



**Department of Environment
and Primary Industries**

Ref: SEC010461



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Mr David Morris MP
Chair
Public Accounts & Estimates Committee
Parliament House
Spring Street
EAST MELBOURNE VIC 3002

16 JUL 2014

Dear Mr Morris

2014 - 15 BUDGET ESTIMATES QUESTIONNAIRE CLARIFICATION QUESTIONS

Thank you for your letter requesting clarification from the Department of Environment and Primary Industries on the PAEC 2014-15 Budget Estimates Questionnaire.

Enclosed, please find responses to these questions, which provide the additional information that the committee has requested.

If you or your staff require any clarification regarding these responses, please contact Carolyn Jackson, Acting Executive Director Finance and Planning, on 9637 8696

Yours sincerely

Adam Fennessy
Secretary

Encl.

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CLARIFICATION QUESTIONS
2014-15 BUDGET ESTIMATES QUESTIONNAIRE

DEPARTMENT OF ENVIRONMENT AND PRIMARY INDUSTRIES

Question 1:

The Committee notes that the Department's response to Question 20 in the Committee's 2014-15 Budget Estimates Questionnaire was:

In relation to 2014-15, the Department does not have any new revenue raising initiatives and/or major changes to existing revenue initiatives.

The Committee also notes the Department's website (<http://www.depi.vic.gov.au/forestry-and-land-use/visiting-parks-and-forests/national-parks-camping-and-accomodation-fees>) sets out fee increases at a number of areas within National Parks starting 1 July 2014, including introduction of fees to areas where no fees have previously applied.

Please indicate:

- a. how much additional revenue is expected to be collected under the new fee structure over the forward estimates period; and
- b. how much additional expenditure on outputs and capital works is expected to occur as a result of the change in fee structure.

Reply:

Following community consultation through a Regulatory Impact Statement in October 2013, the Minister for Environment and Climate Change published a fee determination in the Victorian Government Gazette for National Park fees and charges for occupying camping places and buildings on 5 June 2014. The new fees and charges commenced on 1 July 2014.

- a. The additional revenue to be realised over the forward estimates period from the new fees is projected to be approximately \$1.9 million per annum.
- b. This additional revenue will be retained by Parks Victoria and reinvested in the provision of the assets and services at the locations where the fees or charges are collected.

Question 2:

Regarding the Department's response to Question 12 the Committee's 2014-15 Budget Estimates Questionnaire, the Department has indicated that *'these measures will continue to be achieved through the implementation of efficiency initiatives and corporate reform.'* Please indicate:

- a. what 'corporate reform' consist of;
- b. how corporate reform will contribute towards achieving savings targets; and
- c. what evidence the Department considers when determining savings targets have been achieved.

Reply:

- a. The Department of Environment and Primary Industries (DEPI) was created to provide more streamlined and responsive services to the Victorian community. Since the formation of DEPI in July 2013, a process of corporate reform has taken place in order to shape the new department and ensure it is a high performing and efficient organisation.

A significant focus of DEPI's corporate reform agenda is moving the organisation to a regionally based delivery structure which will enable DEPI to be more mobile and flexible and possess greater capacity to respond to emergencies such as fires, floods and biosecurity threats.

- b. While DEPI continually reviews its procedures to implement operational efficiencies where appropriate, the process of corporate reform has provided further opportunities for efficiencies. This has included the identification of general efficiencies that can be found in corporate and back of house areas, with minimal impact on service delivery.
- c. In determining whether savings targets have been achieved, DEPI considers whether departmental objectives have been met efficiently within allocated budgets.