

Public Accounts and Estimates Committee

2016-17 Budget Estimates Hearing

Environment, Climate Change and Water Portfolio



18/05/2016



Environment,
Land, Water
and Planning

\$747 million investment across the portfolio

Safe and Clean Environment

\$248 million invested in:

- Climate change and coasts
- Biodiversity
- Waste
- Tourism and Parks
- Bushfire response

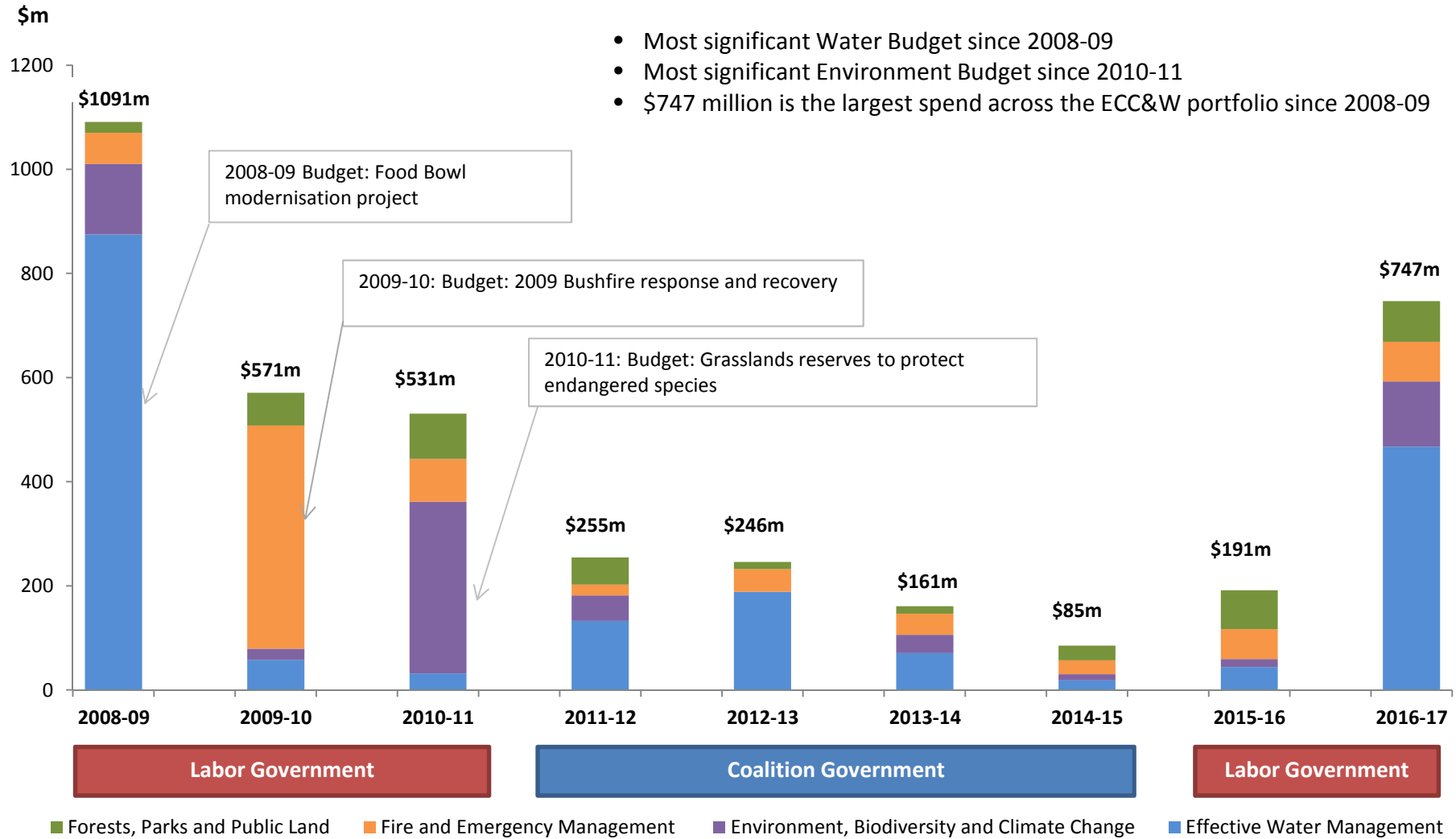
Secure Water Future

\$468 million invested in:

- Waterways
- Sustainable water management
- Infrastructure
- Irrigation (including \$20 million from the Agriculture Infrastructure and Jobs Fund)

\$31 million also invested in a range of programs including: Hazelwood response, Port Phillip Environment Fund, Liveability Victoria International

Historical comparison



Safe and Clean Environment

Drivers for Investment – Climate Change

- The Victorian Government is committed to restoring Victoria's status as a leader and model for other states in tackling climate change.
- DELWP leads the Victorian Government's commitment to reinvigorate climate change action within the state.
- Key reform priorities include:
 - Independent Review of the *Climate Change Act 2010*
 - Development of a Climate Change Framework
 - Long term emissions reduction target
 - Victoria's second adaptation plan



0.8°C rise in average Victorian temperatures since 1950s



230% increase in number of very high to extreme fire days by 2050



By 2070 drought frequency is likely to increase by up to 80% in southern Victoria

Safe and Clean Environment

Budget Response – Climate Change

- **\$128 million** to tackle climate change and prepare our communities and industries for the future.
- **\$400 million** for water infrastructure and programs
- Review of the *Climate Change Act 2010*

Safe and Clean Environment

Coasts and Climate Change Innovation

- **\$30.1 million** to upgrade coastline infrastructure, beach renourishment and manage the impacts of climate change on our coastline

Waste

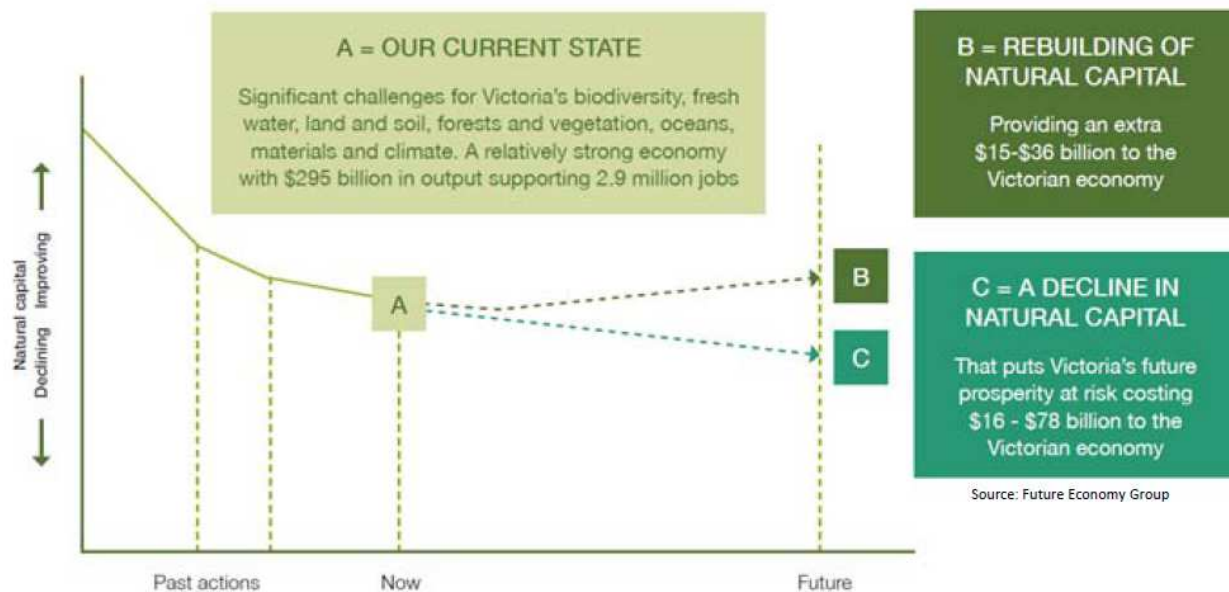
- **\$21 million** to create jobs and drive innovation in the waste and resource recovery sector



Safe and Clean Environment

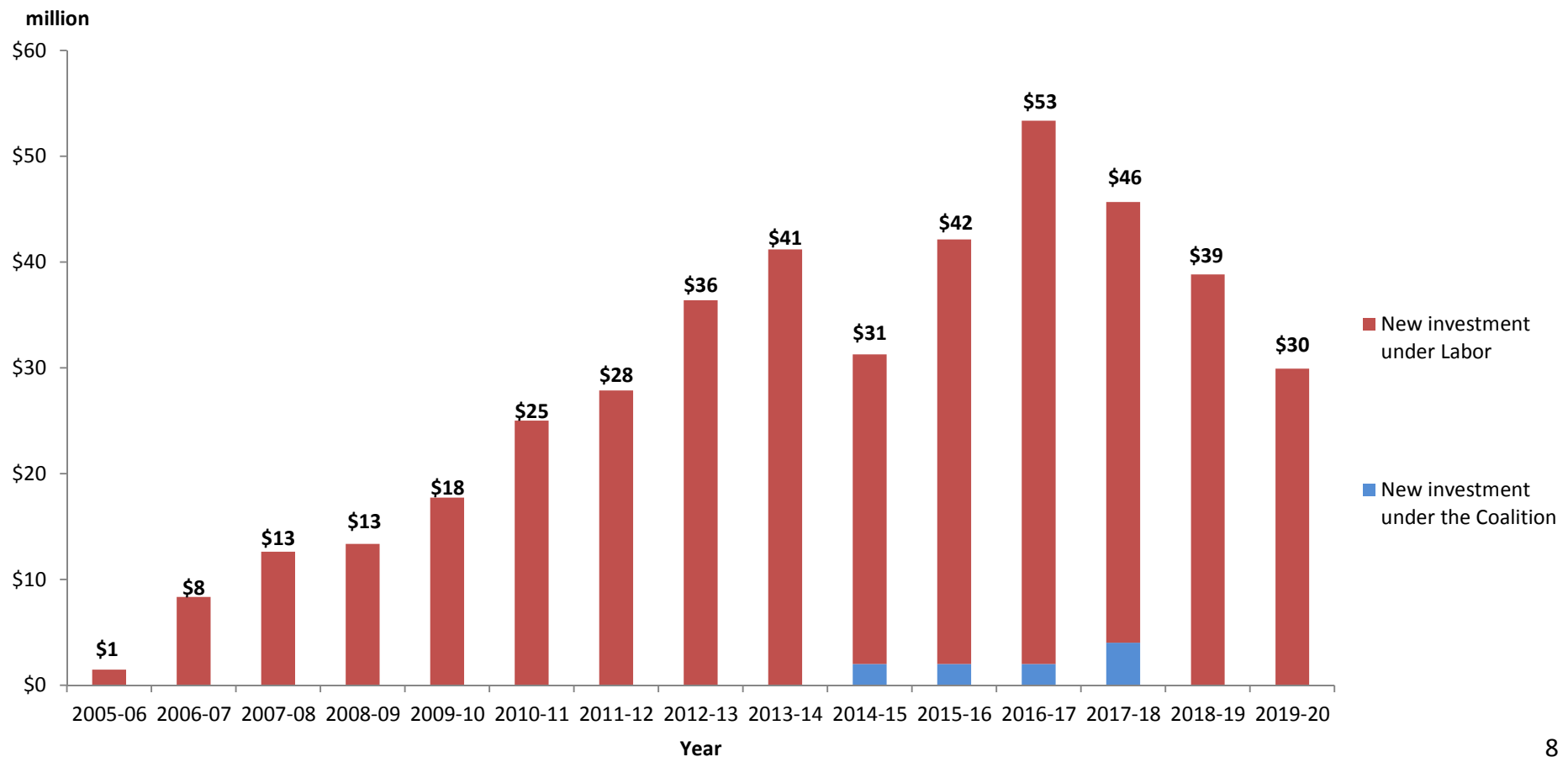
Biodiversity

- **\$33 million** to tackle weeds and pests and targeted on-ground actions
- **\$0.4 million** to protect the Helmeted Honeyeater
- **\$21.1 million** to support the activities and volunteers of Landcare and Trust for Nature



Sustainability Fund

- 2015-16 was the highest ever single year allocation from the Sustainability Fund (\$42 million).
- This will be surpassed by the \$41 million in new funding provided in 2016-17 for waste, biodiversity, climate change and energy efficiency initiatives which when added to the existing spend results in a total 2016-17 spend of \$53 million.
- This is in comparison to investment over the prior four years where less than \$10 million in new funding was allocated



Safe and Clean Environment

Tourism and Parks

- **\$48.2 million** for a major upgrade of the Visitor Centre at Phillip Island Nature Parks' Penguin Parade
- **\$20 million** for Parks Victoria, including funding over four years to revitalise infrastructure



Depiction of visitor arrival area at Phillip Island Nature Parks Penguin Parade

Safe and Clean Environment

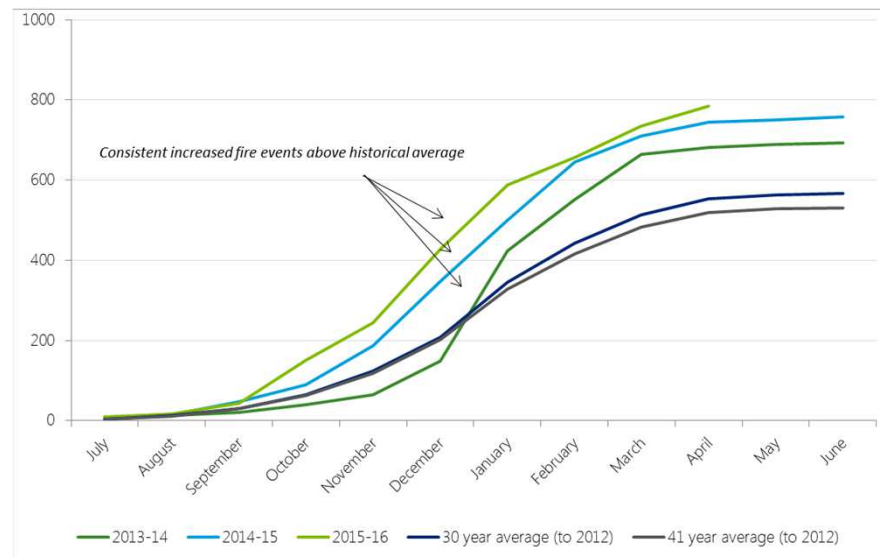
Bushfire response

\$74 million invested to keep Victorians safe from the threat of bushfires and provided resources for extended fire seasons (October to May)

- Increased project fire fighters across the state
- A digital upgrade to radio communications
- More aerial surveillance and helicopter detection activities
- Improving the safety of our fire fighters



Figure 1: Increase in fire events (excluding campfires) attended by DELWP – 30 and 41 year average compared to 2013-14, 2014-15, 2015-16 (cumulative)

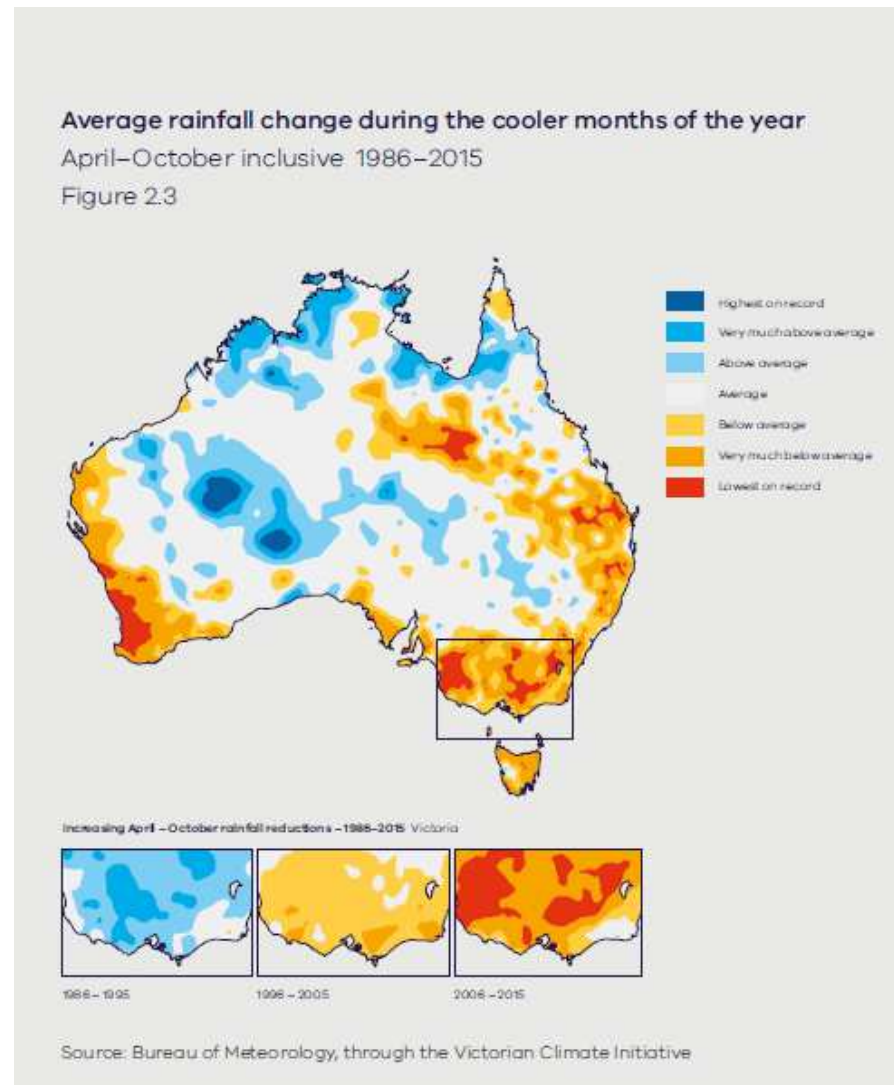


Secure Water Future

A healthy environment underpins our communities and a productive economy.

However, most of our water resources are already at their sustainable limits and climate change is placing pressure on our water resources.

Investing in our water sector will strengthen our growing regional economies and communities and help Victoria respond to growing global markets.



Secure Water Future

\$468 million invested to improve water security including:

- **\$222 million** to improve the health of waterways and catchments
- **\$59.6 million** to support irrigation modernisation projects
- **\$33 million** to invest in practical programs that improve how we use Victoria's water
- **\$25 million** to prepare Victorians for floods



Secure Water Future

- **\$16.3 million** to upgrade the Werribee and Bacchus Marsh irrigation districts
- **\$41.4 million** to connect south-west Loddon Shire with Victoria's water grid
- **\$14.1 million** in additional funding to deal with rising groundwater in Bendigo
- **\$30 million** to provide Nyora, Loch, Korumburra and Poowong with a secure water supply



Environmental Contributions

- The 2016-17 State Budget represents the total allocation of EC Tranche 3 with the final **\$60 million** outstanding as of last year's State budget allocated to projects.
- Tranche 4 has been established with revenue of **\$539 million** over four years to be collected. **\$394.2 million** has been allocated to specific initiatives and \$144.8 million has been set aside subject to finalisation of *Water for Victoria*.
- As detailed in the graph below all revenue to be collected in the first two years of tranche 4 has already been acquitted.

