

CHAIR'S FOREWORD

As Chair of the Public Accounts and Estimates Committee, I have pleasure in presenting the Committee's Part Two report on its inquiry into the 2009-10 Budget Estimates.

This report complements Part One, which provided Parliament with a full coverage of matters raised at the Budget Estimates Hearings that took place in May 2009. Part Two contains the Committee's detailed analysis of issues pertaining to the Budget Estimates and other information contained in the budget papers.

The 2009-10 Budget Estimates Inquiry presided over a relatively turbulent period where Victoria experienced a challenging economic and climatic landscape with consequences for the future. These events called for the development of budget strategies to address the impact of the global economic downturn on the Victorian economy as well as the implementation of a recovery and rebuilding program in response to devastating bushfires of February 2009. Against this backdrop, I would like to draw on the statement made by the Treasurer in his budget speech of 5 May 2009 that '*this budget is one of the most important in Victoria's recent history*'.

Given that the annual Budget Papers are among the most significant documents presented by the Government to the Parliament and the community, the content of the 2009-10 Budget Papers in today's environment takes on an even greater meaning for the people of Victoria.

It is for this reason that the Committee views the scrutiny of the Budget Estimates as a core activity of the Committee's yearly program, forming a key part for the Parliament's role in the accountability chain. It places a wealth of evidence and analysis on the public record and contributing constructively to improving the presentation and understanding of the Budget Estimates.

In continuing with this objective, I look forward to a favourable response by government to the recommendations contained in this report.

This year there was a new budget theme, *Partnering with the Commonwealth*, in recognition of the partnership formed with the Commonwealth Government to stimulate the economy, fast track investment in public infrastructure and secure jobs. This is a new feature of this report which includes an examination of the management and accountability for Commonwealth grants and funds.

It is also important to note that some of the information reported by the Committee in this regard draws on information contained in the budget papers which, at the time the budget was handed down, was based on an estimate of the possible Victorian share of Commonwealth funding. Similarly, economic forecasts referred to in this report have been substantially drawn from budget papers and may not reflect the economic outlook at the time of publication of this report.

Finally, I would like to express my appreciation to my Parliamentary colleagues on this Committee for their commitment and bi-partisan approach, as well as the dedicated staff of the Committee's secretariat who have been instrumental in the preparation of this report.



Bob Stensholt MP

Chair