

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2024–25 Budget Estimates

Melbourne – Thursday 23 May 2024

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Aiv Puglielli

Meng Heang Tak

WITNESSES

Melissa Horne MP, Minister for Roads and Road Safety; and

Paul Younis, Secretary,

Fiona Adamson, Head, Transport Services, and

Will Tieppo, Deputy Secretary, Network Design and Integration, Department of Transport and Planning; and

Tracey Slatter, Chief Executive Officer, Transport Accident Commission.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones now be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2024–25 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, any comments repeated outside of this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream and other committee members.

Witnesses will be provided with a proof version of the transcript to check, and verified transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Minister for Roads and Road Safety the Honourable Melissa Horne – you are very much welcome here – as well as officials from the Department of Transport and Planning. Minister, I invite you to make an opening statement or presentation, and after this time the committee will ask you questions. Your 5 minutes start now.

Visual presentation.

Melissa HORNE: Thanks, Chair, and thanks for the opportunity to address the committee on the Victorian budget. This year we have included a number of initiatives that will contribute significantly to the safe and efficient way that Victorians use and interact with the road network. Since 2014 this Labor government has delivered an unprecedented investment and reform program to ensure Victoria's road network safely and efficiently connects people and freight to where they need to go. As part of our 10-year \$6.6 billion investment, \$964 million will maintain our state's road network in this coming year alone, and that includes additional funding to continue our work to clean up flood damage. What were previously considered once-in-a-generation flood events are now commonplace, inflicting unprecedented damage on our roads. That is why we are now delivering road maintenance as part of a 10-year strategy, allowing us to plan long term and make regional roads more resilient.

As well as a complex program of flood repairs, we are also investing \$4 million in this year's budget to reduce the risk of bushfires along Victoria's fire evacuation and emergency access routes. This funding will allow crews to perform critical works, including the management of roadside vegetation. And we will continue our work to build better and safer roads, with a \$208 million investment in road upgrades across our suburbs and regional communities. We will also invest \$25 million to deliver critical maintenance work for the West Gate Bridge to improve user safety and support vehicle movement.

This year's budget makes a significant investment in better roads. These upgrades will make travelling around the state's regional and metropolitan road network easier and safer for a range of road users. In metropolitan Melbourne this includes new pedestrian signals in Greensborough; safety improvements in Nicholson Street, Brunswick; and improvements at the Stud Road and McFees Road intersection in Dandenong North. In regional Victoria we will be investing in projects to boost safety, especially for pedestrians, and strengthen

critical freight movements. Improving busy freight corridors, such as the Western Highway and the Princes Highway east, will help to ensure that the state's road network is equipped to meet growing demand.

Chair, four separate floods have hit Victoria since Christmas that forced the closure of more than 100 of the state's arterial roads. In response we arranged an immediate \$99 million cash injection that has reopened most of those roads and funded large-scale long-term repairs for some of the most badly damaged ones. That work has a particular focus in the Loddon Mallee and Gippsland regions. We have concentrated our efforts on the Bendigo Redesdale Road, Prairie-Rochester Road, Heathcote-Nagambie Road and the Loddon Valley Highway. Crews are also undertaking flood recovery rehabilitation works along the Sunraysia Highway and the Patchewollock-Sea Lake Road. In Gippsland we are working on the South Gippsland Highway east of Grassy Spur, as well as the Hyland Highway, Grand Ridge Road and Bengworden Road. Funding for these emergency road repairs comes on top of the government's unprecedented \$6.6 billion 10-year investment.

Chair, this financial year we invested over \$770 million in road asset maintenance and renewal works in Victoria. This investment included a mix of recurrent and capital activities, including flood recovery and maintenance works, like major patching; completing programs for pavement resurfacing and rehabilitation; bridge strengthening and data collection; network inspections and hazard removal; repairing potholes and bridges; grass cutting; and looking after electronic assets, such as traffic lights; as well as undertaking maintenance and upgrade works on the West Gate Bridge.

Road safety is a broad and complex issue that requires a strategic, multifaceted and coordinated approach. We need to achieve safer roads, safer speeds, safer vehicles and safer road users. That is why the *Victorian Road Safety Strategy 2021–2030* encompasses education, infrastructure, policy and technology. This government has invested over \$1.74 billion over the last decade to deliver life-saving road initiatives. Road Safety Victoria is working alongside Victoria Police, the TAC, the department of justice as well as the Department of Health to deliver our second road safety action plan. Thank you very much, Chair.

The CHAIR: Thank you, Minister, for that. The first 7 minutes are going to go to Mr O'Brien.

Danny O'BRIEN: Thank you, Chair. Good afternoon, Minister and team. Minister, last year you told this committee that road maintenance is 'not just about keeping on filling up potholes'. Why then have you introduced a new performance measure in this budget called 'Road area major patched'? Isn't that just filling potholes?

Melissa HORNE: No, actually. Although I am not an engineer, Mr O'Brien, patching is a very different treatment to filling up potholes. As you can appreciate, following the October 2022 floods and then the subsequent years that were wet, and, as I said in my presentation, we have had four flood events since Christmas last year, what the road crews have been doing is going out and making sure that roads are open and that people and goods and services can get to where they need to go. First and foremost, what they have been doing is going out there and filling those potholes, and over the past year there have been hundreds of thousands of potholes that have been filled. What the next thing –

Danny O'BRIEN: Do you accept, though, that filling potholes is actually a measure of failure when it comes to road maintenance, not a measure of success?

Melissa HORNE: No. That is entirely not correct.

Danny O'BRIEN: Because it means that you have not actually done the maintenance properly to make sure the roads do not get those potholes in the first place.

Melissa HORNE: Mr O'Brien, I appreciate that you as a former journalist and me as a former comms person, we are not engineers, and the way that the department manages –

Danny O'BRIEN: That quote actually comes from an engineer.

Melissa HORNE: But what we have been doing is going out there, getting the roads back up and running by doing those potholes, and now they are out there doing that patching work, doing that resealing and also then moving into rehabilitation works, because as you can appreciate, the last two years have been significantly wet. In fact at the start of the road maintenance season just last year I was up in the Ballarat region talking to the

crews that were going out there to start that work out there on the network. What they were saying to me was that even in the height of summer there was still water bubbling up through the patches that they were doing.

Danny O'BRIEN: We have wet years all the time, Minister. That is not the only thing. To go to the detail of that, last financial year the target for the performance measure 'Roads resurfaced or rehabilitated in regional Victoria' was 12 million square metres. You failed to meet that by about 25 per cent – the budget papers show that you actually reached 9 million square metres. What you have achieved in 2023–24 according to performance measure in the budget papers, on page 128, is 340,000 square metres, so from 12 million square metres of road fixing down to 340,000 square metres. This is a massive failure in road maintenance. Is that not why our roads are so appallingly bad?

Melissa HORNE: Not at all, Mr O'Brien, because what in fact we have been doing is focusing on the way that we have been getting those roads back up and running following those flood events. The Secretary can take us through the way that the department manages the road asset and that sort of strategic approach that you do take.

Danny O'BRIEN: Secretary, that figure, that 340,000 square metres, is 96 per cent below your target last year. How is that not a massive failure?

Paul YOUNIS: Mr O'Brien, what the budget papers, page 128, reflect is our change in strategy as a result of the condition assessments we have done across the roads over the last two years, and it is a deliberate change. The first issue is around increasing the patching program and putting that as a measure, because what we have found is the structural integrity of our network had declined quite significantly over the flood-affected areas, and that was across the eastern seaboard. We have compared data with New South Wales and Queensland, and we found that. So what we found –

Members interjecting.

Paul YOUNIS: I just think it is really important to understand that this is a deliberate strategy. I think this is a really deliberate strategy of us making sure we are addressing the issues, the condition the road is in now. The last previous years – and I think it is a really important part to understand – we were doing a lot more reseals. Reseals are, per unit rate, much less, so we were covering much more area of road, and that was a deliberate strategy to make sure we get that coverage done. I think it is really important, Mr O'Brien.

Danny O'BRIEN: I understand that, Secretary, but that is the point I am getting at. Last year, this year – this financial year – you have not got a single contract for resealing.

Paul YOUNIS: That is not right. We have got certainly a reseat program in place. It is significant –

Danny O'BRIEN: How much, Secretary?

Paul YOUNIS: It is significantly less than it was in previous years, and that is a deliberate strategy, because what we are doing now is improving the strength of the pavement. What we found during the floods, and when we did the data from it, the structural integrity of the road dropped significantly, and that was a very rapid, significant drop in the structural strength of the pavement. To address that, it is no good putting a reseat over a pavement that has no structural integrity. So what we are doing now is making –

Danny O'BRIEN: But not every 23,000 kilometres of the road, Secretary, was flood affected. And by not doing that reseat on the rest of the network, that is only going to leave a ticking time bomb for the future, because we are going to get more water into those areas of road now and in the future, and they are going to get worse and they are going to end up needing major patches.

Paul YOUNIS: Well, Mr O'Brien, I think you cover the whole challenge about asset management – which parts of the network do you hit early and which parts do you put into long-term maintenance and renewal programs? What we did three, four, five years ago was we put a significant amount into those longer-term periodic maintenance programs – that is the reseat program. What we are doing now is increasing the strength of the pavement. Unfortunately, that has happened because of the significant reduction in the strength of the pavement we saw through the floods. That is a deliberate –

Danny O'BRIEN: So the roads have got worse.

Paul YOUNIS: The roads absolutely – our data shows in the last two years an absolute dramatic decline on those flood-affected roads as a result of the floods, and that is what the data shows. There is no question about it. And so what we are doing is responding –

Danny O'BRIEN: But not every road in the state was affected by floods.

Paul YOUNIS: So we are responding to that –

Danny O'BRIEN: We have had floods before, Secretary.

Paul YOUNIS: Well, not the way we had these floods.

Danny O'BRIEN: Oh, seriously. Come on.

The CHAIR: Mr O'Brien!

Paul YOUNIS: Well, I have been around roads for a long time –

The CHAIR: Mr Younis, if you would just pause for a moment – Mr O'Brien, Mr Younis is actually giving the committee really important evidence in relation to the question that you have asked. Please allow him to answer. This is evidence that the whole committee wants to hear.

Danny O'BRIEN: Thanks for the interruption, Chair.

The CHAIR: Well, apologies, Mr O'Brien, but he is giving critical evidence, and he is answering your question. We are going to go to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Minister, Secretary and officials. Thank you for joining us. Minister, I would like to ask you about the medicinal cannabis closed-circuit track trial. I note that there is \$4.9 million of funding outlined in budget paper 3, page 75, but also that you made an announcement on the details of this trial just two days ago. Obviously it is very important for us to get all the evidence that we can on the effects on or whatever potential impairments may affect people who need to drive when they are on medicinal cannabis but also to ensure the safety of all road users. So, Minister, what are you seeking to achieve out of this trial, and can you give us some of the details about how it is going to operate?

Melissa HORNE: Sure. Thank you very much for that question. It is a really exciting path that we are going down with this. It was just a couple of days ago with the Premier where we announced what is a world first in this work. We have teamed up with Swinburne University to be able to, at the heart of it, identify when people are prescribed medicinal cannabis where that level of impairment is, because at the moment all we have got to use is a pretty binary solution – either you have got THC, that active component of medicinal cannabis, in your system or you do not. The way that our road rules are structured at the moment is if you do have that THC in your blood, which is done through a saliva test, you are therefore automatically penalised. That is a bit of a human rights issue, fundamentally, because we are seeing more and more people being prescribed medicinal cannabis, and it is happening for a range of reasons – it can be mental health issues, it can be chronic pain, it can be for people who are, say, undergoing treatment like chemotherapy. Speaking to someone who had been prescribed medicinal cannabis, they were saying to me, 'Look, it's been utterly transformative in terms of pain relief' – you know, for chronic back pain. The trouble was they then could not drive for a couple of days to go and see their osteo.

Being able to work out that way that we could actually get people to say, you know, 'It is safe to drive,' the challenge that we have got – we have come a fair way down this path. There have been layers on layers of studies that have gone on in this space both with Monash University, who had a study with a number of people that voluntarily said, 'These are the symptoms' or 'This is what I'm experiencing when I am on medicinal cannabis,' through to then Swinburne University doing a study that tried to demonstrate what the efficacy of the roadside drug tests were. Then Swinburne University did another study with about 40-odd people that put people into simulators to try and determine what that level of impairment was like as well. This is that next important phase now – I think they are doing 72 people, and they will go through an ethics process in scoping up their research and then recruit those people – to effectively put people out on a closed-circuit track. We have got one out in Bayswater that mimics real-life driving conditions, and then the other one is down Anglesea way, which is much more of a sort of freeway-driving-style environment. That will allow people to sit in a dual car

so that you have got your driving instructor on one side and then the person who is taking medicinal cannabis and driving and to be able to identify them as well.

Talking to, though, Professor Luke Downey, who was the person who was scoping up the trial, there are a range of really sophisticated things that they are going to be doing. You know, it is taking bloods, it is having some placebos in there, it is measuring people's response times and putting them through the hoops so that we can really try and determine what that level of impairment is – because blood alcohol content of .05 is an internationally recognised level of impairment; we do not have that anywhere in the world to measure medicinal cannabis. I think that is what is really exciting about this trial in that it potentially can set that benchmark that we can then work on with international jurisdictions to be able to really determine what that is so that if people are taking medicinal cannabis, which I know from talking to people can be transformative in their journey with pain or whatever it is they are being prescribed it for, they can then get out on the network in a safe way.

Michael GALEA: Thank you, Minister. And interesting that point at the end as well about of course there being, internationally, no really conclusive evidence either, so Victoria's research here can actually be applied and shared across the world, which is quite exciting too as part of it. You have touched on some of the other research from some of those universities as well, so I really appreciate that.

I might ask about some of the other complementary work that is being done, in particular if there is any other work occurring in this space to support Victorians who are taking medicinal cannabis with their driving and transport needs.

Melissa HORNE: Okay. There have been some of the things that have been undertaken. I suppose we really started the work back in December 2020 when the government established a medicinal cannabis and safe-driving working group. That brought together representatives from government, our road safety partners, academia and the medical profession to see what research was out there, see what evidence was out there and also to try to really understand what the policy issues were that related to medicinal cannabis and driving. The working group heard that the research on medicinal cannabis and driving was really limited and still remains limited – but yes, it is an exciting place to be.

Michael GALEA: Thank you, Minister.

The CHAIR: Thank you, Minister. Back to Mr O'Brien.

Danny O'BRIEN: Thanks, Chair. Secretary, last year you engaged the National Transport Research Organisation to undertake a road condition survey. You and the minister both referenced it repeatedly at PAEC last year. Can the committee have a copy of that survey?

Paul YOUNIS: We are putting that data together and it is informing the asset management plan I spoke about before –

Danny O'BRIEN: I understand that.

Paul YOUNIS: as in informing all of that. We have collected a range of different data from multiple sources at the moment, and we are putting it together –

Danny O'BRIEN: I am talking about the NTRO one. Can we have a copy?

Paul YOUNIS: The minister has asked the department to put all that data together in a form that can be communicated. We are working through that to try to get that. We are actually concentrating now on making sure the data informs our asset management response. Certainly the minister has asked us to do that, and we will be trying to put that data in a form can be communicated properly.

Danny O'BRIEN: Can I get the survey?

Paul YOUNIS: The survey data is –

Melissa HORNE: It is a point in time.

Paul YOUNIS: it is a lot of data, and it is a lot of – it feeds into an asset management system.

Danny O'BRIEN: Okay. Are you doing the survey again this year?

Paul YOUNIS: We do various parts of the survey across the network – we try to cover the network every three years. The particular survey you have talked about was a special survey; it was an out-of-sequence survey to cover quite a bit of the roads because we wanted to understand the impact of the floods. But also we wanted it to support any claim we had for damage in relation to the network.

Danny O'BRIEN: Okay. Minister, that survey did 8400 kilometres of road out of the 23,000 in the state, and it showed that 91 per cent of the roads were in poor or very poor condition. You had that data in last year's budget. Given that, why was there not more money put into the road maintenance program?

Melissa HORNE: Mr O'Brien, there has been more money put into the road maintenance budget. In fact –

Danny O'BRIEN: Last year it was \$441 million on the budget papers. It was less than it was 10 years earlier.

Melissa HORNE: No, that is deliberately incorrect, Mr O'Brien.

Danny O'BRIEN: It is your budget paper, Minister.

Melissa HORNE: Mr O'Brien –

Danny O'BRIEN: Page 310. You can have a look at it.

Melissa HORNE: What you need to do is you need to read budget paper 3 with budget paper 4. Because budget paper 3 deals with service delivery, so what we are doing to the roads, whereas budget paper 4 talks about the way that we invest in the roads. You know, it is a simple noun and verb, in effect. So what we are actually doing is we are spending a total, this coming financial year, of \$964 million, because that is both the output and the asset, and you have got to put them together.

Danny O'BRIEN: How much of that is for floods recovery, Minister?

Melissa HORNE: As I mentioned in my presentation, following the latest floods, there was an additional \$99 million that was put directly into flood recovery.

Danny O'BRIEN: That is in the current year. That is in 2023–24, that \$100 million, that is in the budget papers for this financial year. The next year I am talking about – how much of the money that you are talking about is actually flood money?

Melissa HORNE: As you can appreciate, what we have got is our \$6.6 billion over 10 years to be able to –

Danny O'BRIEN: Minister, I do not want the spin about what is happening over 10 years. I am asking a simple question: of the \$964 million you are talking about that you claim to be spending next year on roads maintenance, how much of it is actually flood recovery money?

Melissa HORNE: Secretary, have you got –

Paul YOUNIS: Yes, there are a couple of parts that we have got: dedicated flood money, and that is listed in the budget papers, in the emergency management response. We had \$165 million.

Danny O'BRIEN: That is this year.

Paul YOUNIS: What we are doing with the road maintenance is identifying the critical areas that need maintenance and targeting those. Some of them are flood related; we have not broken them up into separate parts. But Mr O'Brien, can I go back, for the committee's sake – what you said about that survey was wrong, that the survey showed 91 per cent reduction in pavement. That is actually not correct.

Danny O'BRIEN: No, 91 per cent of roads were classified as poor or very poor.

Paul YOUNIS: No.

Danny O'BRIEN: I have seen the slide from NTRO.

Paul YOUNIS: Yes, they are wrong.

Danny O'BRIEN: It has been publicised.

Paul YOUNIS: That slide is wrong. What that slide – and be clear. We surveyed 8900 kilometres of road. Of those roads, we did a whole sweep. We identified those that we felt that would be subject to a claim, for us to be able to claim for flood repairs. That was around, from memory, 707 kilometres. Of that 707 kilometres, there was 90 per cent reduction in them –

Danny O'BRIEN: Okay – 90 per cent poor or very poor.

Paul YOUNIS: because what we were doing was targeting those that were underwater for weeks. So clearly, that –

Danny O'BRIEN: Okay, Secretary, do you know how we can fix this? You can provide the survey to us. That would be the easiest way to do it. Transparent – we would not be able to argue about it anymore if you could provide the survey to us.

Paul YOUNIS: For the committee's sake, I am just clarifying exactly what the survey says in relation to that 91 per cent.

Danny O'BRIEN: Well, I will stick with what is publicly available, because you refuse to give us the survey. Secretary, how many sections of road are currently subject to a pavement-in-poor-condition management plan, as at this day?

Paul YOUNIS: We every week or every day update those. We do not necessarily allocate them as in poor condition; what we do if they do not meet a certain standard is we put a speed restriction on them. So right now there would be generally – well, we are working through it – around 350, 360 kilometres across the entire 23,000 kilometres that would have a speed restriction on them, which would alert to a condition on the road that is abnormal.

Danny O'BRIEN: Secretary, you gave me this figure at the outcome hearings last year. It was 480 in regional areas and 61 locations – not kilometres, locations – in the metro area. Can you give me an updated figure on that now?

Paul YOUNIS: I have not got that number. Indeed I think it is actually 388 kilometres – I have not got the number of sites that you are talking about – and that is across metro and regional.

Danny O'BRIEN: Could you take that on notice for me?

Paul YOUNIS: We will have numbers of sites, yes.

Danny O'BRIEN: Secretary, how many Victorians have lodged claims for property damage from roads so far this year?

Paul YOUNIS: I might have that number in actual fact, Mr O'Brien, if you give me a second.

Danny O'BRIEN: If you want to look for it, I might ask the minister while you are looking for it. Performance measures on page 129 show the targets for roughness, rutting and cracking of roads are all lower than the previous year 'due to changes in the scope of the program'. What changes have been made in the scope of the program that actually make our roads worse?

Melissa HORNE: Sorry, what page was that again?

Danny O'BRIEN: Page 129 of the performance measures booklet – all the performance measures for rutting, roughness and cracking.

The CHAIR: Apologies, Mr O'Brien, the time is up. We will go to Mr Tak.

Meng Heang TAK: Thank you, Chair, Minister and officials. Budget paper 4, page 82, refers to the road safety strategy. Minister, can you please outline how the government is addressing road safety challenges in our state?

Melissa HORNE: Thank you very much for your question. As you could appreciate, road safety for me is always top of mind. I am also joined by Tracey Slatter, who is the CEO of the TAC and who does so much work in the road safety space. At the heart of it, every life that is lost on our roads is one too many, and just yesterday we had tragically yet another person lose their life on Victoria's roads. But it is a complex problem; many factors influence a crash's risk and its severity. It is not about taking one single solution to be able to deal with reducing road trauma, it is about following a multidisciplinary approach to be able to deliver those safer roads, safer speeds, safer vehicles and safer road users. This is the sort of safe system that is an internationally recognised system. We are working with our road safety partners in being able to deliver better road safety outcomes.

If we have a look at what is causing the tragedies that are occurring on our roads, we know that the most common contributing factors to road trauma are drugs, at about 30 per cent; speeding, at about 26 per cent; and the statistic that I find absolutely inconceivable, not wearing a seatbelt, at 24 per cent. Once upon a time we were the leaders in making seatbelts mandatory, and now this is a contributing factor in road trauma at 24 per cent. It is simply mind blowing. Fatigue is another big thing; that is sitting at about 22 per cent. It is really great to see that the TAC has recently launched a campaign to really shine a light on what fatigue does to driver behaviour. We know that people who have got less than 5 hours sleep actually are more than four times more likely to be involved in some sort of crash, so that is such an important factor. Alcohol is a contributing factor at about 19 per cent. And of course there is distraction, so being on the phone, those sorts of things.

Of the lives that have been lost over the past five years, on average we have seen that 60 per cent were on high-speed roads with a speed limit of 80 kilometres per hour or greater. For 32 per cent of people who lost their lives, that occurred on local roads, 16 per cent occurred in side-impact intersection crashes and 12 per cent were from a crash that resulted in multiple fatalities – and tragically we saw a number of those in particular last year.

Look, this is a joint responsibility for all Victorians, and we need to, every time we are out on the road, whether it is vulnerable road users like your pedestrians or cyclists or people – and Mrs McArthur, can I just actually say to you, from the bottom of my heart, I know that you have gone through a recent anniversary with your son's tragic life loss, and I really feel for you. I do hope that this is not a painful conversation.

Bev McARTHUR: Thank you, Minister.

Melissa HORNE: Back to what we are doing, we are getting to the end of the first tranche of our road safety strategy, which goes from 2021 through to 2030. The TAC has invested \$1.174 billion over the last decade in road safety. We have got that action plan. We are working with our road partners – so Victoria Police, also the TAC and the Department of Health – to be able to bring that vision to life, and we will continue to. Over the coming year we will end up launching the next phase of that road safety strategy.

Meng Heang TAK: Thank you, Minister. I also refer to budget paper 4, page 78, the metropolitan roads upgrade program. Minister, can you please provide an overview of the projects covered under this program and how road safety will be improved?

Melissa HORNE: Thank you very much. As you can appreciate, there is \$16.5 million to deliver those three high-priority new and upgraded infrastructure projects across metropolitan Melbourne to improve the safety of the road network. I know certainly one that is down in your area or close to your area is Stud Road in Dandenong North, where a toddler, two days before Christmas last year, tragically lost their life. I cannot imagine anything more heartbreaking than that. I have been down there with the local member Gabrielle Williams to inspect that site, to understand that site and to be able to really lean in and say, 'What do we need to do?', because you have got six lanes of traffic which are separated by a big median strip. A number of years ago the TAC put in some barriers to be able to make that a safer road crossing. But instead you have got a basketball court on one side, which is incredibly busy, and then you have got housing on the other side, and people are crossing that. This will actually signalise that intersection, and on top of that we have dropped the

speed as well, because we have got people crossing that road, kids crossing the road, where traffic is doing 80 kilometres an hour and it just does not give people time to stop. So there is that. There is also –

Meng Heang TAK: Thank you, Minister. Thank you, Chair.

The CHAIR: Apologies, Minister. I will go back to Mr O'Brien.

Danny O'BRIEN: Thanks, Chair. I will continue on road safety, Minister. The performance measures paper, on page 179, indicates that the two performance measures 'Kilometres of road treated with tactile line marking' and 'Kilometres of safety barrier installed' have both been discontinued because of the 'completion of the current program'. Why is there no further funding for these road safety programs?

Melissa HORNE: What we are doing, Mr O'Brien – like, that was part of that first tranche of the road safety action plan that, as I said, is coming to a close, and we are in deep development at the moment of delivering what the next road safety action plan will be.

Danny O'BRIEN: So there is no road safety program funding in this budget?

Melissa HORNE: No, not at all – there is road safety funding, but it does not appear as one line item.

Danny O'BRIEN: Well, these two programs are not replaced as performance measures.

Melissa HORNE: We need to develop that action plan to be able –

Danny O'BRIEN: You have got an action plan – *Towards Zero*.

Melissa HORNE: No, no, no – we have got this overarching strategy for 10 years, but then there are those three- to four-year strategies. We are coming to the end of that; that is finishing in 2024, and we are working on that. Most of that funding has come out of the TAC, and the TAC is well equipped to be able to then fund the next action plan.

Danny O'BRIEN: I am glad you mentioned that, Minister, because on page 173 of budget paper 3 is the line item for the Road Safety Fund, and it is down – \$88 million less this financial year. Why? That is where the TAC funds are received by the department.

Melissa HORNE: I think, Tracey, you are probably best to talk about the TAC's finances.

Danny O'BRIEN: Specifically the Road Safety Fund – it is where the department receives the TAC funds, and it is \$88 million less than it was budgeted.

Melissa HORNE: Tracey.

Danny O'BRIEN: Why is the question.

Will TIEPPO: As the minister said, we were still in the process of developing the next action plan that fits the 10-year strategy, and once that action plan is developed, funding will be allocated accordingly.

Paul YOUNIS: Can I just clarify that, to add to that, because there are probably three sources of funding we get for road safety: it is our appropriations, we get money from the TAC and we also get money from the Commonwealth. What the Commonwealth announced last week, which is not in our budget, is funding for tranche 4 or 5, or at least the funding for whatever tranche we are up to for the road safety program, so we will be adding that to our program this year. And also –

Danny O'BRIEN: How much is that, Secretary?

Paul YOUNIS: I have not got that number; I am waiting for the details from the Commonwealth. It is in the order of \$60 million, but I had better not say that as an absolute. And there is also funding for their black spot program that they announced was going to be continued. We have not got the exact numbers for that either.

Danny O'BRIEN: Okay. The same budget paper reference on the Road Safety Fund, it is actually down again 27 per cent next year on what was budgeted last year. Is this because the Treasurer is taking out

\$300 million next year from the TAC and \$2.4 billion over the forward estimates instead of investing it into road safety initiatives?

Melissa HORNE: Look, as we have said, road safety does not come from one single source.

Danny O'BRIEN: No, but this is the TAC source in particular that I am asking about.

Melissa HORNE: And I cannot comment on what the Treasurer's responsibilities are.

Danny O'BRIEN: Well, I am asking why there are further reductions again this year in the budget for the Road Safety Fund.

Melissa HORNE: Because, as we have said, there is money that will come in from the Commonwealth. Whether it is that –

Danny O'BRIEN: But this is not a Commonwealth line item, this is the TAC funds that come to the department.

Melissa HORNE: Yes, and as I have pointed out, the TAC is well placed to be able to invest into what those initiatives are that are coming out of the road safety action plan, and we are in the throes of developing that right now.

Danny O'BRIEN: Given there is no state or federal funding for them and there appears to be very little coming from the TAC, has the government given up on road safety barriers as a road safety solution?

Melissa HORNE: Not at all.

Danny O'BRIEN: Well, why have we stopped? There are literally none to be installed in the forward estimates according to your budget papers.

Melissa HORNE: Because we are currently developing our road safety action plan.

Danny O'BRIEN: When is that going to be completed, Minister?

Melissa HORNE: It will be completed later this year.

Paul YOUNIS: Could I just say with the road safety barriers – and I know, Mrs McArthur, you are a real fan of those – we have rolled out just over 3500 kilometres. There was a program of identifying those roads that are at high risk. They were based on all the research, and TAC put in a lot of research around which areas. That program of those high-risk roads is completed. There will be intermittent and gradual rollout of a program of road safety barriers. Most of those works will be done as a part of rehabilitation of existing roads. We believe we have covered the high-risk roads for the road safety barriers, and that program of works is now essentially completed – and it was four or five years of rollout.

Danny O'BRIEN: Can you tell me what the cost of repairing the road safety barriers is for 2023–24, or estimated? I know it is between the department and TAC.

Paul YOUNIS: Between both, we allow around about \$7 million a year in our programs collectively to repair road safety barriers because they get hit quite a bit, which indicates they are kind of working. We have 4500 hits every year.

Danny O'BRIEN: Is there a performance measure as to how quickly they should be repaired?

Paul YOUNIS: There is a performance measure. So a part of our new road maintenance –

Danny O'BRIEN: What is it, Secretary?

Paul YOUNIS: Sorry, I will correct myself. There is not a performance measure; there is a measure where we keep the contract program, about how long it takes. What we do is we program those works, so identify the works –

Danny O'BRIEN: How long is it? We are running out of time, sorry.

Paul YOUNIS: It depends on the road – some roads are high risk and high quality – and the location. It will depend very much on the risk rating we put on that particular thing.

Danny O'BRIEN: Clearly not a simple answer.

Paul YOUNIS: It is not a simple answer.

Danny O'BRIEN: Could you perhaps provide more information on notice, Secretary, on what the timelines for those are?

Paul YOUNIS: If there is information that I can provide, I will provide that.

Danny O'BRIEN: Can I go back to the question about the claims lodged for property damage from roads. Have you got data on that?

Paul YOUNIS: Yes. In the last financial year we have received 1913 claims – over the last financial year.

Danny O'BRIEN: What it is for 2023–24 so far? Can you tell me?

Paul YOUNIS: No, I have not got that one.

Danny O'BRIEN: Can you take that on notice for me?

Paul YOUNIS: Yes, we will take that one on notice.

Danny O'BRIEN: Thank you.

The CHAIR: Thank you, Mr O'Brien. We will go to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Minister and officials. We have got page 130 of the 'Department Performance Statement'; it is referring to the registration and licensing expenditure. Can you please update the committee on how this is supporting the rollout of the digital drivers licence?

Melissa HORNE: I would be delighted to; thank you very much. Have you got your digital drivers licence?

Lauren KATHAGE: Do you have your digital licence?

Melissa HORNE: I do – I most certainly do. It is terrific to see this out, and it has been taken up incredibly well. Following that really successful trial up in Ballarat, which had about I think 15,000 people get on board and have a look either through the VicRoads app or the Service Victoria app, jump on and trial what that is, we have now got those digital drivers licences live out there, where tens of thousands of people have taken them up. It is terrific to be able to see. It is an easy way to get out there and be able to have your phone and have yet another thing as part of your digital wallet.

We did do a lot of security testing with it. What we did with both the Service Victoria app and also the product that is available on the VicRoads app is we contracted some people to be able to do a thing called red teaming. Now, that is in effect paying hackers to be able to try and hack into the system. It is a terrific process to be able to go through, and in fact they found a few little quirks in the system, which has made it a much more robust digital drivers licence than what it previously was. Some of the security features that have been built into it are a highly security timed QR code that updates about every 2 minutes, and that can be scanned by businesses and other authorities to verify authenticity and prevent that fraudulent use, and there is also – I do not know if you have noticed it – a sort of hologram that sort of sits over the image of the person that is on there too to be able to provide that additional security. It is pretty exciting. I think people have really adopted that. It will continue to be rolled out. The thing that we have not done yet is for Ps and Ls, so we will continue to develop that technology, because it is a little bit more complicated, but certainly it is there for the vast majority.

Lauren KATHAGE: My current ‘digital drivers licence’ is that I have a photo of my licence on my phone, but I will see if I can get my digital licence while we are doing our session today. You mentioned a trial in Bendigo –

Melissa HORNE: Ballarat.

Lauren KATHAGE: Ballarat – so what did we learn in Ballarat that we have applied more broadly?

Melissa HORNE: One of the key things that we learned – because your drivers licence is obviously your identity. It has got three sorts of functionalities on it, and when you have downloaded it, you will be able to check it out. You can either have your full drivers licence, your full digital drivers licence with all the information on there, and then you can also choose a tab which is just about identity – so, say, for example, if you are going to a post office to pick up a parcel and you may not necessarily want to disclose all of your information, you can just use it as an identity card – or as proof of age for like getting into a venue. I do not suspect that is something that I will need to use very often, but look, you never know.

Lauren KATHAGE: Really?

Melissa HORNE: So those are some of the things that we did find, and it has helped make sure that we have got different sorts of functionality on there. Feedback from users was pretty great too. People said it was easy to set up, it was fairly quick and easy: ‘It’s nice to have that option not to necessarily bring my wallet with me’ and ‘The licence was the last physical card that I had.’ Now, we still encourage people to carry their physical card because, look, you never know if your phone is going to go flat or you are going to be in an area where there is poor connectivity or poor internet connection, those sorts of things. Other things that people said: ‘A child could do this, it’s so easy,’ ‘It helps that you don’t need your physical card,’ ‘It’s easier to access on your phone’ – all of those things.

Ballarat businesses also really embraced it, because it did not just make life easier for drivers, it also made it, for people who wanted to verify identity and things like that, much more easy for them. This is part of what we have been doing as well over the last few months, which is going out there and consulting with VicPol and businesses and different organisations so that they recognise that this is a legitimate form of identification.

Lauren KATHAGE: And have you found it easy enough to use?

Melissa HORNE: One hundred per cent. I had to go into Telstra the other day because the youngest pest had totally managed to destroy his mobile phone and I had to get a replacement mobile phone for him. It was easy just to pull out my phone and show them my identity the way that you have to do when you get a new mobile phone. So Mr 16 was pretty happy and I was pretty happy, and the people at Telstra went, ‘Wow, that’s cool,’ because, as you can appreciate, they are often early adopters of technology.

Lauren KATHAGE: Yes, that is right. Okay. That is good. It will be interesting I guess in time to see different age groups and how they take it up, and then I guess we will learn uses for it. Is there continual learning built in to the rollout of the digital licence?

Melissa HORNE: I think it is one of those things where we will always constantly refine that technology. Thanks.

Lauren KATHAGE: Thank you.

The CHAIR: Thank you very much, Minister. Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good evening.

Melissa HORNE: Hello.

Aiv PUGLIELLI: My question is really I think one for the department. Two weeks ago a young cyclist in his 20s was run over by a B-double at the intersection of Dynon and CityLink roads. He was critically injured, may never walk again. By all reports he had a green cyclist light when he was struck by the truck, who also had a green light. Now, my colleague Ellen Sandell and other community members have previously raised the issue of cyclists and trucks both getting simultaneous green lights at this intersection and others, after cyclist Angus

Collins was killed in a similar situation last year. According to publicly available meeting minutes from 8 February 2024, the department of transport and West Gate Tunnel authority knew about these risks. I understand that following the tragedy there are reports that a new bike path that curves around and under the CityLink on-ramp is going to be added. Will the department now make urgent changes to all intersections where cyclists and vehicles have simultaneous green lights, or is it just this one?

Paul YOUNIS: Mr Puglielli, I think you have raised an issue that is really, really tragic for not only that person but that community there and bike riders that use that pathway. Initially, just to be clear, that incident is still under a bit of investigation, so we have got to be a little bit careful about making full assumptions around that, and also we do a review of all incidents and work with the police in relation to those. I will not make comments around the particular incidents specifically. However, you are right: in relation to the issue, that green arrow, green light conflict – and this was on opposite sides of the road, this one, not on the same side of the road – we will be making changes to that intersection and planning changes to that intersection, and we do that when we do an audit of all of those issues as they appear.

More broadly than that, though, we are doing a whole sweep across the whole state of where there is potentially these sorts of conflicts, and we are doing a bit of a plan around them and a safety assessment of those and understanding where this potentially could happen again, because it certainly is a circumstance that we do not want to happen, and if it creates a perception of a conflict issue we want to remove that as much as possible. So we are working through an audit of all of our traffic light network. We are doing an audit of where we have got that conflict occurring. We are doing a specific safety audit at each site, where that is there, understanding whether there are simple solutions or more complex solutions to resolve that and working towards a program of addressing them. So yes, you have raised an issue that in this circumstance appears to have been very unfortunate for that person. It was terrible.

Melissa HORNE: Terrible.

Aiv PUGLIELLI: And the community. Thank you for raising it, and for your comments, I should say. Moving on, there has been an increase, and I think many of us would have seen them, of larger American-style pick-up trucks on the streets of Melbourne, which apart from being extra polluting also pose a significant danger to pedestrians, especially children who often cannot even be seen over the high bonnets of these cars. From the government perspective what are you doing to discourage these vehicles from being driven in places where they do not belong?

Melissa HORNE: I suppose there are couple of things there. Firstly, the importation of those vehicles is a matter for the federal government – having that ANCAP rating for them. But one of the things that we are doing is rolling out a program around pedestrian safety. That is called the IAP2 – is that what – sorry.

Paul YOUNIS: They go by various names, and I will have to remember the names.

Melissa HORNE: But that is a really significant program that is aimed to be able to look at the places on the network where there are those vulnerable road users. I know recently up in, say, the city of Moreland we have gone out there on roads and installed things like wombat crossings, so those raised pedestrian crossings that slow cars down and provide those sorts of safe places to cross. It is putting in pedestrian signalisations, those sorts of things. But in terms of the trends to those bigger vehicles, the importation of those is a matter for the federal government.

Aiv PUGLIELLI: The importation – I totally understand what you are putting to me. With regard to children that you cannot even see over the bonnet of these vehicle just because of the height, for example, why does the government at the state level not incorporate vehicle weight into our location-based registration systems so that inner-city drivers are then incentivised to drive smaller cars?

Melissa HORNE: Look, that certainly is an interesting policy question, and I suppose what we have done is tackle that from a different aspect which is around working particularly with local councils on speed, because as you can appreciate – I really congratulate the City of Yarra too for working constructively with the department of transport to be able to drop speed limits to 30 kilometres per hour in most of their streets, because the vast majority of the road network is actually under local government control. So to be able to drop that speed limit to 30 kilometres an hour will have a really good road safety outcome.

Aiv PUGLIELLI: Thank you, and I appreciate your comments for the City of Yarra. I understand they are looking quite closely into this issue that I am raising, in addition to speeds, which you have spoken about. Do you feel like those actions that the state government are undertaking that you have pointed to – are they going to address that concern that you literally cannot even see the kids over the bonnet?

Melissa HORNE: Well, I think if you take a look at sort of what you are talking about with a weight-based ratio as well. I mean, most of your electric vehicles are far heavier than your normal IC cars as well.

Aiv PUGLIELLI: But that you can see the pedestrian, though, is the big issue, isn't it?

Melissa HORNE: Yes, absolutely. But it is getting that policy nut cracked, I suppose, in a way, because if you are going to, as you are contending, have that sort of weight-based ratio or that weight-based way of classifying things on the network, you are going to penalise electric vehicles, and that is a shift that we need to go down.

The CHAIR: Thank you, Minister. We will go to Mr Hilakari.

Mathew HILAKARI: Thank you, Minister and officials. Appreciate your attendance this afternoon. I do worry about your last comments, because I did hear Mrs McArthur go 'Hmm' to the comment about weight and electric vehicles, so I suspect your next two years worth of PAEC questioning will be absolutely on that. I can see her lining up the questions already.

Members interjecting.

Mathew HILAKARI: No, no, no, I said the next two years, not this year. It was not an exact invitation. Minister, I will go to a topic that we have covered to some extent already but I think is due for some more reflection in conversation, which is budget paper 3, page 75, and the \$964 million in road maintenance funding. I am just hoping to go through further how this will ensure that our properly maintained roads will allow Victorians to get where they need to go.

Melissa HORNE: Thank you very much for your question. I think the conversation with Mr O'Brien to this point has also canvassed much of that, because what we are doing is now that we have got that 10-year funding horizon, it allows us to be able to strategically plan how we maintain our roads across the state. Without a doubt we use our roads differently in different areas. Up in the north-east of the state they are very different roads. They have a very different freight task from, say, down in the south-west, for example, where you have got dairy tankers and those sorts of roads, or you have got up in the north-west much drier conditions. Again, it is the grain trucks that are up there too. So the way that we actually manage our road maintenance and this long-term funding horizon allow us to be able to strategically plan what activities occur where.

Over the past year the department, me included, have held forums around different parts of the state to really unpack what is needed where. Some parts of the state – high tourism areas, other parts of the state – much higher freight task. Metropolitan Melbourne of course is very different to East Gippsland. So we have got to have a road maintenance strategy that is purpose-built for the specific area, and that is what we are doing. In fact I think we have just popped up on the website what the engagement sessions have actually been out in those different areas to be able to help inform the development of that strategy, which in turn will be reflected in budget papers and departmental performance measures as well. On top of that, we have got new contracts in place that do a range of different things and again are there for the long term so that we can actually continue to deliver this work that we really know is needed.

Mathew HILAKARI: And I really love that it is a decade-long strategy, because Mr O'Brien, as he enters his third decade on PAEC –

Melissa HORNE: Congratulations!

Mathew HILAKARI: will be able to reflect on the strategy and see if it has been effective –

Danny O'BRIEN: I have been hearing this rubbish for 10 years.

Mathew HILAKARI: and worked as well as we thought.

Danny O'BRIEN: Jacinta Allan said you were going to put \$8 billion funding, and he said, 'Oh, it's in the budget.' Which budget paper? Which page, Minister?

Mathew HILAKARI: There we go. Fantastic to hear. More money for roads is great, but I want to take us to the impact of weather events – last year's weather events. I know we have covered some of that already but also just to round that out and how the government has been responding to this.

Melissa HORNE: Thank you very much. As I said previously, we have had since Christmas four flood events. Like, it has been extraordinary, and it has wreaked havoc on our roads.

Danny O'BRIEN: It is not extraordinary.

Mathew HILAKARI: I think it is extraordinary.

Members interjecting.

Mathew HILAKARI: The weather events have been extraordinary, that is right.

Melissa HORNE: I appreciate that we have got more climate change events that are occurring, and that may well be an inconvenient truth for members of the National Party, but there we have it.

Danny O'BRIEN: We had bigger floods when we were in government and the roads were not this bad.

Melissa HORNE: There have certainly been more of these events occurring.

Bev McARTHUR: They seem to maintain roads in the Northern Hemisphere, and it is wet six months of the year.

The CHAIR: Order! Okay, time for some shoosh.

Bev McARTHUR: Go on a junket, Minister, and find out how they do roads –

Mathew HILAKARI: I appreciate we are almost coming to 5 pm, Mrs McArthur, but I would like to hear the answer to this question.

Bev McARTHUR: Perhaps you can go with her, Mr Hilakari.

The CHAIR: Well, I am uninviting you, Mr O'Brien. Mr Hilakari, please proceed.

Mathew HILAKARI: Thank you. I am just hoping to hear more about the weather events and how the government is responding to those.

Melissa HORNE: Sure. One of the examples that I can give is actually in Mr O'Brien's electorate, on the Hyland Highway –

Danny O'BRIEN: Oh, you still have not fixed it. It has been down to one lane since December. It is about to disappear.

Melissa HORNE: Precisely – I do understand that you drive past on a regular basis.

Bev McARTHUR: We have got more potholes than roads in most areas.

The CHAIR: Okay, order!

Mathew HILAKARI: Minister, do not be distracted by those opposite.

Danny O'BRIEN: That road has been closed since December.

Mathew HILAKARI: Keep barrelling on, I say.

Melissa HORNE: It has been really important. I met with the chief engineer down there, which was really fascinating, because one of the things that they needed to do is actually allow the landslip to stabilise. Then they

have got really sort of detailed plans to be able to drive pylons in, be able to create a special embankment that will end up keeping that back while they can rebuild that road. It is an enormous amount of work that has gone into that, but it is also the sophisticated way of doing it.

Danny O'Brien interjected.

The CHAIR: Mr O'Brien.

Mathew HILAKARI: I just know how happy Mr O'Brien is to hear this –

Danny O'BRIEN: I will be happy if it gets fixed.

Mathew HILAKARI: the important pylons and safety rectification works that are going on in that part of Victoria. I do want to just bring us to that long-term investment and how this will outline and improve road maintenance over time.

Bev McARTHUR: We have got more slowdown signs than traffic directions, you know, out in the country, Mr Hilakari.

Mathew HILAKARI: We do want safe driving everywhere we can.

Melissa HORNE: Sorry, what was your question then?

Bev McArthur interjected.

Mathew HILAKARI: Mrs McArthur is really on a slowdown today, I can tell. But I want to bring us to –

Melissa HORNE: Crews are out there today.

Danny O'BRIEN: Just for PAEC or –

Melissa HORNE: Just for you, Mr O'Brien.

The CHAIR: Apologies.

Mathew HILAKARI: I might take that question offline, Minister. Thank you so much.

Melissa HORNE: Thank you.

Danny O'BRIEN: You might as well just give it to me, Mr Hilakari.

Mathew HILAKARI: I tried.

The CHAIR: Thank you, new BFFs.

Minister and officials, thank you very much for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is now going to take a very short break before beginning its consideration of the ports and freight portfolio at 4:50 pm.

I declare this hearing adjourned.

Witnesses withdrew.