

2018-19 Budget Estimates Hearing

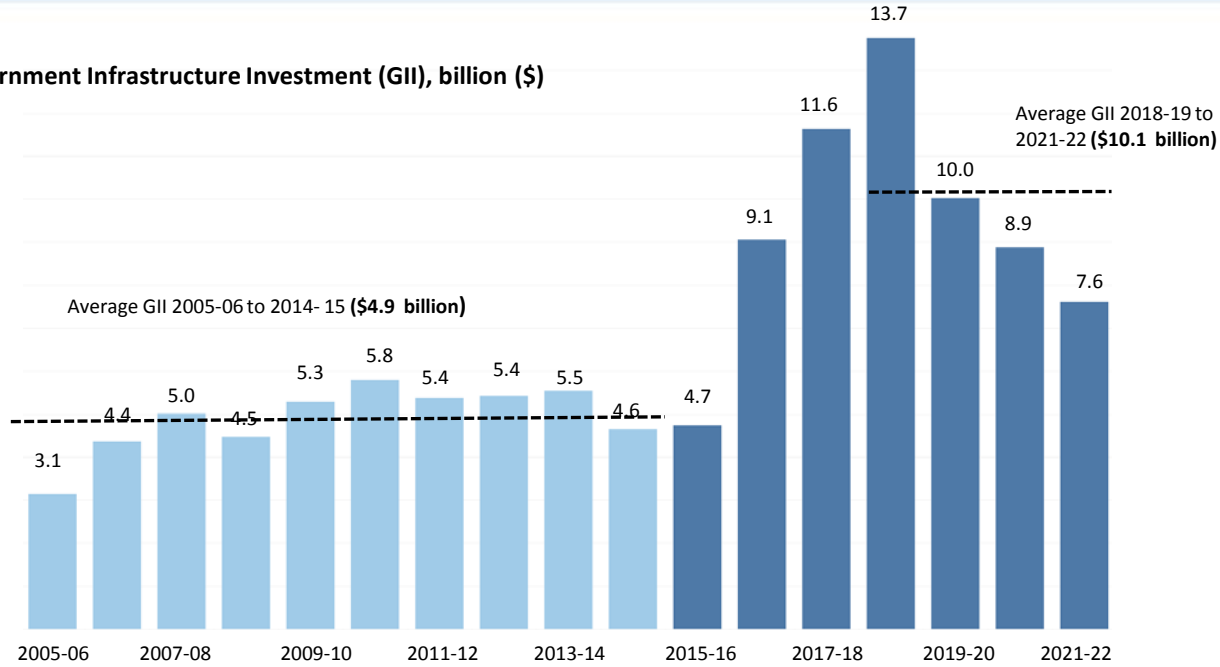
Public Accounts and Estimates Committee

Gavin Jennings MLC
Special Minister of State

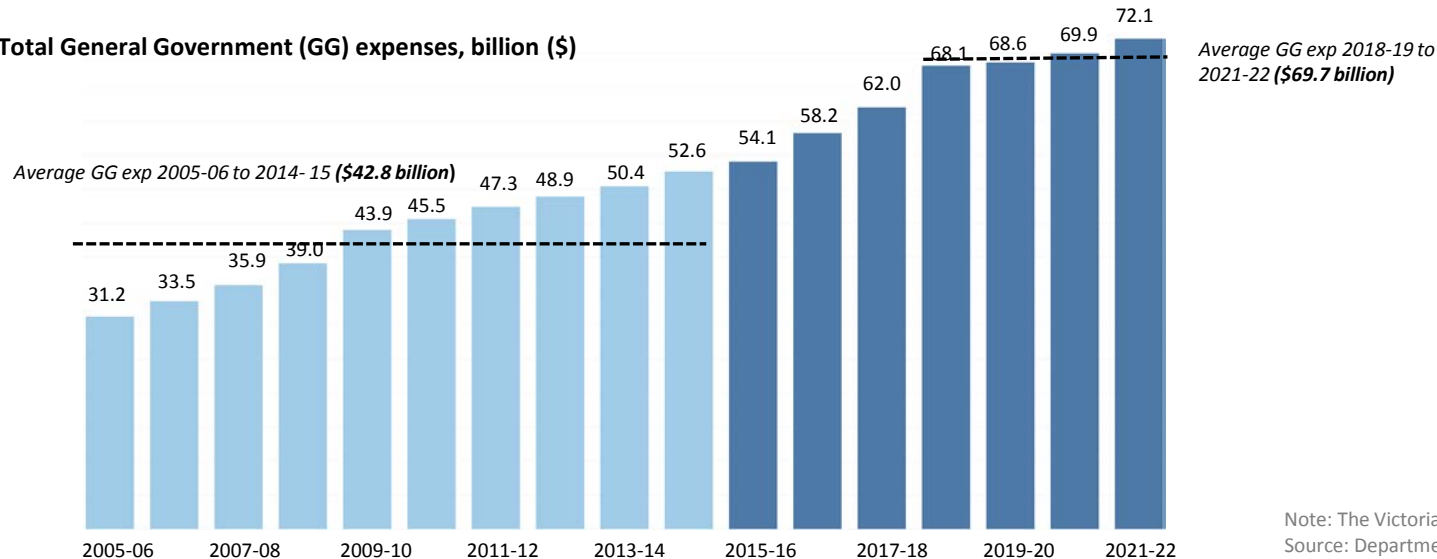
Thursday 14 June 2018

Increased investment in infrastructure and service delivery

Government Infrastructure Investment (GII), billion (\$)



Total General Government (GG) expenses, billion (\$)

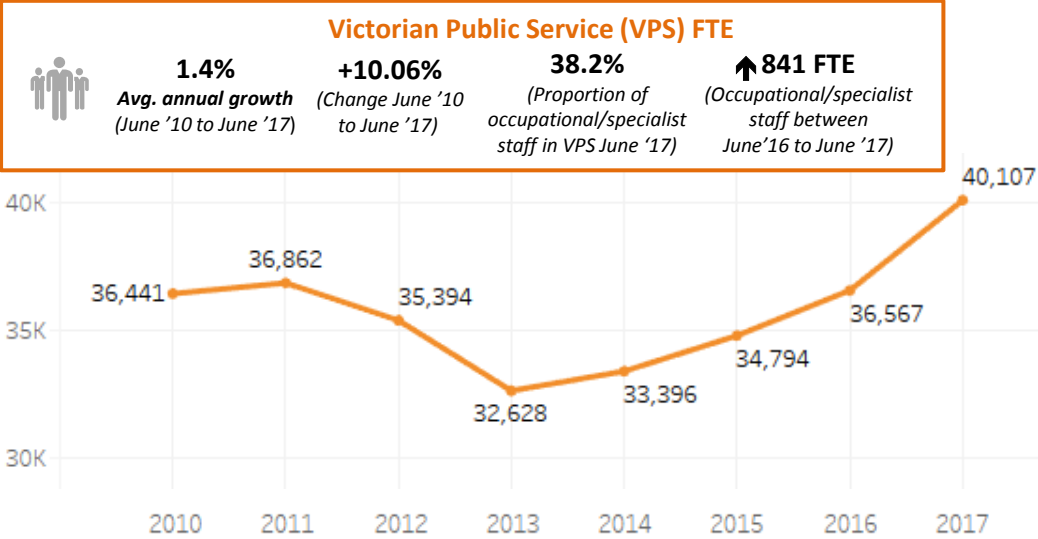
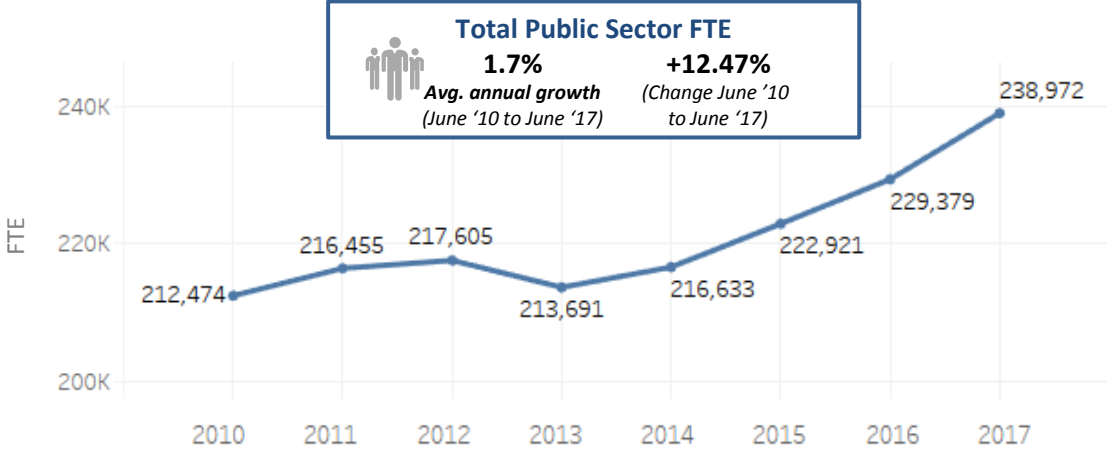


- Victoria’s economy grew by 3.3 per cent in 2016/17, well above national economic growth of 2.0 per cent.
- More than 117,000 new jobs were created in 2016/17, the highest of any state and equivalent to more than 70 per cent of new jobs created across Australia.
- Overall, government infrastructure investment is forecast to average \$10.1 billion per year over the next four years, more than double the average of \$4.9 billion per year from 2005/06 to 2014/15.
- Total General Government expenses are forecast to average \$69.7 billion per year over the next for years, up from the \$42.8 billion a year average between 2005/06 to 2014/15.

Note: The Victorian general government sector includes all government departments, offices and other bodies.
Source: Department of Treasury and Finance dataset 2018-19 Budget Consolidated GG Expenses

Public sector is supporting increased delivery of infrastructure and services

Total Public Sector and Public Service only FTE growth June 2010 to June 2017



Sources:
 State of the Public Sector in Victoria 2009-10
 State of the Public Sector in Victoria 2016-17: Overview (Nov '17)
 State of the Public Sector in Victoria (Mar '18)

Public Sector - main growth areas:

- Public health care: ↑ 2,873 FTE**
- 1,227 nurses
 - 682 ancillary and medical support staff
 - 410 administration and clerical

- Government schools: ↑ 1,441 FTE**
- 881 teachers
 - 436 education support staff

- Police and emergency services: ↑ 957 FTE**
- 426 Ambulance Victoria Staff
 - 280 sworn Police
 - 162 CFA staff
 - 33 protective services officers

- Victorian Public Service ↑ 3,539 FTE**
 Major increases included:
- DJR (797 FTE) with community corrections and prisons contributing the largest increases
 - DHHS (424 FTE) to deliver a range of health and social welfare initiatives
 - DET (573 FTE) associated with the school building program and other Education State initiatives
 - Victoria Police (348 FTE) including an increase in Police Custody Officers (who relieve sworn police from police station lock-up supervision duties) and other police support staff
 - Melbourne Metro Rail Authority, Level Crossing Removal Authority, North East Link Authority and Western Distributor Authority (260 FTE)

4.2%

Growth in total public sector FTE between June 2016 and June 2017

Industry sector	FTE growth		
	2016	2017	%
Public health care	78,243	81,117	3.7
Government schools	61,477	62,918	2.3
Victorian Public Service	36,567	40,107	9.7
Police and emergency services	24,166	25,123	4.0
Creative industries, finance, transport and other	13,705	13,981	2.0
TAFE and other education	7,281	7,519	3.3
Water and land management	7,938	8,208	3.4
Total public sector	229,379	238,972	4.2

Definitions:
Public Sector includes departments, public entities (eg schools, hospitals, emergency service orgs, insurance agencies, regulators, water corps) and special bodies.
Victorian Public Service is defined in Part 3 of the Public Administration Act to include departments, administrative offices, VPSC, and 23 other bodies. This category includes VPS grade staff (23,938 FTE); executives (853 FTE); and occupational specialist staff employed by departments (15,328 FTE) including child protection, disability support officer, court registrars, police custody offices, community corrections, forestry field officers, scientists, and others.

Characteristics of the public sector



30%
Of Victorian public sector staff work in regional areas

Compared to 22% of the Victorian labour force working in regional Victoria

As at June 2017

2.0%
Executive numbers as a proportion of the VPS workforce

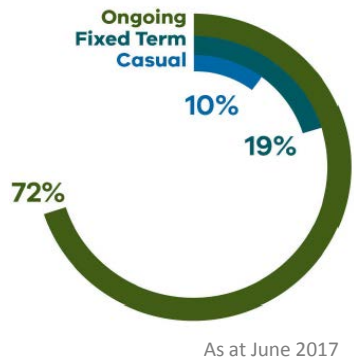
Increase of 0.3% from June 2016

As at June 2017

As at June 2017, **67%** of the workforce were female **33%** were male

ABS reports that in June 2017, 47% of the Victorian labour force were female and 53% were male

Employment status



55%
Of Victorian public sector staff work full time

As at June 2017

43yrs
Average age of public sector workforce

As at June 2017

Public Sector



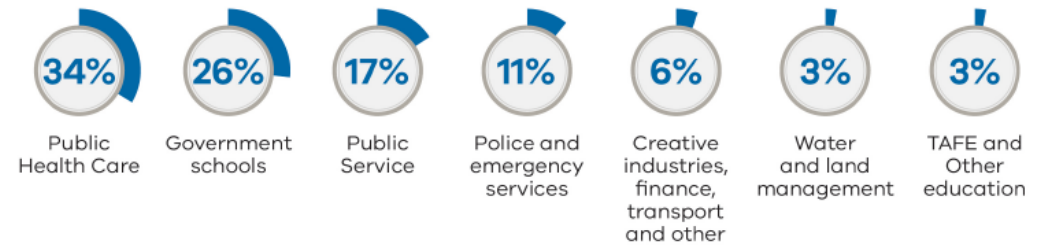
Executives



Vic Labour force



Distribution of FTE employees by industry



Building the skills the public sector needs

Committed to embedding key capabilities developed across government and supporting the development of new skills to meet changing demands

- ✓ **Harnessing opportunities from digital technologies**
 - IT Strategy 2016-2020
 - Data Reform Strategy
- ✓ **Building capability through project and peer learning**
 - Code for Victoria
 - VPS Academy
 - Innovation Network
- ✓ **Creating an evidence literate workforce**
 - Behavioural Insights Unit
 - Data Analytics
 - Capability Framework
- ✓ **Establishing a more diverse public sector**
 - Aboriginal Career Development Program
 - Recruit Smarter Initiative
 - Victorian Gender Equality Strategy

2018-19 Budget initiatives

- **Enhancing public sector capability (\$27.9 million in output funding and \$1.4 million in asset funding)** – Support the Victorian Public Sector Commission (VPSC) to implement its *Strategic Plan 2017-20*.
- **Cyber security strategy (\$17.6 million)** – To improve detection and prevention capabilities, and responses to cyber-attacks on Victorian Government IT systems
- **Data and behavioural insights (\$14 million)** – Continue the Victorian Centre for Data insights (VCDI) the Behavioural Insights Unit (BIU)
- **Commercialising Victoria’s biomedical research into local jobs and industry (\$4.6 million)** – The continuation of the Melbourne Biomedical Precinct office to further strengthen Victoria’s position as world leader in biomedical research, development and innovation



Service Victoria delivered on time, under budget



\$72.1m

expenditure

Annual breakdown:

- 2015-16: \$11.9m
- 2016-17: \$24.5m
- 2017-18: \$35.7m (est)

\$97m budget allocated

Gate 5 High-Value High-Risk successfully completed



31

new capabilities

- Mobile responsive digital platform
- Legacy system integration
- Accounts and event automation
- Secure payments system
- Online identity verification
- Web-chat and virtual assistant
- Privacy-enhancing design and bank-level security
- New laws to strengthen privacy, set standards for customer service and identity verification.



41,604

customers served

Public beta stage delivered:

- 18,396 check rego
- 9,727 pay car rego
- 9,095 update working with children check
- 3,028 buy fishing licence



89%

satisfaction

4 or 5 stars (out of 5)



14

transactions reformed

Agencies onboard:

- DELWP
- Justice & Regulation
- Transport Safety Victoria
- VicRoads
- Victoria Police
- Victorian Fisheries Authority



11.3%

CX improvement

At your service

Service Victoria is helping make government transactions faster, simpler and easier.

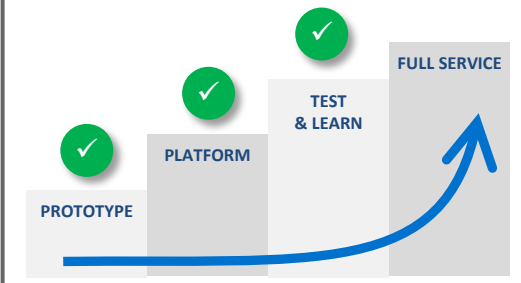
In 2017/18 the Department of Premier and Cabinet completed the development of Service Victoria, the inaugural, dedicated customer service delivery agency.

The initial three-year program was completed on time and under budget.

October 2017 saw the first tranche of transactions in the public 'beta' phase to test and learn from customer interactions.

Service Victoria will continue to add more transactions and features to make it easier, faster and simpler for Victorians to do their everyday transactions with government online.

The long-term goal for Service Victoria is to become the core transaction platform for all Victorian departments and agencies, improving customer experience and protecting customer data.



Maintaining a strong integrity and accountability system

Supporting the critical role of Victoria's integrity bodies

✓ Expanding and strengthening the role of Victoria's key integrity and accountability agencies

- Broadening IBAC's corrupt conduct jurisdiction
- Auditor-General 'follow the dollar' powers
- Streamlined access to the Ombudsman
- Creation of the Office of the Victorian Information Commissioner

✓ Leading the development of a strong integrity culture

- VPSC Integrity Strategy
- Integrity and Corporate Reform Subcommittee (formerly Corruption Prevention and Integrity Subcommittee)

✓ Releasing more information to the public

- Recommendation-by-recommendation acquittal of the Government's Family Violence Implementation Plan
- Annual IT Strategy Report
- ICT Digital Dashboard

2018-19 Budget initiatives

- **Funding to the Ombudsman's Office (\$9.1 million)** – Continue to provide prompt resolution of citizen's complaints, improve in-house finance management and support with operating costs of the Office
- **Establishment of an Independent Remuneration Tribunal (\$8.5 million)** – Establish an Independent Remuneration Tribunal to determine remuneration for Members of Parliament and public sector executive officers
- **Driving a new information culture across Victoria (\$2.7 million)** – Support the Office of the Victorian Information Commissioner
- **Securing public records (\$2 million)** – Establish customised storage facilities at Ballarat to meet the requirements of the Public Records Office Victoria (PROV)

