

CHAPTER 11: DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT HEARINGS

11.1 Introduction

The Department of Sustainability and Environment is responsible for the administration of two portfolios:

- Environment and Climate Change; and
- Water.

11.2 Key budget themes for 2009-10

The Department of Sustainability and Environment advised the Committee that in regards to the *2009-10 State Budget*, the key themes that relate to the Department are:³⁵

- bushfire Recovery; and
- protecting our natural environment and resources.

11.3 Key assumptions that have been used to develop the Department's projections for 2009-10

The Department of Sustainability and Environment advised the Committee that the following assumptions were made in developing the Department's projections for the 2009-10 financial year:³⁶

- specific initiative funding likely to be provided under the *2009-10 State Budget*;
- the impact of developments at the Federal Government level; and
- water supply, fire management, public land governance (e.g. VEAC) and tackling climate change remaining priority issues for the Department.

11.4 Major Expenditure Policy Shifts in the 2009-10 Budget

The Department of Sustainability and Environment advised the Committee that:³⁷

In regards to both new and existing programs undertaken by the Department, no major expenditure policy shifts are expected. However ... a key focus for the Department in 2009-10 will be recovery works within the areas affected by the 2009 bushfires.

³⁵ Department of Sustainability and Environment, *Response Part Two to the Public Accounts and Estimates Committee Budget Estimates Questionnaire*, May 2009, p.1

³⁶ Department of Sustainability and Environment, *Response Part One to the Public Accounts and Estimates Committee Budget Estimates Questionnaire*, May 2009, p.1

³⁷ Department of Sustainability and Environment, *Response Part Two to the Public Accounts and Estimates Committee Budget Estimates Questionnaire*, May 2009, p.7

11.5 Environment and Climate Change Portfolio

11.5.1 Introduction

The Committee received evidence from the Hon. Gavin Jennings MLC, Minister for Environment and Climate Change on 8 May 2009. The Minister provided an overview of his portfolio at the start of the hearing, assisted by Mr Peter Harris, Secretary; Mr Des Hill, Chief Finance Officer; and Ms Alison Stone, General Manager, Office of Land and Fire, Department of Sustainability and Environment. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

11.5.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2009-10 (see Volume Two for the transcript of proceedings). Transcripts of the budget estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see Section 11.5.4) are available on the Committee's website. Written answers to questions on notice should be submitted to the Committee within 15 June 2009. These answers will be considered by the Committee for inclusion in a further report.

11.5.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included a standard question on Federal Government grants and the following (page references refer to the transcript in Volume Two, Section 11.1):

Funding for Victorian parks

- funding for the Dingley chain of parks (p.5);
- funding for the Point Nepean Park including job creation, anticipated visitor numbers and the purchase of additional land (pp.5-6 and 19-20);
- funding to establish new, and expand existing, national parks to protect the State's River Red Gum forests (pp.10-11 and 20);
- funding to enable visitor access to Frankston Reservoir Park (p.13);
- funding to develop a ring of outer urban parks and reserves (p.16); and
- maintenance and improvements to infrastructure and conservation areas within Yarra Bend Park (pp.17-18).

Land and fire management

- *Land and Fire Management* output (pp.13-14);
- fuel reduction burning as part of the Government's *Fire Prevention strategy* (pp.11-12);
- funding processes to enable the Department of Sustainability and Environment to contribute to the *Royal Bushfire Commission Inquiry* (pp.16-17);
- availability of information to track the clearing of native vegetation (pp.7-8);
- beach renourishment and coastal risk mitigation (pp.14-15);

- provision of environmental flows to Victorian waterways (pp.9-10); and
- the changing role of Parks Victoria (p.18).

Infrastructure upgrades and development

- Port Philip Bay and Westernport Bay infrastructure upgrades (pp.6-7); and
- wildlife shelter capital grants (p.10).

Other issues

- Departmental response time to the Committee's requests for information (pp.4-5);
- communications capability, including inter-agency communication, in times of emergency (pp.8-9); and
- employment costs associated with the Environmental Policy and Climate Change division of the Department of Sustainability and Environment (pp.18-19).

11.5.4 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The slides are available on the Committee's website.

11.5.5 Questions taken on notice at the budget estimates hearing

A number of questions were taken on notice by the Minister at the budget estimates hearing (see Appendix 2 - Questions on Notice, and the transcript in Volume Two) relating to:

- Federal Government grants;
- environmental flow regimes;
- beach renourishment and coastal risk mitigation;
- staffing and consultancy issues in the Environmental Policy and Climate Change division of the Department of Sustainability and Environment; and
- funding associated with the *River Red Gums Project*.

A written response by the Minister to the Committee on these questions is due by 15 June 2009 and will be considered for publication in a further report.

11.6 Water Portfolio

11.6.1 Introduction

The Committee received evidence from the Hon. Tim Holding MP, Minister for Water, on 15 May 2009. The Minister provided an overview of his portfolio at the start of the hearing, assisted by Mr Peter Harris, Secretary; Mr David Downie, General Manager, Office of Water; and Mr Des Hill Chief Finance Officer, Department of Sustainability and Environment. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

11.6.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2009-10 (see Volume Two for the transcript of proceedings). Transcripts of the budget estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see Section 11.6.4) are available on the Committee's website. Written answers to questions on notice should be submitted to the Committee within by 22 June 2009. These answers will be considered by the Committee for inclusion in a further report.

11.6.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included a standard question on Federal Government grants and the following (page references refer to the transcript in Volume Two, Section 11.2):

Major water infrastructure projects

- progress of major water recovery projects in Victoria (p.14);
- Northern Irrigation Renewal Program outcomes, including benefits to farmers (pp.3-4);
- north-south pipeline water delivery commitments to Melbourne (pp.8-9 and 12-13);
- costs associated with piping water from northern Victoria to Melbourne (pp.15-16);
- preparation of a public sector comparator and the competitive tendering process for the desalination plant (pp.4-5);
- desalination plan contract finalisation and construction commencement (pp.6-7); and
- long term water security for Geelong (pp.7-8).

Water recycling projects

- update on the Eastern Treatment Plant (pp.10-11); and
- recycled water projects in Melbourne (pp.13-14).

Water saving initiatives

- assistance to business and industry to save water (pp.5-6);
- water saving education programs (pp.9-10); and
- water saving rebates (p.15).

Other issues

- job creation through water initiatives (p.7); and
- water supply assistance to bushfire affected areas (pp.11-12).

11.6.4 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The slides are available on the Committee's website.

11.6.5 Questions taken on notice at the budget estimates hearing

A number of questions were taken on notice by the Minister at the budget estimates hearing (see Appendix 2 - Questions on Notice, and the transcript in Volume Two) relating to:

- Federal Government grants;
- changes in performance output measures;
- Partnerships Victoria public sector comparator information;
- jobs created as a result of major water projects;
- cost and operational issues regarding the north-south pipeline;
- metropolitan stockhold water savings;
- water rebate threshold for irrigators and S&D farmers;
- cost and operational issues regarding the desalination plant; and
- funding for fire hydrants on the Wimmera-Mallee pipeline.

A written response by the Minister to the Committee on these questions is due by 22 June 2009 and will be considered for publication in a further report.