

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2024–25 Budget Estimates

Melbourne – Friday 17 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

Ros Spence MP, Minister for Community Sport; and

Tim Ada, Secretary,

Peter Betson, Deputy Secretary, Sport and Experience Economy, and

Philip Saikaly, Executive Director, Community Sport and Recreation, Department of Jobs, Skills, Industry and Regions.

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

I ask that mobile telephones please 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, comments repeated outside 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 tonight 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 Community Sport the Honourable Ros Spence, as well as officials from DJSIR. Minister, I am going to ask you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask questions. Your time starts now.

Ros SPENCE: Thank you, Chair, and thank you to the committee for the opportunity to present on the community sport portfolio. I would like to begin by acknowledging the traditional owners of the land that we are meeting on and pay my respects to elders past and present.

Visual presentation.

Ros SPENCE: I have had the honour of serving as the Minister for Community Sport for the last four years, and it continues to inspire me to see the dedication, the collaboration and the shared purpose of our clubs, associations, leagues and peak bodies and what they bring to supporting Victorians to get active. The community sport and active recreation sector is a major contributor to Victoria's social, cultural and economic wellbeing. 4.7 million Victorian adults are active at least once a week, and almost two thirds get active three times a week. These levels of activity have remained fairly stable over the past few years.

The facilities that our clubs call home are often the central point for whole communities, particularly in our regional and rural areas. Across the state there are approximately 10,000 facilities. These facilities generate an estimated \$7 billion worth of direct and indirect economic benefits to Victoria annually, including \$2.6 billion of social benefits. The wider sport and recreation sector supports an estimated 71,000 full-time jobs and almost 850,000 volunteers, and I want to take this moment to thank the staff and volunteers who work hard to keep our sector going week in, week out.

The Victorian government has provided significant support over the past year to ensure our clubs, leagues and associations can continue to provide participation opportunities for all Victorians. We continue to deliver the Get Active Kids voucher program, providing payments of up to \$200 to help Victorian families get their children involved in their favourite sport and recreation activities. I am pleased that close to 150,000 vouchers have been distributed through the program to date. Pleasingly, around 50 per cent of recipients would not have been able to participate without the assistance provided. We have also provided more than \$860,000 in support through the sporting club grants and the Aboriginal sport participation grant programs.

Through the Office for Women in Sport and Recreation we have continued to deliver programs to create opportunities within the sport sector for women and girls to participate on and off the field, and I am pleased to say that as of March 2024, 94 per cent of funded peak bodies are compliant with the Balance the Board policy. To increase our capacity to meet current and future demand for sporting facilities we have approved funding of almost \$20 million to support 73 local sports infrastructure projects to date in 2023–24. Through Together More Active we have continued to build a more sustainable sport and recreation sector in Victoria by investing \$14.5 million in over 100 projects to increase inclusive participation and create safe, welcoming spaces for all.

The 2024–25 budget reflects the Victorian government's continued commitment to support Victorians participating in sport and recreation. \$17.5 million over three years is being invested to continue delivery of community sport and active recreation infrastructure and pathway programs. This includes continuing the Local Sports Infrastructure Fund, the country football and netball program and Basketball Victoria's high-performance hubs located in places such as Broadmeadows, Werribee, Ballarat and Shepparton. Six million dollars over one year has also been provided to continue the popular Get Active Kids voucher program to address key barriers to participation, and this critical program will provide up to 30,000 vouchers to help Victorian children from families facing disadvantage with the cost of participating in sport. Thank you, Chair.

The CHAIR: Thank you, Minister. The first 8 minutes is going to go to the Deputy Chair.

Nick McGOWAN: Thank you, Minister. Regional facilities are part of your purview as well. In respect to the now cancelled Commonwealth Games, has that had any impact that you have experienced, when you are speaking with different clubs and associations across the state, in terms of what their needs might now be in your portfolio?

Ros SPENCE: Thank you for the question. There are a number of facilities within the regional sports infrastructure program that provide 15 new or upgraded facilities in regional Victoria in the six regional locations where there was anticipated infrastructure, those being Geelong, Surf Coast, Ballarat, Bendigo, Shepparton and Latrobe. I speak to many people right across the state, and to be honest with you, it would not matter if it was in one of these Commonwealth Games facility areas or in metropolitan Melbourne or wherever, the demand for sport at the moment is increasing. We are growing and we are increasing, and that is why we are continuing to invest, because there are so many places that either need or would like upgrading.

Nick McGOWAN: Of those facilities that we had anticipated, obviously the government is still committed to go through with the bulk of those, as I understand it. Are they still on the same timeline, I suppose is what I am asking, in terms of implementation?

Ros SPENCE: Yes is the short answer, but it is a bit more complicated than that, because what would have been committed for the Commonwealth Games was what was required for the Games and then we would have had to come back afterwards and redo those projects for the ongoing community utilisation. Otherwise you have got that risk of white elephants that are not fitting what the communities' needs are. So what we are doing now is instead of having to go through that two-stage process it is going to what the community sport aspect of it was. In my portfolio there are 11 projects; there are four in the minister for sport's portfolio. They are all on a timeline, and we are working towards delivery of those –

Peter BETSON: during 2026.

Ros SPENCE: Yes.

Nick McGOWAN: Are you able to share that timeline with us? Is that a public document, or is it a work in progress?

Ros SPENCE: I cannot as yet, because the memorandums of understanding have not been finalised at this point. There is a little bit of work to be done in finalising those arrangements before I could with confidence say to you that this is a definite timeframe.

Nick McGOWAN: Thank you, Minister. I understand, in consideration, obviously Ringwood is one of those key regional hubs. Is that correct?

Ros SPENCE: Sorry?

Nick McGOWAN: Ringwood. I take that as a no – or under consideration.

Ros SPENCE: But I am sure Ringwood is benefiting greatly from the indoor cricket hub that we provided there.

Nick McGOWAN: It is not too late, Minister. Do you like the cricket hub? That is lovely. The basketball centre is not too far away.

The Get Active Kids vouchers – it has been funded for another year. Is it anticipated that will go forward? I always get worried when I hear just one year. I like to hear two or three, but I know you cannot –

Ros SPENCE: I cannot comment on what future budgets may or may not include, but what I can say is this has been an incredibly popular program, with around 150,000 vouchers to date. It has been over seven rounds now, and we have got funding for another. People in the community are benefiting greatly from this program, and I always hope that things continue for a very long time. This is a project that is really important to me. It was a project that we commenced delivery of in 2021, and it has been very, very important. Thank you for your interest in the project, and we will continue –

Nick McGOWAN: How do you measure success with that, Minister? Is that a question of just simple uptake, or is there some way that the department has been able to actually go back and see who we are assisting there?

Ros SPENCE: We do. We have done really comprehensive data collection through all of the rounds of the program, and I guess there are two figures that are quite relevant. One is that around 50 per cent of participants have said they could not participate without the voucher. This round, the most recent round, was tracking up around 59 per cent. So that is also an indication that hardship is increasing and we are providing assistance where it is needed most. The other metric is that in each round the number of people who have said that this is the first time that they have participated in sport has continued to decrease, so we are down at around 20 per cent in this current round. Now, with that continuing to decrease, that is telling us that they are coming, they are participating in sport. They are getting a voucher, participating; it has had a positive outcome; they come back and get another one. When we started we were at 50 per cent for those that had not participated before, so to come down to around 20 per cent, that is a lot of young people who are returning round after round after round, and I think that is an excellent indicator of success.

Nick McGOWAN: Just so I understand this, is it that 20 per cent of people are the same people each round or the reverse of that – is it 80 per cent?

Ros SPENCE: No. 20 per cent of people have not participated in sport before.

Nick McGOWAN: Do we know how many of them, since the program's inception, are repeat?

Ros SPENCE: We cannot really quantify that exactly; we just have to base it on that percentage. That is the key indicator. There are probably two other metrics that tell us that these are measures of success. One is that the number of participants of Aboriginal and Torres Strait background has increased, so we are getting to the people that were facing barriers beyond simply financial barriers. We know that they face additional barriers – intersectional barriers. And also the number of people with a disability participating – in this round I think we are at 14 per cent, so that is a really good outcome, telling us that this is getting to the people that need it most. We know that financial costs can be a real barrier to participation, but we also know that there are those intersectional issues that can add to those barriers. So we are very happy with the outcomes, and the data that we collect along the way helps us to have that clear picture.

Nick McGOWAN: Fantastic, Minister. I will be very selfish: can I get any data for my electorate of Ringwood in respect to that program?

Ros SPENCE: I cannot speak to Ringwood itself, but what I can do is, on notice, tell you about the LGA. But I will have to give it to you on notice.

Nick McGOWAN: Whitehorse and Maroondah. If I can take that up later – because I have got about a minute to go. I have got one more question, if that is okay.

Ros SPENCE: So Whitehorse and –

Nick McGOWAN: And Maroondah.

Ros SPENCE: Yes.

Nick McGOWAN: Minister, in terms of the community facility grants, there was a target initially of 130, and I think that fell short in the order of 95. Do you know why that was the case? I am talking 2023–24 for the budget.

Ros SPENCE: Can I get you to repeat the question? I just missed the start of it.

Nick McGOWAN: Of course. This is in the ‘Department Performance Statement’, page 89. The 2023–24 Victorian budget included a target of 130 community facility grants to be approved, and the outcome was 95.

Ros SPENCE: Okay. Yes. I can talk to you about that. There were a lower number of grants for a higher value in the LSIF – the Local Sports Infrastructure Fund.

Nick McGOWAN: Can we get any details about those? Again, are these published, all those grants that are made available?

Peter BETSON: Essentially the target we had was \$90,000 for the average grant. That increased through the expected outcome to \$112,000 based upon, basically, a different profile within the LSI fund in terms of those expected to be up taken versus those through the competitive program.

Nick McGOWAN: Thank you, both.

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

Mathew HILAKARI: Minister, Secretary and officials, thank you so much for your attendance tonight. This is a really exciting topic for the community that I represent. I am going to take you to budget paper 3, page 58, and I am actually going to continue a bit on the theme around the Get Active Kids voucher program, because it is just so terrific. I am hoping you can give me a little bit more information about how it is being rolled out over the successive rounds and a bit more information on it.

Ros SPENCE: Thank you for that question. You know how much I am a fan of this program, and I know that you are very keen on it as well. We are – and I am, particularly as Minister for Community Sport – really committed to helping grow participation in community sport and recreation, and one of the best ways that we can do that is by increasing the opportunities for access and reducing the barriers that prevent engagement. We know that the cost of community sport can be one of those barriers. Between uniforms, equipment and registration costs, these all really quickly add up. Essentially these vouchers can help ease the pressures that come with all of those cumulative costs that are involved in participation. One of the things that I mentioned to Mr McGowan was that over the seven rounds of the program we have collected a lot of data, and I will go to it again because it really is important in telling the story of the success of these vouchers. We know about the feedback that we receive that around 20 per cent of participants had not previously been involved in a sporting club. That is a really key metric. The other one I mentioned was that almost 50 per cent of applicants tell us that they would not have been able to participate in community sport without the voucher. As I mentioned, this rose to 59 per cent in this round, but it had been fairly consistent at 50 per cent during all of the previous rounds.

We know that this really does mean a lot. \$200 might not seem like a lot of money to some. But for almost 60 per cent of families in this most recent round, that was the difference between being able to play sport or not, and it is \$200 that they do not have to find by cutting from somewhere else in their household budget or cutting sport from the kids. I know when I was a single mum and my son was young, you have the electricity bill, the gas bill, the rent all due at the same time and then young one fronts up and says, ‘By the way, I’m really keen to play Auskick this year,’ a bit of a shudder goes through you because you know that that has to come from somewhere else. There is not a spare bucket lying around for anything. It is a juggle, and what this aims to do is address that issue where parents do not have to make the choice of ‘do we or don’t we participate’; it is ‘here is an avenue to participation’.

We also know that 30 per cent of recipients across the program are from regional Victoria, with 4 per cent indicating that they are Aboriginal or Torres Strait Islander, and I am really pleased that in round 7 we recorded the highest uptake of those with a physical or sensory disability: as I mentioned, 14 per cent. That is the highest in the seven rounds so far. The funding clearly is supporting those who need it most, and I am really proud that this budget provides another round of this important program.

Mathew HILAKARI: You mentioned that there have been successive rounds of this. I understand it started in the 2021 budget round I think is correct. I am hoping you could speak to the initial intention behind it but also has it been successful and what do you count as success?

Ros SPENCE: Thank you. The intention for funding this program is really contained on page 62 of budget paper 3, and that was to reduce barriers and increase access and opportunities for Victorians under the age of 18 to participate in sport and active recreation. As I have said previously, the vouchers can be put towards equipment, uniforms and registration fees. People know what the cost barriers are that they face, so it is not necessarily helpful for the government to decide what they need help with in a sporting context. We provide people with these options of whether they need assistance with memberships, uniforms or equipment, and where people are returning to sport year after year, the financial challenges can also change over time. For example, you might not have to buy a new basketball uniform every year or new wicketkeeping gloves – that might not be a priority every year – but these may change in different cycles.

I referred earlier to the data collection that we have conducted, and there is one particular figure that I find really interesting. I will mention it again, and that is whether or not your child has been involved in a sporting club, association or organised activity prior to accessing the program. Given this has dropped every year, as I was mentioning to Mr McGowan, this is a great example of the program being a success. It is telling us that people are accessing the vouchers. They are having a good experience, and they are returning and accessing them again. To me this indicates that the vouchers are fulfilling exactly the stated intention of reducing barriers and increasing participation. We have had seven rounds of the program. If they were not making an important and meaningful difference to families, families would not keep coming back and accessing them, so I think the program in many ways speaks for itself.

Mathew HILAKARI: I think that is exactly right, and that is the feedback that I get from across the community that I represent. I thank you for sharing your own experience, and it speaks to these programs being part of social inclusion and access. Can you talk a little bit with reference to page 58 around what that means?

Ros SPENCE: Thank you, and you are absolutely spot on. I think that this ultimately goes to a question of values, which is why the funding is contained within this budget. We know that Victorians living on low incomes or living in areas of socio-economic disadvantage are less likely to participate in active health and recreation. This funding is important to me and to the government because the question is well and truly settled on the benefits of community sport and recreation. In childhood particularly, these include fine and gross motor skills as well as social development. The positive impact on mental health, physical health and community wellbeing are conclusively established. Even if you do not think those are self-evidently good things in themselves to support and foster in a society, the financial reality is that they also translate to savings to the health system. We know that the best time to build lifelong habits is when you are young; however, you cannot do this if you do not have access to the things that you need to enable these habits. So the Get Active Kids vouchers are a priority for this government, because the benefits are so widespread and they make the world that much brighter for the families that need them.

Mathew HILAKARI: Now, Mr McGowan earlier was speaking about his love for basketball.

Nick McGOWAN: And cricket and ballet –

Mathew HILAKARI: Well, I was going to get to cricket. Within my own community I have been to the basketball in the last couple of months and table tennis, football, cricket, soccer, karate, tennis and Rugby League as well. We have just got a plethora of sports across our community. There is a bigger diversity of sports across all of Victoria. Taking us back to page 62, which sports are seeing the benefits of this investment?

Ros SPENCE: Thank you again for your question. There is a really broad range of sports that are included and eligible under the Get Active Kids voucher program. Eligible activities that include organised sport, active recreation activities and outdoor recreation programs, including camps, are broadly captured by the vouchers. A

club or an organisation needs to be an approved provider and affiliated with the appropriate state sporting association or state sport and active recreation body, with a few other exceptions for things like Girl Guides Victoria, Scouts Victoria and the Australian National Drag Racing Association.

Mathew HILAKARI: There we go.

Ros SPENCE: These vouchers are not just popular with families; they are really popular with the clubs as well. Families claim these vouchers for all sorts of sport that you would immediately think of, such as AFL, cricket and basketball, but I can speak to a few specific examples from across the state which will demonstrate some of the diversity of the activities covered. We have the Wyncity Bowl and Entertainment, which provides tenpin bowling in Point Cook –

Mathew HILAKARI: Yes, I know that well.

Ros SPENCE: the Ippon Karate Academy in Laverton. We have Trident Gymnastics just down the road from Mr McGowan's office in Ringwood, we have the Oakleigh Go Kart Racing Club in Clayton South, we have the Clarinda Tennis Club and we have the Findon Pony Club in Mernda. There is the Motion Dance Company in Geelong, and we have the Gippsland Water Dragons, who participate in the fine sport of dragon boating in Sale. We have the Templestowe Australian Rules football club in Doncaster and of course we have more swimming, basketball and gymnastics clubs than you can imagine, which are in the top three sports provided with these vouchers.

Mathew HILAKARI: That is some really great stuff there. I am glad to hear about the dragon boat racing.

Danny O'BRIEN: The Gippsland dragon boat is awesome.

Mathew HILAKARI: Have you been out on it?

Danny O'BRIEN: I have not been – I have been in a photo on a pontoon next to it.

Mathew HILAKARI: That is a classic politician's answer, isn't it? Fantastic.

The CHAIR: I think you need to commit to getting on it.

Danny O'BRIEN: It is an all-women dragon boat, in my defence.

Mathew HILAKARI: That is the quote of PAEC so far. Thank you for that.

Danny O'BRIEN: The minister nearly did not mention Gippsland, and she would have been in big strife.

Mathew HILAKARI: We have been through seven rounds now, and I guess we are going to, hopefully, have some learnings that we have had through it so that we can apply those to round 8 and hopefully beyond. With reference to page 58, I am just hoping you can talk to some of those learnings.

Ros SPENCE: I will take you to probably what the biggest learning has been through the seven rounds, and that was in round 4 we started to deliver the program through two models: it was either by reimbursement or by true voucher. True vouchers are claimed online and then you go to the club and sign up, and the club then redeems the vouchers that have been claimed. The reimbursement covers those clubs that might not be associated with the complete eligibility, but that reimbursement also covers expenses for uniforms and equipment.

Mathew HILAKARI: Thank you.

The CHAIR: Thank you, Minister. Thank you, Mr Hilakari. Minister and department officials, thank you very much for appearing before us this evening. The committee will follow up on any questions taken on notice in writing, and responses will be required within five working days of the committee's request.

Nick McGOWAN: I think the minister might have a note there. Sorry to interrupt you, Chair. If it pleases the Chair, could you just give the minister a moment? Thank you.

Ros SPENCE: If you do not mind, Chair, I can just very quickly let Mr McGowan know that in round 7, at the end of January, Whitehouse had 503 applicants and Maroondah 547.

Nick McGOWAN: Thank you very much, Minister.

The CHAIR: Thank you, Minister. That will be less paperwork for the committee.

I would like to thank all ministers and officers who have given evidence to the committee today as well as Hansard, the committee secretariat and parliamentary attendants.

I would also like to thank the hospitality staff, security and cleaning staff who have all looked after us today.

The committee will resume its consideration of the 2024–25 budget estimates on Monday 20 May at 8:30 am.

I declare this hearing adjourned.

Committee adjourned.