

## **APPENDIX 4: RESPONSES TO FURTHER INFORMATION TO BE PROVIDED AND QUESTIONS ON NOTICE RELATING TO THE 2009-10 BUDGET ESTIMATES**

Appendix 4 details the Government's responses to requests for further information made by the Committee.

### **Department of Education and Early Childhood Development**

#### **1.1 Children and Early Childhood Development portfolio**

##### **1.1.1 Details on the Cairnlea Community Hub and eligibility criteria for funding**

Cairnlea Community Hub is a multi-purpose centre which opened in February 2008 in the grounds of the Deer Park Primary School. The hub provides a seamless and coordinated approach to the delivery of learning, care and health services for the children of Cairnlea.

Cairnlea Community Hub provides a range of integrated services for children, young people, families and the community of Cairnlea. These include:

- kindergarten
- outreach maternal and child health services
- occasional care services
- before and after school care services
- playgroups
- a range of other community services and programs

The Cairnlea Community Hub project has been completed at a total cost of \$1.4 million comprising:

- \$500,000 from the Department of Education and Early Childhood Development's 2005-06 Children's First capital initiative
- \$300,000 from the Department of Planning and Community Development's Building Stronger Communities Initiative
- \$200,000 from the Commonwealth Department of Infrastructure, Transport, Regional Development and Local Government
- \$400,000 from Brimbank City Council.

The eligibility criteria for capital funding for Children's Centres in 2005-06 were:

- Not for profit community based organisation
- Capacity to raise the required capital funding to complete the project and ongoing financial viability
- Capacity and commitment to maintaining and managing services

- demonstrated demand for services
- The application for funding for the Cairnlea Community Hub from the City of Brimbank met all of these criteria.

### **1.1.1 The final outcome for the number of families receiving enhanced maternal and child health services**

The Enhanced Maternal and Child Health Service provides additional support for families experiencing significant early parenting difficulties supports the health and well being of vulnerable children and families.

The service complements the Universal Maternal and Child Health Service to promote the early identification of and intervention for health and developmental concerns particularly for children and families at risk, and to improve linkages with other early childhood support systems including maternity services, family support and early intervention services.

#### **Outcomes for Families 2007-2008**

In 2008-09, 8,385 families received an Enhanced MCH service. This is 12 per cent of the total number of families (70,102) with children aged 0–1 year who are enrolled in the universal Maternal and Child Health service.

### **1.1.2 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

The 2009-10 State Budget includes substantial Federal Government investment in early childhood development in Victoria. This reflects Council of Australian Governments (COAG) agreements in 2008 in line with new Federal financial relations.

The 2009-10 Budget provides Commonwealth Government funding for early childhood development through COAG-agreed National Partnerships, including:

- National Partnership on Early Childhood Education – \$210.6 million over five years to support the delivery of universal access to 15 hours per week of early childhood education for all children in the year before school by 2013; and
- National Partnership on Indigenous Early Childhood Development – \$22 million over six years will help to improve outcomes for Indigenous children through the establishment of two new Children and Family Centres. This includes \$5.3 million over five years, to be administered by the Department of Human Services, for antenatal care services for Indigenous women under 20 and for teenage reproductive and sexual health programs.

The accountability framework for the National Partnership on Early Childhood Education is provided through the Intergovernmental Agreement on Federal Financial Relations and a Bilateral Agreement between the Commonwealth and Victoria. The Bilateral Agreement is the mechanism which outlines the funding payment schedule by the Commonwealth to Victoria, management and implementation requirements and reporting responsibilities.

Two levels of reporting are required of Victoria:

- a half yearly Progress Report, including program activities commenced, program activities completed and a statement of issues of concern that may impact on the achievement of any of the deliverables or performance benchmarks; and
- an Annual Report, including progress against the deliverables and performance benchmarks.

In addition, the National Partnership includes a review, after 18 months, of progress toward achieving the universal access commitment Victoria advocated for this review. The review will assess progress, funding adequacy and timelines.

The Working Group on Indigenous Reform met in early May to draft proposed changes to the National Partnership on Indigenous Early Childhood Development agreement and an implementation plan template for consideration by the Council of Australian Governments. Victoria will provide reports to the Commonwealth that detail progress against performance, milestones and timelines, as outlined in the proposed revised National Partnership Agreement and implementation plan once agreed by Council of Australian Governments.

**1.1.3 Question referred by the Minister for Education: The number, compared to the targets in pages 80 and 81 of Budget Paper No. 3, of students who currently require additional support and the number that receive disability support The final outcome for the number of families receiving enhanced maternal and child health services**

In 2008 the Program for Student with Disabilities aimed to support 3% of the government school student population. In 2008 this equated to 18,226 students. This target was met.

**1.2 Education portfolio**

**1.2.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio , and detail the accountability measures employed to deal with those grants**

In 2009 the Council of Australian Governments (COAG) introduced a new framework governing financial arrangements with the States.

Under the new arrangements, the majority of Federal funding is now allocated to each State Treasury under National Education Agreements, Assistance to Non-Government Schools, *Nation Building – Economic Stimulus Plan* and National Partnerships. This funding forms part of the overall State Budget appropriation as outlined in Budget Paper No. 4, page 209. Federal funding to the Department of Education and Early Childhood Development will be restricted to Commonwealth Own Purpose Expenditure payments.

A key element of the reforms is a shift in focus to the achievement of outcomes. The new national agreements replace input controls with a rigorous focus on the achievement of objectives and outcomes. Victoria will provide reports to the Commonwealth which detail progress against agreed reform milestones and timelines.

**1.2.2 Advice on the availability and comparability of regional and rural school performance data for year 12 completions**

Currently in Victoria there are two measures of Year 12 completion:

*Measure 1:* Australian Bureau of Statistics (ABS) – Survey of Education and Work

From this survey, an estimate of the number of 20–24 year olds that have completed Year 12 can be obtained. By dividing the Estimated Residential Population (ABS), it is possible to obtain a completion measure. The limitation of the measure is that is based upon a sample survey, there is delay associated with obtaining the measure (Age of participants being 20–24 years), and the measure is affected by interstate/overseas migration.

*Measure 2:* Department of Education and Early Childhood Development (DEECD)

Based upon administrative data from the Victorian Curriculum and Assessment Authority (VCAA) and Skills Victoria, DEECD currently has a completion measure for Year 12 or equivalent. The measure is calculated by the number of 19 year olds completing Year 12 or equivalent divided by the number of 17 year olds in the population from two years previous. The limitation to this measure is that it is not possible to obtain a school completion rate.

To obtain a measure that can be used at both a state level and the individual school level a new methodology is being developed for use in 2012. The proposed calculation methodology of the measure will be:

$$\% \text{ Year 12 Completion Rate} = \frac{\text{Number of Year 9 Cohort students that subsequently complete Year 12 or equivalent}}{\text{Number of Year 9 Cohort students}}$$

The Year 9 cohort would be defined as those students that participated in Year 9 NAPLAN testing. Year 12 or equivalent completion would be defined as a student completing a VCE, VCAL (Intermediate or Senior) and VETiS (AQF 2 or higher) Certificate.

The source data for the proposed measure are the National Assessment Program – Literacy and Numeracy, the VCAA and Skills Victoria.

### **1.2.3 Regarding school maintenance and rebuilding programs, please provide further information on how depreciation and amortisation will be accounted for over time**

Depreciation and amortisation expenses are reported over time on all assets, based upon the estimated useful life of each asset, currently between three years for plant and equipment and up to sixty years on buildings.

Assets are only recognised when expenditure meets capitalisation criteria as defined by Australian Accounting Standards.

Maintenance expenditure does not meet the capitalisation criteria of the accounting standards as it is seen as day-to-day servicing costs of existing assets, where as rebuilding expenditure will result in asset recognition as it clearly meets the capitalisation criteria.

Therefore depreciation expenses will be reported annually going forward on rebuilding program expenditure generally at the rate of 1.7 per cent per annum, being one year of the estimated useful life of sixty years.

### **1.2.4 Policy background information on the Government's approach to narrowing the gap between city and rural year 12 completion rates**

A number of Government initiatives aim to improve completion rates of year 12 or equivalent across all geographic areas, through expanding the education and training options available for young people as well as offering support for their choices and continued engagement.

All regions have established plans to coordinate provision of both Vocational Education and Training in Schools (VETiS) and the Victorian Certificate of Applied Learning. Additional funding has also been provided for VETiS delivery. The Commonwealth Government's support for establishment of Trade Training Centres has been strongly taken up in Victoria with over \$30 million of funding allocated to government schools in rural or regional areas. Young people under 20 years of age who have not completed Year 12 or equivalent and are not in schools are entitled to a place in TAFE Institutions or selected adult community education providers.

All young people in government schools are assisted through the Managed Individual Pathways program, and through extended responsibility placed on schools for supporting their students to meaningful post-school pathways. Local Learning and Employment Networks and Regional Youth Commitments cover the State and work with relevant local partners to improve outcomes of local young people. In some of the most disadvantaged areas, Youth Transition Support Initiative workers, including some specifically charged with working with indigenous young people, provide one-on-one assistance to re-connect disengaged young people back into employment, education or training.

### **1.2.5 Details, including possible school closures, of school regeneration projects included in the 2009-10 State Budget.**

Regeneration projects involve two or more schools reorganising education provision in their communities. Such reorganisation can involve mergers along with co-location of community, early years and other services. Decisions regarding mergers are always made by the school communities involved. Regeneration projects included in the 2009-10 State Budget include:

- Altona Bayside Education Precinct – four schools on six sites have reorganised into two schools on four sites
- Bendigo Education Plan – five schools have reorganised into four schools
- Broadmeadows Schools Regeneration Project – seventeen schools will reorganise into 11 schools on 13 sites
- Leongatha Education Precinct – three existing schools will be located on the same site, along with other education providers (TAFE, kindergarten, etc)
- Laverton – three schools have reorganised into one school on one site
- Maroondah Education Coalition – seven schools will reorganise into the five schools on five sites, each with its own specialism
- Heidelberg Regeneration Project – six schools will reorganise into three schools on three sites
- Keysborough/Springvale – four schools have reorganised into one school on two sites
- Wangaratta – two schools have merged into one school on two sites
- Wodonga – three schools will reorganise into two schools on three sites

### **1.2.6 Details of the result for 2008-09, of the computer-to-student ratio output targets as set out on pages 74 and 75 of Budget Paper No. 3**

As audited student numbers for 2009 have not been finalised, the 2009 computer-to-student ratio has not been determined. The 2008 Victorian government school average computer-to-student ratio was 1:3.43.

### **1.2.7 Regarding the Federal commitment to provide a computer for every secondary student in years 9 to 12 by 2011, outline the ratio of computers-to-students in this category at the time that the Federal Government introduced this target, the current ratio, and clarification on how the Federal funding is being used, ie. putting new computers into the system or replacing old computers.**

The DEECD School Census of Computers does not attribute devices to an individual school year level. The 2008 state-wide computer-to-student ratio for secondary schools was 1:3.51.

The 2009 computer-to-student data is not yet available.

The National Secondary School Computer Fund allocations for Rounds 1, 2 and 2.1 provide for the purchase of 44,311 computer devices to achieve a computer to year 9 to 12 student ratio of 1:2. This will replace 11,242 existing devices that are greater than four years of age and add 33,069 devices to the fleet.

### **1.2.8 The number, compared to the targets in pages 80 and 81 of Budget Paper No. 3, of students who currently require additional support and the number that receive disability support.**

This question has been referred to the Minister for Children and Early Childhood Development for response.

### **1.2.9 A comprehensive list of the State Government's investment in non-government schools.**

The Victorian Government provides significant support to non-government schools.

In 2009-10 the Victorian Government has committed \$432 million in recurrent and specific purpose funding to non-government schools comprising:

- almost \$424 million in recurrent funding to assist non-government schools to meet operational costs allocated through the Financial Assistance Model (FAM)
- \$8 million in specific purpose grants for targeted programs such as support for students with special needs and suicide prevention initiatives.

In addition, \$27.4 million in 2009-10 will be provided for capital works in needy non-government schools.

The following education support initiatives are also provided to assist parents of students attending non-government schools:

- the *School Start Bonus* provides \$63 million out of a total commitment of \$182 million over five years to parents of children attending non-government schools
- access the Government's conveyance allowance and school bus service
- all low income parents are supported by the Education Maintenance Allowance.

Non-government schools can also access a range of resources and opportunities available to government schools, including:

- teacher professional development and curriculum planning materials
- government-negotiated pricing for broadband access
- a range of taxation concessions or exemptions including Land Tax, Payroll Tax and Fringe Benefits Tax.

### **1.2.10 The estimated annotated receipts to be obtained from possible land sales as a result of school closures over the forward estimates period.**

The Department's estimated annotated receipts from land sales is \$8.0 million per annum in 2009-10 and over the forward estimates period.

### **1.2.11 Regarding both Government and non-government schools , please provide a detailed explanation of how the prioritisation system for determining infrastructure funding works to address inequality or inequity, including how funding decisions are made and information on the assessment criteria used.**

#### **Government schools**

*Building Futures* is the Government's policy and process for all Victorian Government capital investment in school facilities and infrastructure.

It guides investment in Victorian school infrastructure and facilities and ensures that expenditure on educational assets generates significant gains in student educational achievements. The *Building Futures* process supports the Department of Education and Early Childhood Development in delivering the Government's Victorian School Plan commitment to rebuild or modernise every Victorian government school within 10 years.

Projects funded under the Commonwealth's *Building the Education Revolution* program are exempt from the *Building Futures* process.

There are six *Building Futures* process stages:

- Project Identification
- Educational Rationale
- Master Planning
- Prioritisation and Approval
- Implementation
- Evaluation.

Five *Building Futures* assessment criteria are used to test whether the proposed projects are appropriate, feasible, sustainable, comprehensive and accountable. The criteria govern whether projects can progress between the process stages.

Currently, there are approximately 229 schools progressing through the various stages of *Building Futures*.

### **Non-government schools**

The Victorian Government provides funding to non-government schools for capital works through two programs, both of which target needy non-government schools.

In the 2007/08 Budget, the Victorian Government announced \$30 million in grants over four years to assist needy non-government schools upgrade or replace outdated or inadequate educational facilities to improve educational outcomes.

The quantum of funds available was split between the Catholic and Independent sectors on the basis of need as determined by the 'needs component' of the Victorian Government's Financial Assistance Model (FAM) for non-government schools for 2007.

The Catholic sector's share was 73.8 per cent representing \$22.14 million of the total funding; and the Independent sector's share was 26.2 per cent representing to \$7.86 million of the total funding.

To be eligible for funding under the program, a school must have an enrolment profile that places its students in the top 33 per cent of needy students as determined by the FAM. The FAM assesses need based on the following four criteria:

- student family background (i.e. number students in receipt of the Education Maintenance Allowance)
- students with a disabilities
- Aboriginal and Torres Strait Islander background
- rurality and isolation of the school.

Sector authorities are required to submit a list of recommended projects for approval prior to funding being allocated.

In late 2008, the Victorian Government announced a further \$53.5 million over two years in grants to upgrade school buildings and free-up capital funds to help meet additional operational costs in non-government schools. The quantum of funds available was split between the Catholic and Independent sectors on the basis of need as determined by the needs component of the Victorian Government's Financial Assistance Model for non-government schools (FAM) for 2008.

The Catholic sector's share of funding was 72.6 per cent, representing \$38.9 million and the Independent sector's share was 27.4 per cent, representing \$14.6 million. An initial payment of \$33.6 million was provided to the sector authorities in December 2008, with the remaining \$19.9 million to be made in October 2009. The Catholic Education Commission of Victoria and Association of Independent Schools of Victoria are required to demonstrate that their method of allocating capital funding to their respective schools is consistent with the Government's objective for the program, which is to assist needy non-government schools.

### ***Additional question on notice referred by the Premier***



### **1.2.12 Details of funding to support refugee students within the Victorian school system.**

The Department of Education and Early Childhood Development (DEECD) places a high priority on supporting the additional needs of refugee students. A range of strategies have been implemented to better enable refugees to achieve successful education outcomes and participate in pathways toward further education and employment.

Support for refugee and newly arrived students in government schools is detailed in the 2008 publication: *Strengthening Outcomes – Refugee Students in Government Schools*. This publication assists schools, communities and families to understand the situation of refugee students in schools and the assistance that is available to address their needs.

In 2009, \$3 million is available for transition support initiatives aimed at supporting the transition of students from intensive English language programs to mainstream schooling. These funds have been allocated by regional offices to individual schools and networks to support transition programs.

A total of \$6.5 million over four years was committed in the May 2008 budget through the *School Support for Refugees* initiative to address the significant levels of disadvantage experienced by refugee students. This initiative supports out of school hours programs for refugees and professional learning for school communities.

Full-time regional program officers have been funded (\$1 million annually) in each region to support schools in planning for newly arrived students, including refugees and to build teacher capacity through professional learning.

Funding for five schools through A *Fairer Victoria* for *Foundation VCAL for Refugee Students* is being delivered from 2007-2010 providing funding of \$300,000 annually.

Extra transition coordinator positions are funded in English Language Schools/Centres to support refugee students and their families with transition into mainstream schools.

DEECD works with a range of other government departments and outside agencies, participating in planning and policy committees to promote coordinated support and services for refugee students. Representation on committees and regular consultation includes such external organisations as: Centre for Multicultural Youth; the Victorian Settlement Planning Committee; Catholic Education Office; Association of Independent Schools Victoria; Victorian Foundation for Survivors of Torture; Adult Multicultural Education Services; Victorian Multicultural Commission; universities and Migrant Resource Centres.

A resource *Developing Effective ESL Programs – Disrupted Schooling* has been trialled and will be available late 2009 for regions to support schools with refugee students.

An English as a Second Language Strategy Plan 2009-2013 is currently being developed and includes priority action areas for improving the transition to mainstream schooling for refugee students after intensive English language tuition. This is due for completion in late 2009.

## Department of Human Services

### 1.3 Community Services portfolio

#### **1.3.1 In relation to Budget Paper 3, pages 110 and 111 , further information in relation to the additional Commonwealth Government funding and how it is reflected in the increases in funding.**

An additional \$15.5 million in Commonwealth funding is being provided in 2009-10 for Disability Services, on top of \$25.2 million provided after the 2008-09 budget under the Commonwealth's Disability Assistance Package. These amounts are spread over the four major output groups, and contribute to the total increase of \$112.4 million in the 2009-10 Disability Services budget over the 2008-09 budget.

#### **1.3.2 Breakdown of funding provided to the non-government disability sector in relation to residential accommodation services and DHS services, and an explanation of the disparity, should it exist.**

Funding allocated to residential accommodation services output in 2007-08 were:

- DHS services – \$382.5 million
- Non-government disability sector – \$214.7 million

DHS services expenditure was more than non-government disability sector because:

- DHS has a larger service delivery capacity and therefore incurs a higher level of expenditure. For example, Residential Institutions are entirely operated by DHS.
- DHS expenditure relates to a full cost that includes Capital Asset Charge, depreciation, client related costs and corporate infrastructure and other costs attributed to the Residential Accommodation Support output. The comparison between non-government organisations and DHS would need to review agency or sectors annual reports to gauge the full cost of non-government residential accommodation.
- Non-government organisation staff are not covered under the same wage award as DHS staff, and the exemption of non-government organisations from payroll tax contributes further to the cost difference.

#### **1.3.3 The cost per place of non-government organisations versus DHS places.**

An indicative average 2007-08 cost per place of non-government organisations is approximately \$91,000 compared to approximately \$119,000 for a DHS place.

However, an average cost per place of non-government versus DHS is not comparable for the following reasons:

- Costs can vary significantly with service model, configuration and complexity relating to the age, behaviour, medical and/or other specific support needs of residents.

- The DHS indicative average cost per place includes places in Residential Institutions, whereas the non-government cost per place does not include this service model.
- The DHS indicative average cost per place is also based on the full direct service cost to DHS. The non-government cost per place is not a full cost because it reflects only the revenue from government funding, and non-government organisations access other non-DHS revenue to fund places, such as client fees and other own-source revenue.
- Non-government organisation staff are not covered under the same wage award as DHS staff, and the exemption of non-government organisations from payroll tax contributes further to the cost difference.

### **1.3.4 The number of child protection staff employed by DFHS that have direct contact with children and an estimate of the number of child protection staff that will have direct contact with children for the forward estimates.**

Whilst it is not possible to give a precise figure, the overwhelming majority of the child protection staff employed by the department have direct contact with children.

The number of child protection staff having direct contact with children will be maintained across the forward estimates.

### **1.3.5 A breakdown of VPS staff.**

Breakdown of VPS staff number information provided in Budget Estimates questionnaire response:

<b>DHS VPS Staff numbers (FTE)</b>	<b>Total</b>
Snr Technical Specialists	11
VPS-1	44
VPS-2	594
VPS-3	703
VPS-4	884
VPS-5	1,282
VPS-6	726
<b>Estimated June 2009 total</b>	<b>4,243</b>

### **1.3.6 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

Under the existing arrangements, the department would receive Commonwealth Government payments into its administered entity; transfer the dollar value of the receipt to the Consolidated Fund and then using appropriation authority under Section 29 of the Financial Management Act 1994 (FMA) drawdown an equivalent amount into its controlled entity to meet expenditure. Where a new Commonwealth SPP is established during the year, access to funds may be provided by Governor-in-Council approval under Section 10 of the Financial Management Act.

For new partnership agreements, funds will now be paid centrally to DTF by the Commonwealth Treasury. For payments received post 1 January 2009, DTF will receive a total payment from the Commonwealth and transfer this amount to the Consolidated Fund. Once the payment has been

received, DTF will inform the department of specific funding details using information provided by the Commonwealth Treasury.

Once the department has been notified of the amounts notionally received for each agreement, the department can then use the Section 29 authority to draw the equivalent amount from the Consolidated Fund in line with the pre-January 2009 arrangements.

Section 29 of the FMA relates to monies received by departments from third parties under an agreement with the Treasurer. It allows a department to increase its appropriation by amounts equal to receipts provided that there is a Net Appropriation (Receipts Retention) Agreement in place.

A Net Appropriation (Receipts Retention) Agreement is signed by the Treasurer and the relevant Minister. The department's budget is adjusted in accordance with the actual receipts for the year.

The Treasurer will be required to report total expenditure for National Partnerships, stating both expenditure of Commonwealth project and facilitation funding and State co-contributions where these are required by the National Partnership, to the Ministerial Council for Federal Financial Relations within six months of the end of each financial year. This information is expected to be collected as part of the annual Financial Report for the State of Victoria data collection exercise, and more information on the level of details and format for the provision of this information will be provided at a later stage.

### **Federal funding in Children, Youth and Families:**

#### **Educational support for children and young people in residential care ('CIRC')**

- Funding is for the provision of individualised educational support for children and young people in residential out of home care services.
- In 2008-09 funding of \$1.9m has been allocated by the Commonwealth for this program.
- The Department of Human Services (DHS) co-ordinates reports from all Community Service Organisations (CSOs) delivering a CIRC funded service that is provided to the Commonwealth annually.
- The annual data collection process is a count of the number of clients receiving the services, and the core use of these funds.

#### **Refugee Minor program**

- Funding is provided to the Refuge Minor program which aims to assist 'unaccompanied' young people and children, up to the age of 18 years, with their settlement and establishment into life in their new community through a casework-based approach.
- The Refugee Minor Program provides the provision of direct services to clients to assist them, (and their relatives or carers), to develop key settlement competencies whilst also establishing and maintaining partnerships with other key agencies in the community. Some of these agencies include the Victoria Police Multicultural Liaison Unit, Centre for Multicultural Youth Issues, Department of Immigration and Multicultural Affairs (DIMIA), the Sudanese Community Association of Australia and local governments.
- Clients can be given assistance on a wide range of issues ranging from accommodation and financial support, to physical and emotional health needs, cultural and religious continuity, education, provision of support (re Refugee Application Process), social and recreational needs; and developing or maintaining client/family connectedness.
- In 2008-09 funding of \$0.98m has been allocated by the Commonwealth for this program.

- The accountability requirements are a quarterly report about the number of clients being supervised.

### **Capital Funding for Indigenous Family Violence Healing and Time out services**

- In June 2005, the Commonwealth Government and DHS entered into a Memorandum of Understanding under which the Commonwealth agreed to provide \$4.95m to establish seven capital projects to provide Indigenous Family Violence Healing and Time out facilities across Victoria as part its Family Violence Partnership Program (FVPP).
- All projects will be completed and funding expended by the end of 2010.
- DHS provides an annual financial acquittal to the Commonwealth as well as regular progress reports on these capital projects.

### **Other Commonwealth Funding:**

- In 2009 the Australian Government also provided \$50,000 under the FVPP to DHS for the provision of Indigenous Family Violence programs. A report in relation to how funds were expended to achieve project outcomes will be provided to the Commonwealth on completion of the project.

### **Federal funding in Disability Services:**

The Disability Services program receives funding through the new National Disability Agreement and the associated Disability Specific Purpose Payment (SPP) which came into effect on 1 January 2009.

In 2009-10, Commonwealth funding to Victoria through the Disability SPP will be \$208.2 million. This incorporates previous funding for disability services under the CSTDA of over \$148 million.

It also includes funding under the bilateral agreement for the Disability Assistance Package, Respite building capacity, targeted support, and young people in nursing homes. In 2009-10 highlights of the bilateral agreement funding included an increase of \$15.5 million for the Disability Assistance Package for additional individual support packages and respite services, and an additional \$2.5 million Commonwealth contribution to the my future my choice initiative which will be matched with a \$3.1 million contribution from the State.

The public accountability and performance reporting frameworks for the National Agreements are set out in Schedule C of the Intergovernmental Agreement on Federal Financial Relations (IGA).

The performance reporting framework is based on:

- High-level performance indicators for each National Agreement;
- The Steering Committee for the Review of Government Service Provision having overall responsibility for collating the necessary performance data; and
- The COAG Reform Council publishing performance data relating to National Agreements. The COAG Reform Council will report annually to COAG, with its reports to be made public.

Accountability for expenditure of National SPP monies is covered under Schedule D of the IGA which requires:

- States and Territories to spend each National SPP in the relevant service sector but with full budget flexibility to allocate funds within that sector as they see fit to achieve

mutually agreed objectives. There are no conditions attached with respect to how States and Territories allocate their own funding within or across sectors.

- Each State and Territory Treasurer will provide a report to the Ministerial Council for Federal Financial Relations within six months of the end of every financial year disclosing financial information with respect to gross expenditure in the relevant service sector, how much of the relevant National SPP was spent in the relevant service sector, and explaining any discrepancy.

## **1.4 Health portfolio**

### **1.4.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

Under the existing arrangements, the department would receive Commonwealth Government payments into its administered entity; transfer the dollar value of the receipt to the Consolidated Fund and then using appropriation authority under Section 29 of the Financial Management Act 1994 (FMA) drawdown an equivalent amount into its controlled entity to meet expenditure. Where a new Commonwealth SPP is established during the year, access to funds may be provided by Governor-In-Council approval under Section 10 of the Financial Management Act.

For new partnership agreements, funds will now be paid centrally to DTF by the Commonwealth Treasury. For payments received post 1 January 2009, DTF will receive a total payment from the Commonwealth and transfer this amount to the Consolidated Fund. Once the payment has been received, DTF will inform the department of specific funding details using information provided by the Commonwealth Treasury.

Once the department has been notified of the amounts notionally received for each agreement, the department can then use the Section 29 authority to draw the equivalent amount from the Consolidated Fund in line with the pre-January 2009 arrangements.

Section 29 of the FMA relates to monies received by departments from third parties under an agreement with the Treasurer. It allows a department to increase its appropriation by amounts equal to receipts provided that there is a Net Appropriation (Receipts Retention) Agreement in place.

A Net Appropriation (Receipts Retention) Agreement is signed by the Treasurer and the relevant Minister. The department's budget is adjusted in accordance with the actual receipts for the year.

The Treasurer will be required to report total expenditure for National Partnerships, stating both expenditure of Commonwealth project and facilitation funding and State co-contributions where these are required by the National partnership, to the Ministerial Council for Federal Financial Relations within six months of the end of each financial year. This information is expected to be collected as part of the annual Financial Report for the State of Victoria data collection exercise, and more information on the level of details and format for the provision of this information will be provided at a later stage.

There are a number of existing and developing agreements between the Commonwealth and the states. Funding for the Victorian health system is, in significant portion, derived from Commonwealth funding. The accountability measures for each funding stream differ markedly. In some cases an accounting acquittal is required for the money allocated, in other, measurement of performance or particular reporting processes are mandated.

The Ministerial Council for Federal Financial Relations has been tasked by the Council of Australian Governments (COAG) with the development and oversight of the new National Performance Reporting System, in consultation with relevant COAG Working Groups and Ministerial Councils.

The objective of the performance reporting system is the implementation of a framework which focuses on the achievement of results, efficient service delivery and timely provision of publicly available performance information.

The Productivity Commission's Steering Committee for the Review of Government Service Provision is responsible for collating and preparing the National Agreement performance data for the COAG Reform Council (CRC).

CRC will provide annual reports to COAG containing the performance data and report its own comparative analysis of the performance of governments in meeting the objectives of the National Agreements. The CRC will be the independent assessor of whether pre-determined milestones and performance benchmarks have been achieved before an incentive payment to reward nationally significant reforms or service delivery improvements under a National Partnership reward payment is made. The final decision on payments will be made by the Commonwealth.

Full details of the Commonwealth budget is available at <http://www.health.gov.au/internet/budget/publishing.nsf/Content/budget2009-healthindex.htm>

The following National Partnerships Agreements (NPA) affect rural and regional health funding in the following areas:

- Preventative Health;
- Essential Vaccines;
- Health Services (which includes: Victoria Cytology Service, OzFoodNet, Pneumococcal disease surveillance and Vaccine-preventable diseases surveillance program);

The Commonwealth dental health allocation to Victoria is subject to a senate decision on the cessation of an existing funding Medical Benefits Scheme allocation.

The National Healthcare SPP will now cover several existing funding agreements including:

- Healthcare grants;
- National public health;
- Youth health Services; and
- Essential vaccines (service delivery).

The total allocation for Victoria under the National Healthcare SPP is approximately \$2.7 billion. The Commonwealth will provide advances to the States in respect to National SPPs, based on estimates of the growth factor. Once outcomes data for each component of the growth factor is available, a balancing adjustment will be made to ensure that the States receive their correct entitlement.

The budget amounts under the National Healthcare NPA are notional allocations at this time as the final agreement is currently being negotiated along with associated performance measures.

In addition, there are a number of other NPAs that impact health programs, with the most significant being:

- Hospital and Health Workforce Reform, incorporating: Activity Based Funding, Taking Pressure off Public Hospitals, and Enhancing the provision of Sub-Acute Services; and
- Closing the Gap in Indigenous Health Outcomes.

The following 2008-09 allocations have been made by the Commonwealth Government in the areas of Primary Health and Public Health:

Program	Grant	2008-09 Budget \$	Accountability Measures
Public Health	Bowel Cancer Screening Pilot	133,000	Victoria must provide the commonwealth with an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.
Public Health	Public Health Funding Agreement (PHOFA) Public Health	26,614,588	The Public Health Outcome Funding Agreement (PHOFA) requires Victoria to provide a report on performance against a range of financial and performance indicators.  Victoria must also provide an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.
Public Health	Australian Immunisation Agreement (AIA)	105,668,928	Victoria must provide the Commonwealth with an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.  Victoria must also submit a request for incentive funds and any rollover of time limited funding.
Public Health	Hepatitis C	508,024	Victoria must provide the Commonwealth with an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.
Public Health	Food Surveillance	197,974	Victoria must provide the Commonwealth with quarterly reports and an annual report on performance against a range of performance indicators in relation to food borne disease in Victoria. Victoria must also provide an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.
Public Health	Environmental Health Risk Assessment	200,000	Victoria must provide the Commonwealth with an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.
Primary Health	Innovative Health Services for Homeless Youth (ISHY)	649,000	Victoria must provide the Commonwealth with an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.
Primary	Public Health Funding	4,126,350	The Public Health Outcome Funding



Health	Agreement (PHOFA) Women's Health		<p>Agreement (PHOFA) requires Victoria to provide a report on performance against a range of financial performance indicators.</p> <p>Victoria must also provide an annual acquittal that includes a Statement of Compliance and a Statement of Revenue and Expenditure.</p>
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### **1.4.2 Further information regarding the rollout of additional ambulance services, including the asset investment program and additional paramedics.**

To date the Government funding of \$185.7 million in the 2008-09 State Budget for ambulance services has enabled Ambulance Victoria to:

- Employ 132 additional paramedics to:
  - Commence operation of six 24 hour services in Box Hill, Croydon, Laverton, Hillside, Frankston and Dandenong;
  - Establish new 12 hour peak period crews at Berwick, Ivanhoe, Patterson Lakes, Prahran, Pakenham, Coburg, Hallam, Bacchus Marsh, South Morang, Abbotsford, Yarra Junction and Frankston;
  - Upgrade service delivery at Beaconsfield and Greensborough through conversion of the peak period units to 24 hour operation;
  - Place additional paramedics at Gisborne, Kilmore, Kyneton, Woodend, and Colac;
  - Place paramedics at Anglesea, Timboon, Apollo Bay, Mirboo North and Alexandra;
- Expand helicopter retrieval services for adults, children and babies to a new 24 hour service and provide a brand new helicopter, based at Essendon, accommodating specialist retrieval equipment;
- Establish a new emergency helicopter service at Warrnambool – to commence operations 1 July 2009;
- Complete construction of a new ambulance branch at Lara and commence construction works for a new facility at Daylesford and a hanger facility at Warrnambool;
- Commence building renovations work at Ballarat, Norlane and Stawell while renovation works have been completed at Cheltenham and Sunbury;
- Commence building processes for new branches at: Belmont, Lismore, Yea, Warragul, Wonthaggi, Anglesea, Timboon, Apollo Bay, Hamilton, Neerim South, Mirboo North, Alexandra, Warrnambool, Hastings, Pakenham, Knox, Frankston, Gisborne and Woodend; and
- Purchase an extra 44 ambulance vehicles to support above expansion/upgrading of services.

### **1.4.3 Details of recent or current reviews of ambulance service delivery in country Victoria.**

In 2006 the State Services Authority Review of the former Rural Ambulance Victoria (RAV) recommended that the service take steps to ensure it is more closely integrated with the broader health services sector including policy, program development and service delivery.

This recommendation built on previous work undertaken for RAV which had identified priorities for ambulance service development investments in rural and regional Victoria based on a range of analyses and planning criteria.

The merger of the former RAV, the Metropolitan Ambulance Service and the Alexandra District Ambulance Service into a single service – Ambulance Victoria – has created the opportunity to review the service delivery investment, especially in rural Victoria, Ambulance Victoria is currently evaluating tenders from potential providers for a piece of work that will assess the future level of demand for ambulance services in rural Victoria to 2014/15 and review the comprehensive analysis and planning approach currently in place.

#### **1.4.4 Further examples of health protection and health advancement measures, including primary prevention, secondary prevention, diversion programs and other behavioural change work.**

The following are examples of primary and secondary prevention and diversion programs within the health portfolio. These programs are funded through the Acute Health Services; Public Health; and Primary and Dental Health output groups.

##### **Primary Prevention:**

###### *Immunisation*

The Immunisation Program coordinates the immunisation provision in Victoria including the procurement and distribution of vaccines according to the National Immunisation Program schedule, The Program in partnership with its stakeholders and service providers:

- promotes high standards of delivery services
- promotes high levels of immunisation coverage
- supports immunisation to high risk groups, and
- supports community awareness of the necessity for and benefits of routine immunisation.

###### *Life! Taking Action on Diabetes*

The *Life! – Taking Action on Diabetes* (Life!) program is the Victorian Government's type 2 diabetes prevention initiative, which aims to arrest the increase of diabetes in Victoria by providing an Intensive community-based lifestyle behavioural change course for Victorians. The Life! program is an evidence-based program for people aged 50 years and over and Aboriginal adults aged 18 years and older, who are identified as being at high risk of developing type 2 diabetes. The course provides participants with useful tools and techniques to change their lifestyle and reduce their risk of developing type 2 diabetes.

###### *Primary Health Integrated Health Promotion*

About one third of the funding to Community and Women's Health Services is specifically for integrated health promotion. This represents over \$35 million of funding to over 100 agencies. Primary Health integrated health promotion requires funded agencies to work together with partner organisations to deliver a planned mix of health promotion interventions which includes primary, secondary and tertiary prevention, The interventions address local health and wellbeing priority issues and target specific population groups in most need. Priority issues are based on the Victorian state-wide health promotion priorities approved by the Minister for Health. The majority of effort is focussed on:

- promoting physical activity and active communities
- promoting accessible and nutritious food, and
- promoting mental health and wellbeing.

Community Health services are also funded to deliver a range of primary health services which can include specific programs such as Early Intervention in Chronic Disease (EICD), Healthy Mothers Healthy Babies, Kids Life! and Diabetes self management. Additionally many of the services delivered by Community Health would include a health education component which could be classified as prevention activity.

### **Secondary prevention:**

#### *Early Intervention in Chronic Disease (EICD)*

The EICD program is an example of a secondary prevention initiative with total annual funding in 2008-09 of \$12.5 million. This initiative is a key component in the broader work being undertaken in health service system reform. It provides additional funding to primary health care agencies to increase service delivery and to build in new components that are consistent with evidence-based chronic care.

#### *Diabetes Self Management*

Since 2006-07, the Diabetes Self Management program has been established in rural Victoria. This program, part of the State's commitment under the Australian Better Health Initiative (ABHI), is targeted at people newly diagnosed with Type 2 diabetes and aims at building the client's self efficacy in the management of their diabetes. Funding for this program over 4 years is \$3.1 million.

#### *Kids – Life!*

Kids – Life! is a targeted *Go for Your Life!* initiative supporting a healthy lifestyle for families. It provides childhood obesity intervention for families with children aged five to 12 years who are overweight or obese. The initiative will be locally managed by nominated Primary Care Partnerships that will support service coordination, program recruitment and workforce development in children's weight management. Lifestyle change programs will be delivered through Community Health services.

#### *Healthy Mothers, Health Babies*

The Healthy Mothers, Healthy Babies Initiative was funded in the 2008-09 State Budget. A total of \$8.3 million over four years has been allocated to develop, implement and evaluate the program. The Healthy Mothers, Healthy Babies program targets pregnant women who are unable to access antenatal care services or require additional support because of their socioeconomic status, culturally and linguistically diverse backgrounds, Aboriginal and Torres Strait Islander descent, age or residential distance to services. The focus of the Healthy Mothers, Healthy Babies program is to support women who are pregnant, not to manage the pregnancy. The program is not a clinical antenatal care service but rather provides support, linkages and education.

### **Diversion program:**

#### *Hospital Admission Risk Program (HARP)*

Developed in 2001 as part of the broader Hospital Demand Management Strategy, HARP services manage people with chronic disease, aged and/or complex needs who frequently use hospitals or are at risk of hospitalisations. The key objectives of HARP are:

- improve patient outcomes
- provide integrated seamless care within and across hospital and community sectors
- reduce avoidable hospital admissions and emergency department presentations, and
- ensure equitable access to healthcare.

HARP was evaluated in 2005 and in general, HARP clients experienced:

- 35 per cent fewer emergency department attendances
- 52 per cent fewer emergency admissions, and
- 41 per cent fewer days in hospital.

There are 22 HARP services across Victoria. In 2008-09 HARP had a state-wide budget of \$65 million.

### **1.4.5 Update on the Rural Maternity Initiative (RMI).**

Almost \$9 million (\$8.98 million) will have been allocated under the Rural Maternity Initiative (RMI) from 2003 to 2011. This funding aims to support health services to develop services and programs that contribute to sustainability of maternity services and improve access for rural women to care in their own community.

Of this, \$1.26 million will be allocated in 2009-10 to rural health services to implement and maintain a range of programs and maternity care models that contribute to sustainability. Many of these initiatives involve collaboration between clinicians and/or health services – a key factor in ensuring viability of services.

An evaluation of the first three years of the RMI was undertaken in 2007 and indicated that the initiative had demonstrated enhanced sustainability of rural maternity services, and improvements in workforce, clinical outcomes and women's satisfaction, amongst other benefits. A more recent evaluation has confirmed these findings.

One of the collaborative projects under the initiative is the Wimmera sub-regional maternity group; this group is made up of seven hospitals in the Wimmera area and meets regularly to discuss clinical and workforce issues. It shares education resources and sessions, documentation, policies and protocols. This sharing of resources enables an ongoing maintenance of skills in hospitals where the birth numbers are low and improved clinical practice across all services.

### **1.4.6 Details of the performance monitoring framework and reporting of hospital performance data, including copies of relevant reports since July 2008.**

The Integrated Performance and Activity Report (IPAR) is an indicative report that the department prepares periodically based on unaudited data derived from unit record information provided by health services. Its purpose is to provide preliminary data on hospital performance for discussions between the department and health services on performance issues and performance improvement.

The data that forms the basis for the report is updated continually as a patient moves through the system and as progress is recorded by health services. At the conclusion of each financial year, once audit checks have been concluded, a definitive dataset is finalised which is used for reporting purposes. Significant portions of the unit record data may change throughout a patient's progress

reliance on older concrete and other non-economic dwellings in both broad-acre and high rise/walk-up estates.

### **Supply and Demand analysis:**

The Department undertakes acquisition and disposals based on an assessment of the level of client need, and supply. This process involves identifying demand for and supply for a affordable housing in a given area, taking into account factors such as household demographics, the number of applications for public rental housing over the last 3 years, the number of Commonwealth Rent Assistance recipients paying more than 30% of their income in rent, and the level of affordable private rental accommodation. These factors are benchmarked against state-wide averages. Acquisitions are now reflecting changing client profile, shifting away from 2 bedroom properties to housing for singles and small families.

From this assessment, the department refines acquisition plans by taking into account the existing, planned and proposed capital program, as well as other considerations, including asset management and economic and urban factors, such as employment, urban planning issues, public transport and other amenities. Asset planners also consult with relevant local staff to ensure that proposed acquisition plans are appropriate.

In areas where demand factors are low, when balanced against supply factors, stock in the poorest condition is identified for disposal by sale or demolition. Funds obtained from sales are used to acquire new stock in areas with high demand and/or low supply of affordable housing.

### **Disposals**

The following asset management principles have been devised to govern the Department's disposal program:

- In areas of low demand, the Department should not retain older and/or poor condition stock. Priority for sale is determined based on individual assessment of property age, condition, and construction type.
- Stock earmarked for disposal should be maintained in a clean and liveable condition.
- Stock that is not suitable for sale (e.g. estates or large consolidated sites) should be included in the redevelopment program.
- Generally, properties are disposed 'upon vacancy'. However, where appropriate, the department will work with tenants to provide options to relocate to other social housing to allow disposal of occupied properties.

#### **1.5.2 Reconciliation between the number of social housing properties disclosed in the Ministerial press release of 12 May 2009 and the forward estimates.**

The Ministerial release of 12 May 2009 quoted stock numbers as reported in the Summary of Housing Assistance Programs 2007-08, which is available at [www.housing.vic.gov.au](http://www.housing.vic.gov.au).

The Summary of Housing Assistance Programs reports annually on the department's full acquisition and stock reconciliation, and includes *long, short and medium term* housing (such as crisis and Transitional Housing).

However, page 120 of Budget Paper 3 relates only to *long term* housing assistance.

Performance relating to short and medium term housing, as well other homelessness assistance performance, is outlined on page 121.

### 1.5.3 Grants and accountabilities

<b>National Affordable Housing Agreement (NAHA)</b>			
<p>The NAHA replaces the Commonwealth State Housing Agreement (CSHA) and Supported Accommodation Assistance Program (SAAP). The NAHA encompasses a range of measures including social housing, assistance to people in the private rental market, support and accommodation for people who are homeless or at risk of homelessness, and home purchase assistance. Under the NAHA Victoria will receive \$1.4 billion in total over five years.</p>			
<b>Budget Paper Reference</b>	<b>Accountabilities</b>	<b>2008-09</b>	<b>2009-10</b>
Budget Paper 4 Page 210	<p>Governed by the Intergovernmental agreement on federal financial relations for Special Purpose Payments. The COAG reform council will report annually to COAG against the performance indicators in the NAHA.</p> <p>Performance will be measured against the following indicators:</p> <ul style="list-style-type: none"> <li>a) proportion of low income households in rental stress;</li> <li>b) proportion of homes sold or built that are affordable by low and moderate income households;</li> <li>c) proportion of Australians who are homeless;</li> <li>d) proportion of people experiencing repeat periods of homelessness;</li> <li>e) proportion of Australian households owning or purchasing a home;</li> <li>f) proportion of Indigenous households owning or purchasing a home;</li> <li>g) proportion of Indigenous households living in overcrowded conditions; and</li> <li>h) proportion of Indigenous households living in houses of an acceptable standard.</li> </ul> <p>Performance indicators will be developed regarding:</p> <ul style="list-style-type: none"> <li>a) supply meeting underlying demand for housing; and</li> <li>b) housing market efficiency.</li> </ul>	\$259.5	\$265.8

<b>Social Housing National partnership</b>			
<p>The Social Housing National Partnership Agreement provides capital funding to support the increase in social housing through new construction. Victoria has been allocated \$99.2 million to deliver social housing units.</p>			
<b>Budget Paper Reference</b>	<b>Accountabilities</b>	<b>2008-09</b>	<b>2009-10</b>
Budget Paper 4 Page 210	Report to the Commonwealth every six months detailing the status and progress of each social housing project within jurisdiction.	\$49.6	\$49.6

<b>Nation Building and Jobs Plan</b>			
Victoria has been allocated \$1.58 billion under the <i>Nation Building and Jobs Plan</i> , which will be used to deliver social housing units and improve the condition of existing housing that requires work.			
<b>Budget Paper Reference</b>	<b>Accountabilities</b>	<b>2008-09</b>	<b>2009-10</b>
Budget Paper 4 Page 210	<p>Detailed reporting every three months to the Commonwealth.</p> <p>In accordance with Schedule C of the agreement, the report details:</p> <ul style="list-style-type: none"> <li>a) the status and progress of each new social housing project that has been funded through the initiative;</li> <li>b) the location of dwellings that have been constructed or refurbished through the initiative and their availability for Detailed reporting every three months to the Commonwealth. rental; and</li> <li>c) the tenant profile for each dwelling that is occupied following construction \$64.4 or refurbishment funded through the initiative.</li> </ul> <p>Under schedule B of the agreement, the state also reports on expenditure and output benchmarks to Heads of Treasuries.</p> <p>Victoria is also required to provide detailed monthly progress reports to the State Coordinator-General, that detail:</p> <ul style="list-style-type: none"> <li>- Individual project expenditure</li> <li>- Works undertaken on a property by property basis</li> <li>- Details of employment outcomes associated with each project</li> <li>- Details of accessibility guidelines</li> <li>- Sustainability</li> <li>- Thermal efficiency</li> <li>- Tenant profile</li> </ul>	\$64.4	\$1009.4

<b>Homelessness NP</b>			
Funding of \$104.79 million over four years to support a package of new services and initiatives that will strengthen and diversify the response to homelessness in Victoria. <sup>1</sup>			
<b>Budget Paper Reference</b>	<b>Accountabilities</b>	<b>2008-09</b>	<b>2009-10</b>
Budget Paper 4 Page 210	A detailed report to be provided on an annual basis to the Commonwealth against the 11 indicators under the Homelessness NP. These are: <ul style="list-style-type: none"> <li>– Proportion of Australians who are homeless</li> <li>– Proportion of Australians who are experiencing primary homelessness (rough sleeping)</li> <li>– The number of families who maintain or secure safe and sustainable housing following family violence</li> <li>– Increase in the number of people exiting care and custodial settings into secure and affordable housing</li> <li>– Reduce the number of people exiting social housing and private rental into homelessness</li> <li>– The proportion of people experiencing repeat periods of homelessness</li> </ul>	\$4.9	\$18.8
	<ul style="list-style-type: none"> <li>– Number of young people (12 to 18 years) who are homeless or at risk of homelessness who are re-engaged with family, school and work</li> <li>– Number of children (under 12 years) who are homeless or at risk of homelessness who are provided with additional support to maintain contact with their school</li> <li>– Number of families who are homeless or at risk of homelessness who receive financial advice, counselling and/or case management.</li> <li>– Number of people who are homeless or at risk who are provided with legal services</li> <li>– Number of staff of specialist homeless services provided with formal training and development opportunities</li> </ul>		

<sup>1</sup> In addition to this funding, \$15.6 million from the NP is being provided to support mental health reform initiatives targeting homelessness (Budget Paper 3, p.87 & Budget Paper 4, Chapter 3) and \$1.6 million from the NP in new funding is allocated to the Court Integrated Service Program to support those who are homeless or at risk of homelessness. (Budget Paper 3, p. 143 & Budget Paper 4 Chapter 3)

<b>Remote Indigenous Housing NP</b>			
Under the Remote Indigenous Housing National Partnership Agreement, Victoria will receive \$17.85 million in the first five years of the 10 year funding strategy (\$30.35 million) to support the transfer of responsibility for Indigenous Community Housing Infrastructure Program to the Victorian government.			
<b>Budget Paper Reference</b>	<b>Accountabilities</b>	<b>2008-09</b>	<b>2009-10</b>
Budget Paper 4 Page 210	Annual reporting against performance benchmarks through COAG reform council, who will report to COAG on transition milestones.  The joint steering committee (JSC) (made up of Commonwealth and State representatives) will undertake an evidence-based reporting and benchmarking framework to track progress against the achievement of key outcomes, milestones, performance indicators and the payment schedule.	\$5.8	\$14.5



## **1.6 Mental Health portfolio**

**1.6.1 A table containing the seven headings and subheadings, which appear in the introductory slide presented at the hearing, over the four years in terms of the expenditure under the various programs in the budget.**

PAEC	Total Investment over 4 years	Source: Appendix A, 2009-10 Service Delivery Budget Paper No. 3.	Page No.	2009-10	2010-11	2011-12	2012-13	Total Investment over 4 years
Foundations for Recovery	37.7	Building the Foundations for Recovery and Participation for People with a Mental Illness – Housing and Support	p 286	3.8	3.9	4.0	4.0	15.6
		Care Coordination for People with a Severe Mental Illness and Multiple Needs	p 286	2.0	2.1	2.1	2.2	8.3
		Mental Health List Pilot	p 286	2.0	3.9	4.0	3.9	13.8
Early in Life	21.3	Early in Life: Improving Mental Health Outcomes for Children, Young People and their Families	p 286	3.4	5.8	6.0	6.1	21.3
Pathways to Care	11.2	Pathways to Mental Health Care: Enhance Psychiatric Triage (Stage 2)	p 286	1.5	3.1	3.2	3.3	11.2
Aboriginal Mental Health	0.9	Reducing Inequalities in Aboriginal Mental Health	p 286	0.2	0.2	0.2	0.2	0.9
Workforce and Service Development	6.6	Strengthening the Mental Health Service System Development	p 286	1.5	1.6	1.7	1.7	6.6
Strengthening Specialist Support	21.3	Building Forensic Capacity in Community Based Mental Health Services	p 286	1.5	1.6	1.6	1.7	6.4
		Sustaining Health Services Capacity	p 314	3.6	3.7	3.8	3.9	15.0
Boosting Capacity	9.1	Sustaining Health Services Capacity	p 314	2.2	2.3	2.3	2.4	9.2
Investing in more beds	66.0	Asset Initiatives – Human Services – Dandenong Hospital Mental Health Redevelopment and Expansion	p 321	4.0	17.1	18.9	16.8	66.0
	8.0	Asset Initiatives – Human Services – Youth Prevention and Recovery Care Services	p 321	0.4	6.0	1.6	0.0	8.0
	<b>182.1</b>			<b>26.1</b>	<b>51.3</b>	<b>49.4</b>	<b>46.2</b>	<b>182.1</b>

**1.6.2 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

Under the existing arrangements, the department would receive Commonwealth Government payments into its administered entity; transfer the dollar value of the receipt to the Consolidated Fund and then using appropriation authority under Section 29 of the Financial Management Act 1994 (FMA) drawdown an equivalent amount into its controlled entity to meet expenditure. Where a new Commonwealth SPP is established during the year, access to funds may be provided by Governor-in-Council approval under Section 10 of the Financial Management Act.

For new partnership agreements, funds will now be paid centrally to DTF by the Commonwealth Treasury. For payments received post 1 January 2009, DTF will receive a total payment from the Commonwealth and transfer this amount to the Consolidated Fund. Once the payment has been received, DTF will inform the department of specific funding details using information provided by the Commonwealth Treasury.

Once the department has been notified of the amounts notionally received for each agreement, the department can then use the Section 29 authority to draw the equivalent amount from the Consolidated Fund in line with the pre-January 2009 arrangements.

Section 29 of the FMA relates to monies received by departments from third parties under an agreement with the Treasurer. It allows a department to increase its appropriation by amounts equal to receipts provided that there is a Net Appropriation (Receipts Retention) Agreement in place.

A Net Appropriation (Receipts Retention) Agreement is signed by the Treasurer and the relevant Minister. The department's budget is adjusted in accordance with the actual receipts for the year.

The Treasurer will be required to report total expenditure for National Partnerships, stating both expenditure of Commonwealth project and facilitation funding and State co-contributions where these are required by the National Partnership, to the Ministerial Council for Federal Financial Relations within six months of the end of each financial year. This information is expected to be collected as part of the annual Financial Report for the State of Victoria data collection exercise, and more information on the level of details and format for the provision of this information will be provided at a later stage.

A number of Specific Purpose Payments received by the Department of Human Services in 2008-09 are being absorbed into the new National Healthcare Agreement in 2009-10.

The accountability measures relating specifically to the mental health portfolio include the submission of a range of national minimum datasets set out in Schedule A to that Agreement. Mental health and drug treatment services will also contribute to a range of health system performance measures and datasets identified in the Agreement, and to the financial accountability measures set out in Schedule D to the Intergovernmental Agreement on Federal Financial Relations.

Mental health services will also sit within the framework of the National Partnership Agreement on Hospitals and Health Workforce Reform and will contribute to the achievement of accountability measures set out in that Agreement.

Psychiatric disability services are also expected to contribute to the performance and accountability measures set out in the National Disability Services Agreement, although further work is to occur to clarify arrangements this as indicated in clause 29 of the Agreement.

In 2009-10 the Department of Human Services is expecting an allocation of \$0.823 million under the National Perinatal Depression Initiative as part of the Mental Health portfolio.

This initiative entails routine and universal screening for perinatal depression; follow up support and care for women assessed as being at risk of or experiencing perinatal depression; workforce training and development for health professionals; research and data collection; national guidelines for screening for perinatal depression; and community awareness.

A draft Framework outlining the scope of the initiative has been agreed by officials and will be presented to the Australian Health Ministers Advisory Council in June 2009 for approval.

The department's Mental Health and Drugs division has responsibility for the implementation of the initiative and is working closely with maternity services, primary health, child protection and family services and maternal and child health to develop and implement appropriate treatment services, training and screening.

## Department of Innovation, Industry and Regional Development

### 1.7 Whole of Department response

#### 1.7.1 Please provide a list and description of all Federal grants received by departments and agencies in relation to each portfolio, and detail the accountability measures employed to deal with those grants.

The table below shows the 2009110 Federal Grants to be received by DIIRD and/or its Agencies.

DIIRD Portfolios and/or Agencies	Description of Grant	Amount (\$M)	Measure(s)
<b>Information and Communication Technology</b>	Broadband Development Element	0.5	refer to page 128 ICT projects and programs underway (included in the 40 targets)
<b>Innovation</b>	Australian Synchrotron. The Commonwealth Government provided a \$50 million contribution in 2006-07 towards the operating costs of the Australian Synchrotron over five years, ie, \$10m p.a.	10.0	The Commonwealth and the Victorian Governments have agreed to jointly contribute to the operating costs of the Australian Synchrotron under a deed of agreement. Refer to BP4 page 210.
<b>Tourism Victoria</b>	Victorian Bushfires. Total funding is \$10M to be match funded between State & Commonwealth. \$2M is provided for 200819, \$EM is provided for 2009110. Commonwealth funding is provided directly to DTF.	4.0	An agreement is in place between Tourism Victoria and The Commonwealth Department of Resources, Energy and Tourism. The agreement identifies deliverables and the reporting mechanism.
<b>Workforce Victoria</b>	Funding agreement under the Structured Training and Employment Project to deliver 100 sustainable employment outcomes for indigenous jobseekers.	1.0	The contract requires DIIRD ('the contractor') to report regularly through an established reporting framework in addition to including a standard range of governance measures.

	The Funding Agreement provides for the achievement of these outcomes in the period 9 June to 31 July 2011.		
<b>Skills</b>	<p>National Agreement for Skills and Workforce Development*</p> <p>This agreement provides ongoing funding (SPP) for vocational education and training in Victoria, commencing on 1 January 2009 for an indefinite period. There is a requirement that all National Agreements are reviewed at least every 5 years for adequacy.</p> <p>The annual funding is indexed and incorporates operating funds and funds for Capital works.</p>	326.3	<p>Output measures for 2009</p> <p>314,689 Enrolments in vocational education and training</p> <p>81,259 Course completions in vocational education and training</p> <p>1,692,975 Unit/module completions in vocational education and training</p> <p>527 Course completions by Indigenous Australians in vocational education and training</p> <p>1,930 Enrolments by Indigenous Australians in higher level vocational education and training qualifications</p>
	Intergovernmental agreement for additional training delivery in Victoria under the Productivity Places Program (4 yr agmt)	57.2	Delivery of an additional 7,209 course enrolments, including commencements, in vocational education and training in 2009
	Better TAFE Facilities Funding	48.9	Building projects funded to be completed successfully, on time and within budget.
	Education Investment Fund (paid directly to TAFE)	5.1	Building projects funded have to be completed successfully, on time and within budget.
	Training Infrastructure Investment for Tomorrow Funding	65.2	Building projects funded to be completed successfully, on time and within budget.
<p>*Longer term targets agreed by COAG are:</p> <p>(i) to halve the proportion of Australians aged 20–64 without qualifications at Certificate III level and above between 2009 and 2020;</p> <p>(ii) to double the number of higher qualification completions (diploma and advanced diploma) between 2009 and 2020.</p>			

## 1.8 Financial Services portfolio

### 1.8.1 Financial services initiatives – jobs and exports

The implementation of the financial services initiatives referred to in, 'Building Our Industries for the Future' commenced this year. The Department has a target of \$1.6 billion and 5,000 new jobs per annum for all industry development. No specific jobs targets have been set for financial services over the next four years. However, [the Minister has] been advised that the Department has facilitated \$670 million in investments and over 1600 new jobs in the financial services sector since 2005.

## **1.9 Industrial Relations portfolio**

### **1.9.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

In relation to the Industrial Relations and Industry & Trade portfolios, no funding was received by way of Commonwealth grants. [The Minister is] also advised that no funding was sought, nor are there any current applications for federal grants. However, the Secretary of the Department of Innovation, Industry and Regional Development is providing a whole of department response to this question.

### **1.9.2 Provision of relevant information pertaining to the union demarcation and the planned construction of a desalination plant in Victoria.**

Construction of the Desalination Plant is a key part of the Government's *Our Water Our Future Plan*. It will be capable of providing significant annual water supply from a source that is independent of rainfall.

The desalination plant is being delivered as a PPP project under the Government's Partnerships Victoria framework. Construction is due to start later this year and the project remains on track to begin delivering water by the end of 2011.

The Department of Sustainability and Environment (DSE) is managing the project.

It is the successful tenderer who determines the composition of its workforce.

### **1.9.3 Future compliance of Victorian government contracts with the code of industrial relations practice established under the previous Commonwealth Government.**

The Federal Government has consistently stated that the Office of the Australian Building and Construction Commissioner (ABCC) will continue to operate until 31 January 2010. From this date, the work of the ABCC, along with the work currently undertaken by other authorities such as the Workplace Ombudsman and the Australian Fair Pay Commission, will become the responsibility of Fair Work Australia.

In 2008 the Federal Government commissioned retired judge the Honourable Murray Wilcox to conduct an inquiry into the ABCC. His Honour also considered the operation of the *Implementation Guidelines for the National Code of Practice for the Building and Construction Industry* (the Code). Members may be aware that compliance with the Code is a prerequisite for companies wishing to participate in federally funded construction projects.

The Victorian Government made a submission to that inquiry, in which we reiterated our support for a strong set of compliance arrangements that are consistent with a cooperative and collaborative approach to workplace relations.

In our submission we also expressed our grave concerns about the use of coercive powers by the ABCC, stating that if they were to be retained, their use should be subject to a greater investigatory threshold than merely being relevant to an investigation.

The Victorian Government further submitted that adequate safeguards should be instituted in order to ensure that such powers are exercised appropriately, and due regard is paid to an affected person's rights.

Justice Wilcox recently provided the Deputy Prime Minister with his report into the transition to Fair Work Australia for the building and construction industry. The Federal Government introduced a Bill into Parliament on 17 June 2009 to maintain a strong enforcement regime for the industry.

Victoria accepted the Code in 2004. The federal Department of Education, Employment and Workplace Relations is currently reviewing the Code.

## **1.10 Information and Communication Technology portfolio**

### **1.10.1 Access by nearby communities to the broadband connected to government schools.**

Under the Broadband Framework, the Victorian Government aggregated demand to increase Government purchasing power and facilitate improved community access to broadband infrastructure.

Through the current Victorian Government Telecommunications Purchasing and Management Strategy (TPAMS), community agencies (such as local Government and independent schools) can utilise State Government purchasing arrangements.

State procurement of telecommunications services has also led to substantial new infrastructure broadband rollout in regional Victoria. For example, the DSL installed for earlier connectivity to regional schools is now typically available for broader consumer and business access. Fibre optic links have now been delivered to over 2,500 sites under TPAMS including over 1,000 non-metropolitan sites. We expect some broader benefits from the fibre optic deployment over time, consistent with policies at the Federal level and the previous commercial actions of the Government's broadband telecommunications service provider (Telstra).

## **1.11 Major Projects portfolio**

### **1.11.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail accountability measures employed to deal with those grants.**

Major Projects Victoria does not generally directly receive federal funding for any projects it is involved with. The client department may, however, receive federal funding for construction. Major Projects Victoria did not receive any federal funding in the most recent budget but as you would be aware, the Commonwealth has committed to providing funding to clean up and dispose of the waste caused by the destruction of buildings in the bushfire of 7 February.

Major Projects Victoria is directly involved in the bushfire clean up, administering the contract for the clean up and disposal of bushfire waste, and clearing more than 2000 buildings including homes, businesses, community buildings and outhouses destroyed by the fires.

In the past, federal funding was provided for the Australian Synchrotron – not for construction purposes, but for additional beamlines.

### **1.11.2 Details of the rating system used by the Green Building Council of Australia**

The Green Building Council of Australia aims to develop a sustainable building and property development industry, and comprises both government and (mainly) non-government members.

The Green Building Council has adopted a ratings system that promotes sustainability by recognising reductions in the environmental impacts of buildings. Unlike other rating systems that rate single aspects such as water consumption for appliances, or residential energy consumption, the Green Building Council rating system covers a spectrum of impact categories including indoor environmental quality, energy, transport, water, materials, land use ecology and emissions. The rating system also recognises good building management practices and rewards innovation.

Scores are awarded against elements within these impact categories, with 'six star' being the highest. Six star means 'world leader', five star recognises 'Australian excellence' and four star rewards 'best practice'. Star ratings of one, two or three cannot be rewarded with certification.

### **1.11.3 Department to complete question 9.1 of the Committee's 2009-10 Budget Estimates questionnaire.**

The Department has responded to question 9.1 in the Committee's questionnaire. [Refer] to pages 38 and 39 of the Department's response for full staffing details.

## **1.12 Regional and Rural Development portfolio**

### **1.12.1 Commentary on the breakdown of funding from the Regional Infrastructure Development Fund (RIDF) by local government according to dollars per head of community member.**

All RIDF projects are assessed and evaluated on their merits against established criteria (which are publicly available) prior to approval.

Successful RIDF sub-programs, such as the Dairy Roads, Small Towns Development Fund and the Local Ports Upgrade Program have ensured that hundreds of projects have been funded throughout Provincial Victoria.

RIDF projects have been funded across the whole of the State, not just in the large regional centres. An analysis of the RIDF funding allocation demonstrates that every LGA in Provincial Victoria has received some RIDF funding.

However, it should also be noted that regional infrastructure projects provide benefits beyond their immediate locality. For example, the upgrade of the Mildura Airport under the Regional Aviation sub-program clearly provides benefits in a regional context beyond those immediately impacting on the Mildura City Council residents. This project will make access to and from the Loddon Mallee and Grampians Regions of Victoria far easier for individuals and businesses.

The RIDF project to create a new campus for Latrobe University in Shepparton is another example of a project that provides benefits at a regional level beyond the immediate boundaries of the municipal location. This project will provide greater tertiary education opportunities for residents in the Hume and Loddon Mallee regions of Victoria.



On this basis, it can clearly be demonstrated that the RIDF has provided benefits to all communities in Provincial Victoria.

### **1.12.2 Clarification of new money in the budget for airports.**

The Government has provided \$25 million towards regional airport upgrades through the following allocations:

- 2006 Election Commitment of \$5 million to the Regional Aviation Fund (RAF), allocated in the 2007 Budget from 2007/08 to 2009/2010
- 2009 Victorian Transport Plan (VTP) Allocation \$20 million

Seven projects have been announced to date, with a combined value of \$12.43 m, leaving a balance of \$12.57 m.

The seven projects funded to date are:

- Yarrawonga \$0.550 m
- Stawell \$0.950 m
- Latrobe \$0.492 m
- Mallacoota \$0.791 m
- Warrnambool \$0.492 m
- Mildura \$5.72
- Ballarat \$3.43

When the VTP foreshadowed \$20 million for regional airport upgrades, it was announced that Mildura and Ballarat would be amongst the first to benefit from the increased funding.

The \$20 million VTP allocation is represented in the 2009 Budget Papers, Appendix A, Table A.7: Output Initiatives – DIIRD, Page 326 as:

*\$9 million against the Victorian Transport Plan for Upgrading Regional Airports in Financial Year 2008/09 and \$11 million against the Victorian Transport Plan for Upgrading Regional Airports in Financial Year 2009/10*

### **1.12.3 Bush fire rebuilding – financial assistance and support.**

Regional Development Victoria (RDV) is providing financial assistance and support for fire affected businesses and communities in rural and regional Victoria.

RDV has had a significant presence at Bushfire Recovery Centres and Community Hubs, and has supported businesses through referrals to appropriate business support. A strong understanding of the emerging issues confronting businesses and communities has been developed. RDV will continue to provide advice to businesses and inform future Government activity in bushfire affected areas.

RDV provided funding for the following initiatives:

- National day of mourning for bushfire victims. 11 events were held across regional Victoria in conjunction with the Day of Mourning event in Melbourne.
- The \$150, 000 *Bushfire Community Events Program* is providing grants of up to \$3000 to local government and community organisations in fire affected regional areas for community events. As at 11 June 2009, 41 grants worth \$113,301 have been approved.

- VECCI Bushfires Business Relief Emergency Fund
  - RDV is contributing \$500,000 from the Living Regions Living Suburbs program towards the Bushfires Business Relief Emergency Fund which will provide assistance to small businesses indirectly affected by the fires. VECCI will oversee the administration of the Fund and will seek additional funds from the business community.
  - Small businesses in bushfire-affected areas that were not burnt out but are experiencing financial hardship as a result of the bushfires may be eligible for grants of up to \$5,000 initially. The Bushfires Business Relief Emergency Fund will give priority to businesses that employed fewer than 20 people and that have had little or no alternative sources of income following the bushfires.
- The *Bush fire Recovery Community Infrastructure Program*. RDV is contributing \$2 million from the Living Regions Living Suburbs program towards this \$4 million initiative, with \$2 million also being contributed by Bendigo Bank through its Community Enterprise Foundation. This program will support replacement of destroyed and damaged infrastructure in rural, regional and interface councils affected by the bushfires.
- RDV has provided \$87,000 to the Murrindindi Shire Council to enable engagement of a locally based Business Recovery Officer to support local business.
- In understanding and responding to the emerging business issues impacting on bushfire affected areas, RDV is assisting through a range of activities including:
  - Coordination of a range of Business Bushfire Roundtables, hosted by the Minister for Regional and Rural Development across the bushfire affected areas.
  - Ongoing involvement in a number of Multi-Agency Recovery Committees (MRA) through the Gippsland, Hume and North West Metro regions as well as the Economic Taskforce Sub-Committees established under the MRA framework;
  - Ongoing representation on individual Shire Bushfire Recovery Committees across Gippsland, Hume, North West Metro and Eastern Metro regions;
  - Representation on the Tourism Bushfire Recovery Taskforce and the VBRRR Inter-Agency Recovery Committee;

There are also a number of existing programs delivered by RDV that, while not developed in response to the bushfires, can be utilised to support activities in affected areas. An example is the Buy Locally Program where a number of projects are under development in the Murrindindi and Mitchell shires (totalling \$23,350). Funding has also been provided to the Victorian Wine Industry Association in relation to testing for smoke taint (\$27,000).

## **1.13 Skills and Workforce Participation Portfolio**

### **1.13.1 Breakdown of additional revenue from the new fee structure for all students across all qualification levels.**

The new fees being introduced from 1 July 2009 are structured so that individual student contributions increase where higher qualifications are likely to lead to higher graduate income and benefit. Conversely, those students undertaking foundation programs or lower level certificates where there is not likely to be an increase in income from doing that particular course will pay lower fees. The introduction of entitlement based funding will also drive growth in student numbers.

It is not feasible to predict additional revenue from fee structure changes, as the revenue from fees will be retained by providers and the actual fee amount set by providers up to the published limit. It is also not possible to predict the actual mix of qualifications.

### **1.13.2 Reconciliation between Skills and Workforce Participation output cost variances supplied to the Committee (p.22 of questionnaire response) and information disclosed in the Output Summary in Budget Paper No. 3 p.125).**

The Output Summary table in Budget Paper 3 p.125 lists output costs for Skills and Workforce as below:

<i>(\$ million)</i>				
	<b>2008-09 Budget</b>	<b>2008-09 Revised</b>	<b>2009-10 Budget</b>	<b>Variation %</b>
Industries and Innovation	226.1	214.0	312.4	38.2
Investment and Trade	79.4	90.7	90.2	13.6
Regional Development	90.1	102.0	154.1	71.0
Skills and Workforce	1,690.1	1,830.1	1,864.8	10.3
Marketing Victoria	79.4	86.1	75.2	-5.3
Major Projects	10.4	25.9	9.3	-10.6
<b>Total</b>	<b>2,175.5</b>	<b>2,348.8</b>	<b>2,506.0</b>	<b>15.2</b>

The three outputs listed below in the Budget Estimates questionnaire make up the Skills and Workforce Output group listed in the summary table above. The variance column in the table above is the variance between the 2008-09 budget and the 2009-10 Budget. The Budget Estimates questionnaire requested variances between the 2008-09 revised budget and the 2009-10 Budget.

<b>Output</b>	<b>2008-09 Revised Outturn</b>	<b>2009-10 Target</b>	<b>Variance %</b>
Skills	1,796.7	1,829.1	1.8%
Industrial Relations	11.8	8.6	-27.1%
Workforce Participation	21.6	27.1	25.5%
	<b>1,830.1</b>	<b>1,864.8</b>	<b>1.9%</b>

### **1.13.3 Clarification of funding arrangements with the Commonwealth.**

The Commonwealth and all States and Territories are signatories to a new *Intergovernmental Agreement on Federal Financial Relations*. This Intergovernmental Agreement provides a new *Framework for Federal Financial Relations* which will provide the foundation for governments to collaborate on policy development and service delivery and facilitate the implementation of social and economic reforms in areas of national importance. The agreement operates indefinitely from 1 January 2009. The agreement contains a clause that provides for periodic review (at least every 5 years) of the level of Commonwealth funding support to ensure its ongoing adequacy.

The *National Agreement for Skills and Workforce Development* replaces the previous funding arrangements through *Skilling Australia's Workforce 2005 – 2008*. The new agreement provides the same level of funding, with indexation, and more flexibility. The previous agreement had many input controls and detailed reporting requirements. In this agreement, states and territories

agree to high level targets and a range of outputs. Reporting on the agreements will be through the COAG Reform Council.

Victoria is also a signatory to a bi-lateral agreement, the *Intergovernmental agreement for additional training delivery in Victoria under the Productivity Places Program*. This agreement recognises the significant investment being made by Victoria over the next four years in implementing *Securing Jobs for Your Future*, the major reform package which begins on 1 July 2009. The terms of the agreement mean Victoria is not restricted to delivery in certain skills areas or qualifications and that the places can be delivered through existing arrangements.

#### **1.13.4 Market contestability between TAFEs and private providers – monitoring, teaching and course delivery standards, information campaigns about courses; and course selection and career advice.**

While this question has largely been addressed in [the Minister's] response at the PAEC hearing, [the Minister] would also like to supplement [her] earlier response with the following. On the back of significant additional State Government investment, TAFE institutes in Victoria are well positioned to thrive in the new system announced in *Securing Jobs for Your Future*.

Quality is a key element of the reform package and we are providing additional funding to the Victorian Registration and Qualification Authority. Providers will have to meet certain criteria to offer government subsidised training.

[The Minister is] pleased to add in relation to course selection and career advice that from August 2009, the VRQA is planning to train career teachers and advisers on how to use and integrate the Qualifications Navigator in careers planning with students and clients.

### **1.14 Small Business portfolio**

#### **1.14.1 A list of the regulations under the Small Business portfolio that have been removed in the last year, and those planned for removal over the forward estimates period.**

The Minister for Small Business has responsibility for the following Acts:

- ANZAC Day Act 1958
- Public Holidays Act 1993
- Retail Leases Act 2003
- Shop Trading Reform Act 1996
- Small Business Commissioner Act 2003
- Summer Time Act 1972

In these circumstances, there has been very limited scope to remove regulations in the past year and none are scheduled for repeal by July 2010. Nevertheless, the Victorian Government has been active in reducing the regulatory burden on business in other non-legislative but significant ways. This includes the World Class Service initiative, the establishment of the Business Consultation Database, and the Small Business Regulatory Impact Assessment Manual. Preliminary results

indicate that Victorian businesses save approximately \$30 million per annum as a result of these initiatives to reduce the regulatory burden.

The Victorian Government has also taken the lead nationally on a number of initiatives to reduce the compliance costs on business. This includes harmonisation of retail lease disclosure statements and developing a single national system associated with registration of business names and business start-up.

## **1.15 Tourism and Major Events Portfolio**

### **1.15.1 Please provide a list and description of federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

There are no federal grants to the relevant departments and agencies in relation to the Tourism and Major Events ... portfolio.

#### **Unasked question on notice**

It is assumed that this is the question that was referred to by Mr Sykes within the hearing:

### **1.15.2 The bushfire recovery package included promotion of the Falls Creek Easter Festival and the Myrtleford Festival. How much money was spent on promoting each of these events and what was the money spent on.**

A joint \$10 million Commonwealth and State Government tourism recovery package was announced on 17 March 2009 that is helping to fund a range of marketing strategies to assist tourism businesses in the bushfire affected regions. This funding is made up of:

- \$6 million towards a cooperative marketing and brand rebuilding program to promote visitation to economically-affected areas;
- \$1 million to bring forward postponed events and marketing of existing events; and
- \$3 million to assist with the enhancement and redevelopment of tourism and visitor facility infrastructure in national, state and regional parks adjoining bushfire affected areas.

Through this funding, Tourism Victoria initiated an open for business campaign to encourage visitation back to regional Victoria after the threat of bushfires had past. Under the tagline 'Victoria. Amazing as Always', a range of events have been promoted to encourage immediate visitation back to bushfire affected areas.

As part of the open for business campaign, the Falls Creek Easter Festival was promoted under a High Country Easter Festival banner in The Age on 29 March 2009, combined with other event promotions at an estimated value of \$1,220.

The Myrtleford Festival was promoted as the La Fiera Myrtleford Festival as a single event in the Herald Sun on 19 May 2009 and was also promoted with other events in The Age on 29 March 2009 with a total estimated value of \$7,955.

The selection of events to promote has been made by Tourism Victoria in conjunction with the State-wide Bushfire Tourism Response and Recovery Committees and the respective regional response and recovery committees.

## Department of Justice

### 1.16 Attorney-General's portfolio

#### **1.16.1 Details of the amount and value of pro-bono work undertaken by firms for Victorian Legal Aid.**

Members of the Legal Services Panel have reported delivering pro bono legal services to the value of \$12.4m in 2007/2008. In the 2007/2008 financial year, Panel firms were contractually obliged to deliver pro bono legal services to the value of \$4.6m. Therefore, they have more than tripled their required obligation under the Panel arrangements.

Under the Panel contract, each law firm when tendering to provide legal services, committed to pro bono services as a percentage of the legal fees (ex GST & disbursements) derived from government work. Their pro bono commitment becomes an obligation to provide pro bono legal services to 'Approved Causes.' The policy guidelines related to 'Approved Causes' state that the provision of pro bono services is to provide access to justice for disadvantaged people and/or are in the public interest. The government encourages Panel firms to collaborate with community legal centres and non-profit organisations with access to justice objectives such as PILCH (Public Interest Law Clearing House) to meet their contractual obligations.

#### **1.16.2 Information in the background of Justices of the Peace.**

The Department of Justice is not able to advise an exact figure in relation to how many Justices of the Peace (JPs) have criminal records. There are approximately 4,500 JPs in Victoria. Ascertaining the number of JPs with a criminal record would be a resource-intensive undertaking, as this information is not held on a database, but on the individual appointment file for each JP. A new, searchable database is currently in development.

Under the current process for recommending applicants for appointment as a JP, a range of factors is taken into account by the assessment panel including, where applicable, the nature and age of any previous convictions. The appointment process will be further strengthened by the recommendations in relation to the appointment process outlined in *The Advisory Panel Report on the Appropriateness of the Appointment Processes of Justices of the Peace Arising from an Investigation of Mr Hakki Suleyman* (June 2009), which are currently being implemented by the Honorary Justices Office in the Department of Justice.

#### **1.16.3 An estimation of the cost of family violence on government services**

The cost of domestic violence in Australia was estimated at \$8.1 billion in 2002-03, comprising \$3.5 billion in costs attributable to pain, suffering and premature mortality. Of this \$8.1 billion, the cost apportioned to Victoria was estimated to be \$2 billion per annum.<sup>613</sup>

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<sup>613</sup> source: Access Economics: The Cost of Domestic Violence to the Australian Economy 2004

The National Council to Reduce Violence against Women and their Children, tasked by the Federal Government, released a report in May 2009 on the cost of violence against women and their children. In this study, violence against women and their children includes domestic and non-domestic violence (e.g. non domestic sexual assault). The report estimates that violence against women and their children will cost the Australian economy an estimated \$13.6 billion this year, rising to \$15.6 billion by 2021-22. As with the Access Economics study, this estimate captures reported violence only and unreported violence, considered to be prevalent amongst this crime type, is not included. A breakdown of costs across jurisdictions is not provided.<sup>614</sup>

#### **1.16.4 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

In relation to the Attorney General's portfolio, under a bilateral agreement between the Commonwealth and Victoria Legal Aid (VLA), the Commonwealth currently provides VLA about \$33m per year of tied legal aid funding. This funding supports grants of legal aid to eligible recipients in matters being prosecuted under federal laws. Principally, this relates to family law matters but can also include other areas of Commonwealth law, for example, the recent terrorism trials were prosecuted under Commonwealth anti-terrorism legislation and legal aid provided in these cases was funded from the Commonwealth grant.

The agreement, which expired on 31 December 2008, has been rolled over pending renegotiation under the new COAG arrangements. Under the current quite stringent accountability mechanisms that apply nationally, VLA is required to report to the Commonwealth on a quarterly basis, on both financial and output delivery performance as well as demographic, socio-economic and other characteristics of grant applicants.

### **1.17 Consumer Affairs portfolio**

#### **1.17.1 What proportion of the appropriation fund is given to key protection activities?**

Consumer Affairs Victoria (CAV) has a broad range of consumer protection activities, which varies from one year to another. The following table provides a proxy indicator of the way in which appropriations and trust funds are allocated to service issue areas (the data was extracted from our data management system).

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<sup>614</sup> source: The National Council to Reduce Violence against Women and their Children: The Cost of Violence against Women and their Children, 2009

### Complaints received by CAV by Industry Categories between July 2008 – March 2009

Service Issue Area	Percent	Funding Sources
Electronics and Computers	2.9	Appropriations
Health, Education, Community and Social Services	0.6	Appropriations
Household goods and services	5.6	Appropriations
Personal goods and services	5.0	Appropriations
Professional, scientific and technical services	0.6	Appropriations
Recreation, cultural and sporting services	2.0	Appropriations
Scams & Get Rich Quick Schemes	1.7	Appropriations
Telecommunications and Internet	2.1	Appropriations
Transport	1.3	Appropriations
Utilities, fuels and distributive services	0.5	Appropriations
Financial and Related Services	3.9	Consumer Credit fund + appropriations
Building and Renovating	9.8	Domestic Builders Fund
Automotive	5.7	Motor Car Traders Guarantee Fund + appropriations
Tenancy and Accommodation	22.1	Residential Tenancies Fund
Property Services	3.5	Victorian Property Fund + appropriations
Other	32.7	Various CAV trust funds + appropriations
<b>TOTAL</b>	<b>100</b>	

CAV's composition of outputs has varied over the past few years with increased focus on more complex proceedings in the superior courts. For 2009-10, CAV's compliance and enforcement activities will continue to focus on complex cases of strategic significance or major impact to consumers, as well as new and emerging issues. These are the most complex and time consuming activities undertaken by CAV in the consumer protection arena.

CAV has also increased its demand driven inspections over the last two years. For example, residential tenancy inspections have increased significantly over the last year (up by 11%). In response to increased demand, CAV has developed a residential accommodation strategy which includes an increased number of inspections.

In relation to the issue of unlicensed motor car trading in Victoria, CAV assesses the results produced by its unlicensed trade detection program and investigates any unlicensed motor car trader where the potential risk of consumer detriment is high and/or there appears to be possible exposure of the Motor Car Traders Guarantee Fund to claims as a result of the unlicensed trading. Where unlicensed motor car traders are identified, a strategic and targeted approach is adopted in pursuing enforcement actions that may involve both civil and criminal proceedings. CAV works in conjunction with Victoria Police and municipal councils in its efforts to identify and pursue unregistered motor car traders.

In addition to a vehicle advertisement tracking program, CAV also investigates and takes appropriate enforcement action in relation to allegations of unlicensed motor car traders received from consumers, licensed motor car traders, VicRoads and the Victorian Automobile Chamber of Commerce (VACC).



### CAV Compliance & Enforcement in the Motor Car Traders sector

Actions and Outcomes	July 2008 – March 2009
Civil Proceedings	3
Criminal Prosecutions	9
Fines *	\$32,800
Costs *	\$14,250
Compensation *	Nil

*Total amount awarded for Motor Cars (licensed and unlicensed) resulting in fines, costs and compensation.*

In December 2008, the Government improved consumer protection by amending the *Motor Car Traders Act 1986* to extend the cooling off provisions in agreements for the sale of new vehicles. The 3-day cooling off period provides buyers the opportunity to review the contract of sale for a new or used car and seek independent advice on any terms they do not understand or may be of concern.

In response to rising complaints and enquiries relating to motor car traders who allegedly failed to comply with the new regulations, CAV has also agreed to develop an integrated compliance strategy dealing with traders who appear to be non compliant with new and used car cooling off provisions.

The new Regulations also strengthened inspectors' powers to issue infringement notices. Additionally, CAV increased the penalty amount relating to some offences under the MCT Act including a fine of \$567 per omission when a motor car trader has failed to keep their dealings books up to date.

Door to door sales, particularly in the area of energy marketing, including electricity and gas can give rise to allegations of unfair conduct including misleading and deceptive conduct, pressure sales and failure to honour cooling off provisions. Door-to-door energy sales activities are monitored by the Consumer Utilities Advocacy Centre (CUAC), which received \$552k appropriations funding in 2008-09.

Between July 2008-February 2009, CAV recorded an increase in enquiries and complaints about the activities of retail energy companies. 83 enquiries and 18 complaints were received about issues including allegations of misrepresentation, unauthorised transfers and failure to honour cooling off provisions.

CAV has an Memorandum Of Understanding in place with the Essential Services Commission (ESC), which is the main energy sector regulator, and also protocols with the Energy and Water Ombudsman (EWOV). In an agreement signed in April 2009, CAV, the Essential Services Commission, and the Energy and Water Ombudsman have put in place arrangements to deal with the increasing concerns expressed by the community about the door to door activities of energy retailers. Under these arrangements, CAV will look to instigating an investigation into companies that breach the Fair Trading Act.

**1.17.2 How many instances of legal proceedings has Consumer Affairs Victoria initiated under the Retirement Villages Act and how many of the targeted compliance activities for 2009-10 relate to the Retirement Villages Act?**

In 2008-09, no proceedings have been undertaken by Consumer Affairs Victoria (CAV) against retirement village operators under the *Retirement Villages Act 1986*, the *Owners Corporations Act 2006*, and the *Fair Trading Act 1999*. None of the compliance activities targets for 2009-10 have been specifically set in relation to the Retirement Villages Act.

To respond to this question stating only the specific answers would unfairly misrepresent the significant work that CAV has undertaken in the retirement villages area and reasons why CAV has not pursued enforcement actions. CAV’s approach to the retirement villages area has been to focus on internal dispute resolution within villages, and conciliation by CAV, and on mutually negotiated outcomes, rather than enforcement approaches which can be time-consuming, expensive and adversarial.

In 2008-09, the Government amended the *Retirement Villages Act 1986* by removing references to costly arbitration processes, and establishing internal dispute resolution processes for manager-resident and resident-resident disputes. Where the internal dispute resolution process does not have satisfactory outcomes, residents can access free dispute resolution (conciliation) services through CAV. Consumer Affairs Victoria’s work in this area is very successful with CAV being able to resolve the vast majority of complaints (83%).

**Retirement Villages – Dispute Resolution/Conciliation Outcomes (April 2008 – March 2009)**

<b>Outcomes</b>	<b>No.</b>	<b>%</b>
Complaint resolved	43	83
Referred to advocate	1	2
Complaint better addressed by another agency	2	4
Not resolved	5	9
No action (required) by CAV	1	2
<b>TOTALS</b>	<b>52</b>	<b>100</b>

CAV has 2 comprehensive publications on retirement villages (*Guide for Retirement Village Living*, *Internal Dispute Resolutions Guidelines for Retirement Villages*) which are available in a number of formats (audio CD, large print, standard print). CAV conducts free seniors’ group presentations on a range of topics, including retirement village living. It also funds Residents of Retirement Villages Victoria (RRVV) and Housing for the Aged Action Group.

**1.17.3 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

There are no direct Federal grants in the ... Consumer Affairs portfolio.

## **1.18 Corrections portfolio**

### **1.18.1 Details of the accommodation provided to ex-prisoners, both male and female, post-release.**

Corrections Victoria is recognised as national leader in innovative and effective programs aimed at reducing recidivism. Over the past five years Corrections Victoria has piloted, evaluated and implemented a number of post-release initiatives for eligible offenders. This has resulted in the following current housing and support programs:

- Women's Integrated Support Program – commenced 1 October 2006 to provide transitional support including a focus on assistance in securing and maintaining housing to a minimum of 90 female prisoners per year.
- Link Out – commenced 1 December 2007 to provide transitional support including a focus on housing to a minimum of 500 male prisoners per year.
- Konnect – commenced 30 April 2009 to provide transitional support including a focus on housing to a minimum of 65 Indigenous prisoners per year (50 Indigenous males and 15 Indigenous females)

The Office of Housing (OoH) provides 61 transitional properties (48 male + 13 female) for exiting prisoners.

#### **Prison Based Housing Information and Referral Workers**

To complement the above programs, there are 11 dedicated Housing and Information Referral Workers (HIRWs) who work across the State's prison system funded by OoH. The HIRWs offer specialised assistance and advice to individual offenders in order to establish stable housing upon exit from prison. Housing options include but are not limited to private rental, public housing, supported accommodation and crisis accommodation.

#### **CVHP**

The Corrections Victoria Housing Project (CVHP) was established in December 2007 in recognition of the growing demand for a specific response to the housing needs of exiting prisoners.

Some of the factors involved included:

- an increasing prisoner population
- lack of affordable housing throughout Victoria and therefore limited ability for the OoH to provide additional resources to CV
- the link between homelessness and recidivism
- the complex and unique housing and support requirements of exiting offenders.

The CVHP has developed a number of housing options, including strengthening current pre and post-release services so a person is connected to transitional housing, with a long-term (supported) housing pathway. This initiative is not a 'housing-only' response; it will mean strengthening current post-release services so a person is connected to transitional (supported) housing, to education, training and employment assistance, family counselling, drug and alcohol and basic living skills training.

Over the next four years, as depicted by the table below, the program aims to have provided transitional support and housing for 302 exiting male offenders at risk of homelessness upon release from prison.

Year	2008-2009	2009-2010	2010-2011	2011-2012
Places and support service packages	14	80	95	105
Offenders housed	14	80	95	105

### **1.18.2 Information on sentence length for serious offenders compared with other types of offenders.**

As at 16 June 2009 serious offenders represented 24.9% of the total prisoner population.

The average sentence length for serious offences has increased by 8.3% over the last five years. Offences in this category include homicide and related offences, sexual assault and related offences and dangerous or negligent acts endangering persons.

#### **Average serious offender sentence length 2004-2009 (months)**

30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	30-Jun-08	30-Jun-09 (estimate)
90.17	93.7	99.8	97.43	97.67	98.8

### **1.18.3 Cost of keeping prisoners in a private prison compared to the public system, including a comparison of Port Philip Prison and Barwon Prison.**

Total expenditure for each public prison, with full attributed costs, both direct and indirect as per the *COAG Report on Government Services* methodology is able to be provided. In the case of private prisons, due to 'commercial-in-confidence' considerations, only an average figure for all private prisons can be provided.

#### **2007-08 Average Daily cost per Prisoner**

Public Prison Average	\$290.30
Private Prison Average	\$257.10
Average for all prisons	\$278.90
Number of Beds	4523

- *These figures include all operating costs, as well as debt servicing fees and the user cost of capital, but also reflecting differing security regimes.*
- *The public prisons also include women's prisons*

The key differences, when making comparisons, between the public and private prisons are the larger and more efficient overall capacity and design related elements of the private prisons' infrastructure, as well as more favourable employee conditions and entitlements – including significant use of 12 hours shifts, and lesser premiums for penalty rates and overtime usage.

#### **1.18.4 The Minister undertook to provide the Committee with further information on home detention order breaches in metropolitan and rural Victoria.**

As at 11 May 2009, 89 breaches have been reported to the Adult Parole Board (APB) since the program commenced in 2004. Of these the APB has revoked 21 and has issued formal warnings in many other cases. (NB. There may be multiple incidences/non compliance related to the same offender)

The reasons for the revocations by breach are:

– Positive dmng test	14
– Positive breath test	2
– Tamper with Equipment	1
– Condition (for example curfew breach)	4

Offenders on Home Detention are subject to 24/7 electronic monitoring, and various strict conditions, including regular face-to-face contact with their supervising Corrections Victoria (CV) officers. Offenders are only released from curfew to attend programs and appointments designed to reduce their risk of re offence and/or enhance their rehabilitation, or for appointments such as for medical reasons. Compliance with all conditions and release from curfews is rigorously monitored.

Please note that since the program only operates on a 40km radius from Melbourne's CBD, comparing metropolitan to rural Victoria is not relevant.

### **1.19 Gaming portfolio**

#### **1.19.1 Effective date when the Director was given regulatory powers concerning the promotion of gambling.**

An amendment to the *Gambling Regulation Act 2003* came into effect on 1 March 2009, giving the Minister power to make an interim or fixed term order banning a gambling product or practice that undermines or may undermine a responsible gambling objective of the Act.

The Minister, by notice published in the Government Gazette, may make an interim order banning a gambling product or practice if the Minister considers that it undermines or may undermine a responsible gambling objective.

If the Minister makes an interim ban order, the Minister must give a written direction to the Victorian Commission for Gambling Regulation to investigate the product or practice that is the subject of the order and report to the Minister on whether it should be made the subject of a fixed-term ban order.

After considering the Commission's report, if the Minister is satisfied that the product or practice undermines or may undermine a responsible gambling objective, the Minister may make a fixed term ban order banning the product or practice for no more than 10 years.

As of 1 June 2009, the responsible gambling objectives of the Act are:

- a) to foster responsible gambling in order to –
  - (i) minimise the harm caused by problem gambling; and
  - (ii) accommodate those who gamble without harming themselves or others;
- b) to ensure that minors are neither encouraged to gamble nor allowed to do so.

### **1.19.2 Transition measures from gaming operators to venue ownership.**

At the PAEC hearing, Mr Robinson was asked about *'the 10 per cent deposits the Government expects to obtain in 2010, where will those funds be held and what purpose will they be used for, if any?'*

- For hotel venue operators, a 10 per cent deposit (first instalment) must be paid following the close of the competitive bidding period, with a further 10 per cent to be paid in 2012 prior to the entitlements coming into operation.
- For club venue operators, a 5 per cent deposit (first instalment) must be paid following the close of the competitive bidding period, with a further 5 per cent to be paid in 2012 prior to the entitlements coming into operation.
- The deposits (first instalments) paid by hotel and club venue operators will be paid into consolidated revenue.

### **1.19.3 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

There are no direct Federal grants in the Gaming ... portfolio.

## **1.20 Police and Emergency Services portfolio**

### **1.20.1 Road safety initiatives in 2009-10 and over the forward estimates (include a breakdown of funding between output and asset components per initiative).**

The funding provided for Road Safety initiatives announced in the 2009-10 State Budget is as follows:

<b>Initiative</b>	<b>2009-10 \$m</b>	<b>2010-11 \$m</b>	<b>2011-12 \$m</b>	<b>2012-13 \$m</b>
Extension of moving mode radar technology – Output	0.816	0.314	0.323	0.331
Renewal of speed measuring devices – Output – Asset investment	0.131 0.810	0.220 –	0.311 –	0.320 –
Increase in drug driving tests – Output – Asset investment	1.662 0.250	2.208 –	2.795 –	2.863 –
Renewal of breathalyser equipment – Asset investment	1.645	1.645	1.645	–
Extension of vehicle impoundment scheme – Output	0.763	2.823	3.156	3.206
Continuation of investigation of major collisions – Asset investment	0.153	–	–	–
Extension of mobile safety cameras – Output	13.391	14.117	14.857	15.239
Upgrade of 53 intersection safety cameras – Output – Asset investment	4.183 22.083	13.810	14.183	14.498
<b>Total</b> – Output – Asset investment	<b>20.946</b> <b>24.941</b>	<b>33.492</b> <b>1.645</b>	<b>35.625</b> <b>1.645</b>	<b>36.457</b> <b>–</b>

**1.20.2 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants**

**Office of the Emergency Services Commissioner (OESC)**

The Commonwealth provides funds to Victoria in support of the National Partnership (NP) on Disaster Resilience Australia. This NP replaces a number of individual programs that the OESC was administering on behalf of the Commonwealth. The aim of the NP is to strengthen efforts to combat man-made and natural threats and disasters across Australia.

Under new financial arrangements agreed through COAG, all payments from the Commonwealth are now administered through a single, monthly payment from Commonwealth Treasury to the Department of Treasury and Finance, which is then distributed to the department.

In 2009-10, the Commonwealth through the NP will provide funds for administering the following programs (through OESC):

- \$1.0m for the Bushfire Mitigation Programme (BMP); and
- \$1.1m for the National Disaster Mitigation Programme (*NDMP*).

### **Bushfire Mitigation Programme (BMP)**

Funding is provided to assist in bushfire mitigation through the construction, maintenance and signage of fire trail networks to assist local communities to better prepare for bushfires.

The objective is to construct, maintain and sign an effective fire trail network to increase the:

- Protection of communities
- Safety of fire fighting personnel
- Speed with which fire suppression agencies are able to access a fire; and
- Type of resources that can safely be made available to a fire suppression effort.

### **National Disaster Mitigation Programme (NDMP)**

Carrying out natural disaster management studies and strategies Funding is provided to the OESC. States are required to contribute 2/3 of funds, with the Commonwealth contributing a maximum of 1/3 of project costs. All funds are distributed based on a grant application process with rigorous quarterly and annual reporting against performance outcomes.

The objective is to address threats posed by natural disasters through mitigation projects via:

- Carrying out natural disaster risk management studies;
- Development of natural disaster mitigation strategies;
- Investment in disaster resilient public infrastructure;
- Mitigation measures for all natural hazards; and
- Community awareness and readiness measures
- Partnership agreement between State of Victoria (OESC) and Commonwealth.

In relation to the above grants, the Department of Justice will need to annually acquit how the funds received from the Commonwealth were spent according to terms of the agreement, noting that the Treasurer needs to report to the Ministerial Council on Federal Financial Relations within 6 months of the end of each financial year.

The Treasurer's report to the Ministerial Council will report total expenditure for each NP, stating both expenditure of Commonwealth project and facilitation funding and State co-contributions where these are required by the NP.



## **1.21 Racing portfolio**

### **1.21.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

There have been no Federal grants received by the Department of Justice in relation to the Racing portfolio.

### **1.21.2 Budget Paper No.4, page 45 lists the forward estimates for revenue from gambling taxes, listing racing industry revenue separately. Please provide details of the proportion of forward estimates that is derived from jumps racing revenue.**

Forward budget estimates are the responsibility of the Treasurer. However, based on industry figures for the past three financial years, the proportion of wagering tax that is derived from jumps racing is likely to represent less than 1 per cent of total Government revenue from wagering.

## **Department of Planning and Community Development**

## **1.22 Aboriginal Affairs portfolio**

### **1.22.1 Further information in relation to the Budget Estimates for 2009-10 for the Aboriginal Affairs Portfolio.**

Please find [on the following page] a summary of the Commonwealth funding for Indigenous-specific initiatives for the next four years for Victoria as agreed in Special Purpose Payments and National Partnerships. This information has been sourced from the Department of Treasury and Finance.

Please note that this funding refers to Indigenous-specific initiatives and does not include Indigenous people's broader usage of mainstream programs or Indigenous-specific elements within broader initiatives. In addition, this information does not reflect the Commonwealth's expenditure of its own funds in Victoria.

**VICTORIA INDIGENOUS FUNDING – COMMONWEALTH BUDGET**

Function	Appropriation	Title	2008-09	2009-10	2010-11	2011 -12	2012-13	Grand Total
Affordable Housing	Special Appropriation – National Partnership	Indigenous housing national partnership – to facilitate the transfer of responsibility of housing from the Commonwealth to the State	5,764,000	4,519,000	2,526,000	2,520,000	2,521,000	17,850,000
Healthcare	Annual Appropriation – National Partnership	Indigenous health – delivering effective primary health care		6,990,000	7,770,000	8,350,000	8,770,000	31,880,000
		Indigenous health – fixing the gaps and improving the patient journey		2,300,000	2,300,000	2,300,000	2,300,000	9,200,000
		Indigenous health – healthy transition to adulthood		1,600,000	1,600,000	1,600,000	1,600,000	6,400,000
		Indigenous health – making Indigenous health everyone's business		1,000,000	800,000	300,000	300,000	2,400,000
	Indigenous health – tackle smoking		2,300,000	1,930,000	1,930,000	1,930,000	8,090,000	
	Special Appropriation – National Partnership	Indigenous early childhood development – antenatal care, pre pregnancy and teen sexual and reproductive health		748,000	992,000	1,140,000	1,188,000	4,068,000
Schools and Early Childhood	Special Appropriation – National Partnership	Indigenous early childhood development – Service Integration: Children and Family Centres	994,000	4,243,000	3,859,000	3,141,000	2,209,000	14,446,000
	Special Appropriation – Other agency	Indigenous education strategic initiatives program – access to maternal and child health services	3,656,000					3,656,000
<b>Total Commonwealth Funding</b>			10,414,000	23,700,000	21,777,000	21,281,000	20,818,000	97,990,000



## 1.23 Community Development portfolio

### 1.23.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.

The Community Development Portfolio has not received any Federal grants.

### 1.23.2 Breakdown of the output cost of the Community Development output group.

DPCD Budget 2009-10	Notes	\$M
Community Foundations		1.31
Regional Teams		9.38
Connecting Communities		2.24
Fair and Affordable Credit		0.60
Flexible Community Transport		4.15
Implementing reform in the Not-for-profit Sector		2.95
Community Support Fund adjustment	1	6.10
Investment Services		0.88
Men's Shed		1.00
Neighbourhood Houses		20.26
Planning for Sustainable Communities		2.15
Volunteering		2.50
Accommodation, Information Technology, Depreciation, Capital Asset Charge and corporate costs		8.28
<b>DPCD Budget 2009-10</b>	<b>2</b>	<b>61.80</b>

#### Notes

1. The adjustment results from the timing of payments from the Community Support Fund (CSF) for community projects in the 2009-10 years.
2. The Community Development Output budget allocation for 2009-10 is \$61.8 million

## 1.24 Local Government portfolio

### 1.24.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.

Commonwealth General Revenue Assistance for Local Government in Victoria is channelled through the Department of Planning and Community Development. Recommendations as to how these funds are allocated between Victoria's 79 councils are made annually by the Victoria Grants Commission through [the Minister] to the Commonwealth Government.

The Commonwealth Government has advised that an estimated \$451.1 million will be provided as general revenue assistance to Victorian councils in 2009-10. This comprises general purpose payments of \$329.5 million and local roads payments of \$121.6 million. The Commonwealth has advised that a quarter of those payments will be made in advance prior to the end of June 2009.

The payments to councils are subject to the Department of Planning and Community Development's normal audit procedures. Performance measures relating to these payments have been established as part of the 'Developing the Local Government Sector' output on page 179 of Budget Paper No. 3 for 2009-10. However, it should be noted that, in accordance with the (Commonwealth) *Local Government (Financial Assistance) Act 1995*, the funding is untied, and no conditions can be attached to the provision of these funds to councils.

As [the Minister] indicated at the Public Accounts and Estimates Committee hearing on 18 May 2009, the pool of funds provided by the Commonwealth for Local Government is too low. In 1996, financial assistance to Local Government was 1.02% of the total amount collected by the Commonwealth in taxation. That share is now down to 0.64%, leading to a shortfall in funding of about \$250 million per year.

We will continue to work with the Commonwealth Government to ensure that Victoria's councils receive a fair share of Commonwealth revenue.

## **1.25 Planning portfolio**

### **1.25.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

The following Grants have been received:

#### **Heritage Council Grants**

In 2008/09 the Heritage Council received the following:

- \$40,000 National Supporting Local Government Project – money received and acquitted in 2008/09 Financial Year.
- \$50,000 Cooperative National Heritage Agenda – Heritage Trades and Professional Training Project.
- \$90,000 Cooperative National Heritage Agenda – Heritage and Sustainability – Commercial Buildings Project.

The accountability measures to deal with this program are:

- Grants were delivered through standard Federal Dept of Environment, Water, Heritage and the Arts (DEWHA) funding agreements.
- The projects are monitored by the Heritage Chairs and Officials of Australia and New Zealand (or a sub-group).
- Reports are made to the Environment Protection and Heritage Standing Committee twice a year.
- Acquittal of the money and a financial report is prepared for DEWHA by the Heritage Council.

## **Housing Affordability Fund/electronic Development Assessment (HAF/eDA)**

DPCD has been allocated \$6.5M by the Commonwealth Department of Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) under the Housing Affordability Fund for the further development and integration of electronic development systems and processes. The funding will be made available from 2009-11 and is to:

- increase the take-up and use of electronic development assessment systems
- focus on high growth councils; and
- make existing systems compliant with the national electronic development assessment technical standard (eDAIS)

The accountability measures to deal with this program are included in a Memorandum Of Understanding (MOU) which has been executed between DPCD and FaHCSIA and endorsed in writing by the MAV. The MOU was signed on May 8, 2009.

The MOU stipulates 6 milestone payments from commencement of the program which is deemed to be when the MOU was executed.

The deliverables are only able to be changed with the Federal Minister's approval

### **1.25.2 Further information on the rebuilding currently underway in bushfire affected communities.**

The Victorian Bushfire Reconstruction and Recovery Authority is facilitating community driven shared visions for bushfire affected communities; community needs assessments and assessment of land capability and suitability to meet such needs.

These will be translated into land use, infrastructure and facilities proposals for fire affected townships and communities with DPCD providing input to:

- the alignment of such proposals with regional and sub regional strategies;
- urban design frameworks;
- statutory controls and planning scheme matters.

Substantial red tape reduction has been achieved for rebuilding individual properties and clean up activities. No permits are required for:

- bushfire recovery operations including site clean-up and the provision of temporary accommodation, and also buildings and works with an estimated cost of \$1,000,000 or less, carried out by or on behalf of a municipality;
- rebuilding a dwelling damaged or destroyed by the 2009 bushfires if it is sited in the same location on the land and construction is commenced prior to 31 March 2011.

Permit requirements and prohibitions for use do not apply to rebuilding and use of a dwelling, dependent person's unit or a building used for agriculture that was damaged or destroyed by a bushfire that occurred between 1 January 2009 and 31 March 2009. Conditions must be satisfied before rebuilding can commence, including a requirement for the landowner to submit a site plan for approval by the responsible authority. The provision is consistently applied state-wide.

## **1.26 Senior Victorians' portfolio**

### **1.26.1 Estimated completion date for the Residential Aged Care fabric survey.**

The expected completion date of the aged care component of the present state-wide fabric survey is the end of November 2009.

### **1.26.2 Total output cost of the Residential Aged Care fabric survey.**

The indicative cost of the aged care fabric survey component is \$1 million.

### **1.26.3 Breakdown of the increase in Commonwealth and third-party revenue, as referenced in footnote (d) on page 99 of Budget Paper 3.**

The 2009-10 Commonwealth and third-party revenue estimate for Public Sector Residential Aged Care Services (PSRACS) is based on 2007-08 reported revenue in Hospital Annual Reports.

It is estimated that Commonwealth revenue will increase by \$7.5 million and third-party (resident) revenue by \$1.0 million in 2009-10 compared to 2008-09 target.

Revenue for Public Sector Residential Aged Care flows directly to services as a bed day subsidy and, although in budget paper targets, does not come to the State as a Federal Grant.

### **1.26.4 The number of residential aged-care facilities in category 1, 2 and 3 as a result of the 2008 fabric survey.**

The 2008 fabric survey is in progress and the number of facilities in categories 1, 2 and 3 will be confirmed upon completion of the survey.

### **1.26.5 The number of residential aged-care facilities identified in 2001 but not developed as of last year that are now in category 1 and 2, and whether they have been funded to fix their facilities.**

All facilities have met the Commonwealth certification requirements. From the 2001 fabric survey, DHS identified: 11 facilities as Category 1; 33 facilities as Category 2.

Presently, of the Category 1 facilities, 10 have been rebuilt or redeveloped, and one has closed.

Presently, of the Category 2 facilities, 14 have been or are being rebuilt or redeveloped and two have closed. The remaining 17 are having their service plans or capital plans reviewed, or will be the subject of service planning and/or capital planning in the future.

### **1.26.6 Amount of funding provided for cognitive dementia and memory services.**

Victoria provides the only state-wide network of Cognitive, Dementia and Memory Services (CDAMS) specialising in early diagnosis and assessment of dementia.

There are 14 health services funded to provide CDAMS, which are delivered at 18 sites. These clinics are accessible to all Victorians. CDAMS clinics provide early diagnosis and assessment of dementia and referral to services. Dementia can be diagnosed through a series of medical tests, and information provided by families and carers about changes in behaviour and memory over time are vital components of the diagnosis. CDAMS is a component of the sub-acute service system.

An independent evaluation undertaken in 2003 found that CDAMS provide an effective early diagnosis, assessment and support service for people with cognitive difficulties, particularly older people with dementia, and their families or carers. Review of the local and international literature indicated that the Victorian CDAMS are at the leading edge of good practice in early intervention with cognitive impairment.

The total amount of funding provided for CDAMS in 2009-10 is \$4.75 million.

**1.26.7 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

Under the existing arrangements, the department would receive Commonwealth Government payments into its administered entity; transfer the dollar value of the receipt to the Consolidated Fund and then using appropriation authority under Section 29 of the Financial Management Act 1994 (FMA) drawdown an equivalent amount into its controlled entity to meet expenditure. Where a new Commonwealth SPP is established during the year, access to funds may be provided by Governor-in-Council approval under Section 10 of the Financial Management Act.

For new partnership agreements, funds will now be paid centrally to DTF by the Commonwealth Treasury. For payments received post 1 January 2009, DTF will receive a total payment from the Commonwealth and transfer this amount to the Consolidated Fund. Once the payment has been received, DTF will inform the department of specific funding details using information provided by the Commonwealth Treasury.

Once the department has been notified of the amounts notionally received for each agreement, the department can then use the Section 29 authority to draw the equivalent amount from the Consolidated Fund in line with the pre-January 2009 arrangements.

Section 29 of the FMA relates to monies received by departments from third parties under an agreement with the Treasurer. It allows a department to increase its appropriation by amounts equal to receipts provided that there is a Net Appropriation (Receipts Retention) Agreement in place.

A Net Appropriation (Receipts Retention) Agreement is signed by the Treasurer and the relevant Minister. The department's budget is adjusted in accordance with the actual receipts for the year.

The Treasurer will be required to report total expenditure for National Partnerships, stating both expenditure of Commonwealth project and facilitation funding and State co-contributions where these are required by the National Partnership, to the Ministerial Council for Federal Financial Relations within six months of the end of each financial year. This information is expected to be collected as part of the annual Financial Report for the State of Victoria data collection exercise, and more information on the level of details and format for the provision of this information will be provided at a later stage.



**Estimated Home and Community Care (HACC) Federal Grants 2009-10**

HACC Program	<b>\$282.6M</b> (inc \$17.3M in growth)
Veterans' Home Care: financial contribution in recognition of Veteran access to HACC	<b>\$4.1M</b>
HACC Bonus Pool: funding available to states and territories that work cooperatively towards the timely introduction of common arrangements to improve national consistency in the triennium 2008-09 to 2012-11	<b>\$1.2M</b>
<b>Total</b>	<b>\$287.9M</b>

The accountability for HACC funding is through the annual Business Report. The Business Report includes an analysis of achievements against targets by region and service activity, certification of funds, and a tally of financial reports received from funded organisations. Bonus pool funds are accounted for through progress reports against an approved implementation plan.

**Estimated Aged Care and Assessment (ACAS) Federal Grants 2009-10**

ACAS Program	<b>\$17.2M</b>
Evaluation, training and development activities	<b>\$0.3M</b>
COAG project funding to improve timeliness and consistency of ACAS assessments	<b>\$1.0M</b>
DVA funding in recognition of Veteran access to ACAS	
<b>Total</b>	<b>\$19.5M</b>

The accountability for ACAS funds is maintained through an acquittal process conducted around September each year and the ACAS Minimum Data Set, including data on assessment outputs and waiting times, submitted quarterly. Council of Australian Governments (COAG) funds are accounted for through progress reports, dates of which are negotiated.

## 1.27 Sport, Recreation and Youth Affairs portfolio

### 1.27.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.

Federal grant	Description	Accountability
<p><i>State Sport Development Agreement – Indigenous Sport Program 2006-2009.</i> The total funding amount received by the Department of Planning and Community Development (Sport and Recreation Victoria (SRV)) from the Australian Sports Commission (ASC) over the three year period is \$387,711.63.</p> <p>A further Agreement is being prepared for 2009-2010 under which funding from the ASC will amount to \$133,760.</p>	<p><i>The State Sport Development Agreement – Indigenous Sport Program</i> promotes sport development in partnership with the ASC. This joint initiative increases participation in sport, supports Indigenous people to organise, manage and deliver community sport and encourages talented Indigenous sports people to achieve their sporting goals. The Program also involves the delivery of a Cross Cultural Awareness initiative and Traditional Indigenous Games.</p>	<p>The State Sport Development Agreement – Indigenous Sport Program requires reporting on a six month basis to the ASC. The reports must include an overview of the programs/activities under two program objectives; the total number and type of programs/activities developed with other agencies; the total number of Indigenous people actively participating, including those that have completed or are completing coach/referee/official accredited courses and case studies. SRV is required to supply an Annual Financial Acquittal by 15 November of each year.</p>
<p><i>State Sport Development Agreement 2008-2009.</i> The total funding received by the Department of Planning and Community Development (SRV) from the ASC is \$195,000.</p>	<p><i>The State Sport Development Agreement 2008-2009</i> provides for the delivery of a range of ASC Programs in Victoria. These include Innovation and Best Practice, Coaching &amp; Officiating, Club Development, Women &amp; Sport, Ethics, Junior Sport and Sports Connect (Disability Sport). The role of SRV is to work with sport at a State, regional and club level in achieving whole of sport initiatives, focusing on sustainability, capability and capacity of the sport industry at all levels.</p>	<p><i>The State Sport Development Agreement 2008-2009</i> requires reporting on a six month basis to the ASC. SRV is required to complete a progress reporting template under seven topic areas (as listed at left) and also supply a final report at the conclusion of the funding period. SRV is to supply an Annual Financial Acquittal by 15 November 2009.</p>
<p><i>Career Education Program.</i> The ASC/Australian Institute of Sport (AIS) provides \$55,700 to the Victorian Institute of Sport (VIS).</p>	<p><i>Career Education Program</i> funding supports the employment of a person by the VIS to deliver career education services to VIS athletes.</p>	<p>The Career Education Program delivered by the VIS is part of a national program. The VIS shares a national database with other institutes and has regular contact with the ASC/AIS, including the provision of activity reports.</p>

## **1.28 Veterans' Affairs portfolio**

### **1.28.1 Variation in the Veterans' Affairs portfolio budget**

There has been no decrease to the Veterans' Affairs budget. The total 2009-10 Budget for the portfolio is \$3.3 million which represents an increase of \$800,000 from the \$2.5 million budget in 2008-09.

There are two new budget initiatives in the Veterans' Affairs portfolio in 2009-10. The first is the allocation of an additional \$750,000 per annum (\$3 million over 4 years) to the Shrine of Remembrance to support the delivery of its educational and commemorative programs. The second is an allocation of \$400,000 per annum (\$1.6 million over 4 years) to support the implementation of the Government's response to the Victorian Veterans Council's Sector Study.

[The Minister] advised PAEC that there is also a \$300,000 variation in the Veterans' Affairs portfolio budget this year. This relates to a downward adjustment reflecting the one off funding of \$380,000 allocated to the Shrine in 2008-09, and other smaller increases in the forward estimates for existing initiatives. The \$380,000 was provided to the Shrine last year as a one off increase to support the operating costs associated with meeting higher demand by school children and the general community. However, following a more comprehensive review of the Shrine's needs, ongoing funding has been increased by \$750,000 a year. This brings the total funding for the Shrine by the Victorian Government to just over \$2 million a year.

## **1.29 Women's Affairs portfolio**

### **1.29.1 The website address and the date the Women's Safety Strategy was published on the internet?**

The final version of the Women's Safety Strategy Evaluation 2002-07 was published on the 20 May 2009 on the Office of Women's Policy's website <http://www.women.vic.gov.au>. The report can be found in PDF and Word formats by following the headings Policies and Projects/Women's Safety/Women's Safety Strategy

### **1.29.2 Further information on the number of tenants, the amount of rent and the metrage being occupied in the Queen Victoria Women's Centre?**

The Queen Victoria Women's Centre (QWVC) currently has nine tenants. The rental from leased office space in 2007-08 was \$342,684 for an area of 1385.6 square metres.

In keeping with standard commercial practice, leases at the QWVC are negotiated with each tenant on the basis of location within the building and the range of additional services provided as part of the tenancy. The QWC Trust has advised that it considers the individual rental agreement with their tenants as commercial in confidence and not for public release.

**1.29.3 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

The Office of Women's Policy did not receive any Federal grants in the 2008-09 financial year.

**Department of Premier and Cabinet**

**1.30 Arts portfolio**

**1.30.1 Budget Paper No. 3 pages 194–195 identified declines in actual and expected attendances at major performing arts organisations in Victoria. Please provide a breakdown of attendances across individual agencies/institutions during the last three years.**

<b>2007-2008 Total Actual Attendances</b>	<b>Total Attendances</b>
Orchestra Victoria	53,901
The Australian Ballet	270,461
Circus Oz	134,781
Melbourne Theatre Company	225,499
Opera Australia	129,255
Malthouse Theatre	57,206
Melbourne Symphony Orchestra	210,831
<b>Total</b>	<b>1,081,934</b>
<i>NB Final actual attendance figures updated following publication in BP3</i>	
<b>2006-2007 Total Actual Attendances</b>	
	<b>Total Attendances</b>
Orchestra Victoria	52,453
The Australian Ballet	240,265
Circus Oz	85,637
Melbourne Theatre Company	236,384
Opera Australia	151,618
Malthouse Theatre	65,871
Melbourne Symphony Orchestra	224,802
<b>Total</b>	<b>1,057,030</b>
<b>2005-06 Total Actual Attendances</b>	
	<b>Total Attendances</b>
Orchestra Victoria	55,684
The Australian Ballet	235,748
Circus Oz	123,495
Melbourne Theatre Company	240,797
Opera Australia	122,900
Malthouse Theatre	83,619
Melbourne Symphony Orchestra	186,455
<b>Total</b>	<b>1,048,698</b>

### **1.30.2 Breakdown of performance against established targets for the Melbourne Recital Centre including programming and hiring out.**

The performance measures in the current funding agreement with the Melbourne Recital Centre are qualitative rather than quantitative and focus on the achievement of business establishment objectives associated with setting up appropriate governance and reporting arrangements for a new organisation.

The Melbourne Recital Centre opened on the 8th of February 2009. A number of special opening events and celebrations have taken place in the first months of operation. In recognition of these extraordinary events and the short period of operation within the 2008-09 financial year, no formal attendance targets were set for the 2008-09 financial year.

The 2009-10 agreement to be concluded in the near future will commit to monitoring attendances over a full year of operation with a view to determining performance measures appropriate to a new organisation and venue.

### **1.30.3 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

The 2009-10 Commonwealth budget announced a number of initiatives that will benefit Victorian artists and arts organisations. Funds will be allocated directly to the arts organisations. The initiatives include:

- funding to refurbish the Australian Ballet School
- \$2.3m for the Melbourne-based classical music recording company, Melba Foundation
- \$9.6m for the ArtStart program for emerging artists over four years and an additional \$1m for small to medium arts organisations

The Commonwealth Government also announced \$5m funding from the economic stimulus package's grants for community infrastructure for the Horsham Town Hall development. These funds will be allocated to Horsham Rural City Council.

This is a \$12 million project which will redevelop the Horsham Town Hall auditorium as a performing arts centre and improve the Horsham Art Gallery. \$5 million will be funded by the Commonwealth, \$5 million by the State and \$2 million from the Local Council.

Victoria is currently negotiating two new partnership initiatives with the Commonwealth Government to deliver education and community outcomes:

Commonwealth funding for the Community Partnerships Service Delivery Network is valued at \$150,000 per annum for three years.

- The initiative brings together a network of existing Victorian organisations and agencies who deliver support services in the arts and community sectors.
- The network will work collaboratively to develop an action plan to secure resources, to develop and broker partnerships, and to strengthen the capacity of the arts to address social issues and community needs.

Commonwealth funding for the Creative Education Partnerships: Artist-in-Residence initiative is valued at \$200,000 per annum for four years.

- This initiative will support collaborative projects between arts organisations and schools over a minimum two school terms.

The Major Performing Arts Inquiry (2000) has informed joint Commonwealth / State funding of Victoria's seven Major Performing Arts Companies. In 2009 Victorian funding of \$6.8M leverages \$24.5M from the Commonwealth.

Joint Commonwealth / State funding arrangements are also in place for six Victorian visual arts organisations through the Visual Arts and Craft Strategy.

Accountability mechanisms are in place for all partnership initiatives. Mechanisms include annual reporting on financial commitments and agreed program outcomes.

## **1.31 Multicultural Affairs portfolio**

### **1.31.1 Details of funding to support refugee students within the Victorian school system.**

This question has been referred to the Minister for Education and Early Childhood Development for her response.

## **1.32 Premier's portfolio**

### **1.32.1 A consolidated list on the capital and operating side of the whole of government grants provided to Victoria by the federal government, including those made from the Building Australia Fund.**

The Department of Treasury and Finance will provide a whole of government response from the Treasurer to this question.

### **1.32.2 Funding details for drought outreach workers.**

As part of the \$100 million drought package announced in October 2007, \$2.25 million was provided for the appointment of Drought Coordinators for municipalities impacted by drought. As specified in funding agreements between the State Government and local councils, funding for Drought Coordinators was for 18 months, ending at 30 June 2009.

Participating councils have been largely positive about the Drought Coordinator Program. Coordinators have implemented drought response plans, established partnerships to attract resources and provided a central source of information on drought related matters.

The Victorian Government is aware of the challenges posed by the ongoing drought and remains committed to providing assistance to those in need. In keeping with this, since September 2006 the Government has provided over \$400 million to fund a range of initiatives for drought-affected farmers, small businesses and communities. Drought impacts across the State will continue to be monitored and the need for further assistance will be reviewed as the season unfolds.

### **1.32.3 A breakdown of the expenditure components of the output Developing the Local Government Sector.**

The 2009-10 output cost for 'Developing the Local Government Sector' shown in the Budget Papers is \$41.7 million. This cost is for the operating budget for Local Government Victoria.

The itemised cost is as follows:

Salaries	–	\$2.915 m
Operating Costs & Overheads	–	\$2.886 m
Grants	–	\$35.941 m
<hr/>		
<b>Total</b>		<b>\$41.742 m</b>

### **1.32.4 Projected annual savings, from the Northern Victorian Irrigation System, in years when the losses from the system are less than 400,000 mega litres per year and the cost per mega litre of water saved in such years.**

The water savings figure of 225 GL from Stage 1 per annum is a *long term* average. Water savings will vary between years as they are partly a function of how much water is delivered to irrigators through the distribution system. In dry years, losses and savings will be lower than the average, whereas in other years, losses and savings may be exceeded. Even in low allocation years, as long as the channels are run, there will be some savings from the fixed component, which is where losses occur due to initially filling and operating the channels. Excess water savings will be held in storages and accessible in the following year.

Savings will be audited every year for monitoring and modelling purposes but it is not useful to focus solely on a year by year figure. What is paramount is that the overall project, Stages 1 and 2, will increase the irrigation system's efficiency to 85%, which we believe represents world's best practice for an open irrigation system. This means that we will continue to capture water savings over the long-term. The fact that there has been less water over recent years makes this project even more critical as we attempt to capture water where we can, as every drop counts.

## **Department of Parliamentary Services**

### **1.33 Parliamentary Departments portfolio**

#### **1.33.1 A reconciliation of estimated Parliamentary expenditure between the Budget Papers and the Appropriation Bill.**

[See the table, *Reconciliation of Parliament's Budget Papers and Appropriation Bill 2008-09 and 2009-10*, over]

**RECONCILIATION OF PARLIAMENT'S BUDGET PAPERS AND APPROPRIATION BILL 2008-09 AND 2009-10**

	LEGISLATIVE COUNCIL		LEGISLATIVE ASSEMBLY		PARLIAMENTARY SERVICES		JOINT INVESTIGATORY COMMITTEES		VICTORIAN AUDITOR GENERAL		TOTAL – EXCLUDING VAGO		TOTAL – INCLUDING VAGO	
	2008-09 Budget	2009-10 Estimated Budget	2008-09 Budget	2009-10 Estimated Budget	2008-09 Budget	2009-10 Estimated Budget	2008-09 Budget	2009-10 Estimated Budget	2008-09 Budget	2009-10 Estimated Budget	2008-09 Budget	2009-10 Estimated Budget	2008-09 Budget	2009-10 Estimated Budget
	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's	000's
Figures Published in Appropriation Bill	2,637	2,724	4,076	4,234	68,449	69,054	6,237	6,370	12,003	13,666	81,399	82,382	93,402	96,048
Add Special Appropriations	6,213	13,042	13,765	25,464					276	451	19,977	38,506	20,253	38,957
Less ATNAB Included in Bill					-860	0					-860	0	-860	0
Add Output Carryover to 2009-10					3,060						3,060	0	3,060	0
Output Carryover to 2008-09						5,825					0	5,825	0	5,825
Section 29 Receipts Retention Agreement									15,500	19,500	0	0	15,500	19,500
Other Revenue (Recoupment of Expense, Secondees etc)										100	0	0	0	100
<b>Total Appropriations</b>	<b>8,850</b>	<b>15,766</b>	<b>17,841</b>	<b>29,698</b>	<b>70,649</b>	<b>74,879</b>	<b>6,237</b>	<b>6,370</b>	<b>27,779</b>	<b>33,717</b>	<b>103,576</b>	<b>126,713</b>	<b>131,355</b>	<b>160,430</b>
Rounded to millions	8.8	15.8	17.8	29.7	70.6	74.9	6.2	6.4	27.8	33.7	103.6	126.7	131.4	160.4
Figures Published in 2008-09 Budget Paper 3	8.8	15.8	17.8	29.7	70.7	74.9	6.3	6.4	27.8	33.7	103.6	126.8	131.4	160.5



### 1.33.2 Further information regarding the adjustments made to budget output targets for the Parliamentary Services output.

- The output structure and types of output measures for Parliament for 2009-10 have remained the same as those in 2008-09. The output measure targets for the Legislative Assembly, the Legislative Council and Investigatory Committees remain unchanged for the year 2009-10. However, some of the targets for Parliamentary Services have been revised upwards based on 2008-09 expected outcome (see table below)
- The output measures for the Parliamentary departments are going to be reviewed in 2009-10.

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
<b>Provision of Information and Resources to Parliament</b>					
Visitor sessions on library intranet site	number	48,000	48,000	40,000	49,467
Service requests satisfied	number	10,000	10,000	8,500	9,109
Items processed for retrieval	number	42,000	42,000	27,000	42,981
Briefings provided	number	200	200	140	164

### 1.33.3 Details of response rates for Parliamentary Client Satisfaction Surveys.

Parliamentary Client Satisfaction Surveys started in 2002 with 53% response rate. The response rate for the last three years is summarised below:

Financial Year	2005-06	2006-07	2007-08
Response Rate %	42	41	31

In 2007-08 only 21 out of 128 Members of Parliament responded to the survey.

### 1.33.4 Breakdown of revenue generated through the activities of the catering division and information about how these receipts are accounted for.

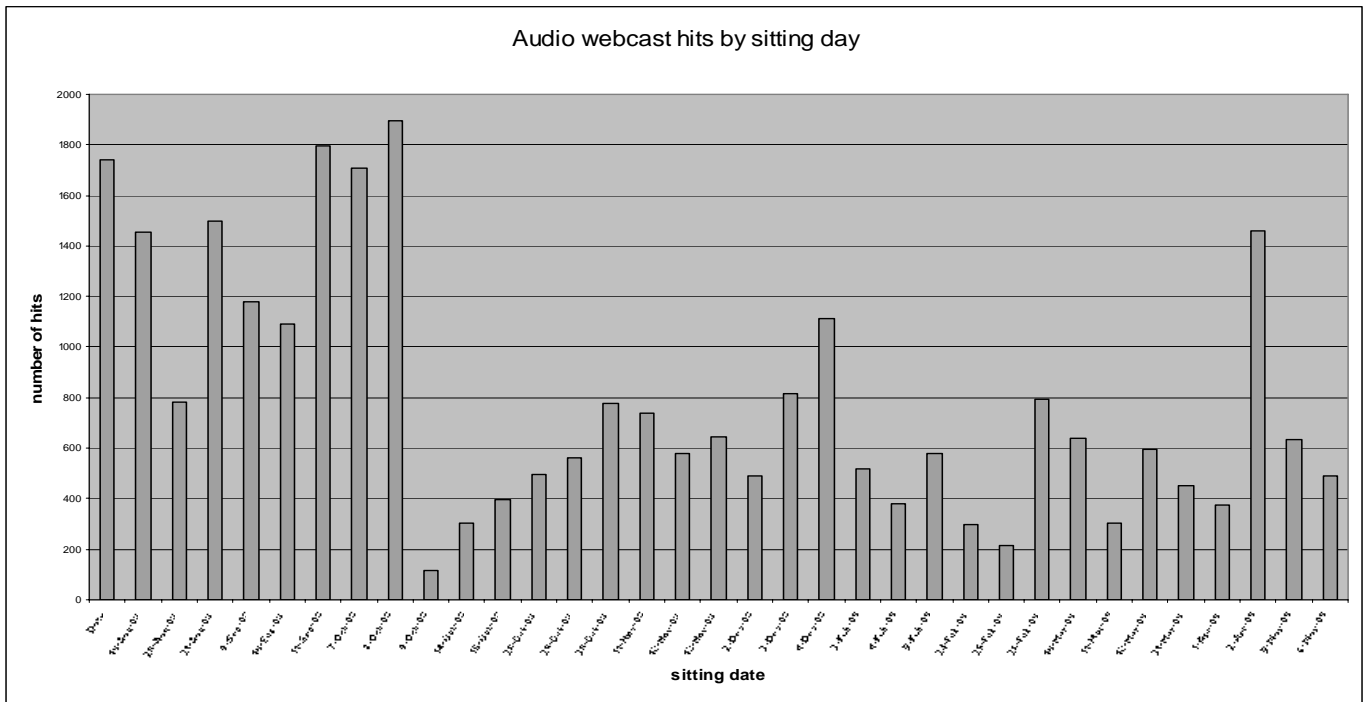
The Parliament refreshment rooms are treated as a separate entity to the Parliament for all purposes. The accounts of the refreshment rooms are consolidated with the Parliament's accounts when reported to the Department of Treasury and Finance and also in the annual financial statements. Any shortfall in revenue over expenditure is made up by means of a subsidy paid by the Department of Parliamentary Services to the refreshment rooms.

This is reflected in the Parliament's financial statements as follows:

Note 3 <sup>(b)</sup>	Other revenue – Parliament refreshment rooms	\$1,163,563
Note 3 <sup>(c)</sup>	Parliament refreshment rooms Expenses	
	Cost of goods sold	\$386,384

**1.33.5 Statistics on the uptake of audio broadcasting of Parliamentary proceedings, including the number of people listening to the broadcast on an average sitting day.**

Audio broadcasting statistics is monitored in terms of number of hits to the site. The average number of daily hits is 797 per day, but it is highest on Tuesdays. Average number of hits for the



last 3 sitting days has been 862. Graph below shows the audio web casting hits by sitting day

**Department of Primary Industries**

**1.34 Agriculture portfolio**

**1.34.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

As detailed in the 2009-10 Budget Paper 4 on page 210, the Department of Primary Industries (DPI) receives and on-passes a Federal grant in relation to Exceptional Circumstances (EC) Interest Rate Subsidy Payments. This is the only Federal Government grant that DPI or its agencies receive directly.

DPI is involved in other projects (such as the Energy Technology Innovation Strategy) which receive Federal Government funding, however this funding is provided directly to the proponent.

The estimated expenditure in DPI’s budget for EC Interest Rate Subsidy payments in 2009-10 is \$66 million. This amount consists of estimated Federal Government funding of \$59.4 million and the estimated State matching contribution (10%) of \$6.6 million.

The EC Interest Rate Subsidy is a demand driven program and expenditure is closely correlated with variations in seasonal conditions, making it difficult to forecast budget and estimate expenditure. Actual funding for 2009-10 will be determined once the need has been assessed.

Grant requirements are based on means test and eligibility under Federal Government Exceptional Circumstances guidelines (established by the Federal Minister for Agriculture, Fisheries and Forestry) and administered by the Rural Finance Corporation.

### **1.34.2 Amount of funding committed to fruit fly control in Victoria.**

DPI is anticipating to spend approximately \$6 million on fruit fly control across Victoria for the 2009-10 season. This amount includes recurrent funding of \$3.69 million (an increase of \$0.29 million from 2008-09) for base level fruit fly policy, prevention, market access, monitoring and some suppression activities.

## **1.35 Energy and Resources portfolio**

### **1.35.1 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

As detailed in the 2009-10 Budget Paper 4 on page 210, the Department of Primary Industries (DPI) receives and on-passes a Federal grant in relation to Exceptional Circumstances (EC) Interest Rate Subsidy Payments. This is the only Federal Government grant that DPI or its agencies receive directly.

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Grant requirements are based on means test and eligibility under Federal Government Exceptional Circumstances guidelines (established by the Federal Minister for Agriculture, Fisheries and Forestry) and administered by the Rural Finance Corporation.

### **1.35.2 Further information**

The Minister for Energy and Resources undertook to provide the Committee with a list of actions arising from the Review of the April 2008 Windstorm Report that relates to DPI and progress against each of these recommendations. The table below details this information:

Recommendation	ACTIONS TAKEN BY DPI
<p><b>Recommendation 4</b> – Electricity distribution businesses develop and implement alternative arrangements for monitoring fallen powerlines.</p>	<ul style="list-style-type: none"> <li>• Electricity distribution businesses put in place alternative arrangements for monitoring fallen powerlines for a strong wind event expected in early March 2009</li> <li>• The distribution businesses also placed representatives in the Integrated Emergency Coordination Centre (IECC), the State Emergency Response Coordination centre (SERCC) and the Metropolitan Fire and Emergency Services Board (MFB) operations room to assist with coordination between the businesses and emergency services.</li> <li>• DPI is working with the businesses to further develop these processes and embed them into the businesses' standard operating procedures.</li> </ul>
<p><b>Recommendation 5</b> – DPI establish a senior emergency management position to strengthen the Department's role in emergency management.</p>	<ul style="list-style-type: none"> <li>• DPI is progressing work to appoint a suitably qualified person to this role.</li> </ul>
<p><b>Recommendation 6</b> – DPI responsibility for emergency management within the energy sector needs to be reinforced consistent with recommendation 5.</p>	<ul style="list-style-type: none"> <li>• DPI responsibility for emergency management in the energy sector is largely determined by the legal and regulatory framework for the industry and by industry emergency procedures.</li> <li>• DPI is working with the industry to clarify responsibilities where this Framework is unclear.</li> </ul>
<p><b>Recommendation 10</b> – Electricity distribution and retail businesses work with DHS and hospitals to review the registration, notification and removal process for those on life support machinery.</p>	<ul style="list-style-type: none"> <li>• The businesses have processes in place to advise and address the needs of those customers who have special needs.</li> <li>• The needs of these customers (in terms of restoration and load shedding priorities) is considered at electricity industry forums involving VENCORP and DPI.</li> </ul>
<p><b>Recommendation 11</b> – Energy Safe Victoria finalise the development of Passport system enabling operators to access qualified interstate power restoration personnel.</p>	<ul style="list-style-type: none"> <li>• The Electricity Supply Industry at a national level has committed to the Passport system. Work to ensure consistency of qualifications and training is continuing</li> </ul>
<p><b>Recommendation 12</b> – DPI work through the appropriate Ministerial Councils to seek alignment of competency standards for line workers across jurisdictions.</p>	<ul style="list-style-type: none"> <li>• This matter is currently being addressed through the appropriate Ministerial Councils. Funding for the alignment project is being provided by the Commonwealth.</li> </ul>
<p><b>Recommendation 15</b> – DPI, DPC and Office of the Emergency Services Commissioner (OESC) review and clarify energy sector emergency trigger points for the activation of Central Government Response Committee (CGRC).</p>	<ul style="list-style-type: none"> <li>• DPI's Energy Sector Development Division is now represented on CGRC to facilitate triggering CGRC during energy sector emergencies.</li> </ul>

<p><b>Recommendation 16</b> – DPI clearly document responsibilities within the Department to ensure better coordination of public information during emergencies.</p>	<ul style="list-style-type: none"> <li>• Action is being taken to clearly document these responsibilities.</li> <li>• DPI's lack of participation in coordination of public emergency communication through Emergency Management Joint Public Information Committee (EMJPIC) has been addressed and DPI staff have actively participated in EMJPIC during subsequent heatwave and bushfire events</li> <li>• A brochure advising electricity consumers on how to prepare for and deal with power outages has been prepared and is available on DPI's website.</li> </ul>
<p><b>Recommendation 26</b> – VICSES, DPI, Energy Safe Victoria (ESV) and the energy sector develop coordinated safety messaging about preparedness for storm events and clearly outline responsibility for delivering these messages before, during and after an emergency.</p>	<ul style="list-style-type: none"> <li>• VICSES has developed a community education strategy for storms, and has worked with other government agencies and energy companies to identify appropriate messages.</li> <li>• ESV and the distribution businesses have published a common set of 'Storm Facts' on their websites.</li> <li>• VICSES put out media releases publicising electrical safety messages.</li> <li>• ESV has put out the warning messages before all recent wind and extreme weather events.</li> <li>• The VICSES State Storm Response plan is currently under development. It will detail all support agencies' roles.</li> </ul>
<p><b>Recommendation 30</b> – DPI in consultation with the Energy sector develop and implement a MoU or similar that provides a single contact for emergency information and arrangements for co-ordinating communication to the public, government, emergency agencies and distribution business during significant power outages.</p>	<ul style="list-style-type: none"> <li>• Arrangements were in place prior to 7 February 2009 for National Electricity Market Management Company (NEMMCO) to act as the single industry spokesperson. During the bushfires, NEMMCO provided information on outages arising both from damage to the wholesale or bulk supply network and about local distribution level outages.</li> <li>• Information on distribution outages was collated through regular industry teleconferences organised by VENCORP. DPI is working to formalise these arrangements with the industry.</li> </ul>
<p><b>Recommendation 32</b> – The electricity distribution businesses enhance power outage information on their websites and consider improving their capacity to communicate with customers.</p>	<ul style="list-style-type: none"> <li>• The electricity distribution businesses have already moved to improve information available for consumers and are working to further enhance their public information systems.</li> <li>• DPI is collecting information on electricity distribution business use of SMS, IVR, email and websites to support their call centre. The businesses have made considerable progress on this matter over the past 12 months.</li> </ul>
<p><b>Recommendation 34</b> – VICSES work with the electricity distribution businesses, DPI and Energy Safe Victoria to develop and implement a joint community education program for public safety during and after storms and power outages.</p>	<ul style="list-style-type: none"> <li>• ESV and a distribution company representative have met with VICSES to discuss this initiative and develop industry messaging to be used in the program.</li> <li>• DPI has developed a power outage brochure in consultation with relevant agencies and published it on its website.</li> </ul>

### **1.35.3 Costing by Government of an Environment Victoria (EV) feed-in tariff model and subsequent costings by EV on the government's work.**

- (a) *The question raised by Dr Sykes referred to Environment Victoria's response to costing, which said that the calculation of \$99 per household was wrong because Government had failed to count the value of the power generated at 17 cents a kilowatt hour.*

The Government's costing of Environment Victoria's scheme did not take into account the value of the power exported. If it did take that into account it would not be at the retail price of 17 c/kWh but rather at the wholesale price of electricity at 6 c/kWh. The modelling of the \$99 cost also did not take into account the additional costs of administering the premium feed-in tariff scheme for electricity retailers. Retailers will incur costs associated with making premium feed-in tariff offers and associated system changes. Retailers will wear those costs as there is no cost recovery mechanism in the Bill for retailers. It is likely that any benefit from the feed-in tariff received by retailers will be outweighed by the costs of the scheme to the retailers.

- (b) *The Photovoltaic (PV) capacity factor had been overestimated; it was estimated at 18 and it should be 13.5.*

According to modelling for the Department by McLennan Magasnik Associates (MMA), the capacity factors for solar PV in Victoria range from 16.3 to 19.2%. This was calculated using the RETS Screen International Model (available at [www.retscreen.net](http://www.retscreen.net)), for a fixed PV array with a 30 degree slope, based on a BP mono-silicon technology (BP 1570 S model).

If the capacity factor is 13.5%, then PV manufacturers have been providing misleading information regarding the capacity factor of PV panels. Furthermore, if the capacity factor is 13.5%, then the cost (of abatement) associated with PV panels is even higher than stated in the modelling.

- (c) *The Government had charged the cross-subsidy cost as a fixed amount to households only instead of across all electricity customers as a percentage of their electricity use. What is your response to Environment Victoria's response to your response to its proposition?*

The \$99 calculation was from a simple model that demonstrated the average cost of the premium feed-in tariff scheme for a household. As the cost of the premium feed-in tariff will be passed on to the electricity retailers from the electricity distributors through the residential network charges, it was reasonable to assume that households will be the ones paying for the scheme.

## **Department of Sustainability and Environment**

### **1.36 Environment and Climate Change portfolio**

#### **1.36.1 Commonwealth Grants**

As [the Minister] advised the Committee, there are three grants expected from the Commonwealth Government in 2009-10 within the Environment and Climate Change portfolio. [The following table] provides an overview of these programs, including their accountability mechanisms.

Program	Entity	2009-10 Budget	Description	Accountability
Caring For Our Country	DSE	\$45.4 million	<ul style="list-style-type: none"> <li>To address key environmental issues including species and habitat, salinity and water quality, coastal and pen-urban pressures, productive and sustainable landscapes, and climate change.</li> </ul>	<ul style="list-style-type: none"> <li>Commonwealth has a Monitoring, Evaluation, Reporting and Improvement (MERI) strategy in place for the Caring For Our Country Program. Outcomes are also monitored via an annual report card, which is publicly released by the Commonwealth.</li> <li>Project proposals, with key deliverables and milestones, are also required in order to source this Commonwealth funding.</li> </ul>
Renewable Remote Power Generation Program	SV	\$3.8 million	<ul style="list-style-type: none"> <li>Provides rebates for renewable generation for properties (households, businesses and government) located more than 1 km from the electricity grid.</li> </ul>	<ul style="list-style-type: none"> <li>Several accountability mechanisms are in place, including project proposals being required prior to funding being provided, monthly reporting by SV on the applications received, and an annual report to the Commonwealth by SV, including audited financial statements.</li> </ul>
Murray Darling Basin Sustainable Rivers Audit	EPA	\$0.4 million	<ul style="list-style-type: none"> <li>Biological assessments of Victorian rivers and streams in the Murray Darling Basin</li> </ul>	<ul style="list-style-type: none"> <li>The EPA is required to submit regular monitoring and expenditure progress reports, with detailed reports provided twice yearly on the Sustainable Rivers Audit, and annually on the Southern Basins and Reference Condition programs.</li> </ul>

### 1.36.2 Rivers with improved environmental flows

The output ‘Sustainable Water Management and Supply’ as reflected on pages 212–214 of the 2009-10 Budget Paper 3 comes within the portfolio of the Minister for Water.

However, [the Minister for Environment and Climate Change] understand[s] that the performance measure reports on the ongoing water recovery program to improve environmental flow regimes in 20 rivers. These rivers have been identified through strategies such as *Our Water Our Future* and the *Central Region Sustainable Water Strategy*, and include the Campaspe, Thomson, Barwon, Maribyrnong and Latrobe River Systems. This performance measure also reports on the Snowy and Murray Rivers which are the subject of Inter-Governmental Agreements. Further information can be sought from the Minister for Water, if required.

### 1.36.3 Beach Renourishment

The Government has implemented a number of initiatives aimed at enhancing Victoria’s beaches. This includes a \$9 million TEI provided as part of the 2005-06 State Budget to protect Victoria’s coastal environment and to progressively renourish bay beaches, and in particular, Middle Park beach.

Additional funding of an \$8 million TEI for the protection of our beaches and foreshores was committed under the National Parks and Biodiversity election policy, and funded as part of the 2007-08 Budget and is delivering a beach renourishment program across Port Phillip Bay.

More recently, a further \$4 million TEI was provided by the Government as part of the Channel Deepening Support Package announced in November 2008 and included in the *2008-09 Budget Update*. This funding is to protect coastal assets and address the loss of sand at beaches around the Port Phillip Bay, including Port Arlington and North Aspendale.

[The Minister] can advise the Committee that significant works and improvements have been undertaken across the State. Beach renourishment was completed at Mentone-Mordialloc in 2007-08, and works are currently underway at Middle Park and Clifton Springs, with the commencement of design work at Altona, Elwood and Mt Martha North beaches.

Additional beach renourishment works to be undertaken with this Government funding will be determined according to the priority projects identified in the *Review of Beach Renourishment Priorities for Port Phillip Bay*, which was completed in April 2008. This report is available on the DSE website – [www.dse.vic.gov.au](http://www.dse.vic.gov.au).

### **1.36.4 Output Cost – Environmental Policy and Climate Change**

The Environmental Policy and Climate Change output for the Department of Sustainability and Environment is reflected on page 221 of the 2009-10 Budget Paper 3. For 2007-08 the total output cost was \$44.4 million.

The Environmental Policy and Climate Change output is comprised of the Environmental Policy and Climate Change Division within the Department, but also includes other environmental programs, including Sustainability Victoria activities that are funded through annual appropriations.

For the Environmental Policy and Climate Change division, staff expenses totalled \$6.6 million in 2007-08 for approximately 75 staff (Full-time Equivalent). The division did not order or undertake any consultancies during 2007-08.

In terms of the 2009-10 year, it is estimated that staff expenses will be in line with the 2008-09 year. However, actual expenses and staff numbers cannot be provided until the end of the 2009-10 financial year. As at the end of May 2009, no consultancies are planned for 2009-10 within the division.

### **1.36.5 River Red Gums**

As [the Minister] advised the Committee, the Government has provided a \$38 million package – \$32 million over four years and \$6.5 million TEI, for river red gums. This funding will be used for a range of measures, including ongoing park management, restoration and fencing, ecological thinning, and the provision of a transitional assistance package for affected timber workers.



A breakdown of these measures across the four years (2009-10 to 2012-13) is provided [below].

<b>Component</b>	<b>2009-10 (\$m)</b>	<b>2010-11 (\$m)</b>	<b>2011-12 (\$m)</b>	<b>2012-13 (\$m)</b>	<b>4 Year Total (\$m)</b>
<i>Output Components</i>					
Timber Industry Assistance Package	4.50	–	–	–	4.50
Ecological Thinning and grazing removal from ecological areas, including fencing and rehabilitation	2.50	2.50	2.50	.50	8.00
Park management, including park rangers	0.50	3.45	3.50	4.90	12.35
Regional Waste Management	–	0.20	0.30	0.30	0.80
Park boundary establishment and mapping	–	1.25	1.25	–	2.50
Pest plant and feral animal management	–	0.40	0.40	0.40	1.20
Establishment of Boards of Management and indigenous site protection works	–	0.25	0.30	0.40	0.95
Planning, recreation and community programs for new parks	0.00	0.33	0.32	0.23	0.88
System establishment to facilitate harvest of pest animals	0.20	0.20	0.20	0.20	0.80
<b>Total – Output Funding</b>	<b>7.70</b>	<b>8.58</b>	<b>8.77</b>	<b>6.93</b>	<b>31.98</b>
<i>Asset Components</i>					
Visitor Services management, including road and track upgrades and signage	–	0.30	1.37	0.84	2.51
Environmental water structural works	–	–	1.00	3.00	4.00
<b>Total – Asset Funding</b>	<b>–</b>	<b>0.30</b>	<b>2.37</b>	<b>3.84</b>	<b>6.51</b>

## **1.37 Water portfolio**

### **1.37.1 Please provide a detailed explanation for the change in the performance output measures on page 214 of *Budget Paper No. 3***

Several performance measures within the Sustainable Water Management and Supply output have 2009-10 targets that vary from the 2008-09 targets. A brief explanation for each is provided on page 214 of the 2009-10 Budget Paper 3. Attachment 2 provides a further explanation for each measure as requested by the Committee.

### **1.37.2 Details of the policy timeframes for the public sector comparator information in the Partnerships Victoria framework.**

As [the Minister] advised the committee, the Public Sector Comparator (PSC) will be disclosed in accordance with the Partnerships Victoria Framework. Under Partnership Victoria requirements, and in line with National Public Private Partnership (PPP) requirements, a project summary of each PPP must be released within three months of the project's financial close.

This project summary will provide a value-for-money comparison, which includes the risk adjusted PSC, excluding retained risk. The project summary will be tabled in Parliament at the time of its release. In addition, the executed PPP contract will be published on the contracts website ([www.contracts.vic.gov.au](http://www.contracts.vic.gov.au)) within the same period.

### **1.37.3 A breakdown of the number of temporary and ongoing jobs that will be created as a result of major water projects including specific details relating to the 2,300 jobs identified in the Minister's media release Water projects secure 2300 jobs and our water supply on 5 May 2009.**

Victoria's water projects have generated significant employment opportunities across the State. In 2009-10, more than 2,300 jobs will be secured to help deliver key infrastructure to secure Victoria's water supply.

Over two years of construction, the Desalination Project is expected to create 1700 direct jobs and as many as 3050 indirect jobs. Once the plant is operational at the end of 2011, around 50 direct jobs and 100 indirect jobs will be created.

The Northern Victoria Irrigation Renewal Project (NVIRP) will create up to 680 new jobs during Stage 1 construction works. This was confirmed by an independent report undertaken by Deloitte, which also found that the works would inject around \$381 million into the local economy. NVIRP has recently awarded contracts to the value of \$10 million to regional construction companies undertaking the second year of irrigation modernisation works. These works are estimated to create more than 200 additional jobs in the region.

An independent Deloitte report into the Sugarloaf Pipeline estimated that the project would inject \$229 million into the region between 2008 and 2020, and would create more than 1,000 extra jobs. In line with these projections, around 1,200 people are currently working on the Sugarloaf Pipeline project.

Additional regional employment has been generated by other projects, including the Goldfields Superpipe (now completed), the Wimmera-Mallee Pipeline, the reconnection of the Tarago reservoir and the Gippsland Water Factory.

### **1.37.4 Details of the cost of piping water down the water down the north-south pipeline.**

The Sugarloaf Pipeline is on schedule to be delivered in 2010, two months ahead of schedule. As this project is not yet complete, the final project cost cannot be confirmed. Furthermore, as the operating arrangements are still to be finalised, any calculation of a unit cost depends on forecasting water savings and costs into the future. Therefore, the cost of piping water down this pipeline cannot be provided at this time.

However, [the Minister] note[s] that Melbourne Water included expected costs associated with the Sugarloaf Pipeline in its November 2008 submission to the Essential Services Commission (ESC) regarding water prices from 2009-10 to 2012-13. These costs were slightly amended in the ESC's draft determination released on 21 April 2009. Both of these documents are available on the ESC's website (<http://www.esc.vic.gov.au/public/>).

**1.37.5 Please provide a list and description of federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

Three grants are expected from the Commonwealth Government in 2009-10 in relation to the Water portfolio. They relate to the Living Murray Initiative, the Barwon-Shell Water Recycling Project and funding for the Unregulated Rivers initiative. [The table below] provides an overview of these programs, including their accountability mechanisms.

Commonwealth Grants in 2009-10			
Program	2009-10 Budget	Description	Accountability
Living Murray Initiative	\$21.3 million	<ul style="list-style-type: none"> <li>To recover an annual average of up to 500 GL of water for the environment.</li> <li><i>Lake Mokoan</i> – decommissioning of the lake as a storage and returning it to wetland to increase unregulated river flows</li> <li><i>Shepparton Area Irrigation Modernisation</i> – modernising the open channel delivery infrastructure in order to generate water savings for the environment</li> </ul>	<ul style="list-style-type: none"> <li>Investment Plans (funding deeds) are in place between the Victorian Government and investors.</li> <li>A similar plan is in place between the Victorian Government and Goulburn Murray Water, which requires monthly milestone reports and invoices prior to payment of funds.</li> <li>A Project Control Board/Review Group approve changes such as scope of work updates.</li> </ul>
Barwon – Shell Recycling Project	\$5.0 million	<ul style="list-style-type: none"> <li>Construction of a water reclamation plant to substitute potable water with recycled water from trade waste and effluent for use at the Shell refinery</li> </ul>	<ul style="list-style-type: none"> <li>A project schedule exists between Commonwealth and Victoria that sets out milestones for scheduled payments.</li> <li>DSE also has a Project Delivery Agreement with Barwon Water that contains Milestones, payment schedules, and reporting. A project reference group comprising DSE, DTF and Commonwealth representatives oversees project governance.</li> </ul>
Unregulated Rivers	\$3.5 million	<ul style="list-style-type: none"> <li>To enhance the environmental water reserve in priority stressed unregulated and streams while maintaining the reliability of supply of water users</li> </ul>	<ul style="list-style-type: none"> <li>Every six months DSE provides the National Water Initiative with a milestone report, including financial information</li> </ul>

## Department of Treasury and Finance

### 1.38 Finance, Work Cover and the Transport Accident Commission portfolio

#### 1.38.1 Does the number of workplace inspectors per head of employee meet the number specified by the International Labour Organisation's (ILO) benchmark?

I am advised that the ratio of inspectors to Victorian workers covered by the WorkSafe scheme exceeds the ILO benchmark

**1.38.2 In regards to WorkCover premiums, the Minister mentioned a 1.387 buffer. Can you provide the breakeven figure for WorkCover premiums?**

The break-even premium rate for WorkSafe is 1.258 %, as at December 2008.

**1.38.3 Can you provide information on why the senior ongoing positions, such as Chief Operating Officer and Chief Information Officer for CenITex are contractors?**

All decisions regarding the number and type of positions reporting to the *CenITex* Chief Executive Officer are made by the *CenITex* Board in line with business and operational need. (*CenITex Statement of Corporate Intent – Section 7.3*).

The *CenITex* Chief Information Officer position was vacated in March 2009 and the team that reported to this role was allocated to the CenITex Efficient Technology Services (ETS) program and Operations areas. This role is not expected to remain within the *CenITex* structure.

The role of the Chief Operating Officer, introduced when CenITex was established in July 2008, has now evolved to focus on program director as the ETS program director for CenITex. Given the cross-functional impacts of the ETS program on CenITex operations, it was imperative to have an experienced IT transformation specialist managing both and to have continuity from the start-up phase for CenITex. The hiring of contractors is to ensure that relevant specialist expertise is available and is competitive with market rates and conditions. At the end of the transformation program, all CenITex senior roles will be reviewed.

**1.38.4 In regards to State Purchase Contracts, can you provide information as to what extent these are used or available to public non-financial corporations, other agencies outside the departmental structure and non-government agencies implementing government programs?**

Public non-financial corporations and other agencies outside the departmental structure, as well as non-government organisations, may purchase from a State Purchase Contract (SPC) where it meets their business requirements for goods and services.

The degree of uptake by these organisations depends on the SPC concerned, for example, 50 per cent of spend via the Fuel SPC (with a total annual spend of approximately \$60 million) is by non-government organisations and other government entities that are not actually bound by the Victorian Government Purchasing Board policy.

**1.38.5 In regards to ancillary service savings, can you please provide information on the savings made as a result of this initiative?**

It is anticipated that the shared service provider will be operating in the first quarter of 2009-10 with projected net savings of \$10.7 million over four years to 30 June 2012. Industrial processes are currently underway to allow for the transition of staff to a shared service provider. The savings quoted are projected savings and will not be realised until the shared service provider is operational.

**1.38.6 Please provide a list and description of federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

There are no federal grants to the relevant departments and agencies in relation to the ... Finance, WorkCover and the Transport Accident Commission portfolio.

**1.39 Treasury portfolio**

**1.39.1 List and description of federal grants and funds received by the Department of Treasury and Finance and accountability measures for dealing with those grants.**

The federal grants to be received by the Department of Treasury and Finance are as follows:

- *Commonwealth New Home Grant* – As outlined in the Commonwealth’s 2009-10 Budget, the Department estimates to receive \$198.9 million in 2009-10. On 14 October 2008, the Commonwealth announced the First Home Owners Boost, which provides one-off financial assistance to eligible first home buyers of \$7,000 for an established home and \$14,000 for a new home or a newly constructed home. While administered by the states and territories, it is fully funded by the Commonwealth.

Included in the total of \$198.9 million is a six months extension to the Boost, which was not incorporated in the State’s Budget numbers, as they were published prior to the Commonwealth Budget announcement.

There is a national partnership agreement between the Commonwealth and the States and Territories.

- *Standard Business Reporting – National Partnership Payment* – The Department estimates to receive \$0.8 million in 2009-10. Standard Business Reporting is a multi-agency Commonwealth initiative which will simplify business to government reporting by:
  - making government forms easier to understand;
  - using accounting and/or record keeping software to pre-fill government forms; and
  - introducing a single secure way to interact on-line with participating government agencies.

There is a national partnership agreement between the Commonwealth and the States and Territories.

**Additional Information relating to 2008-09 financial year.**

- *Seamless National Economy – National Partnership Payment* – The Department estimates to receive \$24.8 million in 2008-09 only. Funding is provided through the Council of Australian Governments’ National Partnership Agreement for implementation of the Seamless National Economy National Partnership. Under this National Partnership Agreement, the Commonwealth has committed to provide funding over two years to Victoria to facilitate the implementation of reform priorities in the areas of deregulation, competition and regulatory reform.

There is a national partnership agreement between the Commonwealth and the States and Territories.

### **1.39.2 Clarification of investment return achieved by the Victorian Funds Management Corporation for the quarter ended 31 March 2009.**

Both the performance figures quoted by the Treasurer and by Mr Rich-Phillips during the Treasury portfolio Budget Estimates hearing are cited on the VFMC website.

The figure of -4.27 quoted by the Treasurer relates to the aggregate of the Department's clients managed under the Centralised Investment Model and is the correct figure to use when referring to the performance of the State's Investments.

The figure of -4.41 quoted by Mr Rich Phillips is the figure for all clients managed by VFMC, which includes clients other than the State mandated clients, such as Melbourne University, Swinburne University of Technology and the Residential and Tenancy Bond Authority.

### **1.39.3 Estimated losses across the General Government Sector from investments made by the Victorian Funds Management Corporation factored into the revised budget for 2008-09.<sup>615</sup>**

For the General Government Sector, the estimated losses from investments made by the VFMC directly impact the investment balances of superannuation assets.

In developing the budget estimates, a base valuation of assets as at 31 March 2009 has been used. Therefore all realised and unrealised losses for the financial year to 31 March 2009 have been factored into the superannuation asset valuation. Forward projections of assets from 1 April 2009 assumed these assets will grow at the assumed long term rates of return (generally 8 per cent per annum).

As such, the estimated investment losses for the financial year to 31 March 2009 which have been factored in the 2009-10 Budget papers are \$2.9 billion.

### **1.39.4 Details relating to the composition of the state's biological assets.**

The majority of the state's biological assets comprise commercial forests. This item also includes any living animal, plant or agricultural produce.

Commercial native forests valuations are prepared in accordance with the provisions of the relevant accounting standard (AASB141 – Agriculture) and as such are measured on the basis of the net present value of the future cash flows (discounted at a current market determined rate, which reflects the risks associated with forests). The future cash flows expected to be generated by the sale of timber, less any point of sale costs are used in determining this value.

Sustainable yields limit the amount of timber which can actually be harvested by the timber licensees. The maximum amount of timber available for harvesting is expected to remain constant over the forward estimate period (i.e. approximately 500,000 cubic metres per annum).

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<sup>615</sup> Department of Treasury and Finance, Budget Paper No.4, 2009-10 Statement of Finances, May 2009, Appendix C - Revised 2008-09 Budget Outcome, pp.320-1

Movements in the value of biological assets over the forward estimate period reflects the point in time of the timber release plans, and change in the costs or revenues of VicForests which are the basis for the calculation of the timber value.

Breeding livestock is measured at fair value less estimated point of sale costs. The fair value of breeding livestock is determined as the amount that could be expected to be received from the disposal of the livestock.

### **1.39.5 Explanation for the anticipated reduction in revenue derived from landfill levies given trends in waste generation per capita in the long term.**

Reduction in revenue derived from landfill levies is due to a projected decrease in levels of waste being sent to landfill as a result of Government Policies. The modelling assumes the following reduction:

<b>Waste Stream Annual Tonnage adjustment</b>	<b>2007/2008</b>	<b>2008/2009</b>	<b>2009/2010</b>
<b>Municipal tonnes</b>	Base Line Year	-3.0%	-4.0%
<b>Industrial tonnes</b>	Base Line Year	-2.0%	-2.0%

The Towards Zero Waste Strategy was launched in 2005, and sets four state-wide targets for waste reduction, resource recovery and littering, and specific targets and actions for Victoria's municipal and business sectors to deliver more sustainable use of resources by 2014. The Metropolitan Waste and Resource Recovery Strategic Plan, released in March 2009, builds upon the Towards Zero Waste Strategy and sets further key targets for metropolitan Melbourne.

These policies commit to the diversion of waste from landfills, including through increased recovery and recycling across Victoria. The targets (for reduction by weight) state that by 2014, 65 per cent of municipal solid waste and 80 per cent of commercial and industrial waste will be recovered for re-use or recycling. The 2006-07 Towards Zero Waste Strategy progress report noted that 41 per cent of municipal solid waste (43 per cent in metropolitan Melbourne) and 68 per cent of commercial and industrial waste was already being recovered and thus diverted from landfill.

The Government's continued commitment to diverting waste sent to landfill has been factored into revenue estimates from the landfill levy. As a result, total revenue expected in 2009-10 is 2.5 per cent lower than the 2008-09 year.

The Government will continue to encourage diversion of waste from landfill, through such initiatives as the \$10 million Victorian Advanced Resource Recovery Initiative, ResourceSmart and the Waste Wise program, as well as offering grants for a number of projects and initiatives across Victoria, including through the Sustainability Fund and the HazWaste Fund.

### **1.39.6 Policy for raising the landfill levy.**

This question has been referred to the Minister for Environment and Climate Change to respond.

## Department of Transport

### 1.40 Public Transport portfolio

#### **1.40.1 Details of variations to the Myki contract, including changes in scope and payment variations.**

There have been three amending deed variations to the myki contract with scope changes bundled into each. There have also been 15 variations to the contract.

Some of the changes to date include:

- the purchase of more devices such as card readers and ticket gates to cater for the growth in public transport services, including new buses, trams and train stations, since the original contract was signed
- improvements to devices, including changes to the colour of screens, to make them easier for customers to read

In May 2008, up to \$353 million was approved to cover the cost of variations and scope changes as well as to keep the current system running until myki is introduced.

All variation and scope changes remain within this budget.

#### **1.40.2 A copy of the Victorian Transport Plan**

The Victorian Transport Plan is available online at:  
<http://www4.transport.vic.gov.au/vtp/downloads/index.html>

#### **1.40.3 Additional information regarding public transport compliance with the Disability Discrimination Act 1992 and performance against measures used by the Department to assess compliance with the Act.**

Under Commonwealth legislation, *Disability Standards for Accessible Public Transport 2002* (the Transport Standards) and accompanying guidelines identify the requirements to be met by all public transport operators and providers to make public transport more accessible for people with disabilities.

The Transport Standards impose timelines for progressive implementation throughout the public transport system. Full compliance is required by 2032 for trains and trams and 2022 for all other modes including buses, taxis and infrastructure.

The Department of Transport monitors and reports on the implementation of the Disability Standards for Accessible Public Transport. Progress is reported online at:  
[www.transport.vic.gov.au](http://www.transport.vic.gov.au).

As at the end of May 2009, public transport and infrastructure compliance with the Transport Standards was as follows:



Mode	Current Compliance	Required Compliance	
		25% by 2007	55% by 2012
Train (metro)	98.5%	Met	Met
Train (V/Line)	86%	Met	Met
Tram	23.6%	Nearly met	Requires new tram purchase
Bus (metro)	65%	Met	Met
Bus (regional)	40%	Met	Programmed to meet
Infrastructure		25% by 2007	55% by 2012
Stations (metro)	35%	Met	Programmed to meet
Stations (regional)	28%	Met	Programmed to meet
Tram stops	16%	Behind schedule	Scheduled to progress
Bus Stops	35%	Met	Programmed to meet

A program of works is being delivered to improve accessibility and includes:

- provision of tactile tiles and improved access at railway stations – 37 per cent of stations have tactile tiles installed (78 of 211 metropolitan stations and 29 of 82 regional stations)
- upgrade of existing access ramps at railway stations – 37 per cent of station ramps are now DDA compliant (85 of 211 metropolitan stations and 23 of 82 regional stations)
- roll out of newly designed compliant rail level crossings
- upgrade of V/Line N-set carriages to remove the need for passengers using larger wheelchairs to travel in the conductor's compartment – three carriages have been upgraded during cyclic maintenance and two more are planned
- introduction of DDA compliant features on non low-floor trams such as colour contrast handrails and audible announcements – all A,B and Z type trams have been upgraded
- as at the end of May 2009, 290 accessible platform tram stops have been built across the network, with more planned
- installation of tactile tiles and improvements to paving at bus stops – 8,330 (35 per cent) of 23,800 bus stops now have tactile tiles installed
- purchase of 270 low floor buses over the next three years
- compliant signage and public transport information (already introduced across metropolitan Melbourne and roll-out has commenced in regional Victoria)

Some of the 30 parts of the Transport Standards relevant to tram stop compliance such as information and signage, circulation and street furniture are already at a higher level than required by the Standards.

Improving access to trams for people using wheelchairs and mobility aids is more challenging due to the costs of new, compliant trains and the difficulties in providing on-road accessible infrastructure solutions. Construction of platform stops to allow level access to low-floor trams is the preferred solution as they provide faster and safer loading for all passengers and improved travel times for tram operations. However platform stops are not feasible in some locations and other accessible infrastructure options are also being investigated.

Programs are currently being developed to fulfil tram compliance requirements.

#### **1.40.4 Explanations for delayed, substituted and cancelled V/Line rail services during 2008/09.**

The Department of Transport is required to report on regional public transport performance in the State Budget Papers and the Department's Annual Report.

For 2008-09, the following explanatory notes were provided in the 2009-10 *Budget Paper No. 3* (page 239), where performance targets are not expected to be met:

- the impact of congestion on the metropolitan rail network
- fleet availability
- accidents and incidents
- signalling

V/Line also provides detailed performance results on a monthly basis. These reports provide the reasons for cancellations and delays and are available online at:  
[www.vline.com.au/media/performance](http://www.vline.com.au/media/performance)

#### **1.40.5 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deals with those grants.**

The Victorian Government continues to work in partnership with the Commonwealth Government to improve transport infrastructure in Victoria and to create and secure jobs in the current global economic climate.

Under the Building Australia Fund, the Commonwealth Government announced in its 2009-10 Budget a contribution of \$3.225 billion for the Regional Rail Link project. The project will build up to 50 kilometres of stand-alone rail tracks from West Werribee to Melbourne's Southern Cross Station, and will separate regional and suburban trains across the west. This is the first major investment for Victoria under the Building Australia Fund.

The Commonwealth Government has also committed \$40 million toward the Melbourne Metro 1 – East West Rail Tunnel project, to commence pre-construction planning, design and engineering works. The two-stage project is a 17 kilometre two track tunnel, with the first stage between South Kensington and the Domain, delivering significant benefits to the wider Melbourne metropolitan rail network.

In addition, through the Nation Building Program (formerly AusLink), the Commonwealth is providing \$80 million towards the \$140 million Springvale Road Grade Separation Project. The rail line at Nunawading will be lowered and a new road crossing will be built over it, to allow the smooth flow of traffic and trains.

In its Nation Building and Jobs Package the Commonwealth Government has announced a range of economic stimulus measures. This included funding for road and rail projects. The Package will provide funding to Victoria of \$30.3 million for the installation of boom gates for level crossings and other safety measures allowing an additional 59 crossings to be upgraded.

The Commonwealth Government is also continuing to fund projects in partnership with the State under the AusLink 1 program, including the Geelong to Mildura rail upgrade and the Wodonga Rail Bypass.

The Victorian Government is accountable for these projects to the Commonwealth through a range of legislative instruments and bilateral agreements undertaken by the Commonwealth and States and Territories through National Partnership Agreements.

These accountability measures include:

- monthly project reporting, including key milestone and project completion dates
- monthly project financial reporting
- reporting and assessment requirements to manage and address concerns with project slippage, cost overruns and project delivery
- annual audit
- post-project completion evaluation.

More specifically, the National Partnership Agreements place emphasis on the timely delivery of projects with an outcomes-based focus to support economic growth and jobs. The National Partnership Agreements also outline:

- the establishment of an Oversight Group within the Department of the Prime Minister and Cabinet chaired by a 'Coordinator-General' comprising 'National Coordinators' for each State and Territory
- reporting and assessment requirements to manage and address concerns with project slippage, cost overruns and project delivery
- the development and coordination of spending and output benchmarks through the Heads of Treasuries.

The accountability mechanisms for Infrastructure Australia projects funded from the Building Australia Fund are yet to be determined.

## **1.41 Roads and Ports portfolio**

### **1.41.1 Budget Paper No. 3 page 285. Can the Minister provide a breakdown of what is involved in the:**

- **facilities improvement program;**
- **grants for business support;**
- **Multi-stage Tourism Marketing Campaign; and**
- **small business education aspects of the channel deepening support package.**

The Port Philip Bay Business Support Package was announced in November 2008 and reported in the *2008-09 Budget Update*. It consists of a range of initiatives to assist businesses to develop appropriate strategies to adapt to changes as a result of the Channel Deepening Project, as well as additional initiatives designed to improve the accessibility, amenity, environmental and recreational values of Port Phillip Bay and its beaches.

The *Facilities Improvement Program*, also known as the *Boating Infrastructure Fund*, is designed to make boating safer and more accessible for all Victorians. This program is administered by Marine Safety Victoria.

This program allocates funds to individual grant-based projects initiated by local government, government agencies, waterway managers (authorised under the Marine Act 1988) or committees of management, for works to be undertaken on either Port Phillip Bay or Westernport Bay.

Examples of projects that may be eligible for funding include the development and upgrading of boat ramps, jetties, floating pontoons, trailer parking, lighting, navigation aids and signage, wash down bays, fish cleaning tables, webcams and weather stations, dredging and improvements to selected infrastructure.

The remaining three programs, *Grants for Business Support*; *Multi-stage Tourism Marketing Campaign*; and *Small business education aspects of the Channel Deepening Support Package* are managed by the Department of Innovation, Industry and Regional Development [see below].

**1.41.2 Question redirected to DIIRD – Budget Paper No. 3 page 285. Can the Minister provide a breakdown of what is involved in the:**

- **Grants for business support;**
- **Small business education aspects of the channel deepening support package.**
- **Multi-page Tourism Marketing Campaign.**

**Grants for business support:**

The Port Phillip Bay Business Taskforce identified that marketing was the greatest need for businesses directly impacted by channel deepening. Funding was allocated for an individual marketing package valued at \$6,500 per business. 23 businesses are receiving this support.

Businesses have also been informed of Small Business Victoria programs including the ongoing Small Business Workshops and Seminars Program and the Skills for Growth program.

**The Small Business Education aspects of the channel deepening support package comprise the following elements:**

- Business Mentoring (up to 4 free sessions)
- Workshops and Seminars (access to existing SBV program or special topics identified as necessary by affected businesses)

There are 26 small businesses participating in this part of the business support package. All participating businesses have a business mentor to work through issues in relation to their business. Workshop and Seminar topics were chosen by the participating businesses and include:

- Marketing
- Finance
- Customer Service
- Website Optimisation
- Organisational Skills

These customised workshops and seminars will be delivered until September 2009.

### **Multi-page Tourism Marketing Campaign:**

The multi-faceted marketing campaign has three components. The first component concentrates on providing marketing support to those businesses operating on the water, in the southern part of Port Phillip Bay, that have been perceived to be directly affected by dredging. This includes advertising in local visitor guides and maps and local and Victorian newspapers, online marketing, mentoring, and memberships of tourism industry associations.

The second phase of the program is designed to increase business to those that may have been indirectly impacted by the channel deepening project. Funds will be used to develop marketing tools that will assist in destination promotion. This includes developing online banner advertising, photographic and video assets, and implementing existing brand campaigns. Funds will also be provided to support marketing of local signature events to increase visitation and yield.

The third phase of the package is to undertake an extensive media relations campaign to raise the profile of the area and counteract any negative perceptions of the Bay. The campaign includes hosting major television shows such as the Today Show, Coxy's Big Break and Postcards.

The marketing campaign was developed in consultation with Small Business Victoria and the Port Phillip Bay Tourism Task Force. The Task Force has representation from Tourism Alliance Victoria, Mornington Peninsula Tourism, Geelong Otway Tourism, The City of Port Phillip, the dive industry and other affected operators.

#### **1.41.3 A list of specific road resurfacing projects that VicRoads intends to undertake in 2009-10.**

There are currently over 1700 road resurfacing projects identified. These projects are undertaken based on the assessed priority and are subject to change as they are developed over 18 months prior to the commencement of resurfacing works. During this period the condition of the network may change and consequently project priorities change.

#### **1.41.4 Correction for possible erratum identified in the 2009-10 State Budget.**

The typographical errors in the Department of Transport's output statement, as published in the *2009-10 Service Delivery*, Budget Paper No. 3 (BP3), only relates to footnote references to some of the output performance measures. The corrected references are provided below. The department has also recently been advised by the Department of Treasury and Finance who have acknowledged these errors but however advised that the corrections will not be reflected in the online version of BP3.

## In relation to the Roads and Ports Portfolio

*Road Asset Management Output, BP3 page 245*

Corrections:

- 2009-10 Target for *Pavement resurfaced: metropolitan* should not have reference to footnote (p).
- 2008-09 Expected outcome for *Pavement resurfaced: regional* should refer to footnote (s) and not footnote (r).
- 2009-10 Target and 2008-09 Expected Outcome for *Road network maintained: metropolitan* should refer to footnote (t) and not footnote (s).

The following table reflects the corrected footnote references:

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
<b>Road Asset Management</b>					
<i>Quantity</i>					
Pavement resurfaced:					
• metropolitan	m <sup>2</sup> ('000)	1,934	1,968 <sup>(q)</sup>	1,583	2,204
• regional	m <sup>2</sup> ('000)	9,223 <sup>(r)</sup>	10,151 <sup>(s)</sup>	10,959	10,713
Road network maintained:					
• metropolitan	lane-km	11,391 <sup>(t)</sup>	11,222 <sup>(t)</sup>	11,802	11,419

## In relation to the Public Transport Portfolio

*Rural and Regional Public Transport Services Output, BP3 page 237*

Correction:

- 2008-09 Expected Outcome for V/Line train and coach services should refer to footnote (d).

The following table reflects the corrected footnote reference:

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
<b>Rural and Regional Public Transport Services</b>					
<i>Quantity</i>					
Passengers carried:					
• V/Line train and coach services	number (million)	14.4	13.1 <sup>(d)</sup>	12.5	11.6

*Specialist Transport Services Output, BP3 page 238*

Correction:

- the *Disability Discrimination Act (DDA) compliance for public transport infrastructure: upgrades to various access features at metropolitan stations* measure should refer to footnote (m) and not footnote (k).

The following table reflects the corrected footnote reference:

Major Outputs/Deliverables <i>Performance Measures</i>	Unit of Measure	2009-10 Target	2008-09 Expected Outcome	2008-09 Target	2007-08 Actual
<b>Specialist Transport Services</b>					
<i>Quantity</i>					
<i>Disability Discrimination Act (DDA) compliance for public transport infrastructure:</i>					
<ul style="list-style-type: none"> <li>upgrades to various access features at metropolitan stations<sup>(m)</sup></li> </ul>	per cent	6	nm	nm	nm

### **1.41.5 Reason why \$22 million in road maintenance costs are not included in an output group.**

The output initiatives listed in Table A.19 on page 354 of 2009-10 *Budget Paper No. 3* include an entry for \$22.6 million in Maintenance Funding for Roads.

### **1.41.6 Please provide a list and description of Federal grants received by departments and agencies in relation to your portfolio, and detail the accountability measures employed to deal with those grants.**

The Victorian Government continues to work in partnership with the Commonwealth Government to improve transport infrastructure in Victoria and to create and secure jobs in the current global economic climate.

In relation to the Roads and Ports portfolio, the 2009-10 Federal Budget provides funding for the following projects under the Nation Building Program (formerly AusLink 2):

- \$74 million for the Western Ring Road Upgrade
- \$40 million for West Gate Bridge Strengthening project
- \$17.5 million for Princes Highway East Traralgon to Sale
- \$10.5 million for Geelong Ring Road Stage 4A
- \$34 million for Western Highway Anthony's Cutting
- \$7 million for Western Highway Ballarat to Stawell
- \$5.4 million for Western Highway Stawell to South Australian Border
- \$37 million for Nagambie Bypass
- \$5.5 million for the Kings Road Interchange
- \$5 million for rail upgrades at Geelong Port and on the Melbourne–Adelaide rail line
- \$8 million for Altona/Laverton Precinct and the Dandenong Intermodal Terminal
- \$1 million for Somerton Intermodal Terminal
- \$5.2 million for Wimmera Intermodal Terminal

- \$8 million for the duplication of the Princes Hwy from Waurm Ponds to Winchelsea<sup>616</sup>

In addition, through the Nation Building Program, the Commonwealth is providing \$80 million towards the \$140 million Springvale Road Grade Separation Project. The rail line at Nunawading will be lowered and a new road crossing will be built over it, to allow the smooth flow of traffic and trains.

The Commonwealth is also providing \$7.5 million to upgrade Colac–Lavers Hill Road, a key route for the timber and agricultural industries in South Western Victoria.

In its *Nation Building and Jobs Plan* the Commonwealth Government has announced a range of economic stimulus measures. This included funding for road and rail projects. The Package will provide funding to Victoria of \$11 million in 2008-09 for regional road maintenance and an additional \$34.2 million in 2009-10 to treat black spots across the State.

The Victorian Government is accountable for these projects to the Commonwealth through a range of legislative instruments and bilateral agreements undertaken by the Commonwealth and States and Territories through National Partnership Agreements.

These accountability measures include:

- monthly project reporting, including key milestone and project completion dates
- monthly project financial reporting
- reporting and assessment requirements to manage and address concerns with project slippage, cost overruns and project delivery
- annual audit
- post-project completion evaluation

More specifically, the National Partnership Agreements place emphasis on the timely delivery of projects with an outcomes-based focus to support economic growth and jobs.

The National Partnership Agreement for project funding under the economic stimulus packages, announced in December 2008 and February 2009 also outlines:

- the establishment of an Oversight Group within the Department of the Prime Minister and Cabinet chaired by a ‘Coordinator-General’ comprising ‘National Coordinators’ for each State and Territory
- reporting and assessment requirements to manage and address concerns with project slippage, cost overruns and project delivery
- the development and coordination of spending and output benchmarks through the Heads of Treasuries.

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<sup>616</sup> The current agreement between the State and the Commonwealth under the Nation Building Program 2009/10 and 2013/14 (formerly AusLink 2) includes the duplication of the Princes Highway West between Waurm Ponds and Winchelsea. The Commonwealth Government has agreed to consider ending beyond 2013/14 to continue the duplication of the Princes Highway West between Winchelsea and Colac.