpose Expenditure Payments for a number of initiatives, as well as grants from other states, territories and local governments.	17	17
4.14 – Payments for contingent and other services	<u>National Reform Agenda for Organ and Tissue Donation</u> A national program to increase rates of organ and tissue donation.	12	12

Equity funding – DTF only

Question 41

Does the Government expect to receive equity funding as an alternative to traditional grant payments made by the Commonwealth over 2024-25 and the forward estimates? If so, please detail which projects will receive this funding and the amount.

Response

The Commonwealth Government has indicated that it will provide equity funding into a third party non-financial corporation owned by the Commonwealth Government for the Western Intermodal Freight Terminal (WIFT) and Beveridge Intermodal Freight Terminal (BIFT) projects in Victoria, collectively known as the Melbourne Intermodal Terminal Package.

The 2022-23 Commonwealth Budget committed \$1.9 billion in equity to be delivered through its third party non-financial corporation, the National Intermodal Corporation. Funding of \$1.2 billion was committed in equity for the BIFT project, while \$740 million was committed in equity for the WIFT project. The timing of these equity investments is not known to the Victorian Government.

The Commonwealth Government has also confirmed equity investment into the Australian Rail Track Corporation (ARTC) for its Inland Rail project, which is a project that benefits Victoria through freight rail construction activities between Beveridge and the VIC/NSW border (Albury). The timing of total estimated equity investments into the ARTC is not known to the Victorian Government.

Land transfer duty – DTF only

Question 42

Budget Paper No. 5: Statement of Finances, Table 4.2, provides taxation revenue forecasts across the forward estimates broken down by source.

For the 'Land transfer duty' line item if there is a variance greater than 5 per cent (positive or negative) or greater than \$50 million (positive or negative) when comparing:

Variance analysis

- a) the same year in the 2023-24 Budget and the 2024-25 Budget, please explain the reason for the variance for each year.

Trend analysis

- b) one year to the next in the 2024-25 Budget please explain the reason for the variance.

Response

a)

Year for which variance relates	2023-24
Budget/estimate in 2023-24 Budget	\$7 360 m
Budget/estimate in 2024-25 Budget	\$8 278 m
Variance	\$918 m
Reason for variance	The variance in 2023-24 reflects a sooner-than-expected recovery in Victoria's property market. Revised dwelling price and transaction volume forecasts are both above the <i>2023-24 Budget</i> projections.

Year for which variance relates	2024-25
Budget/estimate in 2023-24 Budget	\$8 080 million
Budget/estimate in 2024-25 Budget	\$8 526 million
Variance	\$446 million
Reason for variance	The variance in 2024-25 reflects a stronger than expected performance of the property market, which has been resilient to a period of elevated interest rates. Both property prices and transaction volumes are expected at higher levels in 2024-25 compared to <i>2023-24 Budget</i> projections.

Year for which variance relates	2025-26
Budget/estimate in 2023-24 Budget	\$8 807 million
Budget/estimate in 2024-25 Budget	\$9 110 million
Variance	\$303 million
Reason for variance	The variance in 2025-26 reflects an upward revision to property prices and transaction volumes in 2025-26 relative to <i>2023-24 Budget</i> projections. The positive flow-on effect of stronger than expected house prices in 2023-24 supports land transfer duty revenue over the forward estimates.

Year for which variance relates	2026-27
Budget/estimate in 2023-24 Budget	\$9 375 million
Budget/estimate in 2024-25 Budget	\$9 637 million
Variance	\$ 262 million
Reason for variance	The variance in 2026-27 reflects the expected long-term performance of the Victorian property market, supported by population and income growth.

b)

	2023-24 revised	2024-25 budget	2025-26 estimate	2026-27 estimate	2027-28 estimate
Land transfer duty (LTD)	\$8 278 million	\$8 526 million	\$9 110 million	\$9 637 million	\$10 161 million
Variance	N.A.	\$248 million	\$584 million	\$527 million	\$524 million
Explanation for the variance year over year	N.A.	LTD revenue in 2024-25 is expected to increase by 3.0 per cent, as credit conditions are expected to improve from the second half of 2024. Victorian dwelling prices are forecast to increase by 5.2 per cent over 2024-25 and transaction volumes are expected to	LTD revenue in 2025-26 is expected to increase by 6.9 per cent, following the expected improvement in credit conditions and housing sentiment. Victorian dwelling values are expected to grow by 4.7 per cent in 2025-26.	LTD revenue in 2026-27 is expected to increase by 5.8 per cent as property market growth continues, supported by population and income growth.	LTD revenue in 2027-28 is expected to increase by 5.4 per cent as property market activity is assumed to be around trend levels by the end of the forward estimates.

		exceed their pre-pandemic average by the end of the financial year.			
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Public Private Partnerships – modifications and accountability – DTF only

Question 43

Please detail all Public Private Partnerships (PPP) currently under construction in the 2024-25 year as per the 2024-25 Budget, which in comparison to the 2023-24 Budget have changed their:

- name
- scope
- Total Estimated Investment (by greater than 5 per cent (positive or negative))
- timelines (including estimated completion date and key stages/milestones of the project)
- which government entity and portfolio is responsible for delivery of the project or components of the project.

Please provide an explanation for these changes.

Response

	2023-24 Budget	2024-25 Budget	Explanation for change
Name	Frankston Hospital Redevelopment		
Total Estimated Investment	\$1.118 billion	\$1.120 billion	N/A
Government entity and portfolio responsible for delivery	Victorian Health Building Authority in conjunction with Peninsula Health. Department of Health	Victorian Infrastructure Delivery Authority (VIDA) Victorian Health Building Authority in conjunction with Peninsula Health Department of Health	The <i>2024-25 Budget</i> recognises the establishment of the Victorian Infrastructure Delivery Authority (VIDA). The new agency is responsible for delivering more than 200 transport and health infrastructure projects, including the Frankston Hospital Redevelopment project. VIDA commenced operations on 2 April 2024.
Name	Geelong Convention and Exhibition Centre (reported as part of the Geelong City Deal)	Nyaal Banyul Geelong Convention and Event Centre	'Exhibition' has been changed to 'Event' in response to stakeholder feedback obtained by Melbourne Convention and Exhibition Trust, the operator of the facility.

			The name 'Nyaal Banyul' has been gifted by the Wadawurrung Traditional Owners Aboriginal Corporation.
Name	High Capacity Metro Trains		
Government entity and portfolio responsible for delivery	Major Transport Infrastructure Authority (Metro Tunnel Project) VicTrack Department of Transport and Planning	Victorian Infrastructure Delivery Authority (VIDA) VicTrack Department of Transport and Planning	The <i>2024-25 Budget</i> recognises the establishment of the Victorian Infrastructure Delivery Authority (VIDA). The new agency is responsible for delivering more than 200 transport and health infrastructure projects, including the High Capacity Metro Trains project. VIDA commenced operations on 2 April 2024.
Name	Homes Victoria Ground Lease Model Project 1		
Scope	1,110 dwellings at existing housing sites at New Street, Brighton; Racecourse Road, Flemington; and Bangs Street, Prahran	Modification signed in September 2023 to deliver an additional 285 social and affordable dwellings	N/A
Total Estimated Investment	\$263.667 million	\$517.422 million	The TEI has been revised following the outcome of commercial negotiations to deliver an additional 285 social and affordable homes at the Flemington site. The updated TEI includes project development, demolition, procurement cost, capital contribution, and construction costs being funded by Building Communities.
Timelines	Quarter 3, 2024-25	Quarter 2, 2026-27	The estimated completion date has been revised to quarter 2 2026-27 to reflect the additional scope of works.

Name	Homes Victoria Ground Lease Model Project 2		
Total Estimated Investment	\$259.667 million	\$686.644 million	The TEI has been revised following financial close of the project in November 2023. The updated TEI includes project development, demolition, procurement costs, capital contribution, and construction costs being funded by Building Communities.
Timelines	Tbc	Quarter 2, 2026-27	The estimated completion date has been revised to quarter 2 2026-27 to reflect the contract outcome.
Name	Metro Tunnel		
Government entity and portfolio responsible for delivery	Major Transport Infrastructure Authority (Metro Tunnel Project) VicTrack Department of Transport and Planning	Victorian Infrastructure Delivery Authority (VIDA) VicTrack Department of Transport and Planning	The <i>2024-25 Budget</i> recognises the establishment of the Victorian Infrastructure Delivery Authority (VIDA). The new agency is responsible for delivering more than 200 transport and health infrastructure projects, including the Metro Tunnel project. VIDA commenced operations on 2 April 2024.
Name	New Footscray Hospital		
Government entity and portfolio responsible for delivery	Victorian Health Building Authority in conjunction with Western Health Department of Health	Victorian Infrastructure Delivery Authority (VIDA) Victorian Health Building Authority in conjunction with Western Health Department of Health	The <i>2024-25 Budget</i> recognises the establishment of the Victorian Infrastructure Delivery Authority (VIDA). The new agency is responsible for delivering more than 200 transport and health infrastructure projects, including the New Footscray Hospital project.

			VIDA commenced operations on 2 April 2024.
Name	North East Link – Primary Package (Tunnels)		
Government entity and portfolio responsible for delivery	Major Transport Infrastructure Authority (North East Link Project) Major Road Projects Victoria (North East Link Project) Department of Transport and Planning	Victorian Infrastructure Delivery Authority (VIDA) Major Road Projects Victoria (North East Link Project) Department of Transport and Planning	The <i>2024-25 Budget</i> recognises the establishment of the Victorian Infrastructure Delivery Authority (VIDA). The new agency is responsible for delivering more than 200 transport and health infrastructure projects, including North East Link. VIDA commenced operations on 2 April 2024.
Name	West Gate Tunnel		
Total Estimated Investment	\$10.154 billion	\$10.159 billion	N/A
Government entity and portfolio responsible for delivery	Major Transport Infrastructure Authority (West Gate Tunnel) Major Road Projects Victoria (West Gate Tunnel Project) Department of Transport and Planning	Victorian Infrastructure Delivery Authority (VIDA) Major Road Projects Victoria (West Gate Tunnel Project) Department of Transport and Planning	The <i>2024-25 Budget</i> recognises the establishment of the Victorian Infrastructure Delivery Authority (VIDA). The new agency is responsible for delivering more than 200 transport and health infrastructure projects, including West gate Tunnel. VIDA commenced operations on 2 April 2024.

Net Debt – DTF only

Question 44

Budget Paper No. 2: Strategy and Outlook, Table 1.1, provides general government fiscal aggregates for net debt and net debt to gross state product (GSP).

Variance analysis

- a) For the 'Net debt' and 'Net debt to GSP' line items, please explain the reason for the variance when comparing the same year in the 2023-24 Budget the 2023-24 Budget Update and the 2024-25 Budget.

Trend analysis

- b) For the 'Net debt' and 'Net debt to GSP' line items, when comparing one year to the next in the 2024-25 Budget, please explain the reason for the variance, including the major projects that contributed to any variance in net debt.

Risks underpinning assumptions in the 2023-24 Budget

- c) Noting the revisions to the forecasts/estimates for debt, inflation, wages and unemployment made in the 2023-24 Budget, please explain:
 - i. how the Victorian Future Fund (VFF) is controlling State debt
 - ii. what impacts these revisions could have on Victoria's credit rating
 - iii. what impact inflation could have on the State's debt repayment forecasts.

Refinancing debt

- d) What proportion of net debt is existing loans that will be subject to refinancing?

Impact of debt on service delivery

- e) What impact does State debt and interest payments have on Government service and infrastructure delivery? Please list the five most significant impacts.

Response

- a)

At the *2023-24 Budget Update*, the general government sector's net debt at June 2027 was forecast to be \$177.8 billion or 25.1 per cent of GSP. Net debt by June 2027 is now forecast in the *2024-25 Budget* to be \$179.2 billion or 25.2 per cent of GSP.

The \$1.4 billion increase in net debt is primarily due to four key factors:

- Policy decisions: new decisions relating to expenditure on output, revenue and asset decisions which are set out in *Budget Paper No. 3 Chapter 1* and movements in existing asset projects which are set out in *Budget Paper No. 4 Chapter 1*.
- Economic / demographic variations: largely due to increased receipts from payroll tax and land transfer duty, reflecting Victoria's strong labour market and an earlier than expected recovery in the residential property market.
- Commonwealth grant variations: an upgrade to general purpose grants (GST).
- Administrative variations: including changes to interest, movements in contingencies and changes to the timing of activity across departments.

Note the ratios to GSP may vary from publications year to year due to revisions to the Australian Bureau of Statistics GSP data.

Please refer to *Budget Paper No. 2, Chapter 4* for more information.

b)

Step 4 of the fiscal strategy is to stabilise net debt as a percentage of GSP. This step involves progressively improving the operating cash flow surpluses while growing the economy.

Step 5 of the fiscal strategy is reducing net-debt-to-GSP, with a reduction (from 25.2 per cent to 25.1 per cent as a proportion of GSP) in the final year of the forward estimates.

Net debt is expected to be \$156.2 billion at June 2025 (24.4 per cent of GSP) and up to \$187.8 billion (25.1 per cent of GSP) in 2027-28.

The increase in net debt from year to year cannot be attributed to any individual project.

Please refer to *Budget Paper No. 2, Chapter 4* for more information on movements on net debt and *Budget Paper No. 4* for more information on the capital program.

c)

Noting the revisions to forecasts/estimates for debt, inflation, wages and unemployment made in the 2023-24 Budget

Explain how the VFF is controlling State debt

The Victorian Future Fund (the Fund, or 'VFF') was established by the Government to support the State's debt stabilisation strategy. It was established using proceeds from the VicRoads Modernisation Joint Venture and will initially serve to manage the impact of the COVID debt.

	<p>The Fund is being managed by the Victorian Funds Management Corporation (VFMC), the State's specialist investment agency, by implementing a diversified investment strategy designed to deliver returns that exceed the savings that would otherwise have been achieved. These excess returns are expected to, over time, improve the State's operating result and net debt position. The investment returns from the Fund will be quarantined and returned to the Fund so that its balance will grow over time.</p> <p>Further investments will be allocated to the Fund in the future through proceeds from designated government land sales and a proportion of future budget surpluses once net debt stabilises. In the <i>2023-24 Budget</i>, the Fund was projected to have a balance of around \$12.0 billion by June 2027.</p>
Explain what impacts these revisions could have on Victoria's credit rating	<p>The impact of these revisions on the State's credit rating is an assessment made by the credit rating agencies.</p> <p>Credit rating agencies consider a range of factors in assessing the State's credit rating. These factors include the strength of the Victorian economy and its outlook, the financial management of the State including the institutional framework, budgetary performance, debt burden and access to funding including levels of liquidity held in making their credit assessments.</p>
Explain what impact inflation could have on the State's debt repayment forecasts	<p>Budget Paper 2, Appendix A <i>Sensitivity analysis</i>, Table 6.5 presents the sensitivity of financial aggregates where the levels of key economic parameters, including inflation ('consumer prices'), are 1 per cent above the forecast for each year of the budget and forward estimates, holding all else constant. The table shows that an increase in inflation, relative to the base case forecasts as presented in Budget Paper 2, Chapter 2 Economic context, and holding all other economic variables constant, would lead to a deterioration in the net result from transactions (partly reflecting higher non-cash expenses), although net debt would be slightly lower by the end of the forward estimates.</p>

d)

<p>Proportion that is subject to refinancing</p> <p>The projections in the <i>2024-25 Budget</i> assume that all General Government sector debt maturities will be refinanced and approximately 7- 10 per cent of debt matures each year. In practice, the percentage of debt maturing in any particular year will vary depending on market conditions at the time of debt issuance.</p>

e)

Prior to the COVID-19 pandemic, the Government adhered to a fiscal framework, including consistent operating surpluses and maintaining debt at a sustainable level, while delivering improved services and infrastructure to meet the needs of a growing population. The pandemic severely affected the State's financial position and outlook. The Government used its balance sheet to support households, businesses and service delivery.

As first outlined in the *2020-21 Budget*, the Government developed a four-step fiscal strategy to protect Victorian households and businesses from the global pandemic and to provide the foundations for recovery. The Government has consistently reported on progress against this plan since then. Economic activity is above pre-pandemic levels, and the labour market is stronger than before the pandemic.

The *2024-25 Budget* provides funding of \$20.5 billion over five years in output initiatives and a further \$4.9 billion total estimated investment (TEI) in new capital initiatives.

Please refer to Budget Paper No. 3, Chapter 1 for more information.

Medium term fiscal strategy – DTF only

Question 45

The *2020-21 Budget Paper No. 2: Strategy and Outlook* outlined a medium-term fiscal strategy involving four steps:

Step 1: creating jobs, reducing unemployment and restoring economic growth;

Step 2: returning to an operating cash surplus;

Step 3: returning to operating surplus; and

Step 4: stabilising debt levels.

Response

a) How does DTF measure the effectiveness of the fiscal strategy?

The *2024-25 Budget* forecasts an improvement in the state's key fiscal aggregates by the end of the forward estimates when compared with the *2023-24 Budget Update*.

The first step – creating jobs, reducing unemployment and restoring economic growth – has been achieved, with strong employment outcomes and robust economic growth. The unemployment rate remains historically low at around 4 per cent, and workforce participation remains around record highs.

The second step in the Government’s fiscal strategy – returning to an operating cash surplus – is a key pillar of fiscal sustainability. The Government achieved an operating cash surplus of \$4.2 billion in 2022-23 as outlined in the *2022-23 Financial Report* and continues to forecast operating cash surpluses across the forward estimates, reaching \$6.1 billion in 2027-28.

The third step – returning to an operating surplus – is forecast to be achieved with operating surpluses of \$1.5 billion in 2025-26 and \$1.6 billion in 2026-27, an improvement from the *2023-24 Budget Update*. The operating surplus is then forecast to increase further to \$1.9 billion in 2027-28.

The fourth step – stabilising net debt as a percentage of GSP – is also forecast to be achieved in the *2024-25 Budget*.

The *2024-25 Budget* also reflects an updated fiscal strategy, introducing a new fifth step – reducing net debt as a percentage of GSP. The *2024-25 Budget* forecasts net debt to GSP will begin to decline from 25.2 per cent in 2026-27 to 25.1 per cent in 2027-28.

Please refer to *Budget Paper No. 2, Chapter 1* for more information.

b) For the following components, please quantify and provide the financial year this is expected to be realised:

- operating cash surplus
- operating surplus
- debt levels

	\$ million	Financial year
Operating cash surplus	See response 45 (a) above	
Operating surplus	See response 45 (a) above	
Debt levels	See response 45 (a) above	

c) What impact does the current global situation, characterised by international unrest and the rising cost of living, have on the level of economic uncertainty in the State’s 2024-25 Budget?

Risks to the global economic outlook are broadly balanced. Economic growth in China could ease further than expected, with the possibility of weaker investment due to ongoing challenges in the residential property sector. Weaker growth in China would weigh on the global economy and likely lead to a decline in demand for Victorian exports. Geopolitical risks also remain elevated, which could affect Victoria's economy. For example, any escalation in the conflict in the Middle East or Russia's invasion of Ukraine may increase global inflation, with disruption to global shipping routes and energy markets. On the upside, inflation could fall faster than expected in major advanced economies, allowing central banks to cut interest rates earlier or by more than currently anticipated. This would support global growth and likely lead to an increase in demand for Victorian exports.

d) What does DTF's modelling forecast in terms of slower/negative economic growth in 2024-25 and across the forward estimates?

DTF forecasts GSP growth of 2.5 per cent in 2024-25, an increase from the previous year. Growth is forecast to return to trend from 2025-26.

e) What impact will the Commonwealth Government's new *Migration Strategy*⁸ have on Victoria's population growth, international education market and economic growth over 2024-25 and 2025-26?

Policies outlined in the Commonwealth's Migration Strategy, including strengthened requirements for international students, have resulted in a reduction in student visa grants. Following strong growth in 2022-23 and 2023-24, Victoria's population growth is forecast to return to more typical levels in 2024-25, growing by 1.8 per cent. International education is expected to continue to support growth in service exports in 2024-25 and 2025-26, contributing to overall economic growth.

⁸ Commonwealth of Australia, *Migration Strategy 2023*, Canberra, December 2023, <<https://immi.homeaffairs.gov.au/programs-subsite/migration-strategy/Documents/migration-strategy.pdf>>, accessed 1 March 2024.

Long term financial management objectives – DTF only

The *2023-24 Budget Paper No. 2: Strategy and Outlook* outlined five longer term financial management objectives:

1. Sound financial management – Victoria’s finances will be managed in a responsible manner to provide capacity to fund services and infrastructure and support households and businesses at levels consistent with sound financial management.
2. Improved services – Public services will improve over time.
3. Building infrastructure – Public infrastructure will grow steadily over time to meet the needs of a growing population.
4. Efficient use of public resources – Public sector resources will be invested in services and infrastructure to maximise the economic, social and environmental benefits.
5. A resilient economy – Increase economic resilience by supporting an innovative and diversified economy that will unlock employment growth, long-term economic growth and productivity in Victoria.

To support the long term financial management objectives, four financial measures and targets have been set:

1. Net debt to GSP – General government net debt as a percentage of GSP to stabilise in the medium term.
2. Interest expense to revenue – General government interest expense as a percentage of revenue to stabilise in the medium term.
3. Superannuation liabilities – Fully fund the unfunded superannuation liability by 2035.
4. Operating cash surplus – A net operating cash surplus consistent with maintaining general government net debt at a sustainable level.

Question 46

For the ‘interest expense to revenue’ target:

- a) What is the percentage of interest expense to revenue target DTF is aiming for, and what timeframe (calculated in months or years) is meant by ‘medium term’?

Response

As first outlined in the *2020-21 Budget*, the Government developed a four-step fiscal strategy to protect Victorian households and businesses from the global pandemic and to provide the foundations for recovery. The Government has consistently reported on progress against this plan ever since.

Step 4 of the Government’s four-step fiscal strategy is to stabilise net debt as a percentage of GSP. This step involves progressively improving the operating cash flow surpluses while growing the economy. These surpluses will fund a higher proportion of capital expenditure, reducing the reliance on borrowings.

The *2024-25 Budget* forecasts the achievement of step 4. In addition, the Government has added a fifth step – reducing net debt as a proportion of GSP. This will see net debt to GSP fall for the first time since 2017. Net debt to GSP is forecast to reach 25.2 per cent in 2026-27, before declining to 25.1 per cent in 2027-28.

The flow on impact of reducing net debt to GSP by the end of the forward estimates and beyond is that interest expense will start to stabilise as borrowings start to stabilise.

The General government sector debt management strategy has the objectives of minimising interest cost and controlling interest rate risk by spreading borrowings relatively evenly over a 15-year horizon.

This strategy assists in stabilising interest expenses by managing the amount of debt that is either maturing or subject to resetting of interest rates. This reduces the risk of large amounts of debt being subject to movements in interest rates in any particular period.

Compared with the *2023-24 Budget Update*, total interest expense from 2024-25 to 2027-28 has reduced by around \$0.6 billion mainly due to a broader decline in TCV bond yields in late 2023 and relative stability in early 2024.

In the *2024-25 Budget*, interest expense as a share of total revenue is expected to average 7.8 per cent a year over the budget and forward estimates.

- b) Are general government interest expenses expected to increase or decrease over the 2024-25 Budget and forward estimates and what are the reasons for this?

Response

Interest expense is forecast to grow to \$6.5 billion in 2024-25, \$7.6 billion in 2025-26, \$8.5 billion in 2026-27 and to \$9.4 billion in 2027-28. This is largely due to borrowings to continue significant levels of infrastructure investment under Victoria's Big Build.

Interest expenses are also impacted by projected movements in interest rate forecasts. Interest rate estimates in the *2024-25 Budget* are based on the Treasury Corporation of Victoria (TCV) yield curve at 28 March 2024. Currently, the TCV yield curve is upward sloping (as it is generally in capital markets), which implies that future interest rates will be higher than the current interest rates. Consequently, the interest expense estimates assume that the average interest rate on new and refinanced borrowings will increase over time.

- c) What would be the impact of increasing interest expenses as a percentage of revenue on the longer term financial management objectives set by the government, particularly 'sound financial management', 'improved services', 'building public infrastructure' and 'efficient use of public resources'?

Response

The longer-term financial management objectives and the financial measures and targets are set by Government for the budget and the budget update publications each year as required by the *Financial Management Act 1994* (FMA).

As economic and fiscal settings change, these objectives and targets may be updated by Government at those specific times.

Longer term objectives and targets are set by the Government in *Budget Paper No 2*, Chapter 1 in Tables 1.2 and 1.3.

Gender Responsive Budgeting Unit – DTF only

Question 47

- a) What are the strategic objectives of the Gender Responsive Budgeting Unit (GRBU) in 2024-25?

Response

DTF's Corporate Plan 2022-2026⁹ outlines the Department's key objectives and key short to medium term priorities, for each Division. Page 21 of the Corporate Plan indicates that a key short to medium term priority of the Budget and Finance Division is to continue to implement Gender Responsive budgeting in Victoria, including reviewing potential legislative options to further embed it across Government. The Gender Responsive Budgeting Unit will have a key role in this.

However, the ongoing implementation of gender responsive budgeting (GRB) is the responsibility of the whole of DTF, with multiple areas contributing, not just one team.

- b) What are the outcomes/major achievements of the GRBU across the whole of Government and how is the GRBU's performance being tracked or measured in the 2024-25 year?

Response

The outcomes/major achievement of the Gender Responsive Budgeting Unit across the Whole of Government include:

- Three budgets delivered including GRB approaches
- Introduction into Parliament of legislation to embed GRB in the *Financial Management Act 1994*
- Contribution to take up of GRB in other Australian jurisdictions through co-Chairing a Community of Practice with the Commonwealth Government
- Independent evaluation of Gender Responsive Budgeting in the *2022-23 Budget* completed
- Improved quality of gender impact assessments over time
- Training in gender impact assessment delivered to almost 500 staff directly across the VPS
- Train the trainer sessions in gender impact assessment provided to departments to enable further internal delivery and capability building.

⁹ [Corporate Plan | Department of Treasury and Finance Victoria \(dtf.vic.gov.au\)](https://www.dtf.vic.gov.au/corporate-plan)

- c) What budget analyses have been undertaken with a gender lens (for example, baseline analysis, spending reviews, economic analysis of major investment proposals) and what were the key learnings/outcomes?

Response

The *2024-25 Budget* represents the third budget delivered since the introduction of Gender Responsive Budgeting. The GRBU works with approximately 100 other analysts across DTF, as well as consultation and briefing preparation with DPC, to support the inclusion of a gender lens as part of the overall analysis of proposals for the State Budget.

- d) What efforts have been made to advance gender equality through procurement processes? Please list any projects that have been undertaken, the budget allocated to support project implementation and the outcomes achieved.

Response

Following machinery of government changes, responsibility for procurement policy and WOVG procurement processes sits with the Department of Government Services (DGS). This question has been referred to DGS for response.

Question 9 - Capital asset expenditure

2024-25 State Budget Paper No. 5/Relevant state financial reports

Line Item	2021-22 actual (\$ million)	2022-23 budget (\$ million)	2022-23 revised (\$ million)	2022-23 actual (\$ million)	2023-24 budget (\$ million)	2024-25 budget (\$ million)
Payment for non financial assets	20.30	147.30	21.25	18.76	15.34	14.61
Total	20.30	147.30	21.25	18.76	15.34	14.61

2024-25 State Budget Paper No. 4

Capital projects	2021-22 actual (\$ million)	2022-23 budget (\$ million)	2022-23 revised (\$ million)	2022-23 actual (\$ million)	2023-24 budget (\$ million)	2024-25 budget (\$ million)
New						
SRO Expanded Compliance Program	0.00	0.00	0.00	0.00	0.00	0.88
Existing						
State Revenue Office Advanced Revenue Management Program (Melbourne)	0.00	7.05	7.05	6.85	7.05	6.74
State Revenue Office Compliance Program (statewide)	1.41	4.43	4.43	1.35	3.70	2.35
Other capital expenditure	18.89	9.85	9.49	10.56	3.81	4.64
Completed						
Boosting efficiency in infrastructure procurement – resourcing the Construction Supplier and Residential Cladding Rectification Registers (Melbourne)	0.00	1.00	0.28	0.00	0.78	0.00
Expansion of Victorian Energy Upgrade Program (Melbourne) ¹	0.00	0.10	0.00	0.00	0.00	0.00
Supporting better customer protections in essential services (statewide) ¹	n/a	4.06	0.00	0.00	0.00	0.00
Sub total	20.30	26.50	21.25	18.76	15.34	14.61

1. This project has been reclassified as operating instead of capital in line with accounting standards.

Machinery of Government transfers to other Departments	2021-22 actual (\$ million)	2022-23 budget (\$ million)	2022-23 revised (\$ million)	2022-23 actual (\$ million)	2023-24 budget (\$ million)	2024-25 budget (\$ million)
Bendigo Government Hub ²	0.00	120.80	0.00	0.00	0.00	0.00
Greener Government Buildings ²	0.00	20.90	0.00	0.00	0.00	0.00
Less: Greener Government Buildings project reclassified from non-financial assets to financial assets	0.00	-20.90	0.00	0.00	0.00	0.00
Centralised Accommodation Management ³	0.00	9.81	0.00	0.00	0.00	0.00
Accommodation Management Efficiency Program ³	0.00	2.64	0.00	0.00	0.00	0.00
Less: projects funded from central contingency			0.00	0.00		
Centralised Accommodation Management ³	0.00	-9.81	0.00	0.00	0.00	0.00
Accommodation Management Efficiency Program ³	0.00	-2.64	0.00	0.00	0.00	0.00
Sub total	0.00	120.80	0.00	0.00	0.00	0.00

2. This project has moved from the Department of Treasury and Finance to the Department of Transport and Planning due to Machinery of Government changes.

3. This project has moved from the Department of Treasury and Finance to the Department of Government Services due to Machinery of Government changes.

PPPs	2021-22 actual (\$ million)	2022-23 budget (\$ million)	2022-23 revised (\$ million)	2022-23 actual (\$ million)	2023-24 budget (\$ million)	2024-25 budget (\$ million)
Insert PPP name here						
Insert PPP name here						
Insert PPP name here						
Sub total	0.00	0.00	0.00	0.00	0.00	0.00

Total Payment for non financial assets	20.30	147.30	21.25	18.76	15.34	14.61
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Correct Correct Correct Correct Correct Correct

Please note the total of capital projects for each year is expected to reconcile to the total payments for non financial assets
Please insert rows as required