

2019-20 Budget Estimates Hearing

Public Accounts and Estimates Committee

Gavin Jennings MLC
Special Minister of State

Tuesday 11 June 2019



Premier
and Cabinet

Victoria is growing and our economy is strong

This budget builds on the Government's record investments into infrastructure and services that make Victoria a better and fairer place to live. It promotes economic security and ongoing prosperity through responsible fiscal settings.



More than **450,000**
Jobs have been created since November 2014
As at May 2019

4.6%
Average rate of unemployment forecast in Victoria in 2018/19
As at May 2019



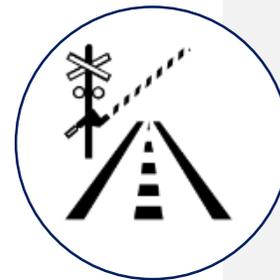
3.5%
Growth in real GSP in 2017/18, 0.7% above the national average
As at May 2019

Annual revenue growth over the forward estimates averages **4.3 per cent**, with expense growth averaging 3.1 per cent



More than **115,000**
Expected jobs created since infrastructure investments were announced by Government in 2014

\$34.5 billion
Total estimated investment in new capital investment in the 2019/20 Budget



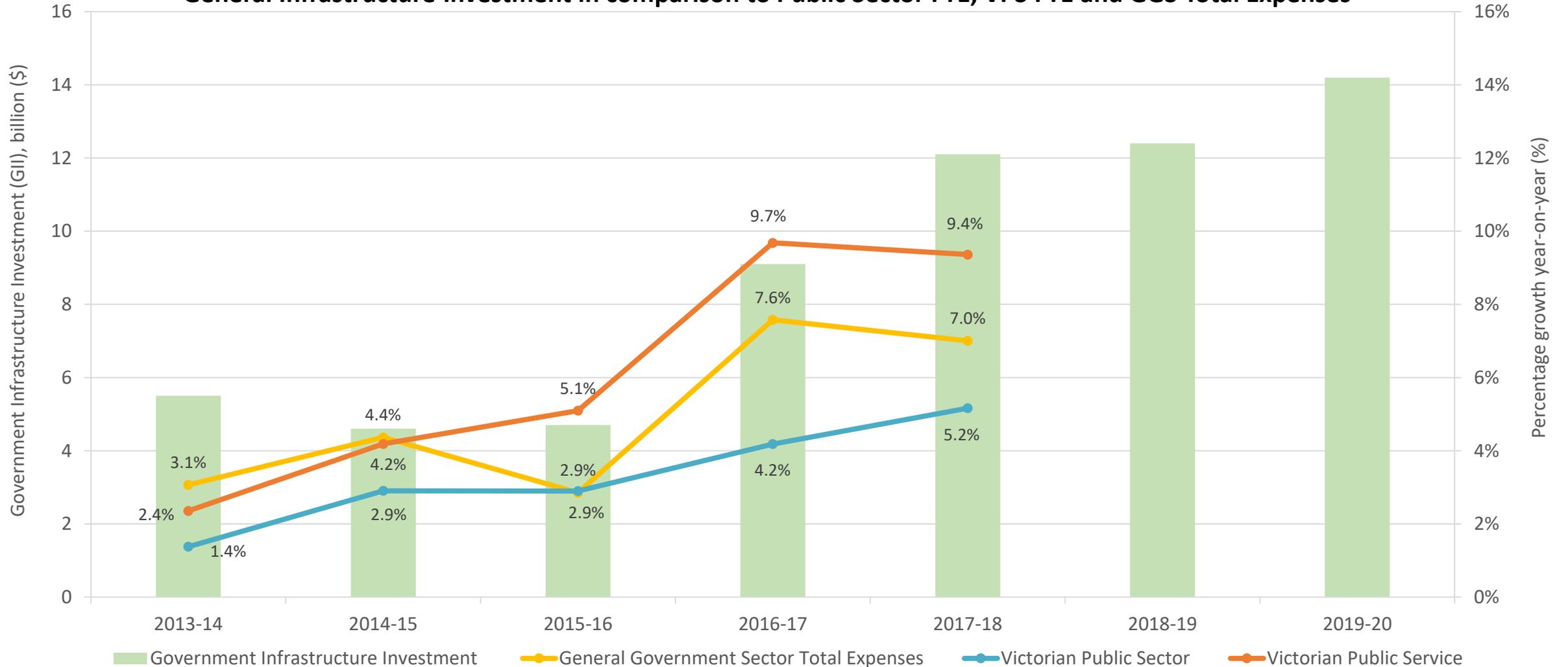
\$107 billion
Of State capital projects are commencing or underway

\$6.6 billion
To remove another 25 of the State's most dangerous and congested level crossings

A public sector that delivers for Victorians

The government has an opportunity to rethink how to address emerging priorities and position Victoria as a leader in innovation and public sector reform

General Infrastructure Investment in comparison to Public Sector FTE, VPS FTE and GGS Total Expenses



Public Sector Diversity

9% of the total Victorian labour force are public sector employees

Work Arrangements



45% of public sector employees work part-time

■ stable since 2017

74% of public sector employees are ongoing employees

▲ 2% on 2017

46% of public sector employees use flexible work arrangements

No historical statistics available

■ stable since 2017

67% of public sector employees are women

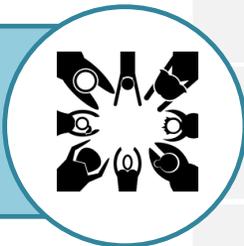
▲ 6% on 2017

50% of public service executives are women



Gender Equity

A Representative Public Sector



24% of public sector employees are born overseas

▲ 2% on 2017

6% of public sector employees identify as LGBTI

▲ 1% on 2017

1% of public sector employees identify as Aboriginal

■ stable since 2017

The Government is supporting regional areas to ensure all Victorians have the opportunity to work where they live

The Government supports key industries, boosts local jobs and provides important infrastructure and services to regional communities

Strong Regional Outcomes



4.2% regional unemployment rate – record low in the State of Victoria
As at May 2019

29.5% of public sector employees work in regional areas
As at June 2018

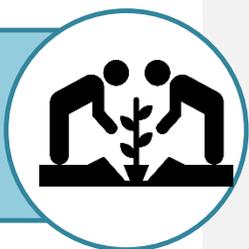
Connecting Regional Communities



\$340 million to build up to 18 new VLocity trains on regional lines

\$61 million to boost telecommunications coverage and eliminate black spots

Meeting Local Priorities



\$2.6 billion investment in the Delivering for Regional and Rural Victorians Program

\$760 million to deliver on the key priorities of Victoria's nine Regional Partnerships to meet the needs of regional communities

Public sector employment (headcount) as a proportion of total employment by Regional Partnerships Regions*

*Approximations only



Loddon Campaspe	10.3%	Gippsland	12.9%
Mallee	9.4%	Wimmera Southern Mallee	16.7%
Central Highlands	12.6%	Goulburn	14.9%
Barwon	12.2%	Ovens Murray	11.8%
Great South Coast	11.6%		

Notes:

(1) The proportion of public sector employment (headcount) by regional partnerships regions analysis are approximations only. This was developed using ABS employment data by local government area (LGA), mapped against regional partnerships regions which are made up of LGAs. Nine Regional Partnerships were established by the Victorian Government in 2016, including Loddon Campaspe, Mallee, Central Highlands, Barwon, Great South Coast, Gippsland, Wimmera Southern Mallee, Goulburn and Ovens Murray.

(3) VPSC workforce employment data is collected by postcode and is not mapped to these partnerships regions. Differences in mapping between the two data sources may cause errors in the estimation.

(4) Public Sector includes departments and public entities (e.g. schools, hospitals, emergency service organisations, etc.) and special bodies. Source: VPSC Workforce Employment Data, June 2018; Australia Bureau of Statistics, Labour Force, Cat. 6291.0, June 2018

This Government is committed to keeping its promises and delivering strong policy outcomes for Victorians

Key achievements

Supporting an innovative and high performing public sector

- Nesta States of Change partnership
- Cross-government analytics services
- CivVic Labs
- Innovation Network

Establishing a modern and secure data oriented public service

- Outcomes and Evidence Reform
- Single Digital Presence
- MyVictoria
- Digital and Data Standards

Strengthening the State's accountability and transparency

- Reforming IBAC functions
- New donations disclosure and reporting scheme
- Increased funding for integrity agencies
- Established the Victorian Independent Remuneration Tribunal

Delivering better outcomes to Victorians through citizen and government partnerships

- Engage Victoria
- Victorian Partnerships Dashboard

Building the State's cyber resilience

- Cyber awareness and capability uplift programs
- WoVG Cyber Incident Response Service (CIRS)

2019/20 Budget initiatives

- **Building capacity in the Office of the Chief Parliamentary Counsel (\$2.5 million over five years)** – for additional legislative drafters and publishers to assist in delivering the Government's legislative agenda, including an IT systems upgrade.
- **Understanding and responding to citizen need (\$3.6 million over two years)** – to improve Government's social media capability and resources to better understand and respond to citizen needs.
- **Public Record Office Victoria Grants and Awards Program (\$1.6 million over four years)** – for the continued delivery of the Local History Grants Program and the Victorian Community History Awards, including the Victorian Premier's History Award.
- **Best practice integrity oversight* (\$2.3 million over three years)** – for the Victorian Inspectorate (VI) to support governance and finance activities in the lead up to the agency achieving budgetary independence from 1 July 2020. Upgrades will also be made to the VI's IT systems.
- **Funding to the Ombudsman's Office (\$16.3 million over four years)** – to ensure critical services for the oversight of public administration in Victoria continue to be provided promptly and effectively, and a sound integrity system is maintained.
- **Funding to meet increased demand and remit of the Local Government Inspectorate (\$3.3 million over four years)** – for the Inspectorate to expand to meet increasing demand for investigations and proactive governance activity. One-off surge resourcing will also be provided to meet increased activity resulting from the October 2020 local government elections.

* Includes \$0.5 million in capital funding.