



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2009-10 AND 2010-11 FINANCIAL AND PERFORMANCE OUTCOMES QUESTIONNAIRE — PART ONE –

ADDITIONAL INFORMATION REQUESTED

DEPARTMENT OF BUSINESS AND INNOVATION

SECTION A: Output variations (departments only)

Question 1

In relation to the departmental outputs listed in the budget papers, please provide a detailed explanation for all instances where an output cost for 2009-10 or 2010-11 varied from the initial target by greater than ± 10 per cent:

Output costs in 2009-10:

Output	Expected expenditure 2009-10 (2009-10 budget papers)	Actual expenditure 2009-10 (2009-10 annual report)	Explanation	Impact on the community of reduced/increased expenditure compared to budget
	(\$ million)	(\$ million)		
Sector Development	66.3	47.2	The variance reflects the rephasing of funding for investment attraction activities to future years.	Underspend resulted in a carryover of funding from 2009-10 to future years, therefore there will be no impact on the community.
Small Business	40.5	33.4	The Skills for Growth program was rephased to future years to better align the funding allocation with the revised program requirements.	As this underspend resulted in a rephasing of funding to future years, there will be no impact on the community.
Innovation	20.2	19.3	This output did not vary from the target by greater than ± 10 per cent.	N/A
Science and Technology	177.4	155.8	The Victorian Innovation Statement was rephased to future years to better align the funding allocation with the revised program requirements.	An underspend resulted in a carryover of funding from 2009-10 to future years, therefore there will be no impact on the community.
Strategic Policy	8.0	7.1	Underspend in funding resulted in a carryover into 2010-11.	As this underspend resulted in a carryover of funding from 2009-10 to 2010-11, there was no impact on the community.
Investment Attraction and Facilitation	71.8	85.3	Additional funding was received during the year for investment attraction, as well as initiatives such as the World Expo Shanghai 2010 which were not in the published budget.	Additional Grants were available to the business community.

Output	Expected expenditure 2009-10 (2009-10 budget papers)	Actual expenditure 2009-10 (2009-10 annual report)	Explanation	Impact on the community of reduced/increased expenditure compared to budget
	(\$ million)	(\$ million)		
Exports	18.4	17.3	This output did not vary from the target by greater than ± 10 per cent.	N/A
Regional Infrastructure Development	84.6	67.7	Underspend in the Regional Infrastructure Development Fund (RIDF) was carried over into 2010-11.	As this underspend resulted in a carryover of funding from 2009-10 to future years, there will be no impact on the community.
Regional Economic Development, Investment and Promotion	69.5	47.2	The variance reflects carryover for the Provincial Victoria Growth Fund, Geelong Industry and Innovation Fund and the Living Regions, Living Suburbs Program.	As this underspend resulted in a carryover of funding from 2009-10 to 2010-11, there was no impact on the community.
Skills	1,829.1	2,038.2	Additional Funding was received after the 2009-10 budget was published for the Capital Asset Charge, Demand Driven Funding, additional Exemptions, additional Fee Waivers, the Youth Compact, Teachers Multiple Business Agreements and additional Commonwealth Funding.	Additional funding for demand driven places, exemptions and fee waivers, along with the Youth Compact funding increased the impact on the community by allowing additional students to access the TAFE system by providing additional funding options for eligible students.
Industrial Relations	8.6	8.2	This output did not vary from the target by greater than ± 10 per cent.	N/A
Workforce Participation	27.1	27.9	This output did not vary from the target by greater than ± 10 per cent.	N/A
Tourism	75.2	91.0	Additional Funding was received from the Major Events Fund and Natural Disaster Recovery funding during the 2009-10 financial year. At the time of the budget being published these amounts were not confirmed.	Impact on community was that additional funding/events were available in Victoria.
Major Projects	9.3	46.3	Expenditure was related to the Melbourne Convention Centre Development, Melbourne Wholesale Markets Relocation Project, as well as projects such as Parkville	The majority of this additional expenditure had no impact on the community as the increased expenditure was driven by an increase in land sales (matching revenue

Output	Expected expenditure 2009-10 (2009-10 budget papers)	Actual expenditure 2009-10 (2009-10 annual report)	Explanation	Impact on the community of reduced/increased expenditure compared to budget
	(\$ million)	(\$ million)		
			<p>Gardens and the cost of goods sold for the land held for the Kew Residential Development* which occurred during 2009-10, but was not included in the published budget.</p> <p>The Melbourne Whole Markets transferred from the Department of Primary Industries (DPI) during 2009-10. As this was not known at the time of the 2009-10 budget being finalised, it could not be included.</p> <p>Melbourne Convention Centre Development and Parkville Gardens expenditure increased due to a higher than anticipated final carryover from 2008-09. The lower estimate was included in the published budget numbers.</p>	offset).

Output costs in 2010-11:

Output	Expected expenditure 2010-11 (2010-11 budget papers)	Actual expenditure 2010-11 (2010-11 annual report)	Explanation	Impact on the community of reduced/increased expenditure compared to budget
	(\$ million)	(\$ million)		
Sector Development	42.2	47.2	The additional expenditure relates to activities that remained with the Department of Business and Innovation (DBI) after the transfer of Regional Development Victoria to the Department of Planning and Community Development (DPCD) but were previously recorded under other outputs. This includes regional food activities and additional expenditure for the Industry Transition Fund.	There was minimal impact on the community as funding was transferred from the prior financial year to implement program requirements.
Small Business	33.4	41.5	The additional expenditure for this output primarily relates to additional trust expenditure by Business Victoria Online which was not included in the 2010-11 Target. This also	There was minimal impact on the community as funding was transferred from the prior financial year to implement program requirements.

Output	Expected expenditure 2010-11 (2010-11 budget papers)	Actual expenditure 2010-11 (2010-11 annual report)	Explanation	Impact on the community of reduced/increased expenditure compared to budget
	(\$ million)	(\$ million)		
			includes expenditure for the Reducing the Regulatory Burden project.	
Innovation	14.0	17.7	Additional carryover from 2009-10 was incurred in 2010-11 and was a variance to the published budget which had a lower level of carryover estimated.	There was minimal impact on the community as funding was transferred from the prior financial year to implement the program requirements.
Science and Technology	164.9	131.8	The variance to target relates to underspend in the Victorian Innovation Strategy (VIS). This underspend has been rephased to future years or carried over to 2011-12.	There was minimal impact on the community as funding was transferred to future years to implement program requirements.
Strategic Policy	8.3	7.4	There was underspend in the Major Events Post Evaluation resulted in a carryover which was spent during 2011-12.	There was minimal impact on the community as funding was transferred to future years to implement program requirements.
Investment Attraction and Facilitation	83.2	61.2	This variance to target relates to underspend in programs, in particular the Investment Support Program and Transition to a Global Future which have been carried over or rephased to future years.	There was minimal impact on the community as funding was transferred to the next financial year to implement program requirements.
Regional Infrastructure Development	56.0	29.5	As a result of machinery of Government transfers, the majority of this output transferred to DPCD from 1 January 2011. Those components of the output that remained with DBI have been transferred to the Exports and Investment Attraction and Facilitation outputs.	Not applicable due to expenditure now being undertaken by DPCD.
Regional Economic Development, Investment and Promotion	41.4	31.3	As a result of machinery of Government transfers, the majority of this output transferred to DPCD from 1 January 2011. Those components of the output that remained with DBI have been transferred to the Exports and Investment Attraction and Facilitation outputs.	Not applicable due to expenditure now being undertaken by DPCD.
Skills	1,976.2	1,108.9	As a result of machinery of Government transfers, the	Not applicable due to expenditure now being undertaken

Output	Expected expenditure 2010-11 (2010-11 budget papers)	Actual expenditure 2010-11 (2010-11 annual report)	Explanation	Impact on the community of reduced/increased expenditure compared to budget
	(\$ million)	(\$ million)		
			majority of this output transferred to DEECD from 1 January 2011.	by DEECD.
Industrial Relations	7.7	8.7	Additional carryover from 2009-10 was incurred in 2010-11 and was a variance to the published budget which had a lower level of carryover estimated.	The impact on the community (if any) is not known as funding was transferred from the prior financial year to implement program requirements.
Workforce Participation	26.2	25.3	This output did not vary from the target by greater than ± 10 per cent.	N/A
Tourism	76.6	144.0	The additional expenditure against this output relates to new funding received from the Major Events Cap. Funding was also received for activities related to flood recovery.	The impact on community was additional funding/events available in Victoria.
Major Projects	11.0	79.4	The additional expenditure for this output primarily relates to additional expenditure which was not included in the target for the Kew Residential Land Development.*	This additional expenditure had no impact on the community as there was offsetting third party revenue that covered the additional expenditure.

Notes: *2009-10 & 2010-11- Kew Residential Development costs were not reflected in the budget papers as they are sourced from external parties (the contracted developer) and were not obtained in time for publishing. The additional costs relate to the cost of goods sold (development costs) for the land held for redevelopment at the Kew Residential; Development.

Question 3

For each of the output costs listed for the Department in the budget papers, please break the expense for 2010-11 down into the first six months and second six months of the financial year and explain any variations greater than ± 10 per cent between the two six-month amounts:

Output	Expense 1/7/2010- 31/12/2010	Expense 1/1/2011- 30/6/2011	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Industries & innovation - sector development	21.2	25.9	A larger amount of grant expenditure related to this output was paid to grant recipients in the first six months of the financial year in accordance with achievement of milestones.
Industries & innovation - small business	26.7	14.7	Grants, particularly around the Skills for Growth program are predominately paid in the first half of the financial year to align with the second semester of the TAFE Institutes and other registered training providers who provide up skilling to recipients under this program.
Industries & innovation - innovation	9.3	8.4	Variance was less than ± 10 per cent for this output.
Industries & innovation - science and technology	72.7	59.1	A larger amount of grant expenditure related to this output was paid to grant recipients in the first six months of the financial year in accordance with achievement of milestones.
Industries & innovation - strategic policy	4.1	3.3	A larger amount of grant expenditure related to this output was paid to grant recipients in the first six months of the financial year in accordance with achievement of milestones.
Investment & trade - investment attraction and facilitation	39.0	22.2	A larger amount of grant expenditure related to this output was paid to grant recipients in the first six months of the financial year in accordance with achievement of milestones.
Investment & trade - exports	10.2	9.1	A larger amount of grant expenditure related to this output was paid to grant recipients in the first six months of the financial year in accordance with achievement of milestones.
Employment and Industrial Relations	21.1	12.9	Grant expenditure related to this output was paid to grant recipients at a higher level in the first six months of the financial year. This output was also impacted by the machinery of Government transfer of the Public Sector Industrial Relations unit to the Department of Treasury and Finance (DTF).
Marketing Victoria - tourism	69.0	74.9	Variance was less than ± 10 per cent for this output.
Major Projects	56.3	23.1	Expenditure related to this output was paid at a higher level during the first six months of the financial year in line with the invoices received from Major Projects Victoria for the reimbursement of expenditure. A number of projects were impacted by adverse weather conditions in the summer of 2010-11 with flow on impacts for expenditure.

Question 4

With respect to the performance measures listed in the 2010-11 budget papers for the Department (including the quality, quantity, timeliness and cost measures), for each measure where the actual result to 31 December 2010 varied by more than ± 10 per cent from the target result for 31 December 2010, please provide:

- (a) the target for 31 December 2010;
- (b) the actual result for 31 December 2010;
- (c) an explanation for the variation.

This information may be based on the information provided to the Department of Treasury and Finance as part of the half-yearly revenue certification process.

Performance measure	Target (31 December 2010)	Actual (31 December 2010)	Explanation for variation
RIDF projects funded	6	14	The actual includes a number of projects involving the development and upgrade of local port assets, applications for which are generally submitted in one round per financial year.
Small town infrastructure projects funded	25	44	A significant number of Sustainable Small Towns Development projects were approved as part of the response to local Regional Strategic Plans.
Number of Regional Events, Economic Development, Investment and Promotion projects supported	30	42	A significant number of Regional Events, Economic Development, Investment and Promotion projects were approved as part of the response to local Regional Strategic Plans.
Additional employment from production supported by Film Victoria	840	444	The lower than expected result was due to the majority of production coming from children's television or documentary projects which are generally smaller in dollar value. No adult television drama series were in production during the quarter, and only one feature film was recorded with minimal spend in Victoria (Snowtown).
Australian views of screen content supported by Film Victoria	19	52.56	The quarter two figure was higher than expected as: <ul style="list-style-type: none"> • data provided by OZTAM was changed to include "time shifted" views, and the majority of television supported is now watched time-shifted rather than live • strong ratings for highly successful new television series (such as Offspring).
Value of film, television and new media production supported by Film Victoria	28	14.8	The lower than expected result was due to the majority of production coming from children's television or documentary projects which are generally smaller in dollar value. No long form adult drama

Performance measure	Target (31 December 2010)	Actual (31 December 2010)	Explanation for variation
production			television series was in production and only one feature was recorded with minimal spend in Victoria (Snowtown).
Average monthly number of visits to Victoria Online	270000	386162	Public interest is a key driver in traffic to the Victoria Online website with results often impacted by seasonal variances. For example, over this period, there was significant public interest in Public Holiday, Victorian School Term and Daylight Saving dates.
Design Sector Initiative: Business immersions completed	6	8	Re-negotiation of the contract with RMIT who deliver the initiative and related performance criteria was concluded after the 2010-11 Budget was finalised. This included a shift of focus.
Design Sector Initiative: People participating in lectures, seminars and workshops	2240	1630	Re-negotiation of the contract with RMIT who deliver the initiative and related performance criteria was concluded after the 2010-11 Budget was finalised. This included a shift of focus.
Visitvictoria.com annual visits to site	3250	3514	Target was exceeded primarily caused by a very a successful China campaign which attracted an additional 200,000 visitors from China to the website above the forecast level.
Value of media coverage generated: international	20-25	25.35	Victoria achieved television coverage in Japan, Italy and China which delivered high advertising equivalent values.
Victoria's share of domestic tourism advertising awareness among target markets: interstate	21-26	67.1	Key advertising campaigns including the Daylesford: Lead a Double Life campaign run until October 2010 and national marketing activities with Qantas Holidays promoting Victoria's upcoming major sporting events.
Skills for Growth - businesses assisted	2600	4536	Registrations for the program were ahead of expectations due to greater than expected demand.
Business interactions (call, web, in person)	130,000	171,354	Increased services available, particularly the availability of new forms, led to increased demand.
Investment projects under development	250	355	DBI has undertaken lead generation exercises over the past two years designed to rebuild the Department's investment pipeline following the GFC.
New investments facilitated	800	1365	This performance target is a four year rolling average to reflect the volatile timing of investment facilitation. Actual achievement of targets will be unevenly distributed.
Companies provided with export assistance	1823	2737	With increased export challenges facing exporters due to the high Australian dollar a greater focus was placed on export assistance, and as a result, the Department exceeded its target.

Performance measure	Target (31 December 2010)	Actual (31 December 2010)	Explanation for variation
Trade fairs and missions supported	16	13	Traditionally trade fairs and missions are held during the January – June half year.
Companies in regional Victoria provided with assistance for growth opportunities	80	92	Actual achievement of targets will be unevenly distributed from quarter to quarter.
New investment facilitated in regional Victoria	385	202.4	Three investment projects were being negotiated at the time.
Respond to general workplace enquiries	7350	6629	During the second quarter Information and Compliance Officers handled 2,679 public telephone enquiries (1,730 long service leave, 752 child employment and 241 other). This total is a decrease compared to the last few quarters.
Government Youth Employment Scheme - apprenticeships and traineeships commenced	125-175	111	There was a reduced uptake of trainees and apprentices by departments over the Victorian State election and caretaker period.
People assisted by Returning to Earning Program	2000	1805	Fewer grants were allocated in the second quarter due to the Victorian State Election caretaker period.
Global Skills for Victoria - average processing time for state sponsorship applications	25-30	19	The reduction in the average number of working days was due to the suspension of applications for state sponsorship of skilled migrants pending approval and endorsement of the State Migration Plan by the Commonwealth Government. The delay was due to the Commonwealth election. The Plan was signed on 1 November 2010.

If the Department is unable to provide this information to the Committee, please explain:

- (a) why this information is not available; and
- (b) how the Department tracks its progress during the year with respect to its performance measures.

Not applicable

SECTION B: Asset investment (departments only)**Question 6**

For each of the following asset investment projects, please provide:

- (a) the actual expenditure in 2009-10 and 2010-11;
- (b) explanations for any variations greater than ± 10 per cent between the actual expenditure and what was estimated in the Budget at the start of the year; and
- (c) descriptions of the impact of any variations.

Note: For projects in 2009-10, the column 'Estimated expenditure in 2009-10 (2010-11 budget papers)' is calculated by deducting the estimated expenditure to 30 June 2009 listed in Budget Information Paper 1 (2009-10) from estimated expenditure to 30 June 2010 in Budget Information Paper 1 (2010-11) for the project. Under some circumstances this may result in a negative number, which should be explained in the departmental response. A similar approach is used in calculating the corresponding column for projects in 2010-11.

Projects in 2009-10:

Project	Estimated expenditure in 2009-10 (2009-10 budget papers)	Estimated expenditure in 2009-10 (2010-11 budget papers)	Actual expenditure in 2009-10	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	(\$ million)	
Melbourne Wholesale Markets redevelopment (Epping)	120.17	36.891	18.891	A re-phase of the annual budget estimate was approved in 2009-10 which reallocated approximately \$73 million into 2010-11. In addition, \$10.56 million was transferred to output funding via an s30 transfer. In addition, finalisation of tender process resulted in delayed commencement of construction.
Australian Synchrotron – Commonwealth supported project – National Centre for Synchrotron Science: Outreach and Research support facilities (Clayton)	18.02	2.64	1.702	The project is wholly Commonwealth funded with no State Government contribution. The program and the budget are administered by agreement between the Commonwealth and the Australian Synchrotron.

Project	Estimated expenditure in 2009-10 (2009-10 budget papers)	Estimated expenditure in 2009-10 (2010-11 budget papers)	Actual expenditure in 2009-10	Explanation for any variations greater than ±10 per cent
	(\$ million)	(\$ million)	(\$ million)	
Princes Pier Restoration - Stage 2 (Port Melbourne)	10	0	0	The annual 2009-10 Budget was re-phased to reflect project delays. During the demolition process it became apparent that the existing pier structure was in a worse condition than initially thought. As a result the demolition work was temporarily halted and a thorough assessment of the pier's condition was made.
E Gate - Redevelopment Planning (West Melbourne)	2	1.3	1.021	Cash flows were reforecast to undertake feasibility studies and master planning.

Projects in 2010-11:

Project	Estimated expenditure in 2010-11 (2010-11 budget papers)	Estimated expenditure in 2010-11 (2011-12 budget papers)	Actual expenditure in 2010-11	Explanation for any variations greater than ±10 per cent
	(\$ million)	(\$ million)	(\$ million)	
Melbourne Wholesale Markets redevelopment (Epping)	124.227	53.814	65.864	The construction program was severely impacted by high rainfall causing water damage to the site.
Princes Pier Restoration - Stage 2 (Port Melbourne)	20	10.281	9.096	Related to earlier delays experienced during the demolition process (see 2009-10).
Melbourne Exhibition Centre expansion – land acquisition (Melbourne)	17.7	0.5	0.292	An amount of \$17.2 million was re-phased into 2011-12.
Australian Synchrotron – Commonwealth supported project – National Centre for Synchrotron Science: Outreach and Research	15.76	7.54	9.990	The project is wholly Commonwealth funded with no State Government contribution. The program and the budget are administered by agreement between the Commonwealth and the Australian Synchrotron.

support facilities (Clayton)				
Parkville Gardens (Melbourne)	3.75	0.143	0.539	Under the Development Agreement the Developer has until 2018 to complete the project. Due to the impact of the Global Financial Crisis on the housing market the Developer chose to exercise their option under the Development Agreement to delay the completion of the current stage.

Question 7

Please provide details of the status of each of the following asset projects for which the 2010-11 Budget Information Paper No.1 indicates that expenditure would occur after 2010-11 but the project does not appear in the 2011-12 Budget Paper No.4:

Project	Funding remaining to be spent after 2010-11 (2010-11 Budget Information Paper No.1)	Current status	Latest approved/final TEI	Construction completion date/estimated construction completion date (including the commissioning phase)
	(\$ million)			
Melbourne Wholesale Markets redevelopment (Epping)	10.279	Appears in BP4 2011-12.	Not available ¹	July 2013 ²
Princes Pier Restoration (Port Melbourne)	2.713	The initial stage was completed in 2010-11.	14.0 ³	Completed 2010-11. Stage 2 is continuing and is forecast to be completed 2011-12.
Docklands Film and Television Studios – future directions – infrastructure enhancement (Docklands)	2.2	Appears in BP4 2011-12.	10.0	A further funding approval in the 2010-11 Budget for additional infrastructure at the Docklands Studios to meet industry demand for the facility. Estimated construction completion is Q4 of 2012.
E Gate – Redevelopment Planning (West Melbourne)	0.7	Completed in 2010-11.	2.0	Works related to the allocated funding have been completed.

¹ Details of revised funding model yet to be finalised.

² For core market facilities only (not proximity warehousing).

³ Does not include additional funding of 20 million for Stage 2

Question 8

Please provide the following details of any asset investment projects not covered in Question 7 where the actual expenditure in 2009-10 or 2010-11 varied from the budget estimate for expenditure by greater than ± 10 per cent.

Projects in 2009-10:

Project	Estimated expenditure in 2009-10 (2009-10 budget papers)	Actual expenditure in 2009-10	Explanation	Impact of variation
	(\$ million)	(\$ million)		
Princes Pier Restoration (Port Melbourne)	0	4.316	Estimated expenditure was not identified. The remaining budget amount was subject to formal carryover approval.	No impact on project delivery.

Projects in 2010-11:

Project	Estimated expenditure in 2010-11 (2010-11 budget papers)	Actual expenditure in 2010-11	Explanation	Impact of variation
	(\$ million)	(\$ million)		
Princes Pier Restoration (Port Melbourne)	1.395	4.792	Difference between the estimate and the actual expenditure relates to an amount that was identified as remaining expenditure subject to formal carryover approval.	No impact on project delivery

Question 18

For each category into which financial assets, non-financial assets and liabilities are broken down in your agency's balance sheet in its annual report, please provide the balances as at 30 June 2010, 31 December 2010 and 30 June 2011 and explain any variations greater than ± 10 per cent from one date to the next:

30 June 2010 and 31 December 2010:

Financial asset, non-financial asset and liability categories	Balance as at 30 June 2010	Balance as at 31 December 2010	Explanation for any variances greater than ± 10 per cent
	(\$ million)	(\$ million)	
Cash and Deposits	120.8	406.9	Cash and Deposits, Receivables and Investments tend to be higher at the end of financial year as all invoicing and receipting of monies from other organisations is completed. All funding for the RIDF was drawn down at 30 June 2010, however only the expenditure to date was drawn down at 31 December 2011 as this is done on a cash basis during the year.
Receivables	133.8		
Investments	210.4		
Inventories	48.4	45.7	Variance was less than ± 10 per cent
Non Financial Assets as held for sale	8.4	8.3	Variance was less than ± 10 per cent
Property, plant and equipment	214.4	255.4	The increase is primarily a result of the works in progress on the Melbourne Wholesale Markets Relocation project.
Investments accounted for using the equity method	35.0	35.0	Variance was less than ± 10 per cent
Intangible assets	27.2	27.5	Variance was less than ± 10 per cent
Other non-financial assets	6.7	1.0	The variance relates to prepayments which are historically recorded at a higher level at the end of financial year compared to the half year reporting period.
Payables	103.2	57.6	Historically payables are higher at the end of financial year as supplier and grant recipient invoices are received for payment but are not paid in the current year. The liability is held in the balance sheet.
Liabilities directly associated with assets classified as held for sale	0.1	0.0	Variance was less than ± 10 per cent
Borrowings	2.4	2.4	Variance was less than ± 10 per cent
Provisions	26.4	27.6	Variance was less than ± 10 per cent
Other liabilities	20.0	20.0	Variance was less than ± 10 per cent

31 December 2010 and 30 June 2011:

Financial asset, non-financial asset and liability categories	Balance as at 31 December 2010	Balance as at 30 June 2011	Explanation for any variances greater than ±10 per cent
	(\$ million)	(\$ million)	
Cash and Deposits	} 406.9	49.6	Cash and Deposits, Receivables and Investments were substantially lower due to the machinery of Government transfers including the transfer of funds held in trust for the RIDF to DPCD. The year on year impact was a movement of \$292.2 million.
Receivables		96.0	
Investments		27.2	
Inventories	45.7	42.3	Variance was less than ±10 per cent
Non Financial Assets as held for sale	8.3	0.0	This relates to a parcel of land held on behalf of the North Melbourne Institute of TAFE which was surplus to requirements. This was transferred to DEECD as part of machinery of Government transfers.
Property, plant and equipment	255.4	279.5	Variance was less than ±10 per cent
Investments accounted for using the equity method	35.0	35.0	Variance was less than ±10 per cent
Intangible assets	27.5	27.8	Variance was less than ±10 per cent
Other non-financial assets	1.0	1.2	There was an increase due to additional prepayments recorded at the end of financial year.
Payables	57.6	36.5	The reduction is due to the payable balances transferred as a result of the machinery of Government changes.
Liabilities directly associated with assets classified as held for sale	0.0	0.0	Variance was less than ±10 per cent
Borrowings	2.4	1.0	The variance was due to the machinery of Government transfers a number of financial lease liabilities transferred to other Government Departments.
Provisions	27.6	21.5	A number of staff (leave provisions) transferred with machinery of Government changes,
Other liabilities	20.0	10.0	Reduction in liability for unrecognised Commonwealth revenue contribution (received in advance) for the Australian Synchrotron Company Ltd.

Question 19

For each of the following projects, please provide the latest approved TEI, explaining any changes that have occurred from the original and their impact.

Project	Original TEI	Current TEI	Explanation for any changes (please detail any changes to scope)	When change to TEI was approved (month and year)	Impact of variation
	(\$ million)	(\$ million)			
Melbourne Wholesale Markets redevelopment	218.27	Not available	Details of revised funding model yet to be finalised.	N/A	Provides approval for the continuation of the project.
Parkville Gardens (Melbourne)	43.52	43.52			
Princes Pier Restoration - Stage 2	20.00	20.00			
Princes Pier Restoration	14.00	14.00			
Federation Square East – Feasibility and investigations	5.66	5.66			
Docklands Studios Melbourne – future directions – infrastructure enhancement	4.40	10.00	Includes additional \$2.8 million for each of the 2010-11 and 2011-12 years.	Approved as part of the 2010-11 Budget process.	Further funding provided for additional infrastructure at the Docklands Studios to meet industry demand for the facility.
E Gate - Redevelopment Planning	2.00	2.00			

Question 20

Please identify all asset projects where the construction completion date (including the commissioning phase) was revised in 2009-10 or 2010-11, providing:

- (a) the original and revised completion dates for each project;
- (b) when the change to the completion date was approved; and
- (c) specific reasons for any revision to completion dates.

Project	Original completion date	Revised completion date	When change to completion date was approved (month and year)	Explanation for revision
Melbourne Wholesale Markets redevelopment	June 2010	July 2013 ⁴	May 2011	Completion date takes into account impact of weather conditions in the summer of 2010-11 and is dependent on weather conditions for the remainder of the construction period.
Melbourne Exhibition Centre expansion – land acquisition (Melbourne)	June 2011	June 2012	March 2011	Approved as part of the Budget Update process that resulted in the re-phase of the project budget.
E Gate - Redevelopment Planning	June 2010	June 2011	Approved as part of the carryover request August 2010	The cash flows were reforecast to undertake feasibility studies and master planning
Princes Pier Restoration	December 2009	December 2010	Approved as part of the 2009-10 Budget process	Completion date was revised as a result of the changed scope of work. Discovery of the poor condition of Pier timbers resulted in the approval for Stage 2 work.

⁴ For core market facilities only (not proximity warehousing).

SECTION C: Revenue and revenue foregone

Question 21

For 2009-10 and 2010-11, please explain and detail the impact of any variances greater than ± 10 per cent in any revenue/income category detailed in your agency's operating statement in its annual report **and** the total revenue/income for the year compared to:

- (a) the initial budget for the year; and
- (b) the actual for the prior year.

Revenue in 2009-10:

Revenue category	2008-09 actual	2009-10 Budget	2009-10 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
Output Appropriation	1,626.6	1,669.2	1,957.8	<p>(a) Additional appropriation funding was received for the Skills output, primarily related to additional exemptions, fee waivers, the youth compact, demand driven funding and additional funding provided by the Commonwealth.</p> <p>(b) The additional funding received for (a) contributes to the majority of the increase in funding. Year on year appropriation increases were also received for the Victorian Innovation Statement and the Skills for Growth Program.</p>	<p>Opportunities for additional students to undertake training through the provision of additional exemptions, fee waivers, funding through the Youth Compact and additional demand driven funding.</p> <p>Additional funding for the Skills for Growth program allowed for additional positions to be provided to members of the community seeking upskilling opportunities.</p>
RIDF Appropriations	41.0	0	77.2	<p>(a) Funding for the RIDF in 2009-10 was provided as a Treasurer's Advance as the budget appropriation for the previous round of the fund ceased in 2008-09.</p> <p>(b) The funding provided for the RIDF in 2009-10 was provided at a higher level than that provided in 2008-09.</p>	The impact of this variance was that additional funding was available to undertake projects in Regional Victoria.
Interest	14.5	8.2	9.5	<p>(a) The variance was due to higher balances and a slightly more favourable interest rate that was budgeted produced higher revenue for interest earned by the Department.</p> <p>(b) The variance was due to lower balances in 2009-10 than 2008-09 due to less favourable interest rates and lower cash balances.</p>	There was minimal impact from variances.
Grants and other income	17.5	18.0	32.1	(a) Additional grants were received during 2009-10 than budgeted. This	There was minimal impact from variances as the additional trust funds were received from other

Revenue category	2008-09 actual	2009-10 Budget	2009-10 actual	Explanations for variances greater than ±10 per cent	Impact of variances
transfers				relates mainly to trust funds that were received from other departments. (b) A larger proportion of grants were received from other government departments in 2009-10 than in 2008-09. This includes funding received for the Reducing the Regulatory Burden program.	Government departments.
Other income	58.4	0	29.8	(a) No budget was published for other income in the 2009-10 financial year as the amount was uncertain at the time of budget setting. (b) The year on year reduction in Other Income is primarily related to residential developments undertaken by Major Projects Victoria. The Global Financial Crisis reduced the outlook for the residential development market and contract developers reduced the level of development.	There was no impact of the variances due to the timing of the budget.
Fair value of assets and services received free of charge	0	0	13.0	(a) The variance relates to assets received from the Tertiary sector and granted to the TAFE sector. This was not known at the time of budget preparation. (b) The assets received free of charge took place during the 2009-10 financial year. No assets received free of charge occurred during the 2008-09 financial year.	Buildings used by the TAFE Sector received free of charge.
TOTAL	1,758.0	1,695.4	2,119.4		

Revenue in 2010-11:

Revenue category	2009-10 actual	2010-11 Budget	2010-11 actual	Explanations for variances greater than ±10 per cent	Impact of variances
Output Appropriation	1,957.8	1,973.3	1,193.7	(a) Machinery of Government transfers to DEECD. DPCD and DTF reduced the 2010-11 actual. The machinery of Government transfers were not known at the time the budgets were published. (b) As above.	There was no impact of the variance across Government.
RIDF Appropriations	77.2	0	24.6	(a) The budget allocation for the RIDF was received as a Treasurer's Advance in 2010-11. (b) Due to the machinery of Government transfer of Regional Development Victoria DPCD only half of the available funding for RIDF was drawn down by DBI during the year. RIDF also had a reduced appropriation for the 2010-11 financial year.	(a) No impact due to timing of budget. (b) There was no impact of the variance across Government.

Revenue category	2009-10 actual	2010-11 Budget	2010-11 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
Interest	9.5	6.6	7.8	(a) A higher level of cash balances during 2010-11 allowed for a slight increase against the budget estimate. (b) The transfer of the RIDF to the DPCD reduced the level of cash balances that could be invested during the 2010-11 financial year compared to the 2009-10 financial year.	(a) There was no material impact of the variance. (b) There was no impact of the variance across Government.
Grants and other income transfers	32.1	16.1	85.7	(a) Additional funding was received in relation to Major Events during 2010-11 that were not known at the time the budget was prepared. (b) A higher level of Major Events funding was received during 2010-11 compared to the level of funding received in 2009-10.	No impact due to timing of budget.
Other income	29.8	0	71.3	(a) Other income primarily received by Major Projects Victoria was not included in the 2010-11 budget. (b) Additional income was received by Major Projects Victoria primarily related to the sale of land at the Kew Residential Land Redevelopment.	(a) No impact due to timing of budget. (b) There was no impact due to offsetting expenditure.
Fair value of assets and services received free of charge	13.0	0	0	(a) Variance was not greater than ± 10 per cent (b) The assets received free of charge in 2009-10 were granted to TAFE institutes during the year as a once off transaction. This transaction did not occur again during the 2010-11 financial year.	There was no impact as it was a once off grant received in 2009-10.
TOTAL	2,119.4	1,996.0	1,383.1		

Question 22

For each of the income from transactions categories listed by your agency in its comprehensive operating statement in its annual report (e.g. output appropriations, grants, sales of goods and services), please break the income for 2010-11 down into the first six months and second six months of the financial year and explain any variations greater than ± 10 per cent between the two six-month amounts:

Income from transactions	Income 1/7/2010- 31/12/2010	Income 1/1/2011- 30/6/2011	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Output Appropriation	964.1	229.6	The machinery of Government transfers, primarily the transfer of Skills Victoria to DEECD significantly reduced the appropriation funding available to DBI from 1 January 2011.
RIDF Appropriations	24.6	0	The machinery of Government transfer of Regional Development Victoria to DPCD transferred the responsibility for RIDF to DPCD effective from 1 January 2011.
Interest	6.2	1.6	With the transfer of RIDF to DPCD the available cash balance for investment during the second half of the financial year was significantly reduced.
Grants and other income transfers	29.3	56.4	Additional funding for Major Events was higher during the second half of the financial year as these funds are released by the Treasurer in January and June each year.
Other income	59.4	11.9	Other income was reduced in the second half of the year as the developer of the Kew Residential Development made a payment during the first half of the year.
Fair value of assets and services received free of charge	0	0	Variance was not greater than ± 10 per cent.

SECTION D: Expenditure

Question 25

For 2009-10 and 2010-11, please explain and detail the impact of any variances greater than ± 10 per cent in any expense category detailed in the agency's operating statement in its annual report **and** the total expenditure for the year compared to:

- (a) the initial budget for the year; and
- (b) the actual for the prior year.

Expenditure in 2009-10:

Expenditure category	2008-09 actual	2009-10 Budget	2009-10 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
Employee expenses	83.8	89.8	87.9	There were no variances greater than ± 10 per cent.	
Depreciation and amortisation	4.7	6.8	4.8	(a) Depreciation expenditure budgeted was not incurred during the 2009-10 financial year as a number of minor capital works programs were delayed. (b) Variance was not greater than ± 10 per cent.	Capital works were carried out in future years.
Finance lease interest expense	0.2	0.0	0.1	(a) Budget expenditure for finance leases was included in supplies and consumables due to the immaterial amount. (b) Variance is due to a reduced number of vehicles during 2009-10 as vehicles were transferred to the shared serviced vehicle pool.	There was no impact to the variances.
Grants and other expense transfers	1,287.2	1,242.9	1,649.6	(a) Additional appropriation was paid to Skills Victoria as grants. (b) The level of grants paid to Skills Victoria was increased on a year by year basis as program funding increased for the 2009-10 financial year,	Additional training days were bought.
Capital asset charge	182.1	194.9	204.9	(a) Variance was not greater than ± 10 per cent. (b) Increased asset programs in the TAFE sector due to Commonwealth Government Stimulus payments increased the year on year capital asset charge expenditure.	Additional infrastructure to deliver TAFE programs.
Other operating expenses	162.2	155.5	139.7	(a) Other operating expenses were lower than budgeted due to a number of contract payments being carried forward to 2010-11.	Savings were achieved without impacting the achievement of the

Expenditure category	2008-09 actual	2009-10 Budget	2009-10 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
				(b) Other operating expenses were lower on a year by year basis as a number of compulsory savings need to be achieved by DBI.	Department's objectives.
TOTAL	1,720.3	1,689.9	2,087.0		

Expenditure in 2010-11:

Expenditure category	2009-10 actual	2010-11 Budget	2010-11 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
Employee expenses	87.9	90.1	84.9	There were no variances greater than ± 10 per cent.	
Depreciation and amortisation	4.8	18.9	4.2	(a) Machinery of Government changes resulted in a large amount of DBI's depreciation being transferred with Skills Victoria to DEECD. (b) Reduced depreciation has resulted from a number of assets being retired and transferred with the machinery of Government transfers to DPCD.	No impact of variances across Government.
Finance lease interest expense	0.1	0.0	0.1	(a) The budget for finance leases has been combined with Supplies and Consumables due to its small nature. (b) Variance was not greater than ± 10 per cent.	Not material.
Grants and other expense transfers	1,649.6	1,547.7	1,009.2	(a) Grant expenses were reduced due to the machinery of Government transfers as payments to Skills Victoria were made by DEECD from 1 January 2011. (b) Grant expenses were reduced due to the machinery of Government transfers as payments to Skills Victoria were made by DEECD from 1 January 2011.	No impact of variances across Government.
Capital asset charge	204.9	219.1	114.1	(a) Capital asset charge expenses were reduced due to the machinery of Government transfers as payments to Skills Victoria were made by DEECD from 1 January 2011. (b) Capital asset charge expenses were reduced due to the machinery of Government transfers as payments to Skills Victoria were made by DEECD from 1 January 2011.	No impact of variances across Government.
Other operating expenses	139.7	134.5	177.3	(a) The higher 2010-11 actual relates to the cost of goods sold for the land at the Kew Residential Redevelopment. (b) The higher 2010-11 actual relates to cost of goods sold for the land at the Kew Residential Redevelopment.	No impact as the revenue was offset.

Expenditure category	2009-10 actual	2010-11 Budget	2010-11 actual	Explanations for variances greater than ± 10 per cent	Impact of variances
TOTAL	2,087.0	2,010.3	1,389.8		

Question 26

For each of the expenses from transactions categories listed by your agency in its comprehensive operating statement in its annual report (e.g. employee expenses, grants, depreciation and amortisation), please break the expense for 2010-11 down into the first six months and second six months of the financial year and explain any variations greater than ± 10 per cent between the two six-month amounts:

Expenses from transactions	Expenses 1/7/2010-31/12/2010	Expenses 1/1/2011-30/6/2011	Explanation for any variations greater than ± 10 per cent
	(\$ million)	(\$ million)	
Employee expenses	46.1	38.8	Employee expenses were lower for the second half of the year as a result of the machinery of Government transfers.
Depreciation and amortisation	2.2	2.0	Variance was not greater than ± 10 per cent.
Finance lease interest expense	0.1	0.0	Due to rounding no expenditure was recorded in the second half of the year. This is a result of the reduced cost with the transfer of vehicles associated with the machinery of Government changes.
Grants and other expense transfers	829.5	179.7	Grants expenditure was reduced in the second half of the year as Skills Victoria grant payments transferred to DEECD under machinery of Government changes.
Capital asset charge	109.6	4.5	The capital asset charge (CAC) was reduced in the second half of the year as Skills Victoria CAC payments transferred to DEECD under machinery of Government changes.
Other operating expenses	112.8	64.5	Other operating expenses were higher in the first half of the financial year as a result of cost of goods sold associated with the Kew Residential Land Redevelopment.

Question 27

Please provide details of any evaluations of grants programs that were conducted by your agency in 2009-10 or 2010-11, including any findings about:

- the outcomes achieved by the programs; or
- the effectiveness of grants at achieving planned outcomes compared to other modes of service delivery.

Grant program	Evaluation conducted	Outcomes achieved	Effectiveness as a mode of service delivery
Science Technology and Innovation Initiative	Completed October 2009	<p>According to the 2009 Impact Assessment of the STI Initiative Report, and based only on what could be observed at the early stage in the benefits realisation lifecycle, the Initiative will, between 2001 and 2014, generate the equivalent of 7,600 one year full time jobs and an additional \$1.7 billion in Gross State Product.</p> <p>This net impact is expected to grow further out to 2014 and beyond, as new commercial revenue sources and productivity gains resulting from the Initiative continues to emerge.</p>	The effectiveness of the mode of service delivery was not a focus of this evaluation.

In 2010-2011, the Victorian Auditor General’s Office conducted audits of the following DBI programs:

- Victorian Life Sciences Computation Initiative and
- Small Business Victoria Support Programs.

Other evaluations of DBI programs were undertaken for Cabinet during this period, however these evaluations are not publicly available and therefore cannot be detailed in this questionnaire.

Question 28 (departments only)

- (a) Please provide the following details about the realisation of efficiency and savings targets in 2009-10 and 2010-11:

Savings realised in 2009-10:

Budget	Total value of efficiencies/savings expected to be realised in 2009-10 from initiatives released in that budget	Actual value of efficiencies/savings achieved from those initiatives	Explanation for any variations greater than ±10 per cent
2009-10	8.300	8.300	
2010-11	2.000	2.000	
Other			

Savings realised in 2010-11:

Budget	Total value of efficiencies/savings expected to be realised in 2010-11 from initiatives released in that budget	Actual value of efficiencies/savings achieved from those initiatives	Explanation for any variations greater than ±10 per cent
2009-10	9.000	9.000	
2010-11	10.000	10.000	
2011-12	6.900	6.900 ⁵	
Other			

- (b) If any savings targets differ from what was initially indicated in the budget papers, please provide details.

Not applicable.

⁵ Savings are expected to be achieved in 2011-12. However, some of these savings will be achieved in other departments as a result of Machinery of government changes.

Question 29 (departments only)

- (a) Please outline the Department's expenditure in 2008-09, 2009-10 and 2010-11 and the savings achieved in 2010-11 for these areas targeted in the Government's election commitment savings:

Category	Actual expenditure			2010-11 savings target	2010-11 actual savings	Explanation for variations between 2010-11 savings target and actual savings greater than ± 10 per cent
	2008-09	2009-10	2010-11			
	(\$ million)	(\$ million)	(\$ million)	(\$ million)	(\$ million)	
Ministerial staff	-	-	-	-	-	
Media and marketing positions	-	-	-	-	-	
Consultants	3.2	5.6	2.1	-	-	
Government advertising	7.7	10.9	10.1	-	-	
Political opinion polling	-	-	-	-	-	
External legal advice	0.5	0.3	0.7	-	-	
Senior public service travel	2.9	2.4	2.7	-	-	
Government office floor space	-	-	-	-	-	
Supplies and consumables	50.3	47.8	40.8	-	-	
Shared services	-	-	-	-	-	
Head office staff	-	-	-	-	-	
Total	102.6	111.9	103.1	6.460	6.460	Total savings were achieved through broad expenditure reduction but not necessarily in alignment with the above categories.

(b) If details are not available for any of these categories, please advise:

(i) why details are not available; and

Some of the above categories are at a level of detail that is not currently captured by DBI, whilst some measures above such as ministerial staff and political polling are not relevant to DBI.

(ii) what measures the Department has in place to monitor its achievement of the Government's election commitment savings targets.

The Department has incorporated the overall savings requirement of \$6.5 million into divisional budgets and monitors progress against budget on a monthly basis.

(c) If the total savings target for 2010-11 for the Department differs from the figure in the budget papers (\$6.5 million), please explain why:

SECTION E: Public sector workforce

Question 31

Please detail the total full-time equivalent number of staff as at 30 June 2009, 30 June 2010, 31 December 2010 and 30 June 2011, and explain any significant variations (greater than ± 10 per cent) from one date to the next in the following tables:

Numbers in 2009 and 2010:

Total FTE (30 June 2009)	Total FTE (30 June 2010)	Explanation for any variations greater than ± 10 per cent
983.0	989.0	N/A

Numbers in 2010:

Total FTE (30 June 2010)	Total FTE (31 December 2010)	Explanation for any variations greater than ± 10 per cent
989.0	1021.0	N/A

Numbers in 2010 and 2011:

Total FTE (31 December 2010)	Total FTE (30 June 2011)	Explanation for any variations greater than ± 10 per cent
1021.0	770.0	24.6 per cent reduction. 245.8 FTE machinery of Government changes resulted in overall reduction.

Question 33

- (a) For what roles within your organisation were contractors or contract staff used in 2009-10 and 2010-11 (refer to Explanatory Memorandum for definition of contractors)?

<p>DBI used contractors or contract staff for the following roles in 2009-10 and 2010-11:</p> <ul style="list-style-type: none"> • General Administration • Information Technology Support • Traineeships • Project Management • Professional services

- (b) Please itemise the services delivered by contractors or contract staff in 2009-10 and 2010-11:

Contractors/contract staff in 2009-10:

Service category	Number of contractors/contract staff	Value of services (\$)
General Administration	Not Available	16,246,322
Information Technology	Not Available	3,393,269
Traineeships	Not Available	378,639

Service category	Number of contractors/contract staff	Value of services (\$)
Major Projects Management	18	3,790,661

Contractors/contract staff in 2010-11:

Service category	Number of contractors/contract staff	Value of services (\$)
General Administration	Not Available	18,996,801
Information Technology	Not Available	6,337,026
Traineeships	Not Available	324,362
Major Projects Management	17	4,242,915

- (c) For each specific contractor or contract staff paid in excess of \$100,000 per annum that has been engaged by your organisation during 2009-10 or 2010-11, please supply the following details:

Contractors/contract staff in 2009-10:

Supplier	Purpose	Value of services (\$)	Number of contractors/c contract staff (FTE) employed for longer than 12 months ⁶	Reasons why a VPS employee or equivalent could not undertake the work
Hudson Global Resources (Aust) Pty Ltd	General Administration	1,103,904	9	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Hays Specialist Recruitment (Australia) P/L	General Administration	6,937,097	49	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Dixon Appointments Pty Ltd	General Administration	8,024,042	57	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Clicks Recruit (Aust) Pty Ltd	Information Technology Services	1,552,918	6	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
CSG Solutions Pty Ltd	Information Technology Services	106,547	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.

⁶ Employment data (especially for the larger suppliers) by individual contractors is not captured in the existing systems and hence the FTE nos. shown are indicative only. Where "0" this indicates the provision of professional services and projects by a technology company.

Supplier	Purpose	Value of services (\$)	Number of contractors/c ontract staff (FTE) employed for longer than 12 months⁶	Reasons why a VPS employee or equivalent could not undertake the work
Fuse Information Technologies Limited	Information Technology Services	118,015	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Hitwise Pty Ltd	Information Technology Services	139,700	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Hyro Australia Pty Ltd	Information Technology Services	615,591	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
NCSI (Australia) Pty Ltd	Information Technology Services	860,498	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
WPC Group Ltd	Traineeships	378,640	4	The engagement of trainees is to fill skills gaps and to provide trainees with a learning based work environment.
Consultant	Defence	181,279	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	249,978	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Boyendel Pty Ltd	Project Management services	282,839	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	107,048	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Case Meallin & Associates Pty Ltd	Project Management services	386,887	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Infrastructure Services Group	Project Management services	729,627	3	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Infrastructure Management Solutions Pty Ltd	Project Management services	183,469	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	350,871	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Maluka Property	Project Management	264,436	1	The work requires a skill and remuneration level currently not available within the Victorian Public

Supplier	Purpose	Value of services (\$)	Number of contractors/c ontract staff (FTE) employed for longer than 12 months ⁶	Reasons why a VPS employee or equivalent could not undertake the work
Group Pty Ltd	services			Service.
Consultant	Project Management services	292,554	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	380,741	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
STA & Associates Pty Ltd	Project Management services	136,338	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.

Contractors/contract in 2010-11:

Supplier	Purpose	Value of services (\$)	Number of contractors/c ontract staff (FTE) employed for longer than 12 months ⁷	Reasons why a VPS employee or equivalent could not undertake the work
Hudson Global Resources (Aust) Pty Ltd	General Administration	1,566,484	9	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Hays Specialist Recruitment (Australia) P/L	General Administration	7,697,382	49	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Dixon Appointments Pty Ltd	General Administration	9,613,289	57	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Clicks Recruit (Aust) Pty Ltd	Information Technology	2,591,606	6	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Hyro Australia Pty Ltd	Information Technology Services	510,801	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
NCSI (Australia) Pty	Information Technology	2,514,329	0	The engagement of contract staff is predominantly to cover skills not available in the

⁷ Employment data (especially for the larger suppliers) by individual contractors is not captured in the existing systems and hence the FTE nos. shown are indicative only. Where "0" this indicates the provision of professional services and projects by a technology company.

Supplier	Purpose	Value of services (\$)	Number of contractors/c ontract staff (FTE) employed for longer than 12 months⁷	Reasons why a VPS employee or equivalent could not undertake the work
Ltd	Services			VPS or to cover staff on long term leave.
WPC Group Ltd	Traineeships	324,362	4	The engagement of trainees is to fill skills gaps and to provide trainees with a learning based work environment.
BSI Contracting Pty Limited	Information Technology Services	162,747	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
CSQ Solutions Pty Ltd	Information Technology Services	163,522	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Fuse Information Technologies Limited	Information Technology Services	112,030	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Hitwise Pty Ltd	Information Technology Services	156,750	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Indigo Pacific Pty Ltd	Information Technology Services	125,241	0	The engagement of contract staff is predominantly to cover skills not available in the VPS or to cover staff on long term leave.
Consultant	Defence	119,646	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Max Projects Pty Ltd	Project Management services	243,799	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	361,239	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Boyendel Pty Ltd	Project Management services	303,836	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Case Meallin & Associates Pty Ltd	Project Management services	493,204	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Infrastructure Services Group	Project Management services	702,407	2	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Infrastructure Management Solutions Pty Ltd	Project Management services	310,026	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.

Supplier	Purpose	Value of services (\$)	Number of contractors/c ontract staff (FTE) employed for longer than 12 months ⁷	Reasons why a VPS employee or equivalent could not undertake the work
Consultant	Director, Project Management Group	377,740	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	281,336	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Maluka Property Group Pty Ltd	Project Management services	273,239	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	301,508	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.
Consultant	Project Management services	195,528	1	The work requires a skill and remuneration level currently not available within the Victorian Public Service.

Question 34

- (a) For what roles within your organisation were consultants used in 2009-10 and 2010-11 (refer to Explanatory Memorandum for definition of consultants)⁸?

DBI used consultants for the following roles in 2009-10 and 2010-11:
<ul style="list-style-type: none"> Information Technology Scientific and Technical Advice

- (b) Please itemise the services delivered by consultants in 2009-10 and 2010-11:

Consultants in 2009-10:

Service category	Number of consultants	Value of services (\$)
Information Technology & Systems	1	31,875
Other Professional Scientific or Technical Advice	5	310,320

⁸ DBI uses the following definition for consultancies: A consultancy is an arrangement where an individual or organisation is engaged to: provide expert analysis and advice which facilitates decision making; perform a specific, one-off task or set of tasks; and perform a task involving skills or perspectives which would not normally be expected to reside within the department.

Consultants from 1 July to 31 December 2010:

Service category	Number of consultants	Value of services (\$)
Other Professional Scientific or Technical Advice	6	73,736

Consultants from 1 January to 30 June 2011:

Service category	Number of consultants	Value of services (\$)
Information Technology & Systems	1	35,000
Other Professional Scientific or Technical Advice	3	73,240

- (c) For each specific consultant paid in excess of \$100,000 per annum that has been engaged by your organisation during 2009-10 or 2010-11, please supply the following details:

Consultants in 2009-10:

Supplier	Purpose	Value of services (\$)	Number of consultants (FTE) employed for longer than 12 months	Reasons why a VPS employee or equivalent could not undertake the work
Consultant	Victorian eResearch Review and eResearch Needs/ Opportunities Analysis	120,000	0	Skills unavailable within Department.

Consultants from 1 July to 31 December 2010:

DBI did not engage any consultants from 1 July to 31 December 2010.

Consultants from 1 January to 30 June 2011:

DBI did not engage any consultants from 1 January to 30 June 2011.

Question 35

- (c) Please describe any strategies that are planned to be introduced to retain staff, reduce the level of voluntary staff turnover and reduce the likelihood that critical roles will become vacant in future?

Having undergone a number of machinery of Government changes and significant restructures, the Department is in the process of stabilising.

During 2010-11, the Department implemented a Leadership Performance and Coaching program to strengthen the management and leadership skills across the Department. With leadership and management often considered to be a significant factor in staff turnover, ensuring that managers have the knowledge and skills to support their staff is critical in retention.

SECTION F: Program outcomes

Outcomes reflect the impact on the community of the goods and services provided by a department. The questions in this section all relate to the outcomes that the Department contributed to in 2009-10 and 2010-11.

Question 39 (departments only)

For each of the following *Growing Victoria Together* outcomes for which the Department had partial or full responsibility, please indicate what was achieved by 26 November 2010 for each of the established measures:

Vision	Goal	Measure	Outcome achieved in 2010
Thriving economy	More quality jobs and thriving, innovative industries across Victoria	There will be more and better jobs across Victoria	Between 2001-02 and 2010-11, total Victorian employment has increased by 624,300 workers.
		A greater share of national business investment will be in Victoria	Business investment in Victoria was 26 percent in 2001-02 compared to 20.9 per cent in 2010-11.
		Victoria will increase exports to \$30 billion by 2010	Victorian exports were \$31 billion in June 2010.
	Growing and linking all of Victoria	Victoria's total population will reach 6 million people by 2025, and regional population growth will increase to 1.25 per cent annually by 2006	Victoria's total population was 5,545,932 as at 30 June 2010. Regional Victoria's population grew by 1.4 per cent from 2009 to 2010, from 1,447,967 to 1,468,272, (Source: Victorian Population Bulletin 2011 derived from ABS data)
Quality health and education	High quality education and training for lifelong learning	The level of participation in vocational education and training of adults aged 25-64 years will increase	<ul style="list-style-type: none"> Reporting against GVT was last reported by Skills Victoria in January 2010 showing results up to 2009. Figures in the table below show results up to 2010, however the 2010 figure has not been officially reported under GVT as reporting against this measure ceased in early 2010. Figures in the next table show that participation in training by people aged 25 to 64 continues to grow.

Number of students in VET	2008	2009	2010	% change 2008-10
Person aged 25 to 64	289,374	292,776	309,544	7.0

Data source: SVTS (all funding sources)

Question 40

- (a) Using the format of the table below, please outline the five most important outcomes achieved by your organisation's programs/activities between 27 November 2010 and 30 June 2011 (where your organisation has been the key player) including:
- what was planned;
 - what was achieved;
 - quantitative or qualitative data to demonstrate this achievement;
 - any other Victorian public sector organisations or agencies from other jurisdictions that have worked across organisational boundaries to contribute to this outcome; and
 - the relationship of these outcomes to any government strategies or goals.

Planned outcome to be achieved	Description of actual outcome achieved	Quantitative or qualitative data to demonstrate outcome	Other agencies involved	Relationship to major government strategy
1. Provided flood assistance to help tourism and businesses.	Provided flood assistance to help tourism and businesses.	Assistance included: \$1.5 million for grants of up to \$5,000 for businesses affected by floods, \$25,000 Clean Up and Restoration Grants for directly affected businesses, free small business advisory services to mentor businesses throughout the recovery process and a \$2.5 million tourism marketing campaign encouraging people to visit regional Victoria	N/A	N/A
2. Trade Mission to India led by the Hon. Louise Asher	A multi-industry trade mission made up of 60 organisations visited India in April 2011.	The anticipated generation of at least \$63 million of additional exports and the creation of new jobs over the next 24 months.	N/A	The Victorian Liberal Nationals Coalition Plan for Stronger Industry and More Jobs

Planned outcome to be achieved	Description of actual outcome achieved	Quantitative or qualitative data to demonstrate outcome	Other agencies involved	Relationship to major government strategy
3 DBI Restructure	Restructured DBI, assigning many more business development managers to suburban and regional offices.	Increased business development managers in suburban and regional offices, better service delivery and enhanced interactions with business across Victoria.	N/A	The Victorian Liberal Nationals Coalition Plan for Stronger Industry and More Jobs
4. New industrial relations principles to apply to tenders for state-funded construction projects	Drafted new industrial relations principles to apply to tenders for state-funded construction projects.	The projected outcome of the updated principles is achieving better value for money for taxpayers in the delivery of major infrastructure.	N/A	The Victorian Liberal Nationals Coalition Plan for Stronger Industry and More Jobs
5. Removed the ban on Easter Sunday trading	Any business that wishes to trade on Easter Sunday will now be legally able to do so.	Businesses are now legally able to trade on Easter Sunday.	N/A	The Victorian Liberal Nationals Coalition Plan for Stronger Industry and More Jobs

(b) Please also identify any significant program outcomes that were planned but not achieved between 27 November 2010 and 30 June 2011 and the underlying reasons.

Outcome not achieved	Explanation
N/A	N/A

Question 41

For the following initiatives that were due to be completed in 2009-10 and 2010-11, please provide details of the outcomes expected to be achieved and the outcomes actually achieved to date. Please quantify outcomes where possible.

Initiative	Expected year of completion	Actual date of completion (month and year)	Expected outcomes	Actual outcomes
Industry Transition Fund - Output initiative from budget 2009-10	2009-10	The Industry Transition Fund (ITF) finished accepting applications in June 2010. Payments will continue to be made to those companies who were awarded an ITF grant over the next few years.	ITF recipient companies committed to: <ul style="list-style-type: none"> • \$293 million in investment; • 898 new jobs; and • 3,496 retained jobs 	For those projects completed as at 30 June 2010, they achieved their contractual levels of investment, new jobs and retained jobs.
Australian Regenerative Medicine - Asset initiative from budget 2006-07	2009-10	Final payment made for completion of building program-June 2010	Promote Victoria as a leader in regenerative medicine globally Consolidate platform technologies capabilities related to regenerative medicine in a central facility. Establish critical mass in these technologies and promote an integrated, interdisciplinary approach to regeneration. Build international links, attract international researchers. Provide a unique training environment for Victoria's young scientists	All building programs delivered and ARMI facilities are fully operational.

SECTION G: Adapting to the change of government

Question 42

- (a) Were any planned organisational priorities changed during 2010-11 as a result of the change of government in 2010? If so, please specify.

The Department's organisational policies changed in 2010 to reflect the policies of the new Government.

- (b) Were any corporate plans or similar documents modified in 2010-11 as a result of the change of government in 2010? If so, please specify.

The Department's 2009-12 Corporate Plan was updated in the interim and a new corporate plan is currently being developed in line with the annual planning process.

Question 45

For each program and project (delivering either outputs or assets) which was curtailed, deferred or discontinued in 2010-11 following the change of government in 2010, please provide the following details:

- the name of the program/project;
- whether it delivered outputs (i.e. goods and services) or assets;
- the budgeted and actual expenditure in 2010-11; and
- the reasons for which the program/project was curtailed, deferred or discontinued.

No DBI programs or projects were curtailed, deferred or discontinued in 2010-11 following the change of Government in 2010.

Question 46

For each program and project (delivering either outputs or assets) which was introduced in 2010-11 following the change of government in 2010 which had not been planned prior to the change of government, please provide the following details:

- the name of the program/project;
- whether it delivered outputs (i.e. goods and services) or assets;
- the budgeted and actual expenditure in 2010-11; and
- the reasons for which the program/project was introduced.

Program/project	Output or asset delivery	Budgeted 2010-11 expenditure	Actual 2010-11 expenditure	Reasons why it was introduced
		(\$ million)	(\$ million)	
Farm Debt Mediation Scheme	Output	0.350	0.200	To allow financial institutions to undertake a mediation process with food and fibre producers before initiating debt recovery proceedings. Mediation was organised through the Office of the Small Business Commissioner.

Business and Industry Assistance Package	Output	0.750	0.750	An assistance package to provide relief for businesses that suffered a loss of trade due to the floods. The package to be administered by the Victorian Employers' Chamber of Commerce and Industry.
Floods Business Recovery Program (Business Mentoring)	Output	0.500	0.140	A business recovery program that offers mentoring services from a panel of business advisors to businesses that have been affected by the floods.
Tourism Fund	Output	1.000	1.000	A Tourism fund to support businesses in areas affected by the floods that are heavily dependent on tourism.

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The completed questionnaire must be returned by no later than COB, 2 December 2011.

Please return the response (including an electronic version) of the questionnaire to:

Valerie Cheong

Executive Officer

Public Accounts and Estimates Committee

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