

TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Budget estimates 2019–20 (Veterans)

Melbourne—Friday, 7 June 2019

MEMBERS

Mr Philip Dalidakis—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr Gary Maas

Mr Danny O'Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Ingrid Stitt

Ms Bridget Vallenge

WITNESSES

Mr Robin Scott, Minister for Veterans,

Mr David Burns, Executive Director, and

Ms Angela Bourke, Director, Department of Premier and Cabinet.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. On behalf of the Parliament, the committee is conducting this inquiry into the 2019–20 budget estimates. Its aim is to scrutinise public administration and finance to improve outcomes for the Victorian community. The committee will now begin consideration of the veterans portfolio. I welcome again Minister Scott and officers from the department. I thank you all for appearing before the committee today.

All evidence given is protected by the Parliamentary Committees Act. This means that it attracts parliamentary privilege and is indeed protected from judicial review. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

Minister, I invite you to make a brief presentation or opening statement of no more than 5 minutes, which will be followed by questions from the committee.

Visual presentation.

Mr SCOTT: Thank you, Chair. I am pleased to have this opportunity to update the committee on the veterans portfolio, including the 2019–20 budget initiatives and key achievements in 2018–19. The government supports Victorian veterans' wellbeing and recognition and acknowledgement of their service through initiatives to support their successful transition particularly into civilian life. A key example of that is the veterans employment strategy, which is about recognising and capitalising on the valuable skills of our veterans in the public sector as well as supporting veteran employment on major government infrastructure projects.

We continue to provide a range of grants for commemorative and educational projects, war memorial restoration and programs that provide welfare support for veterans. We provide support to the Shrine of Remembrance, which is at the core of Victoria's efforts to preserve the legacy of our veterans and which had 1.2 million visitors in 2017–18. The history and war heritage strategy supports Victorians to identify, access and protect our war heritage, and through the Premier's Spirit of Anzac Prize secondary school students are keeping stories alive of our veterans community.

In 2019–20 the government is committing \$7.8 million to support Victorian veterans. This budget's outline issues includes half a million dollars over four years to introduce a weekly Last Post ceremony at the Shrine of Remembrance to recognise the sacrifice made in serving our nation; \$1 million over four years for the Vietnam Veterans Association of Australia, Victorian branch, to support members and acknowledge Vietnam veterans through welfare support; \$480 000 over four years so that all government secondary schools can host a guest speaker from the Vietnam Veterans Association of Australia; support of \$200 000 to the National Vietnam Veterans Museum to increase student visitation to the museum; \$1 million over four years to Veterans in Construction to secure work for 100 veterans across major projects and other private-sector jobs; \$1.5 million over two years to support the expansion of the Centenary of Anzac Centre, which provides mental health support for current and former Australian Defence Force personnel and their families; and \$1.3 million over two years to support the commemoration of the 75th anniversary of the end of the Second World War in 2020.

A key focus in 2018–19 was the Anzac centenary, which of course represents the 100th anniversary of the armistice on the 11th of the 11th 1918 at the end of the war.

The public sector veterans employment strategy target of 250 veterans employed in the Victorian public sector has already been exceeded. I recently announced a tripling of the target to 750 by June 2021. The veterans employment initiative provided \$344 000 for veteran employment on some Victorian key infrastructure

projects, of which \$280 000 was provided to Jobs Victoria to deliver a pilot program to assist 50 veterans to secure construction-based employment on major government infrastructure projects.

The government continues to support the annual Anzac Day dawn service and march at the Shrine of Remembrance, which I was lucky enough to attend this year, with 30 000 attending. A greater number of young Victorians applied for the Premier's Spirit of Anzac Prize in 2018, where the budget paper 3 target was exceeded, with 370 entrants. Funding is continuing and applications are now open.

Museums Australia (Victoria) was funded \$329 000 to deliver the veterans war heritage project throughout 2016 to 18. Due to demand the government has extended the collections training program to a further 14 locations until 2021. I am happy to take questions.

The CHAIR: That is very good of you. Minister, you are ahead of time, and should I say ahead of budget? Given that we are here, we will move to government questions and, given that we are slightly ahead of time, you have 11 minutes, Mr Maas.

Mr MAAS: Minister, I would like to focus on veterans who are transitioning out of the services and into the workforce, and in particular take you to budget paper 3, page 309. In relation to veterans employed in the public sector there appears to be a change in the target and the way that that target is measured. Can you expand on the way this program works and the reason for the change in the measurement?

Mr SCOTT: Okay, so this stems from an earlier budget. There is funding being expended over the estimates period, so it is relevant to this hearing. In the 2017–18 budget the government committed \$900 000 over four years to deliver the veterans employment strategy.

Can I place on record, as I have in the house, my deep gratitude to the work of retired Major General McLachlan, a really committed individual to veterans and their welfare, and the work that he has undertaken on behalf of veterans and in fact the Victorian community more generally. He has really driven this strategy in cooperation with the public sector and the veterans community. And what has happened is that the response to the work undertaken by retired Major General McLachlan and the public sector and the veterans community has ensured that we have been able to exceed this target. So the original target was for 250 veterans to be employed. We have been able to effectively triple the target, and hence there is a larger target of 540 people to be employed in 2019–20. And this is really a win-win, because the Victorian public sector gets the benefit of the skills and talents of veterans, people who have been trained, often worked in the most difficult of circumstances and come with a very focused attitude to help and serve the community. They come and they serve the community in many different roles across the public sector. For the veterans community there is a win in obtaining secure, well-paid employment within the public sector, where their skills and talents can be utilised for the public good.

And it is not just about remuneration. What we find with veterans is they are often people dedicated to public service. It should not be a surprise that persons who are willing to, in literal cases, risk their own lives—when talking about some of the foreign commitments many of them have been on—for the public good and have a very focused desire to help the Victorian community. Through the success of this work, and again I commend David McLachlan for his work, as of February 2019, 333 veterans have been already employed within the public sector. So this is an expansion of a program due to its success.

I think we should commend all those involved, people who are giving up their time, working hard for the benefit of those who have been willing to risk their lives for the Victorian community. It is often forgotten that there are very significant numbers of veterans in Australia who have served overseas in recent conflicts. Often people, when they think of veterans, think of veterans being from World War II or the Korean War or the Vietnam War, but there are significant numbers of people living in Victoria who have served in recent conflicts, whether it be Afghanistan or Iraq. So we should acknowledge that work, we should honour the service and dedication of those who are willing to risk themselves on behalf of the Victorian community. I think it is important that we also see that this is not an act of charity, because the skills and talents of these individuals add significantly to the ability of the Victorian public sector to deliver the services on behalf of the community that allow for the civilised society we create through the provision of government service. There is a benefit to the Victorian community and the Victorian public to have the skills, talents and public dedication of these veterans, and I would like to place on record my thanks for the work they undertake in the Victorian public sector.

Mr MAAS: You mentioned the tripling of the target from 250 to 750. Are there any extra costs involved with that trebling effect? And if so, how much?

Mr SCOTT: The short answer is no. This is an example of increased efficiency in a very real sense, and without labouring the point again, I note retired Major General McLachlan's work in this area and the work of those in the public sector who have been engaging in this process. There have been a number of areas, and particularly Victoria Police has been the area of government with the largest number of veterans being employed, but it has actually been in other areas across government as well. There has been such an ability to leverage goodwill, and also the drive and determination and talents of the veterans coming in, that we have been able to exceed without increasing costs. So the short answer is no, but I think it is important to place on record that this is due to people's hard work and the really exceptional talent of the veterans who are coming into the public sector.

Mr MAAS: We have talked a bit about the public sector as a transition for employment for veterans. Is the government doing anything in the areas of the private sector?

Mr SCOTT: Yes. There is a program, and it was outlined in the election commitment that was made by the Victorian government prior to being re-elected, the \$1 million Veterans in Construction, to support 100 veterans into employment over four years on major projects in government but also with other private sector employees. I have to place on record again that this is something being driven by veterans themselves. So the work that is being undertaken here is a reflection of the talents and skills of the veterans. Veterans in Construction specialise in advocating for the skills and experience of veterans and what they can bring to the construction sector and in facilitating employment within the construction sector. So this is both a commitment within the current budget and there was an allocation—I touched upon it earlier—of \$344 000 in the 2018–19 budget to support veteran employment, including on major government infrastructure programs. This has been, although funded from my department's output, in cooperation with Jobs Victoria, which is not unusual because the specialised skills relating to employment exist within that aspect of government. Just as there were programs when I was the Minister for Multicultural Affairs, where there was funding provided from within another portfolio, Jobs Victoria provides the specialist knowledge and coordination of that process within government.

Mr MAAS: I take you to the topic of remembering our veterans and refer you to table 1.17 on page 92 of BP3. Could you please outline what is entailed by the 'Learning Firsthand: Changes to Vietnam War Education'—what it is meant to fund and what is the desired outcome for this?

Mr SCOTT: That is an important question. This is an acquittal of an election commitment that was made in relation to providing education and awareness opportunities about the Vietnam War to Victorian students. It is \$0.1 million because of the rounding issue, but it is actually \$480 000 over four years to support all government secondary schools to host a guest speaker from the Vietnam Veterans Association of Australia. The veterans speeches will be targeted at year 9 and 10 students and will be recorded for use as part of classroom resources for other students. The government believes, and I am sure all members of the committee would share the view, that the Victorian ex-service community deserves to be respected, recognised and supported in a meaningful and socially inclusive way. Victoria has a strong heritage of persons who served and in fact risked and, sadly, have given their lives in support of the governments of the day expressed policies, and so it is important that we recognise the Vietnam veterans. The government committed to support all government secondary schools to host a guest speaker, and this is the acquittal of that promise.

There are also grants that allow communities to develop and present their own program of activities. Victorian ex-service organisations, local government authorities, not-for-profit organisations and educational institutions will all be able to apply for those grants.

Mr MAAS: In what other ways is the government helping to encourage younger generations to recognise the service of our vets?

Mr SCOTT: There is specifically funding, of \$200 000, to increase student visitation at the National Vietnam Veterans Museum, which involves, for example, the waiving of fees for schoolchildren and some other funding for the museum. The museum is located at Phillip Island. There is a desire from the government

to ensure that more Victorians attend the museum to gain a greater understanding of the experience of Australians in the Vietnam conflict.

There is also the Spirit of Anzac Prize, which is a competition for years 9 and 10 students to allow them to learn about the legacy of those who served Australia. The Premier's Spirit of Anzac Prize is in its 15th year, and it has been a piece of public policy and a prize that has been supported across different governments in Victoria. I would always hope that support for our veterans is something which is not partisan and that we would all recognise their work and encourage young Victorians to engage with the experiences of veterans and seek to understand the historical context in which they occurred. Over that period 3000 students have taken part in the prize, with over 340 students taking part in either an overseas or a Canberra study tour. This year the overseas study tour was to Vietnam and to Singapore. The tour explored—

Mr D O'BRIEN: On a point of order, Chair, I believe it is our time.

The CHAIR: My apologies.

Mr D O'BRIEN: Minister, budget paper 3, page 309, lists the total output cost for veterans as \$7.7 million—

Mr SCOTT: Correct.

Mr D O'BRIEN: which is a \$2.8 million reduction on last year. The footnote on this figure suggests that is a lower target due to lapsing funding for the Anzac centenary, but you mentioned, I think, \$1.5 million continues for the Anzac centenary—

Mr SCOTT: No, not the Anzac centenary. No, you are confusing it. That is Anzac House. That is a different program. So that is not the Anzac centenary I was referring to. So in centenary house, sorry—

Mr D O'BRIEN: No, but in your intro you talked about \$1.5 million?

Mr SCOTT: Yes, so there is \$1.5 million; that is the Anzac Centre, which is providing trauma services for veterans, so it is different issue.

Mr D O'BRIEN: Okay. The issue therefore is that there is a \$2.8 million reduction in the veterans budget. That is partially explained by the wind-up of the Anzac centenary celebrations, but why is there such a significant cut and what is available for the celebration of the 75th anniversary of the end of World War II?

Mr SCOTT: Okay. So in terms of the reductions, obviously the centenary of Anzac is over, as the war ended on 11 November 1918, and we do not continue to have the 100th anniversary subsequently.

Mr D O'BRIEN: Yes, I understand that.

Mr SCOTT: There was a funding line item which has lapsed of war heritage education programs and commemoration, which is principally in relation to the centenary of Anzac, and that was \$2.6 million.

Mr D O'BRIEN: Correct. So there is at least on top of that another \$200 000 being reduced. What has been cut?

Mr SCOTT: There are some elements of carryover. Some services that effectively are welfare grants have been replaced by other policies. I can provide some further information to you if you wish.

Mr D O'BRIEN: So there is a \$200 000 cut at least.

Mr SCOTT: Well, there are some carryover issues, because the funding of \$10.5 million included a carryover of \$1.1 million. So there was \$1.95 million anticipated, so you note the difference between the expenditure and the expected expenditure—sorry, the budget and the expenditure. So there is an anticipated veterans carryover at the time of the budget of about \$1.95 million. In fact the carryover was left—

Mr D O'BRIEN: Sorry, from last year's budget?

Mr SCOTT: Yes. So in fact it is not quite as large a number because of the carryover issue. That partly explains the issue.

Mr D O'BRIEN: There was less carryover, so there was actually less spent in—

Mr SCOTT: In 18–19.

Mr D O'BRIEN: in 18–19.

Mr SCOTT: Yes.

Mr D O'BRIEN: And there will be less spent again in 19–20?

Mr SCOTT: Yes, that is correct, principally around the issues relating to reductions in funding because of the ending of the centenary of Anzac.

Mr D O'BRIEN: So what is provided for the 75th anniversary then?

Mr SCOTT: I can provide that information. In terms of the centenary of Anzac I would have to disaggregate one—

Mr D O'BRIEN: No, no, for the 75th anniversary.

Mr SCOTT: The 75th anniversary. Under the line item 'Understanding and remembering service'—and bear with me, I will try and be as clear as possible in relation to this—there is a line item of I think \$1.1 million in 18–19. Commemorating of the 75th anniversary of Anzac is contained within that \$1.1 million in 2019—

Mr D O'BRIEN: No, sorry. Again, the 75th anniversary.

Mr SCOTT: The 75th anniversary. Sorry, it has been an interrupted day. The 75th anniversary of the end of World War II is contained within that \$1.1 million, of which—

Mr D O'BRIEN: Sorry, what budget paper reference is that, Minister?

Mr SCOTT: It is the same budget paper reference that has been provided previously. So it is contained within the 'Understanding and remembering service' element on page 92. There is \$1.1 million. If you just bear with me, I will just get you the detail of the exact figure for the 75th. There is \$1.3 million over two years. So if you look to that, that funding appears on page 92.

Mr D O'BRIEN: Yes.

Mr SCOTT: And you have got \$1.1 million in 19–20. 20–21 has \$1.3 million, and it drops to \$400 000. One point three million dollars of that line item over two years is to support the commemoration of the 75th anniversary of the end of the Second World War.

Mr D O'BRIEN: Okay. Thank you, Minister. Can I just move on. On Monday there were media reports that the shrine may have to ask visitors for donations, given they were refused a particular grant, I think, from the Melbourne City Council. Can you give a guarantee to the committee and to Victorians that they will not be asked to pay to visit the shrine?

Mr SCOTT: There is certainly no intention that I have heard of to seek a payment. I have certainly not approved the payment. The budget allocation includes \$700 000 per annum, which was announced in the 2017–18 budget to help the shrine—that is per annum—maintain its facilities and deliver commemorative activities.

Mr D O'BRIEN: That was capital funding?

Mr SCOTT: But there is an agreement that exists between the City of Melbourne and the shrine. In fact there is a requirement under legislation, and there is obviously a difference of opinion between the City of Melbourne and the shrine about the nature of those issues. There is certainly no intent, as far as I am aware, and

I have certainly received no proposal to the effect that visitors to the shrine will be required to make payment, and it would not be my view that that should occur. But I am happy to—

Mr D O'BRIEN: Okay. But if the shrine was short of money, would you provide assistance to ensure that does not occur in monetary terms?

Mr SCOTT: I am not in a position to make further announcements for all sorts of reasons relating to how government works, including the allocation of funding through an appropriation as a normal mechanism for what we have announced and what would be the case. I would note there is no reduction in the amount that is being offered by the Melbourne City Council. The shrine did make a request for further additional payments, but there has been no reduction in the funding provided by the Melbourne City Council. As of 2017–18 it is my understanding that the state at that time increased the funding that is provided to the shrine. So from a state perspective there was an increase of funding to the shrine. I have to say: the shrine is a very important part of the society—and not just on Anzac Day, but I have to say the Galleries of Remembrance and other work that is undertaken there and the commemoratives activities—

Mr D O'BRIEN: A tourist attraction of course as well.

Mr SCOTT: And of course there is also funding for the weekly service to be conducted at the shrine being provided for in this budget. So there is in fact increased support for activities at the shrine in this budget. I am not in a position to make further announcements, but I can give the assurance to the committee that the activities of the shrine receive both support from the government and an acknowledgement and understanding of the importance of that work.

Mr D O'BRIEN: Minister, very briefly, you had a number of pictures of RSLs in your presentation, but there is no mention whatsoever of support for RSLs in the budget. Will RSLs still be able to apply for grants to upgrade their facilities to serve our veterans?

Mr SCOTT: Yes, the major capital works program, which continues.

Mr D O'BRIEN: So are those programs ongoing—funded ongoing?

Mr SCOTT: Well, there is certainly funding in the coming—

Mr D O'BRIEN: Minister, sorry. Can I get that on notice? I am going to run out of time. And perhaps also what the funding profiles for all those profiles are on notice, if I could, please.

The CHAIR: That is a good segue, Mr O'Brien. Thank you very much for wrapping that up.

Mr D O'BRIEN: Sorry, can I just get a yes from the minister?

Mr SCOTT: Well, I am certainly happy to provide some further formation on notice, but I would note that it is quite normal for there to be programs over, say, a four-year or two-year period, and that does not imply that there would be future funding cuts beyond that period.

Mr D O'BRIEN: Just what the future funding is would be welcomed.

Mr HIBBINS: Mr O'Brien has actually touched on one of my questions, and you may not have the details on you, but just the overall funding that is available for the capital works program. Is that information that you have on hand?

Mr SCOTT: When you say the capital, do you mean the grants program for capital works?

Mr HIBBINS: There is the veterans minor capital works grant program and the veterans major capital works grant program.

Mr SCOTT: So there are announcements for the veterans capital works program of \$2.242 million in the 18–19 budget, and that was over a two-year period, so it continues on this year.

Mr HIBBINS: So it is about \$2.24 million—

Mr SCOTT: But that is over two years.

Mr HIBBINS: over two years.

Mr SCOTT: So there is funding during the 19–20 year.

Mr HIBBINS: Yes. Can you give us any indication previously to those programs whether they have been subscribed?

Ms BOURKE: Yes.

Mr SCOTT: The first year, yes is the answer.

Mr HIBBINS: Yes. Thank you.

Mr SCOTT: Obviously there is another round of funding so I have not able to predict the exact profile, but the answer for the previous year is yes.

Mr HIBBINS: Okay; great. Thank you. Can I clarify that I assume the drop in community engagement from 2017–18 to 2018–19 is due to the end of the centenary activities; is that correct?

Ms BOURKE: No. Sorry?

Mr SCOTT: No.

Mr HIBBINS: So in budget paper 3, page 309, ‘Performance measures’, ‘Community engagement’, we go from 1.2 million—I presume—people in 2017–18 and then a target of 750 000 in 2018–19.

Mr SCOTT: We do not have full statistical information. Obviously the year had not finished at the time, so I would expect to potentially revise that figure in the future, by the next budget obviously. There may be a drop off, but it is our not absolutely certain what that number would be, but obviously there is a period when the commemoration of the centenary of Anzac has come to an end, and that explains some element of that, but there is also a statistical element where we have not fully collected data.

Mr HIBBINS: Okay. So it might explain some of it, but it does not explain all of it.

Mr SCOTT: Well, we want to see what the full data result is before saying too much further. Obviously we have not completed the financial year. Although it is an expectation, at this point in time I would be careful about providing further detail at this moment.

Mr HIBBINS: All right. Thank you. Just in terms of people attending the Shrine, which is in the Prahran electorate, obviously there is a construction site with the Domain station going on next door. There are probably going to be trucks regularly using, I think it is, Birdwood Avenue as one of the main thoroughfares. Is there anything being done to ameliorate any negative impacts on the Shrine or attendance at the Shrine?

Mr SCOTT: Yes, and that is a good question. I have had some discussion with the Shrine trustees in part, but I understand that the Shrine trustees have been in close consultation with the Melbourne Metro Rail Authority about the works and the potential impact on the Shrine of Remembrance and Shrine reserves. They have undertaken to provide me with regular updates on the project’s progress and any potential impacts on the activities at the Shrine of Remembrance. The planned works have a lower impact on the Domain precinct compared to other proposals in relation to a number of trees being removed and the continued use of St Kilda Road during the duration of works. Of course this is a very significant project, so I cannot say there will be no impact on the Shrine, but there certainly were consultation processes in place between the Shrine and the—

The CHAIR: Minister, unfortunately I will have to interrupt and ask you to take the rest of that answer on notice. Can I thank you very much for appearing before the committee today. The committee will follow up on

any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request.

Witnesses withdrew.