

# 2015-16 Budget Estimates Hearing

## Environment, Climate Change and Water Portfolio

Public Accounts and Estimates Committee



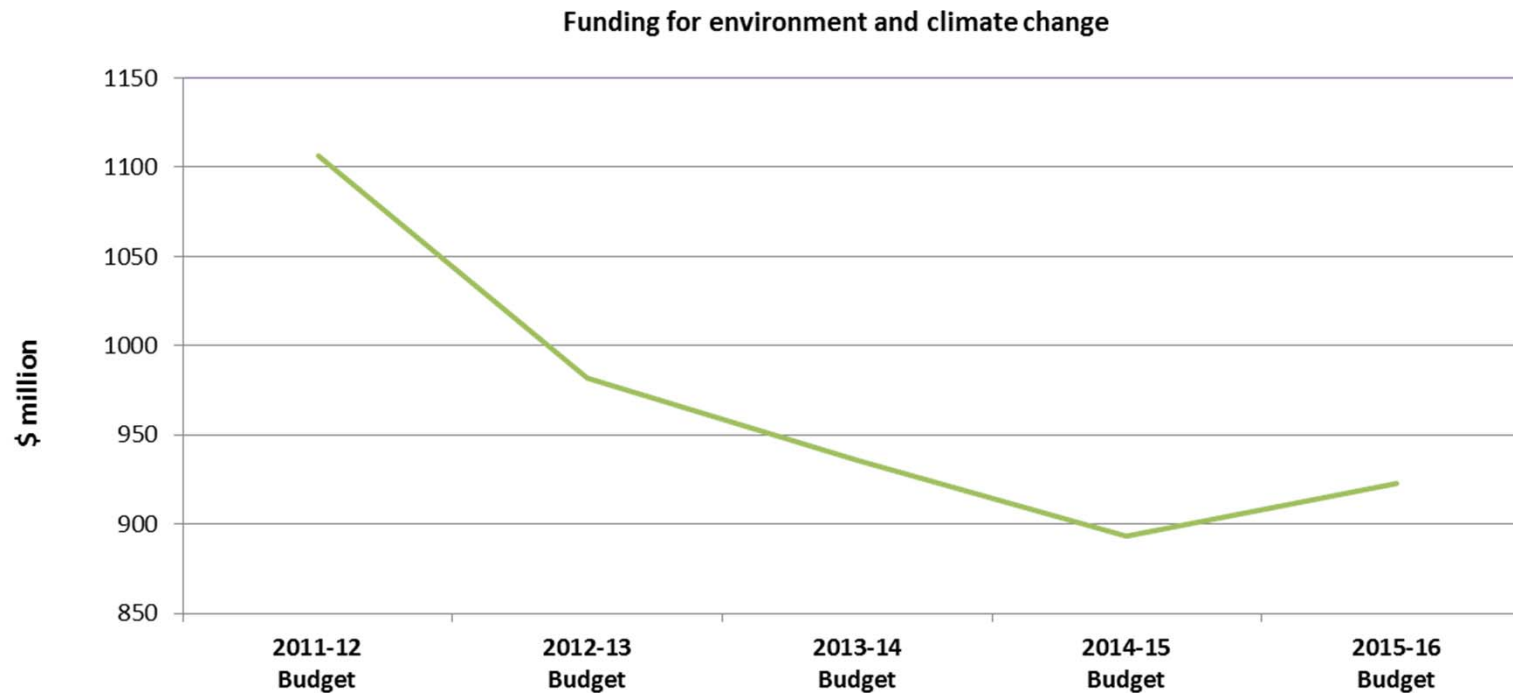
- Source: Yarra Ranges and Nankeen night heron and Edithvale wetlands

# Revitalising our built and natural environment

- The Department of Environment, Land, Water and Planning (DELWP) was established on 1 January 2015.
- The creation of DELWP demonstrates that the Victorian Government is committed to ensuring that our environment and natural resources are properly protected and managed.
- We are now in a better position to deliver outcomes that are in the best interests of our environment, natural and built heritage and neighbourhoods.
- Provides opportunities to:
  - partner with all levels of government to **respond to climate change** through risk mitigation and adaptation strategies
  - work to accommodate **population growth** while maintaining world class **liveability** and protecting our heritage for future generations
  - assist local governments to support **people, communities** and **growth** at the **local level**



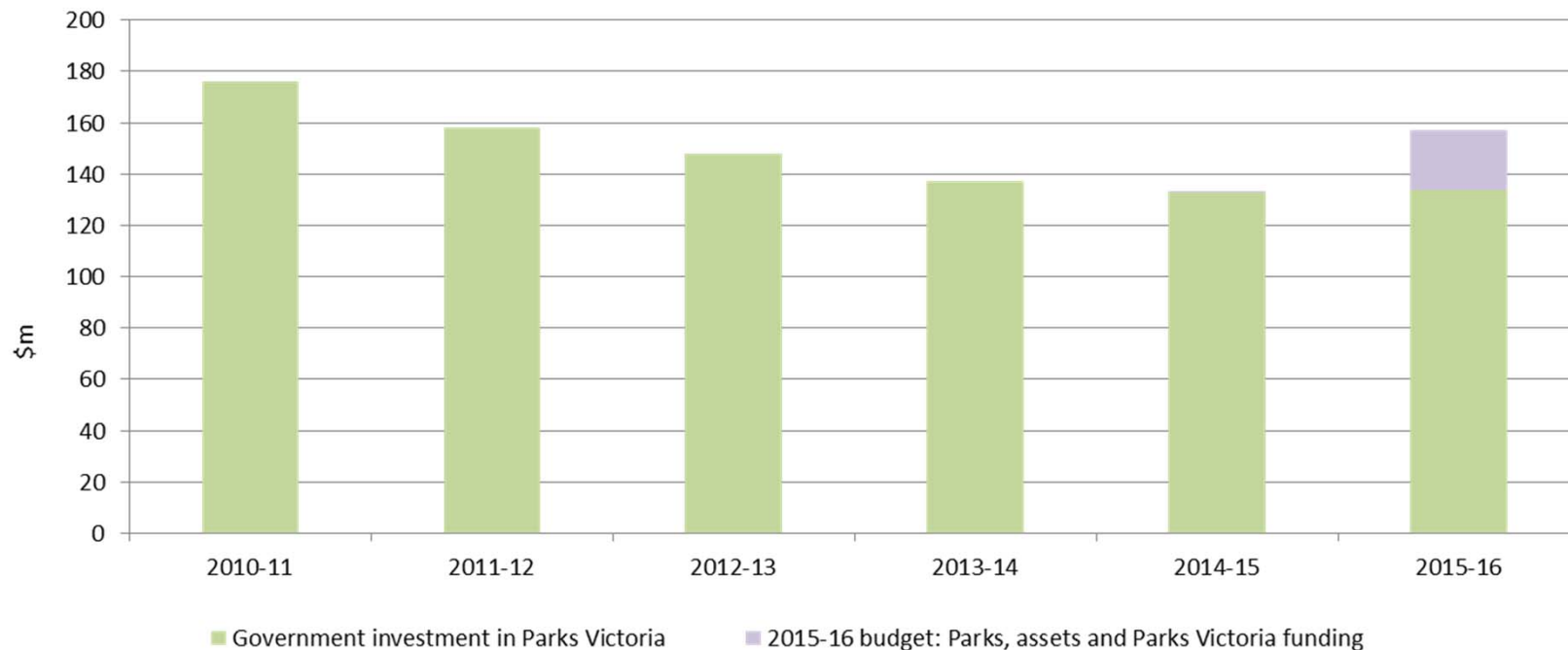
# Inherited challenges – investment in the environment



- Between the period 2011-12 to 2014-15:
  - Overall investment in the environment portfolio decreased by more than 19%.
  - 11% reduction in staff.
  - No new funding provided for climate change in the budget.

# Inherited challenges – investment in parks

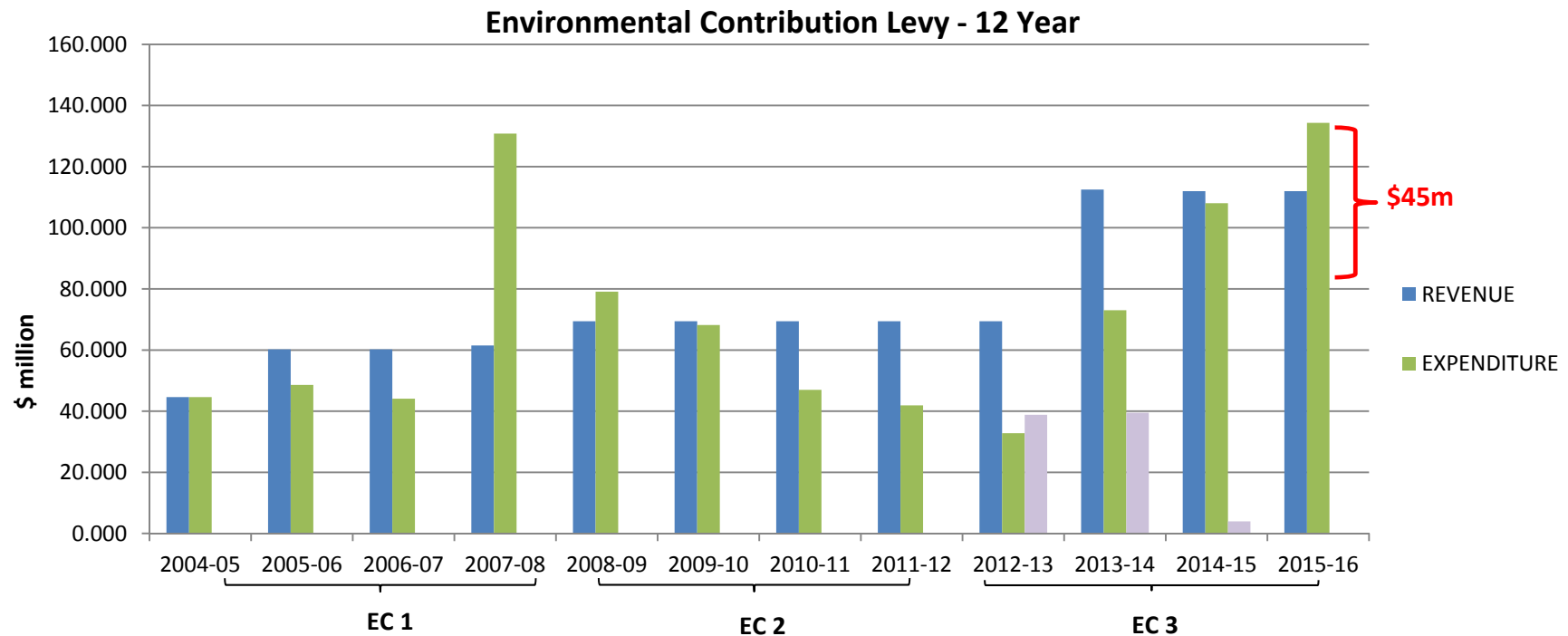
Parks Victoria government investment



- Between the period 2011-12 to 2014-15:
  - significant funding cuts impacting the delivery of parks services.
  - reduction in annual funding provided for asset maintenance, renewal and upgrade.
  - 18% reduction in staff.

# Inherited challenges – unallocated Environmental Contributions

- EC tranche 3 commenced in 2012-13 and is expected to generate \$405 million over four years.
- Approximately \$301 million was allocated to initiatives between 2012-13 and 2014-15 leaving an unallocated balance of approximately \$105 million in EC3.



Under EC1 and EC2 approx. **\$505 million** in revenue was collected and **\$506 million** allocated in expenditure through Budget approved initiatives.

Under EC 3 **\$405 million** in revenue is forecast to be collected. Only **\$301 million** had been allocated in expenditure prior to the 2015-16 Budget. Leaving an unallocated revenue balance of **\$105 million**

# 2015-16 Budget: Climate change is back on the agenda

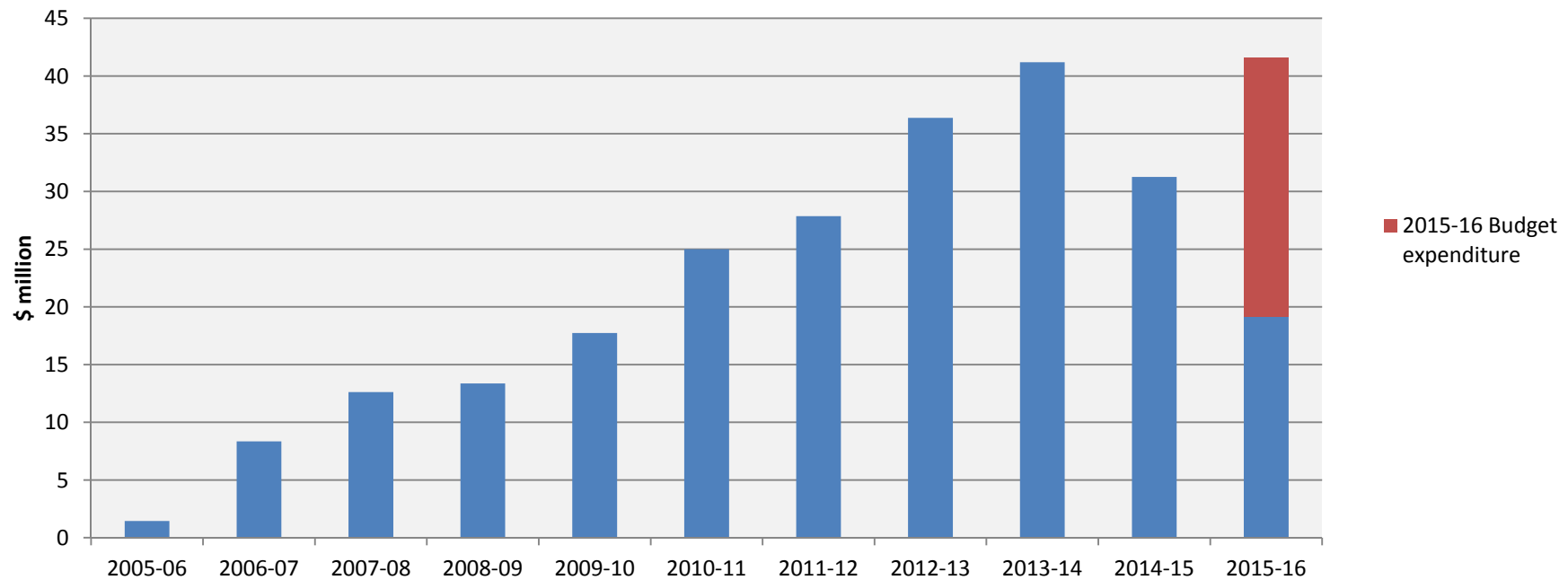
The 2015-16 Budget supports Victorian communities and businesses to respond to climate change:

- \$12.1 million has been allocated in 2015-16 for a Climate Change Action Package to enable immediate action on climate change and ensure Victoria is prepared for drought.
- \$2 million has been allocated for a Waste Reduction Program to support local government and industry better manage waste and recycling to support a growing Victoria.
- \$1.9 million in 2015-16 for a range of energy efficiency and productivity programs that will lower the pressure on household energy bills, support jobs and reduce greenhouse gas emissions.
- New Energy Jobs Fund as part of the \$200 million Future Industries Fund.

# Sustainability Fund

- This investment in climate change builds on existing allocations from the Sustainability Fund and has resulted in the largest ever single year of expenditure from the fund to date.

**Sustainability Fund Expenditure (actual and forecast)**



# 2015-16 Budget: Reinvesting in the environment

## Threatened species

- \$6 million in the 2015-16 budget for protection of threatened species and their habitats.

## Palais Theatre restoration

- \$13.4 million over two years provided as the Government contribution to the restoration and refurbishment of the iconic Palais Theatre to ensure it continues to operate as a live performance venue.





# 2015-16 Budget: Reinvesting in Victoria's parks

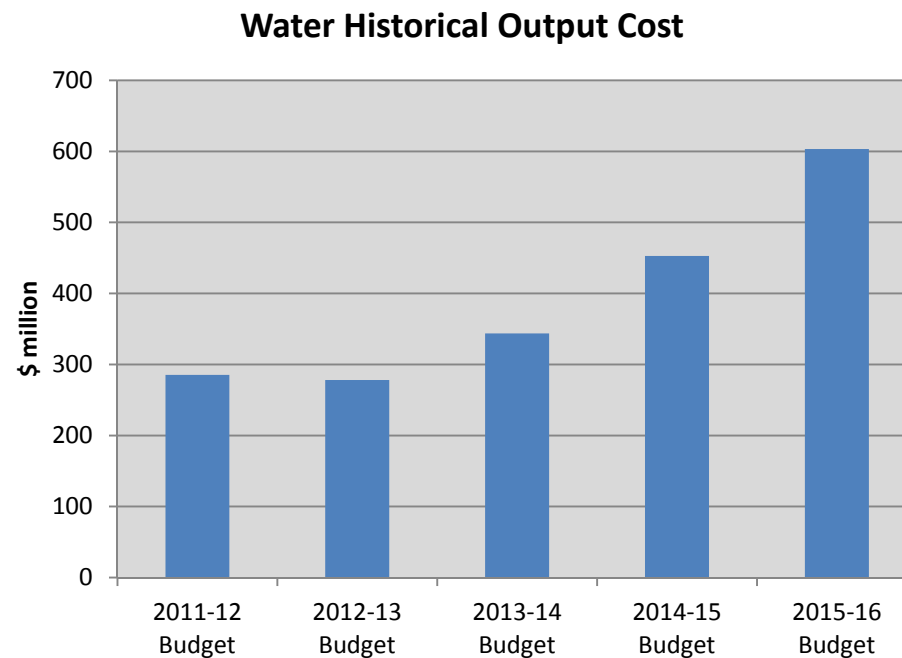
## **Parks Victoria - \$56.5 million funding package:**

- \$5.7 million for Parks Victoria critical infrastructure
- \$5.3 million for new facilities for parks and reserves
- \$10 million allocation in 2015-16 to meet immediate demand pressures
- \$13.5 million in asset funding to enable the construction of a boating and recreation precinct including berthing facilities and breakwater at Portarlington.
- \$19 million for Grampians Peak Trail
- \$1 million for Harcourt Mountain Bike Trail
- \$2 million over four years for the establishment of a new Canadian State Park on former plantation land and state forest in Ballarat.



# 2015-16 Budget: Managing our water resources for the future

- \$45 million has been allocated in the 2015-16 budget to fast track key sustainable water management priorities including:
  - \$10 million for riparian land
  - \$8.0 million for healthy waterways
  - \$6.8 million for managing water risk
- \$89 million in existing Environmental Contribution initiatives
- \$252 million for the GMW connections project
- \$32.8 million for the Victorian Farm Modernisation project



Note the Water output cost includes funding for Environmental Contributions initiatives as well as infrastructure projects such as G-MW Connections and Victorian Farm Modernisation.

# 2015-16 Budget: Reducing bushfire risk for communities

## Planned burning and fuel management

- \$50 million over two years is provided in the 2015-16 budget to minimise the risk of bushfires to communities.



## Managing safety risks posed by fire damaged trees

- \$7.0 million over two years provided in the 2015-16 budget to manage the safety risks posed by trees damaged by bushfires.



# 2015-16 Budget: Helping families enjoy Victoria's iconic zoos

## **Zoos Victoria - free entry for kids**

- \$5.8 million over two years provided in the 2015-16 budget to enable children to have free access to Melbourne Zoo, Healesville Sanctuary and Werribee Open Range Zoo on weekends, public holidays and during school holidays.

## **Zoos Victoria – Predator Prey Precinct**

- \$9 million over two years provided in the 2015-16 budget to enable outdated wire cages for the Big Cat Row precinct at Melbourne Zoo to be replaced with modern, expansive exhibits.

