

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget estimates 2020-21 (Horne)

Melbourne—Thursday, 17 December 2020

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

Ms Bridget Vallence

WITNESSES

Ms Melissa Horne, MP, Minister for Fishing and Boating,

Mr Travis Dowling, Chief Executive Officer, Victorian Fisheries Authority,

Ms Megan Bourke-O'Neil, Deputy Secretary, Policy and Innovation, and

Ms Katherine Grech, Acting Chief Executive Officer, Better Boating Victoria, Department of Transport.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee and again welcome Minister Horne, this time for the consideration of the fishing and boating portfolio. Minister, we again invite you to make a 5-minute presentation, which will be followed by questions from the committee.

Visual presentation.

Ms HORNE: Thank you very much, Chair. This is the fun portfolio. The Andrews government made significant commitments to both boating and fishing at the last election. We established Better Boating Victoria, removed boat ramp fees and directed revenue from registrations and licensing to improved facilities. We have increased fish stocks, opened up access to waterways and supported growth in the seafood industry. Our commitment recognises the importance of both boating and fishing to Victorians. Recreational fishing contributes \$2.3 billion to the Victorian economy each year, and it is a win for regional economies in particular. For boating there are 197 000 registered vessels and more than 400 000 licence-holders delivering \$4.5 billion to the Victorian economy. We have a focus on growing both boating and fishing because we recognise their economic importance and their recreational value to Victorians.

In relation to boating commitments, we are giving boating the policy attention it deserves. Boat ramps and piers are getting the funding needed to protect assets used and valued by the 669 000 Victorians who go boating every year. We have abolished all boat ramp parking and launching fees at Victorian boat ramps, we have established the Better Boating Fund that will ensure that every cent of the approximately \$31 million of boat licensing and registration fees collected each year are invested straight back into boating, we have provided 12 new casual berths across Port Phillip that are accessible to the public and we have reviewed management of boating infrastructure in Port Phillip and Western Port. Together with stakeholders we are developing a boating strategy that will guide priorities and investment to make boating better well into the future.

In relation to fishing, the Andrews government's unprecedented investment in recreational fishing means we are continuing to work towards our target to grow participation to 1 million anglers. Through our previous investment and \$35 million for phase two of Target One Million we are getting more people out fishing more often, and there are a few initiatives here: we are phasing out commercial fishing in the Gippsland Lakes through a compulsory buyout to give the lakes back to recreational anglers, boost tourism and create jobs; we are constructing a new \$7 million native fish hatchery in Shepparton, focusing on warm-water species such as Murray cod and golden perch; we are increasing fish stocking to 10 million fish annually by 2022; we have mandated access to fishing and camping through opening up hundreds of kilometres of Crown land river frontages, many covered by grazing licences; we are stocking eastern king prawns into Lake Tyers; we are also conducting science and habitat restoration in the Gippsland Lakes to ensure that the environment remains healthy; and we have delivered a new \$1.5 million on-water cafe at Bullock Island in partnership with the Lakes Entrance Fishermen's Co-op.

The Andrews government is also continuing to improve access for fishers and boaters thanks to a \$40 million investment to upgrade priority boat ramps. This includes Hastings boat ramp, which achieved a major milestone last month with the completion of the first stage of the \$1.6 million upgrade. The upgraded facility features four lanes extending deeper into the bay than the previous structure. It is the first of six key boat ramps around the state to receive improvements as part of an unprecedented investment in boating infrastructure.

Other election commitments that have been delivered includes the \$1.4 million to upgrade the Cowes Jetty. That will vastly improve accessibility and reinstate emergency vehicle access. We are seeking planning approval for our work at Queenscliff. We have undertaken the design work for four pontoons for Mordialloc, and will be progressing the car park later this year—that I know the member will be most interested in. At Point

Richards we are also progressing more car parking as well as design for the rock groyne to minimise the impact of seagrass on the ramp, and as part of this budget we are also investing in a new boat ramp on the Maribyrong.

The CHAIR: Thank you, Minister. Tim Richardson, MP.

Mr RICHARDSON: Thank you, Chair. Thank you, Minister, for your presentation. It was a good lead-in there with Mordy. We love it down there. We love our boats and fishing. It is good to be back out on the water, and those opposite can always come down and visit the great people of Mordy. I am going to take you, Minister, to budget paper 3, page 359—and the government made a series of commitments to recreational boaters at the last election. In fact it was made in Mordialloc with the Premier and his wife and some great constituents there, resulting in an unprecedented investment in this very popular recreational activity. For the committee's benefit, would you update us on the progress made to date on the next steps?

Ms HORNE: Well, thank you very much, and you certainly have got a very significant boating community down in your electorate, Tim, who I think will be most interested to know of some of the progress that we have made in our commitments to Victorian boaters.

Mr Riordan: Call him 'Skipper'.

Ms HORNE: Aye, aye.

Mr Riordan: Looks like *Gilligan's Island*.

The CHAIR: Mr Riordan, let us not make this the silly hour again.

Ms HORNE: So not only have we committed to fixing boat ramps and abolishing all boat ramp parking fees and launching fees, we are making sure every dollar of marine licensing and registration fees is being spent on boat safety and facilities. We have already delivered on our commitment to abolish boat ramp parking fees and launching fees, and boaters are now coming into their second season without having to pay any launch fees on their vessels. We implemented this a year ago because we really valued making it safer for people to get out on the water easier.

So we removed fees from over 35 public boating facilities across the state, and these have included our boat ramps in Port Phillip and Western Port, including Patterson River, Frankston, Corinella and the Mornington Peninsula. It has been at Altona, Mordialloc, Queenscliff, Werribee South and on Phillip Island. It also includes regional boat ramps in Gippsland, Lake Eildon, the western lakes and Portland. In some cases, a seasonal launch permit would cost people \$315 a year, and now that is gone. So that is putting money back into the pockets of the boating community.

We have also delivered on our commitment to review the management of boating infrastructure in Port Phillip and Western Port. We said we would undertake a review of how boating infrastructure is managed across Port Phillip and Western Port, and that was in response to feedback on the conditions of boating facilities. We undertook this review with recreational fishers and boating stakeholders. The review sets out options for improving our boat ramps and boating facilities, and we will progress these actions through the development of the Victorian recreational boating strategy.

We also delivered on our commitment to provide eight casual berths, and in fact we have exceeded this target by four and have delivered 12 additional berths. This has been at Rye Pier and St Kilda Marina—facilities that are free for the public to use. And in starting to deal with the congestion that occurs on our southern Mornington Peninsula waters during summer and Easter, we have installed over 30 seasonal moorings to bring the total to 60 moorings.

We have allocated almost \$40 million to upgrade facilities at Rhyll, Mordy, Hastings, Point Richards, Queenscliff and the Cowes jetties, and we are in different stages of upgrading them or preparing to upgrade these facilities. I was actually down at Hastings boat ramp about a month ago for the opening of that, and the first bloke that I met had driven down from Ferntree Gully, and he was so excited to be the first person to put his boat out on that new boat ramp. I do hope that Bruce from Ferntree Gully did get those whiting that he was going out to try and get.

In addition, the Cowes Jetty is being repaired, and getting that emergency access down on that jetty is really fundamental to that community being able to respond to incidents that occur in Western Port. As I mentioned, we are planning those upgrades in Mordy, Queenscliff and Point Richards, and now we have delivered on our commitment to deliver the Better Boating Fund.

Mr RICHARDSON: Thank you, Minister. I want to take you to a section in your presentation regarding the Better Boating Fund that has recently been established and the moneys that will be paid into the fund. What have the funds been spent on?

Ms HORNE: At the last election the Andrews government committed to allocate all the proceeds of collected boat licence and registration fees to improving facilities and safety for the boating community and also to establish the Better Boating Fund to facilitate urgent boat ramp upgrades and continual maintenance for Victoria's boating infrastructure.

As I mentioned, approximately \$31 million is collected every year in licensing and registration fees. This will now be allocated into a dedicated fund that will be reported on every year so the boating community can see where that investment is going. Within the legislation it allocates what it needs to be provided for, and that includes providing and maintaining boating facilities and related services. It is about boating safety, boating education, boating promotion programs and the safe use of recreational vessels and the safe use of state waters. I committed when we were establishing this fund to be able to have a co-design process of how that fund will be used by the boating community, and tomorrow will be the first boating round table with a variety of stakeholders to be able to come together and say, 'What is the best way that we can actually allocate these funds?'. I really think it is important that members of the boating community, whether they are people from local government, whether they are people who are part of the jet ski community or whether they are people that are part of the fishing community, actually can all come together and determine how that money is best spent.

One of the critical things that will also be important to the administration of this fund is to be able to continually touch base, because there will be different priorities from year to year. There might be the need for dredging to occur at a particular boat ramp simply because of tidal shifts, or there might be the need to invest in some sort of education campaign because there has been an uptake in, say, jet skis or something like that. The way the fund is structured will give us that flexibility. I am really looking forward to tomorrow, to be able to sit down with a really big cross-section of the boating community and to be able to say, 'Come July next year, how are we going to get this on a sustainable footing and have that forward vision to be able to really allocate where that money is going to improve boating facilities across all of Victoria?'.

Mr RICHARDSON: Fantastic, Minister. Now that the fund has been established and it is clear the ways in which the funds might be spent, how will the spending be prioritised?

Ms HORNE: As I said, it will really be up to the people that are participating in the boating round table. We called for an expression of interest. We had a range of different people actually put in their expressions of interest. I think we have got a really good broad cross-section. It will be I think Katherine, who is our new acting head of Better Boating—you will be chairing that meeting, won't you?

Ms GRECH: With Travis.

Ms HORNE: Along with Travis from the VFA, because boating and fishing go so well together. They will chair the meeting and be able to work with all of our different stakeholders to be able to determine how that money is going to be allocated and whether it is, as I said, for new facilities, maintaining facilities, boating safety or education and safe use of our waters.

Mr RICHARDSON: Fantastic. I think I have run out of time for another question, so thanks very much.

The CHAIR: Thank you, Mr Richardson. Mr Danny O'Brien, MP.

Mr D O'BRIEN: Thank you, Chair. Good evening, Minister and officials. Page 339 of budget paper 3 outlines the outputs for your portfolio under 'Sustainably managed fish and boating resources', and I just want to go to that table. It shows that the budget for 2019–20 was \$41.6 million, the actual was \$56.4 million and then again the budget for this year, 2020–21, goes up again to \$70.6 million. I was wondering if you could

explain the increase in funding and, perhaps on notice if you do not have it in front of you, identify the projects or items which received additional resources.

Ms HORNE: Page 339, did you say?

Mr D O'BRIEN: Yes, so the very last line in the table. The question really is: there has been an increase on what was budgeted, and there is another increase this year—what has it all been spent on?

Ms HORNE: Okay. What I can tell you is that of that output—and I might get Megan to actually talk through some of the details—there was \$47.2 million to upgrade boating facilities at six locations.

Ms BOURKE-O'NEIL: Yes. That is right, Minister. In the 2019–20 budget there was \$47.2 million provided for the Better Boating program. So \$39.6 million of that was to upgrade the boat ramps, as the minister has spoken about, and there was some allocation to remove boat ramp fees and also an allocation to do the review of boating management infrastructure in the future, as the minister has also talked about. The \$41.6 million is a lower number now because we have allocated against some of those boat ramp projects. I would also say this is a combination now of fishing and boating, so I think we should take it on notice to come back to you with further detail on the flow of those funds.

Mr D O'BRIEN: So is it partly explained by the fact that the two outputs have changed?

Ms BOURKE-O'NEIL: The two outputs have come together, yes.

Mr D O'BRIEN: And likewise, the increase to \$70 million for this year, if you could provide that on notice as well as to why—

Ms BOURKE-O'NEIL: Absolutely, yes, happy to.

Mr D O'BRIEN: including a breakdown of what it will be spent on, that would be good. Minister, last year your predecessor advised that a new study into the economic and social value of recreational fishing would be undertaken and that there would be three publicly available reports in October 2019. I cannot find one on the website now, and there is a reference to the most recent one being undertaken in 2009. Can you tell me where that is up to?

Ms HORNE: Okay. Unfortunately, that was before my time, but Travis, as these were reports that you commissioned—

Mr D O'BRIEN: Mr Dowling probably did the surveys himself, I imagine.

Mr DOWLING: Yes, absolutely. I contacted everyone personally. There were two previous reports that were done. There was an initial report that was funded by rec fishing licence fees that VRFish undertook, and that was 100 000 back in 2010. And then there was a 2014–15 report. Both of those are available on the web. A recent report that was undertaken, which was funded through fisheries' consolidated revenue budget not by rec fishing licence fees, has provided us some information that we were after, but we are seeking further information on that.

Mr D O'BRIEN: Was that Ernst & Young?

Mr DOWLING: It was an Ernst & Young report.

Mr D O'BRIEN: The answer on notice we got last year literally says specifically that it has co-funded Ernst & Young to do this report, and it specifically says, 'We'll deliver three publicly available reports—one for rec fishing, one for boating and one for rec fishing and boating combined, and all reports will be publicly available'.

Mr DOWLING: Absolutely. We have got some challenges in some of the information we received back in that report, so we are still working with them on it.

Mr D O'BRIEN: What are the challenges, Mr Dowling? Do they not say what you wanted them to say?

Mr DOWLING: No. I will say that we have got some concerns about some of the methodology that they have used and how they have arrived at conclusions.

Mr D O'BRIEN: Okay. Have you paid for that report, though?

Mr DOWLING: Yes, we have paid for the report.

Mr D O'BRIEN: What did they cost?

Mr DOWLING: It was \$100 000 for the report.

Mr D O'BRIEN: One hundred thousand dollars per report?

Mr DOWLING: No, that was—

Mr D O'BRIEN: For all three?

Mr DOWLING: Yes.

Mr D O'BRIEN: And still not released?

Mr DOWLING: No. But I mean it is still going to provide us important information that we will be able to use to assist us, and we have got a couple of processes underway at the moment, doing a strategic review of how rec fishing licence money is allocated. Some of the information that has been provided in the draft report we have received so far will give us some ideas about where people are fishing and where people want assets to be invested, the type of people that are fishing—like men and women that are fishing, different demographics that are fishing. So the money has been allocated I believe appropriately and will provide important information for us.

Mr D O'BRIEN: Yes.

Mr DOWLING: We are just not at a point where we are completely satisfied with the report.

Mr D O'BRIEN: So for context, last year we asked whether the government was actually anywhere near its Target One Million. I am a little bit sceptical; PAEC was told last year that it would be available in October 2019 and we still have not got it. Perhaps, Minister, if I can ask you to take it on notice to provide an explanation to the committee as to why that information is not available. Are you happy to do that?

Ms HORNE: Absolutely. Sure.

Mr D O'BRIEN: Thank you. If I can quickly move on to boating infrastructure initiatives and the performance measures on page 359 and 360. Starting with 360, 'Recreational fishing infrastructure improvements delivered', the target for 2019–20 was six and the actual was zero. What was not completed and why not?

Ms HORNE: That was a direct impact of COVID. When I saw that too I sort of pressed into the department. Subsequently, though, there have been a couple of fish cleaning tables that have been delivered, but the fact of it was the VFA could not get out there and actually deliver.

Mr D O'BRIEN: Could I get on notice the list of those projects, if possible?

Ms HORNE: Sure.

Mr D O'BRIEN: Thank you. And likewise the previous page, page 359, has 'Better boating initiatives commenced'—eight targeted. Could you provide us with a list of those initiatives which are to be commenced? You have listed a number in the presentation. I do not know whether it is any of those.

Ms HORNE: We will provide that to you.

Mr D O'BRIEN: Thank you.

The CHAIR: Thank you. Mr David Limbrick, MLC.

Mr LIMBRICK: Thank you, Chair. And thank you, Minister and team, for your presentation today. I would like to ask about boating ramp infrastructure and one of the boating ramps in particular, Launching Way, in Carrum. I spoke with the people that were managing that before management was taken over by the government—the Hogan family, wonderful people. They were worried that it is going to turn into a bit of a dog's breakfast after the government took over. Reports that I have had from a lot of the boating community and people is that it is a bit of a dog's breakfast. There were massively increased wait times. Some of the boaters were getting sent away to Frankston jetty, and there were also some reports of some people inappropriately getting sent away because they had boats over 6 metres. What are you doing to improve the situation out there?

Ms HORNE: Look, a good question. To be honest, what happened there was that, yes, there were the Hogans who were managing that facility. Then DELWP undertook a tender process, and it was awarded to Advanced Traffic Management, and we had no oversight of that procurement process, because that was conducted by DELWP. But I had heard some concerns were being raised in that initial transition, and actually some guys from VRFish took me down by boat so I could actually have a bit of a look from the waterway and see how that was being managed. I think some of those issues have ironed themselves out. I think there was probably a bit of scratchiness around the handing over of the contract from the people who were managing the facility to now. But I also appreciate it is the busiest boat ramp that we have got, and I think with the start of snapper season people were wanting to get their boats out on the water. It was not only a combination of snapper season, but it was also too the restrictions being eased after coming out of the pandemic. So I think there was possibly a less than desirable handover, but I think it is important to remember that we have done a fair bit of work down there too. There has been \$265 000 to improve new boat ramp cameras down there. There is solar ramp lighting. There are new bump stops. We have refreshed the car park line marking, and also too there have been repair works at ramps 1 and 3.

Mr LIMBRICK: Thank you, Minister. Another issue that I heard that was happening there—and one of the important things that the Hogans were doing was conflict de-escalation—was sometimes people have to wait a long time, and they get upset. Apparently there have been not quite fights but pretty close to recently. Do these people that have taken over have any sort of training in conflict de-escalation?

Ms HORNE: Look, as I said, this was a contract that was managed by DELWP. I do understand though that one of the conditions for the engagement of the contractor was understanding congestion and being able to provide that long-term management approach. Without a doubt there were people that were incredibly passionate and wanting to get back out on the water, particularly after those restrictions, and I think that level of frustration of not being able to do something immediately certainly made things more problematic during that initial—

Mr LIMBRICK: So you think this will sort itself out?

Ms HORNE: I am fairly confident that it will, but Katherine, I know, has been keeping a very close eye on it as acting CEO of Better Boating and I am sure will escalate if required.

Mr LIMBRICK: All right. Thank you very much. I am out of time.

The CHAIR: Thank you, Mr Limbrick. That concludes the time we have set aside for consideration of the fishing and boating estimates. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request.

The committee will now take a short break before moving with you to consideration of the consumer affairs, gaming and liquor regulation portfolio. I declare this hearing adjourned. Thank you.

Witnesses withdrew.