

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into 2020-21 Financial and Performance Outcomes

Melbourne—Tuesday, 9 November 2021

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Danny O'Brien—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mrs Beverley McArthur

Mr James Newbury

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

WITNESSES

Mr Simon Phemister, Secretary,

Ms Penelope McKay, Associate Secretary,

Mr David Latina, Deputy Secretary, Jobs, Innovation and Business Engagement,

Ms Beth Jones, Deputy Secretary, Rural and Regional Victoria,

Mr Jim Round, Deputy Secretary, Industry Coordination and Recovery,

Mr Andrew Abbott, Deputy Secretary, Creative, Sport and Visitor Economy, and Chief Executive, Creative Victoria,

Ms Gönül Serbest, Chief Executive Officer, Global Victoria,

Mr Matt Lowe, Deputy Secretary, Agriculture,

Ms Emily Phillips, Deputy Secretary, Local Government and Suburban Development,

Mr David Clements, Deputy Secretary, Employment and Inclusion Group, and

Mr Paul Smith, Deputy Secretary, Forestry and Climate Change, Department of Jobs, Precincts and Regions.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I would like to begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting. We pay our respects to them, their culture, their elders past, present and future and elders from other communities who may be here today.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2020–21 Financial and Performance Outcomes. Its aim is to gauge what the government achieved in 2020–21 compared to what the government planned to achieve.

Please note that witnesses and members may remove their masks when speaking to the committee but must replace them afterwards.

All mobile telephones should now be turned to silent.

All evidence taken by this committee is protected by parliamentary privilege. Comments repeated outside this hearing may not be protected by this privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

We welcome the Secretary of the Department of Jobs, Precincts and Regions and associated officers. Thank you for your time today. We invite you to make an opening statement of no more than 10 minutes, and this will be followed by questions from the committee.

Visual presentation.

Mr PHEMISTER: Chair, thank you, and committee members, thank you again. It is nice to see everybody, and I deeply appreciate the opportunity to come and talk about the 2020–21 financial year.

Up on the screen, slide 1, is our department as of 30 June 2021. It goes with the fast-moving pace of the pandemic how the structure of our department has moved over the last few years. This is a snapshot of 30 June. There has been a slight change since then, but it primarily remains the same. We had seven ministers as at 30 June and for the majority of the 2020–21 financial year and 15 portfolios.

In the presentation today I will not bore you with slides. I have provided a number of slides to the committee, Chair, by way of background of achievements through the various portfolios, and hopefully it provides the committee with some insight into the work that we in DJPR performed during 2020–21. But I will focus mainly on the first few slides to give you an understanding of (a) what we were hoping to achieve as a department during the year and (b) the way we went about delivering the government's performance.

Before I get into that I too would like to acknowledge the traditional owners of the land, the people of the Kulin nation, pay my respects to elders past, present and emerging and acknowledge how important it is for me personally in our department to walk alongside and learn from the world's oldest continuous culture. It is a really big part of our department and what we do and who we are, and we think it is a really important part of the Victorian community and economy.

In DJPR, obviously spreading across 15 portfolios, we try to find the things that bind us. We really celebrate the independence and identities of the individual portfolios. Having had the opportunity to travel around the state and speak to our teams, the connection to things like Agriculture Victoria and Global Victoria internationally is really powerful and important for our staff, and we celebrate that. But what binds us is three core purposes and also our culture. We have some cultural norms in the department and some behaviours that we consider non-negotiable. That is what binds us in DJPR, along with these three purposes, and apart from that we think it is really important that people celebrate their individual cultures and identities and their communities and stakeholders within their portfolios.

For us the three things that we focus on are more jobs for more people. We are primarily a jobs department, so the last couple of years have been particularly interesting for us. But we are about creating and maintaining jobs and giving people the economic opportunity, the dignity of work, and we are working with our colleagues across government to make sure that nobody gets left behind in either a growing or indeed a contracting job market. Thriving places in regions is really important. We are the department for regional Victoria, so we are lucky enough to have Agriculture Victoria and Regional Development Victoria in our department, and that regional identity cuts across all of our portfolios and it is something that is really important to us, as is suburban development. So right from the city revitalisation work we are working on at the moment through to all of the suburban development work and some of the terrific revitalisations happening in some of our suburbs really is part of our core identity regardless of portfolio. And inclusive communities, which cuts across the other two areas of focus and is something we really believe is fundamental to Victoria's economic success. It is definitely a nice to do and something that we all believe in as people, but we also believe that the data is in when it comes to inclusive economies and communities. They create enduring, prosperous economies. So they are the three areas of focus that, like I said, cut across all 15 portfolios.

Now, our key challenges in 2020–21 were many, like all of my other colleagues around government and indeed all of our stakeholders in the economy. The scale of the challenges was immense. We are not special having confronted them, but I think what was special was the contribution of my colleagues, many of whom are at the table now and some are in the gallery today. I would just like to take this opportunity to call out just how outstanding I thought their performance was during 2020–21. Were we perfect? Absolutely not. Did we try our absolute best during the year? We did. And the same can be said for all staff in DJPR. I feel really privileged to have the opportunity to lead the department and to report to you on some of the progress that we made during 2020–21, all of which was fuelled by our people and their dedication.

This is a snapshot. Obviously the pandemic weighs heaviest when you look at our year, but it was not the only crisis we dealt with during the year. Actually we had some others that would have grabbed headlines in their own right if it were not for the pandemic, and we had a whole lot of core business that the people in the department managed to get on with during the battle against the pandemic.

I will flick onto the next slide, Penelope, please. Focusing on the pandemic first—okay, so primarily we had a role in providing business assistance. So right from very early in the pandemic, when we had the call to establish Working for Victoria and the Business Support Fund 1—and that predates the financial year we are talking about now, but it really shaped our identity during the financial year that is in question during this outcomes hearing—it set us on course to deliver over 30 financial programs and assistance for business and communities, programs that moved with the pandemic.

So as restrictions moved by industry type, we defined it by ANZSIC code. It was the best coding we had available to us as afforded by the Australian Taxation Office, and also by geography. We moved our assistance programs based on government policy to best help those that were most impacted by the pandemic and its pattern of behaviour. There were some multisector supports. These were the big ones—so the Business Support Fund, the business costs assistance program, referred to as BCAP, the sole trader support program. These were kind of agnostic in many respects, not in all respects, to ANZSIC code and geography. They became more and more refined over time. And then we had a few specific programs.

Now, like I mentioned there were over 30, and I will not list them all for you, but hospitality support loomed large during the pandemic—obviously one of the hardest hit industries. Events and creative, again, were very, very hard hit through the life of the pandemic. Tourism support and CBD: a lot of the things that Melbourne and Victoria are renowned for were impacted by the pandemic. So our terrific service culture, tourism, international students, hospitality, live music events, all of these things that we have come to identify as some of Melbourne strengths were impacted. And then out in the regions the compromised supply chains and the compromised access to materials meant that many businesses needed the assistance that was afforded to us during the life of these programs.

We had over 2 million applications for assistance across these 30 programs, and so while the scale was immense, and scale is also something I will come back to no doubt during the presentation, what was important to us was that we could empathise with every individual case. That gets really difficult when you are talking in the millions of transactions, some of which are really straightforward, some of which are really, really difficult, because life is complicated and Victorian businesses are complicated. And so some of those 2 million were really complicated interactions, but it was really important to us that we could empathise with every single case. It was not just a big bunch of statistics.

There was a whole lot of non-financial support as well—that is really important. The headlines often are captured around the dollars, but actually some of the development that Victorian businesses went through, the capability building during the pandemic, will hopefully shape recovery, and we tried to assist that.

We tried to make sure that commercial tenant-landlord relationships were preserved, not just financial relationships but actually their bond. That means that they can go forth and prosper and help us rebound and recover, and the same can be said across the board. There is one that I want to call out specifically on this slide which was Upskill My Business, which was at a time when people were out of their businesses and we really wanted to really encourage them to take up capability building so that on the other side of the pandemic they were best equipped to deal with recovery. I am delighted to say that many Victorian businesses in their darkest hours still had the wherewithal and ability to stand up and engage in professional development, which is inspiring.

We provided support to individuals. The test isolation payment was a critical one. This is a payment that is made to individuals who need to get tested and isolate but do not have the financial means or the security of work or employment to support that. We saw the devastation in some other countries when people could not afford to stay away from work so were getting tested or had symptoms but did not leave the office, and that had obviously a pretty profound impact on the spread. That \$450 COVID test isolation payment was one of the more rapid payments we put in place because speed was so important. That in some cases translated to the pandemic leave disaster payment, which was provided by and supported by Services Australia, just one of our many partners during the pandemic. Working for Victoria no doubt we will talk about today alongside Jobs Victoria, which were critical mechanisms to keep Victorians in work and also performed some really critical civic duties during the pandemic, which I know were valuable to lots of local governments, lots of not for profits and indeed lots of businesses around the state.

The last thing I will say is I mentioned earlier that we dealt with other issues during the year. The first issue was core business, and we refer constantly to the people in our department who managed to get on with core business while the pandemic was raging, as they are the heroes here. They were not caught up in frontline work or promotions, and often their achievements are not called out on slides like this one. But the fact that we have a whole lot of people whose colleagues were off fighting various crises but delivered the core business is something we are in incredibly proud of. I mention crises; we had an avian influenza potential outbreak down in the south-west during the pandemic. This is terrifying headline news, but the chief vet, our head of biosecurity, swung into action and our experts in DJPR, their research colleagues and their industry colleagues

made sure that that outbreak was kept local. There were moments when we lost sleep over that one, but I am very pleased to report that it did not make headlines because it did not break out. So these things go on while pandemics rage, and that is just one of the many things that we are proud of having achieved during the 2020–21 financial year. Thank you, Chair.

The CHAIR: Thank you, Secretary. Deputy Chair.

Mr D O'BRIEN: Thank you, Chair. Good afternoon, Secretary and team. Secretary, can I go to something we discussed at both of the last two estimates hearings, and that is the commitment for 500 new jobs in the Latrobe Valley through the SEA Electric proposal. At the June hearings Minister Thomas indicated that the government had formally written to SEA Electric to basically ask, 'Why should we keep doing business with you?'. What has the result of that been?

Mr PHEMISTER: Thanks, Mr O'Brien. This is one that has been—unfortunately a business plan that was put in place pre pandemic and one that we have had some issues with during the pandemic. The resolution of—

Mr D O'BRIEN: I think it is fair to say there was an issue with it before the pandemic, though, wasn't there, Secretary? The Premier made the commitment before the election in 2018 that the plant would be up and going by the end of 2019, and it was not. There was not even a site identified. So I am not sure we can blame it on COVID, but anyway please continue to answer the question.

Mr PHEMISTER: Apologies; I did not mean to blame it on the pandemic. With the original deal that was struck we were really optimistic. The plant in Dandenong was doing very well and the global outlook was looking really positive for the EV light freight vehicles. You know the case very well. Since then we have been working with a company that offshored much of its focus to the US. We were working with a company on what it could achieve in the Latrobe Valley. I do not have figures or resolutions on me now, having prepared for the 2020–21 financial year. So a more contemporary update I am sure I can get for you, but right now I do not have anything to add to Minister Thomas's outcome hearing from 2020–21.

Mr D O'BRIEN: Okay. This is continuing on from the 2020–21 questions, which were that the minister had written to SEA Electric. Have you got a response from them, I guess, is the question.

Mr PHEMISTER: I know we have a response, Mr O'Brien. I did not come prepared to talk about the response. I am sorry I do not have it with me now.

Mr D O'BRIEN: Is there any indication that this project will ever go ahead?

Mr PHEMISTER: I cannot answer that question right now, Mr O'Brien. It is not part of my 2020–21 preparation, sorry.

Mr D O'BRIEN: I understand it is not part of your preparation, Secretary, but with respect this is an issue that has been going for a long time. Government made significant commitments to the Latrobe Valley about this, and each time we get told, 'We're still talking to them; we're still engaging'. Last time it was, 'We've written a letter'. It is an outcome of the 2020–21 budget, and I am just trying to get some sense as to whether this project is ever going to go ahead.

Mr PHEMISTER: So Deputy Secretary Jones is the head of regional and rural group; RDV formally prepared the grant. I do not have the response to the letter, Beth, and if you do not have it handy—I am happy, Mr O'Brien, to take it on notice.

Mr D O'BRIEN: Again, with respect, this is a question we have asked for each of the last four or five estimates and outcomes hearings. If that is not in your briefing packs, I will be astounded.

Mr PHEMISTER: I have just asked Ms Jones the question. She has not answered me yet, so bear with me in terms of—

Mr D O'BRIEN: If she has an answer, that would be good.

Ms JONES: Mr O'Brien, what I can tell you is that the company contacted us in October this year—just recently, so in this financial year—and advised us that they will seek to terminate the grant, and the government

is considering that. Further to the Secretary's answer, we have been working very hard to try and support SEA to make that project a reality. And for reasons that only the company can answer to, we just have not been able to secure that, so we are currently considering that information that has only just recently come in from the company.

Mr D O'BRIEN: Now, when you say they will seek to terminate the grant, there was a—

The CHAIR: Mr O'Brien, I think it is clear from the answer that the information provided fits into the next financial year and is perhaps an issue that you can explore then, but we are here to discuss the financial performance outcomes of the 2020–21 financial year.

Mr D O'BRIEN: Yes, and this is an outcome. We have heard about this project for the last four PAEC hearings. You cannot now say 'Oh, that's going to be next year' because they got a letter back in October. There were commitments made by the government for 500 jobs in the Latrobe Valley, and they have not come to fruition. This is breaking news in the Latrobe Valley. If the company itself has now said that they want to terminate the agreement, we cannot just say, 'Sorry, that's in 2021–22 now, you can't ask questions about it'. It is ridiculous.

The CHAIR: Mr O'Brien—

Mr D O'BRIEN: These hearings are outcomes of the budget process. This is part of the budget process and indeed the whole governance framework.

The CHAIR: Mr O'Brien, I am sorry if you are not clear, but the terms of reference are that the financial performance outcomes for the 2020–21 financial year are what people are here to ask questions about and what, I am sure, the officials opposite have come prepared to answer questions about. So I would ask that you keep your questions to the relevant period, please.

Mr D O'BRIEN: And I am asking questions about the outcomes of the state budget which, as I said to you earlier, goes over a four-year term. Now, you cannot simply say 'You can't ask any questions after 30 June' because there are programs that go on forever.

The CHAIR: Mr O'Brien, as you well know, we conduct these hearings, both estimates hearings and financial performance outcomes hearings, yearly. So I would ask again that you keep your questions to the relevant period that we are here to discuss, which is the 2020–21 financial year.

Mr D O'BRIEN: Ms Jones, in the relevant period, the then Minister for Regional Development, Jaclyn Symes, advised—and in fact it was a Mr Stewart, I think, at the time—that no payments had been made to SEA Electric since May 2019.

Ms JONES: Correct.

Mr D O'BRIEN: The government has refused to say how much a payment or any payments were. Are you able to advise now what they were?

Ms JONES: No, Mr O'Brien. Those payments are commercial in confidence, so I do not have anything to add in relation to the 2020–21 year. What you have just said is correct as of what I can report to you from the 2020–21 year.

Mr D O'BRIEN: So—and this may be a question for the Secretary; ultimately it is a question for the minister, I am sure—when do you give up? If SEA Electric now come back and say they want to terminate the agreement—sorry, I should have clarified: when they say they want to terminate the funding agreement, presumably it is not just about funding, but it was an agreement for them to go ahead with the funding component.

Ms JONES: Correct. They are not in a position to fulfil the milestones as agreed.

Mr D O'BRIEN: Right. And perhaps this is for the Secretary, but at what point does the government formally announce to the community these 500 jobs are not going ahead?

Mr PHEMISTER: Mr O'Brien, I cannot answer that question. So we have received the correspondence in. We will consider that. Is that tantamount to government accepting that the 500 jobs in their total will not go ahead or that there is not some redistribution of effort or some replacement? I do not know right now. I genuinely do not know right now. It is something that we will advise the minister on and seek to, in the context of employment growth in the Latrobe Valley, report back on. But as we sit here today I do not know the answer to that question.

Mr D O'BRIEN: Okay. I appreciate you might not be able to give a specific answer to this question, but what would be the general process where a grant has been provided and a project is not going to go ahead, where the recipient decides that they do not want to go ahead? Would they be required to pay that money back, or are there terms and conditions within the agreement that cover that?

Mr PHEMISTER: I am happy to take that. So we have standard formal protection in grant agreements, and Mr Latina is our expert in grant agreements. From time to time we have grants—it has happened ever since grants have existed with businesses—that have not been fulfilled or milestones that have not been met, and we ask that the business advise us pre milestones not being met, which, to be fair to SEA, they have done so, rather than advise us afterwards. We trigger the standard clauses that are in our contract, which I am happy to make available, and every business that has ever received a grant from us for essentially our jobs bounty for jobs delivered would have received it.

Mr D O'BRIEN: Could you provide that on notice to the committee?

Mr PHEMISTER: Of course.

Mr D O'BRIEN: Thank you, Secretary. Can I continue in the Latrobe Valley. We asked some questions about the Latrobe Valley Authority's funding in the previous hearings. Can I ask how much grant funding was issued by the LVA in 2020–21? We had about \$26 million allocated to the LVA. About half was—

Ms JONES: That is correct, Mr O'Brien: \$26.9 million over two years, roughly half for staff and half for programs. I would have to come back to you on the exact amount of money that was issued in that year, but a large portion of the \$13.9 million was for programs. But I would have to come back to you with exactly how much was issued in that year.

Mr D O'BRIEN: If you could do that, and therefore also provide the exact amount of grant funding that will be left over and available in 2021–22 on notice, that would be great.

Ms JONES: Yes.

Mr D O'BRIEN: The minister, again last year, talked about the opportunity for other programs, so other RDV programs, for example, to go into the Latrobe Valley in conjunction with the LVA. Could I also perhaps get a list of the projects or programs that were funded by other government programs—your department at least, including RDV and any others—for Latrobe City for 2020–21 and also any of those projects or programs that contributed to an LVA budgeted program or project? Could I get that on—

Ms JONES: Yes.

Mr PHEMISTER: Mr O'Brien, can I clarify that, please?

Mr D O'BRIEN: Yes, sure.

Mr PHEMISTER: You said Latrobe City. Do you want the boundaries of the Latrobe Valley Authority or just Latrobe City?

Mr D O'BRIEN: Sorry, you are right; good point. Yes, the boundaries of the Latrobe Valley Authority.

Mr PHEMISTER: So Bass Coast and Wellington.

Mr D O'BRIEN: So Wellington and Baw Baw as well. That would be great. Could I also ask—you may have this—how many jobs were created by Latrobe Valley Authority projects in 2020–21?

Ms JONES: Mr O'Brien, in terms of the number for 2020–21, I do not have that. Sometimes there can be a bit of a lag in realising those until some of the project phasing is realised because some of those projects go beyond a year. I can only speak to the fact that there have been in excess of 3800 jobs created by the LVA in its time, but I would have to come back to you on the specific number for 2020–21.

Mr D O'BRIEN: If you could, that would be good. And on the topic, the LVA provided, I think it was called the report to the community from memory, in December 2019, maybe 2018. I have not seen one since. Has there been an update on their progress?

Ms JONES: The LVA, Mr O'Brien, issue routine sort of updates to community and run forums on their progress and their priorities for the year ahead, and I understand that has certainly happened recently and some are planned for the coming future. But in terms of an update to the particular document that you are talking about, I will need to take that on notice.

Mr D O'BRIEN: If you could. The reason I am asking is because it specifically said: 'This is what we've done, this is what we've spent and these are the jobs that we've created'. So if you could come to that, that would be great, thank you.

Secretary, can I just go to the \$2.7 billion building works package which was dedicated to COVID and in part to bushfire recovery. The RDV website says that more than half of the projects under that program are in rural and regional Victoria. Can you provide a list for us of what those projects are? Then also the budget paper this year talked about 2800 jobs having been created in 2020–21. Could I also get a list of where those jobs were created? Obviously I am interested from this perspective in how many were in regional Victoria, but if you can do it by LGA where possible.

Mr PHEMISTER: We can definitely do it by the regions, so our regional development boundaries. And if I can go more granular than that, I will, Mr O'Brien, but that is the level that I know we have data at.

Mr D O'BRIEN: Yes, that would be good. And likewise—no, I might leave that there actually.

Just a quick ag question: the budget for fruit fly was reduced in the last iteration, the minister announced. So it went from \$10.1 million over six years to \$6.4 million over four years, which the VFF described as being a drop in the pond when they are actually facing one of the worst seasons we have had for fruit fly in the last two years. What research has the department done to assess how that cut in funding is going to impact the fight against fruit fly?

Mr PHEMISTER: Thanks, Mr O'Brien. I might actually ask Deputy Secretary Lowe, who is the CEO of Ag Vic, to come to the table while I offer an introduction.

Mr D O'BRIEN: Sure.

Mr PHEMISTER: So fruit fly research—there is definitely the dedicated program, and then there is also the allocation within the standard Ag Vic research effort, and then there are the translation services that happen through some of our research efforts and research farms. With specific reference to fruit fly, Mr Lowe, do you want to pick it up from there?

Mr D O'BRIEN: I guess I am after: there was a cut in the program budget—what impact has that had on managing fruit fly?

Mr LOWE: I guess probably the first starting point would be: we released a fruit fly strategy for the coming four years, which is really about transitioning fruit fly management, recognising that it is an endemic pest, to support communities to manage the pest in an ongoing sense. From our perspective we have been on that journey since 2013, when fruit fly was declared an endemic pest, and this is just a further evolution of that journey to strengthen community response to fruit fly management. From our perspective we continue to see that as a positive and continue to see that as strengthening fruit fly management at the community level, where it is best managed.

Mr D O'BRIEN: Okay. All right. Thank you. Can I move on to something completely different, Secretary, on the digital economy. The Victoria's Digital Future Now program in the budget for 2020–21 was \$96.3 million, to be spent in the relevant financial year. But then also in the financial report released a few

months ago there was a Treasurer's advance for a further \$70 million for the same program. Why was that? Did the program blow out? Why was there Treasurer's advance funding for it?

Mr PHEMISTER: I will ask Deputy Secretary Latina, who looks after the digital department, to answer that one.

Mr D O'BRIEN: So for reference, page 148 of the financial report has the Treasurer's advance, and it says, 'Victoria's Digital Future Now—\$70 million'.

Mr LATINA: I have not got to the page yet, but my recollection of that was that one of the key elements of the implementation plan in terms of Victoria's Digital Future Now has been around engaging with NBN—NBN Co—and reaching a commercial deal to support the development and implementation of upgrades to broadband. During the course of last financial year there were a series of commercial negotiations and outcomes that have been achieved with NBN, and as part of that there was a commercial deal that was arranged off that broad quantum on there that was subsequently publicly announced. That was in the previous financial year—

Mr D O'BRIEN: It is listed under 'Treasurer's advance'. Was there money brought forward from the out years, or—

Mr LATINA: I think it was because the funding around Victoria's Digital Future Now was in contingency, so the mechanism for funding that arrangement was through a Treasurer's advance.

Mr D O'BRIEN: Could I perhaps get on notice a bit more clarity on that, because the line item from the budget papers was \$96 million last year, and then there is significant funding in the out years—\$249 million, \$123 million. So whether it was brought forward or whether it was additional money, that would be useful to know. Likewise how much of the \$96 million has been spent, if at all, if you can take that on notice as well.

Mr LATINA: Sure.

Mr D O'BRIEN: Could I also get a list, speaking of the broadband side of it, of all the suburbs and regional towns where business-grade broadband has been expanded or provided as a result of this particular program?

Mr LATINA: Yes. It is fair to say some of those sites have been announced, and there has been extensive consultation with the community and some of those have got to be progressively announced over the course of the agreement with NBN.

Mr D O'BRIEN: Okay. If we can get a list, that would be good.

Mr LATINA: Yes, of course.

Mr PHEMISTER: Mr O'Brien, can I say to you, a report back just for you: that \$70 million was released as a TA, Treasurer's advance, because it was released from contingency. The mechanism that Mr Latina mentioned was how it played out financially. We can clarify it through the budget papers, but it is not an amendment to the aggregate amount available for the program, it is just simply the mechanism that was used to release the money from contingency.

Mr D O'BRIEN: So it was brought forward effectively?

Mr PHEMISTER: Not a bring-forward so much, no. It sits as what is called contingency, so it is centrally held and we have to provide an implementation plan before Treasury will release that to us. The mechanism they used to release that was a Treasurer's advance.

Mr D O'BRIEN: If you could provide that detail and also on notice the mobile black spot list—what is funded, what has been funded across the state from that program as well for mobile black spots. Thank you, Mr Latina.

The CHAIR: Thank you, Mr O'Brien. Mr Maas.

Mr MAAS: Thank you, Chair. And thank you, Secretary and departmental officials, for your appearance this afternoon. I would like to go to business support, and I noted your extensive presentation on that as I did the output variances and program outcomes in the questionnaire. I was hoping you would be able to provide the committee with an update on how those funds were distributed across the programs and how they assisted businesses affected by the restrictions.

Mr PHEMISTER: Yes. Thanks, Mr Maas. That is obviously the core purpose of the programs, and I think you have identified the Business Support Fund and other business programs. So effectively we went from Business Support Fund 1 and 2 and then we converted to the business costs assistance program. They were the core broad-based programs. So of the around \$10 billion that was rolled out during the year—and I think I will defer to Secretary Martine’s aggregate number, because he gets to see the budget from an aggregate, whole-of-government, whereas we only get to see it through the prism of the individual department—it is fair to say that billions of dollars went out. In aggregate there are about—and forgive me, these are 3 November numbers; I can cut them, if that is helpful, by the end of the financial year, it is just the programs roll so quickly—1.83 million individual grant recipients. Many of those are the same businesses receiving multiple grants, because as you rolled through the various iterations of the supports they were time limited, so if you qualified for a grant, typically that grant rolled on, and by the second half of the programs what we were experiencing was an automatic rollover of payments for certain businesses, acknowledging that from time to time we had to solicit additional data to verify where businesses were perhaps located or to have an additional cut of their ANZSIC code to make sure that they maintained eligibility.

What is really telling through the Victorian business landscape is—and every budget estimate has got this wrong to date, state and federal—there has been a resilience of businesses in Victoria. That goes to metropolitan and regional businesses. Business exits were down last year. On average insolvencies were down, and that came down to—we assume, based on our analysis—the safe harbour protections that were afforded, not just by our programs. Obviously JobKeeper played a significant role. The banks played ball with regard to debt and the treatment of debt, but we routinely receive feedback from recipients of BSF or BCAP or licensed venue hospitality funds to really describe the importance of that cash in terms of solvency. And so to have a set of Victorian businesses—many were predicted to be ghost businesses by now. For many it was predicted that their working capital ratios would be so low that they would not be able to restart, and many were predicted to either have entered insolvency proceedings by now or just shut up shop. We have not seen that en masse.

We remain vigilant, and the recovery is going to be really important to put cash through Victorian businesses, but those 1.83 million payments that have been made by the billions of dollars, when you break it down by the individual recipients, had really profound impacts. We tried to calibrate the scale of the payment to a meaningful number for a business to maintain survival. We all the way, all throughout, paid grants to employing businesses—there were separate arrangements for non-employing—if they were prepared to stick with their staff and maintain connection to their staff for two reasons. One, this was money going through the businesses, but it was about jobs and businesses continuing their role in job creation and preservation, but also on the other side of the pandemic—and we are experiencing it now—when we knew the economy would start, we needed people still attached to their businesses so that businesses could fire in recovery.

We are seeing already that labour shortage is one of the major drags on business recovery, which in many respects is good news. Secretary Martine talked about the jobless rate yesterday, but we now have the opposite problem to the one that many economists predicted, which is that we have a labour supply issue rather than a labour demand issue in the economy, and I think that is in no small part down to the billions of dollars that went through business survival and business assistance funding.

Mr MAAS: Terrific. Thank you. As I said previously, page 10 in the questionnaire described the output variances and program outcomes with respect to business support. When you go to page 11, that describes the ‘Circuit Breaker Action Business Support Package’ from June 2021, and it states that funds were ‘distributed across several grants programs and initiatives to support businesses’. My question is: how were these programs different on page 11 to those described on page 10, specifically compared to the 2020 business support?

Mr PHEMISTER: Okay. I might refer to Mr Latina, who administered most of the business assistance programs. So we had various rounds obviously of payments and assistance. Those at question 10 refer to earlier budgeted rounds, and then we hit the circuit-breaker, which was a different phase of the pandemic and so we obviously had to fund a different type of program. David, do you want to pick it up from there? Thank you.

Mr LATINA: Thanks, Secretary. The original circuit-breaker program that was announced in February 2021, many of you would recall, occurred around the time of the Valentine's Day celebration, and it was at a time after a period in 2020 where we had three rounds of the Business Support Fund. The nature of the Valentine's Day lockdown, which was effectively for a week, and the nature of the health emergency meant that businesses were closed down with very little notice, and therefore there was wastage in terms of perishable goods and obviously impacts on businesses such as restaurants, florists and so on. So the nature of the business costs assistance program, which was BCAP1—it ended up being BCAP1 at the time—was directed to provide that support for those businesses. So the original grant was \$2000 to eligible small businesses and sole traders who had incurred costs such as the loss of perishable goods, cancelled gigs and forgone trading. There were about 23 000 applications received on that. So it was a very narrowly focused BCAP and very much focused around the nature of the fact that it was a short circuit-breaker and around a particular time of the year with Valentine's Day.

There was also support, also around that time—the Licensed Hospitality Venue Fund, again which was a flat payment of \$3000 per premises, again reflecting the fact of the challenges that those licensed venues faced in that period. There were 8200 circuit-breaker payments that had been delivered. They were automatic one-off \$3000-per-premises payments. In addition to that there was support for the accommodation sector because of the cancellations because of the circuit-breaker. And also of course subsequently there were regional travel vouchers and the Melbourne travel voucher scheme.

So in terms of the difference, the Business Support Fund was for relatively large-sized grants that impacted on a very broad range of businesses; in contrast, the first circuit-breaker package was more targeted and nuanced according to the nature of that circuit-breaker action that was taken by the government at that time in February.

Mr MAAS: That is great. Thank you. I think I probably speak for many of our electorate officers when I say that we all received many calls from different types of industries, whether it was the events industry or whether it was weddings, hospitality businesses, gyms et cetera. I was just wondering: what sort of engagement took place with those various industries and employment stakeholder groups?

Mr PHEMISTER: Yes. Thanks, Mr Maas. You really hit the nail on the head when you mentioned that group of businesses, because it is one thing for us to have—and Mr Round ran a lot of these—industry stakeholder forums with the peaks; it is quite another to get to the individual business. So it was multipronged, and as you would expect, preparing for today I asked for the calls received to the Business Victoria hotline. It received 1.1 million calls over the life of the pandemic. That is the primary source, the BV hotline—the Business Victoria hotline—which we have always had. It just expanded dramatically from tens of calls to thousands of calls every hour. Much like its sister call centre in health it experienced big peaks in demand when new restrictions were in place and then quieter times. During those quieter times we built up a capacity to do outbound calls, so we maintained a constant load ready for the inbounds but whenever there was capacity did outbound calls.

In total, however, when it comes to information sessions and supports we clocked around 21 000 individual business sessions. So that ranged from all-in sessions, which we were running quite regularly—every time there was a restriction change we would run a host of industry forums—and then we would get down to the individual level, which was really important to us, where we invited individuals through the business assistance line or through contacts. What worked, I think, most effectively, and I will pass to Mr Round in a tick, was the engagement of local government and peak organisations to be partners in the provision of that information. We were really focused on creating a single source of truth that others could use, be it faith leaders or local business chambers, because they were best placed to communicate, and nimbly communicate. And when that all failed we just put boots on the ground. We worked with local governments, through the local government concierge service to do that, and we also had our own teams, who clocked up over 30 000 visits. That is just boots on the ground—no substitute for it. I may have missed something, though. Jim, do you want to pick that up?

Mr ROUND: Thanks, Secretary. Thank you for the question. As the Secretary said, we use multiple channels to get out to industry to explain to them the health directions. I would just emphasise the websites as well that we managed, and we had for the website, which had detailed questions and answers in relation to the COVID-safe requirements, COVID-safe plan, over 16 million page hits since the start of the pandemic—for our website. I think you would be aware that we also had the specific coronavirus site, which had about 15 million hits as well. So we are talking very, very high traffic, and as the Secretary said, we had over

1.1 million calls into the BV hotline, which we really scaled up to meet the need for information, but we also did outbound calls. We had roughly a million businesses contacted by AI calls in terms of text messages which were used to either give people links to the website or to get them to call back into the BV hotline on particular requirements, like the need to update the COVID-safe plan or other requirements such as the need to make sure that your staff were vaccinated. We have had I think it is now over 2.1 million texts that we did out to businesses, and we continue with that as we open up. So we use multiple channels.

We also have comms as well. We use social media boosting to get out to targeted industry groups and purchasing radio and print ads as well, as you would expect. You would have seen the material that the teams have created in terms of all of the posters that are up on all of the different businesses around the state, which are about making sure that you are safe, making sure that you check in, making sure that you are vaccinated. So I think that is it.

Mr MAAS: That adequately covers it. Thank you. So we have talked about the direct financial support. We have talked about stakeholder engagement. Would you be able to inform the committee of other support that was given that went beyond financial support?

Mr PHEMISTER: Thanks, Mr Maas. These were really important. They do not quite grab the headlines of the billions of dollars. Some of them were on the slide earlier. Mental health and wellbeing were really important to us for business owners, particularly small business owners, and it was really important that we provided a counselling service. Mr Latina might like to talk about that in a tick. There were also, as I said earlier, the services that were provided through peaks. The VCCI small business mentoring service, for example, is a really valuable service that lots of small businesses accessed. So how were they going to navigate? Small business is difficult at the best of times, let alone trying to run a small business during a pandemic, so to have a mentoring service available, to have someone that small businesses could connect to who better understood their world than a government agency—and not stigmatising like interacting with government—was really valuable. I will finish before throwing to Mr Latina on the mental health and wellbeing side. The Upskill My Business work may seem small, but it was our constant reaching out to business to say, ‘Hey, if you do find yourself with downtime or you do find yourself with appetite, we do have available supports to uptake new technologies or develop new skills or capabilities that we think will be really important on the other side of the pandemic’. And, as I said, I was blown away by the uptake of that program. But, David, do you want to pick up specifically on mental health and wellbeing?

Mr LATINA: Sure. The mental health and wellbeing initiative is one that was particularly critical because of just the feedback that we had been receiving from small businesses as to the circumstances, even ourselves in terms of people in our call centre and the feedback that we were getting. It is a program that has got a number of different elements to it, including that we continue to roll out different phases of it. It started as a service, an immediate service that we got up very quickly in partnership with the department of health at the time through the Partners in Wellbeing service, which provided an immediate seven-day-a-week support service, a call centre service for business owners that felt that they wanted to get advice on mental health issues. It was incredibly well supported, and certainly there was strong demand for it. We also recognise that a number of industry associations are really often the first port of call for a number of businesses, and so we have worked with those industry associations to ensure that they have actually got the support that they need to support their members in mental health areas as well. So that is an area where we are also looking more broadly to see in terms of at a place-based level how we could look to sort of further strengthen that mental health and wellbeing support for small businesses.

Mr MAAS: Thank you. I appreciate that this pandemic has been a fast-paced and dynamic thing, and to come up with all of these programs in such a short time has been a good thing. Hospitality was an area that was hit particularly hard, and there was a Licensed Hospitality Venue Fund that was established in 2021. Would you be able to take the committee through, in the remaining minute we have, just how the program helped support hospitality?

Mr PHEMISTER: It was really important that we had a bespoke fund for licensed hospitality venues. It was quite unique, and Mr Latina mentioned earlier the circuit-breaker program for lost produce without notice. We also understood the ramp-up costs associated for licensed venues and hospitality, and also over the course of the restrictions there were density quotients to navigate, there were caps and there were different trading halts. They were also one of the most proactive industries in terms of getting the message out with regard to

safe entry. Actually they were real leaders, I am happy to say, in our broader industry forum. So licensed hospitality venue I had around 9500 applications received and about 9200 applications approved. That was a pretty consistent number that rolled through licensed hospitality venues. Obviously as LGAs came out, as regional Victoria came out, those numbers changed, but that was the peak of the support. And that was really genuinely co-designed with industry, that one, which is why it sat as somewhat bespoke to BCAP.

Mr MAAS: Thank you.

The CHAIR: Thank you, Mr Maas. Mr Limbrick.

Mr LIMBRICK: Thank you, Chair. And thank you, team, for appearing today. I wanted to ask about one of the payments in your presentation, the test isolation payment. When did that start?

Mr PHEMISTER: That started really early in the piece, Mr Limbrick. I will have a date for you; you just might have to bear with me for a tick—I will actually get my colleagues to hunt that down while I am answering. I remember why it came about. It came about because our colleagues in health saw global evidence of people returning to the workplace while symptomatic and not tested, and it was feared that we would be in a similar position of people simply not being able to afford to stay away from work. I will defer: 27 July 2020 it kicked off.

Mr LIMBRICK: My understanding of it is that, yes, it is to offset a perverse incentive of being forced to stay home, in that you would have to go to work. What I do not understand is, though, why couldn't this have been anticipated when the direction first came about? Because it seems like an obvious outcome to me that if someone is in casual work, they have got to choose between staying home waiting for a test or going to work to get money to feed their family and that many of them would choose to go to work anyway. I do not understand why this was not brought in even earlier.

Mr PHEMISTER: Why the delay?

Mr LIMBRICK: Well, I mean, I would have thought that when people were first forced to stay home after testing it would have been anticipated when this direction was put out that some people would choose to go to work anyway because they have to get the money, so I do not understand why we needed to wait until this came in.

Mr PHEMISTER: I do not have an answer, Mr Limbrick. Other than to say we constantly brought intelligence from health in, and health would talk to us about, you know, different demographics or geographies or socio-economic groups, and as those concerns came onstream we designed projects to progress or accommodate.

Mr LIMBRICK: So this is like a learning thing. I suppose the pandemic leave disaster payment is a similar thing, right, to offset perverse incentives through the directions.

Mr PHEMISTER: Yes. There were two elements, and it is a really important one. And obviously there is a step down between those who test and those who are positive.

Mr LIMBRICK: Yes.

Mr PHEMISTER: Once you come through that testing gateway if you are then positive and need support to stay at home, you are dead right about the perverse incentive. There are also a whole lot of supports that our colleagues in what came to be DFFH wrapped around individuals to make sure they could stay at home. And, you know, as evidenced through the tower response et cetera, it is not just money that helped people stay at home, it was all manner of supports. So this kicked in alongside that, and it is also important to call out that that became a partnership with Services Australia after the first, I think, three or four months of its operations.

Mr LIMBRICK: Thank you. Would I be correct in saying that a lot of the department outcomes, the budgets—normally they are for promoting tourism, industry, events and these sort of things—sort of transformed over the last financial year into rather than making those things happen sort of keeping them on life support? Would that be a fair assessment of a lot of these things in a way? I will give you an example. The creative industries access, development and innovation fund. A lot of that was around the idea of promoting events so we get large numbers of attendees, and even though we spent about the same money, we had very

small attendances obviously because they could not go ahead. Is that a fair assessment, that this has sort of switched into life support mode?

Mr PHEMISTER: Indeed, yes, and there are two parts to that. There was the staffing complement, so we could redirect and redeploy those who were, you know, normally running trade missions, for example, to other parts of the operation, and also the outputs primarily remaining within their portfolios. And then, you know, we did our best. Life support, yes, but also restart planning, which there was a strong element of, and hopefully we will start to see the fruits of some of that work now—a strong element of restart planning and making sure that our institutions or venues were prepared for safe restart. So it was not just life support, it was a bit of restart as well. And we have been in and out, you know, five times, so we are getting better and better at restart every time—a strong element of that as well.

Mr LIMBRICK: Thank you. And how do you know that when the government is providing support to some of these industries—we are going to be in a new economic environment. I know that a lot of people have had this idea that, you know, we are just going to hibernate things, shut them down for a while and then come back and it will all be okay. But clearly it is not going to be like that. Some industries, for example, or some particular businesses, they will not be economic in this new environment. How do you ensure that you are not propping up something for longer than is necessary that is uneconomic? For example, international tourism. We are not expecting very large numbers immediately to come back, I would not think, and therefore some parts of that sector may not be economic in the short to medium term. How do you know that you are actually putting money into something that is going to be productive in the future?

Mr PHEMISTER: It is a really good question; thank you. First and foremost BCAP and BSF were agnostic as to the performance of sector or individual business, so payments were defined by either geography or your ANZSIC code. And there are some additional conditions on top: you had to be registered for GST and had to be registered with WorkSafe if you were an employing business—all that kind of stuff. We did not run a criteria about the likelihood of success of your business.

Mr LIMBRICK: No, but that will have to change in the future, surely.

Mr PHEMISTER: That is through more bespoke programs. Tourism, for example—tourism is such a high-yield, highly important industry to the state that it has attracted already restart effort from the department. International students are a really good example—will we get the 250 000-odd international students back? We are going to certainly fight for it, because they are such high yield and so important to the fabric of Victoria. So, Mr Limbrick, that will come through the more bespoke supports. The BSF and BCAP and licensed venue did not run that rule over businesses.

Mr LIMBRICK: But going forward, like, for example, with events attendance, a lot of the KPIs that you have got in the budget paper would come back into action, right, you would think, in future periods. So how are we shifting from this period where we have not been expecting productivity or we have not been expecting outputs because we know that these businesses just cannot operate, so we are keeping them going? At what point do we shift and say, ‘All right. Well, we expect this sort of outcome now’?

Mr PHEMISTER: This budget we will be approaching like any other budget. We will run the economic analysis, so the impact of a dollar spent. We will run an internal investment process that seeks to maximise dollars spent in different parts of the economy, and then over to Treasury, who then run that same rule across the board. So that has remained inherent in all of our business case preparation. And you are right, the economics of certain industries have changed. The dividend from their return is different because we know, after 20-odd years of uninterrupted growth, the yield of some of those industries—it will be over to Treasury to run the rule of likelihood of return to work out where to get the best bang for the buck. That has remained inherent in all of our business cases during the pandemic. There have been a few budgets during it that have not been stimulus and have not been survival, and that will be a big feature, I dare say, that my colleague Secretary Martine will instil in the next budget upcoming.

Mr LIMBRICK: Thank you. With the Working for Victoria Fund, this is a significant amount of money, effectively to create jobs. Presumably these would be over the short term; this would not be a long-term funding thing. So how are we going to pivot those people—13 500 people, according to your presentation, that we put

into these fairly short term jobs, by the sound of it, with a lot of them—back into a long-term workforce that is not subsidised by the government?

Mr PHEMISTER: Again, a really good question. So—

Mr LIMBRICK: Because I have a concern that these 13 500 people are going to turn off this and they are just going to be back on the dole or something.

Mr PHEMISTER: A lot of these people were in a period of frictional unemployment, some in structural. And the best way to maintain someone's participation in the labour market is to maintain it. We know that long periods of absence, particularly for women over 45, once detached from the labour market for a particular period of time, lead to an alarming drop-off in participation. So we are really conscious of those demographics not having prolonged periods out of the labour market. I am really delighted to say that two things came of that. There is the ongoing participation in the labour market, and many of those roles have been picked up by the agencies. That was not the primary goal, but many of them have been, and there is great report done by Local Government Victoria about the impact through local government. But secondly, they are also about transferring skills to the individuals, and they leave the program with a more attractive CV than previously. In the current labour market we find ourselves in—Mr Clements is in the audience; I am not sure whether we have a breakdown of the 13 500, what has happened to each and every one of them—with transfer of skills they are a more attractive unit in the labour market and feel better about themselves. And the experience of dignity of work was fundamental to Working for Victoria. So having not seen the complete download, the Local Government Victoria program tells us actually there is quite a bright future for the majority of those people that had not just been tipped out into unemployment when the program ceased.

Mr LIMBRICK: So when you when you say 'participation', I suppose one of the advantages—correct me if I am wrong—would be that rather than having a gap on someone's CV, they would say, 'Well, you know, I was doing this work and learned these new skills over this period', and then they could transition into some other job. Is that what we are talking about, to maintain participation?

Mr PHEMISTER: Two elements, that is definitely one—really important. And to transfer skills—you know, some of the tasks you might look at and think, 'Well, some of them were cleaning tasks or others were, you know, put into civic duties'. We really worked hard to maintain skills transfer, but there is actually the actual element of participating. There is actually the getting up and the going to work and maintaining connection and keeping up with modern technologies. And you know, be it the GFC or other disruptions to global economies, low-skilled adults disengaged from the labour market sometimes never come back. And it might not be because there is a gap in the CV. It might be because of the individual's self-esteem or sense of worth or attractiveness to the labour market. So there is that element that sits alongside the skills transfer.

Mr LIMBRICK: Thank you. And with regard to the racing grants that are highlighted in the presentation, about \$18.5 million, racing has sort of had a very privileged position during the pandemic in that they have been able to maintain operations. Presumably that is to do with gambling tax revenue, I would imagine. Is there any sort of return on investment here that is done with regard to these grants to say, 'Well, you know, it's returning this much in revenue versus how much we're dishing out in grants'? Because people could not attend many of these events. I know recently they can, but really, the only way of participating is through direct participation for the owners and trainers and to watch it on television and gamble, I suppose.

Mr PHEMISTER: It is also—and I can only answer from my department's perspective; Secretary Martine might have a different view—a really big jobs generator in the state of Victoria, and our position as the jobs department was if an industry could demonstrate that they could operate in a COVID-safe way then they should be permitted to operate. And that was our mantra from day one of the pandemic. What the racing industry managed to do—and it had a head start because of its biosecurity dimensions—was segregate participants from spectators, which most businesses do not get to do. So they maintained a really good, strong track record of COVID safety, which is from our perspective why we were able to work with our health colleagues to get them to continue. And our primary motivation was because it is a real jobs driver across the whole state.

Mr LIMBRICK: Thank you. I know we are talking about the outcomes for last year, but part of the planning I guess must have been for a lot of these programs that are going to be winding down their funding in the next financial year. So what sort of preparation work has been done? I know we spoke a little bit about it

with jobs' Working for Victoria, but there are actually many of these sorts of things that are going to be wound down in the current financial year. What sort of preparation work has been done to ensure that those people just are not sort of left hanging and are transitioned into something else—because a lot of this is going to be people who have been in industries that are subsidised, or their jobs are subsidised somehow—trying to move them into a productive area of employment so they do not require that subsidy anymore?

Mr PHEMISTER: It is fair to say that while—same as JobKeeper—the state's BCAP or licensed venue payments were generous, they are no substitute for turnover. And so the game plan all the way through was to provide survival and, you know, stimulus money if you like for businesses until such time as they could make a buck. Again, the transition is back to the economy, as it was pre COVID, without government intervention or subsidy for businesses, which is why we pegged the ANZSIC eligibility so closely to the restrictions list or the geographic eligibility. Once a business was free to operate as it always had, over to market forces for them to make a dollar, to hopefully prevail.

Mr LIMBRICK: Thank you. And that is an interesting point, because lots of businesses that I have spoken to have said that, you know, the economics has fundamentally changed due to the restrictions. For restaurants and pubs, for example, they have got density quotients. They have got all these different restrictions on them that they never had pre pandemic, and many of them, like we said, might become uneconomic. How do we know what sort of effect these restrictions are going to have over the medium term for these businesses? Because a lot of them that were sort of on the edge before the pandemic are not going to be able to survive with this sort of restriction on their trade.

Mr PHEMISTER: Yes. Thank you. The restriction on the trade is why licensed hospitality continues, because there are some DQs that remain and obviously the state is going it alone without the federal government's support there, because there are some DQs up until 24 November or whenever we hit that threshold. We will wait and see, and government I am sure will ask us to do a piece of work around how to offset restrictions' impact on businesses with a new design of a new program, should there be any. So ultimately all the way through we have looked at how businesses were impacted, where businesses were impacted, in what industry sector, and that is what we have built our program support around. Once we find businesses operating reasonably freely, well, the role for one-off survival payments ceases. So after 24 November when we see like everyone else the restrictions no doubt we will do a piece of work then, but we hope that most Victorian businesses are transitioning to what is (a) a high-spending season and (b) when they find themselves in industries or parts of geography like central city, which has been really significantly impacted, that is where we will do what you discussed earlier, which is more targeted investments. So the more targeted, say, stimulation of the daytime economy in the CBD will require specific investments, which we will make with the City of Melbourne, whereas other businesses that are free of restriction can hopefully get back to it.

Mr LIMBRICK: A lot of that is going to depend on tourism, though, isn't it? Like, people coming into the state hopefully or travelling around the state, so it is not just business restrictions, we are also talking about border restrictions here, which have opened up with New South Wales recently I think.

Mr PHEMISTER: Really important global forces and supply. So noting that Victorians spend more going away than tourists coming here, if we can get the yield up from Victorians remaining in Victoria and get domestic tourism up on the eastern seaboard starting December, that is a really significant part. Getting the supply chain for international tourism, international students, will be critical, and they are the sectors we are going to have to keep an eye on through the recovery.

Mr LIMBRICK: Thank you. I think I am just about out of time.

The CHAIR: Thank you, Mr Limbrick. Mr Newbury.

Mr NEWBURY: Thank you. And thank you all for being here. Earlier this year, when you were last here, we were talking about the Ombudsman investigation into the department's administration of the Business Support Fund, which found roughly speaking that about 12 000 businesses could be entitled to up to \$120 million after many of them were knocked back. The Ombudsman said at the time:

The COVID lockdowns fell like a hammer blow on small businesses.

And:

Despite the stress and anxiety caused by COVID-19, in an environment where their businesses were being destroyed, people were being penalised for their honest mistakes.

Since that report was released I take it the department has done a lot of work in going through those knocked-back grants, making sure they are resolved and presumably looking at some of the systems in terms of the department and how the systems work. Would that be a fair characterisation?

Mr PHEMISTER: Yes.

Mr NEWBURY: And in terms of the systems, do you feel that you have, as a department, acted to—I do not want to use the words ‘clean up’ by any stretch, but you know where I am going—

Mr PHEMISTER: I do.

Mr NEWBURY: Because when an Ombudsman says something, especially so publicly, you take it seriously. As the Secretary, I am just asking you whether the department has implemented change, brought about change.

Mr PHEMISTER: Yes. Indeed. Thank you, that is a really good question. The Ombudsman investigation was into BSF1, which sat just in the other financial year, but our remediation was during this financial year, so it is a good question. It actually sits at the heart of a lot of our learnings. Were we prepared for BSF1? Well, like anybody who gets a phone call saying you need to stand up a system now, no. Were we perfect during its administration? No. Our error rates at the moment are currently sitting at 0.19 per cent, but we really recognise that that is made up of many businesses and so our goal is zero. Absolutely, yes. The error rate has come down dramatically since BSF1, and there are a couple of things I would love to point towards with regard to remediations post Ombudsman1 that have got us to that error rate, acknowledging that 0.19 per cent is not—we aim for zero, and I am happy to talk about every individual business that is made up of that. There are a couple of different categories that really keep us up at night with regard to grants. So there are fraudulent cases; put them to one side because they are separate—

Mr NEWBURY: Maybe it is a question on notice. Do you have data on fraudulent numbers that you could provide to the committee—even by each of the grant rounds or something like that?

Mr PHEMISTER: Indeed. We know the ones that we have suspected—

Mr NEWBURY: Of course.

Mr PHEMISTER: and the process, Mr Newbury, is we refer them to the relevant authority, so primarily VicPol. We have not found any instances, and even if we did, I could not discuss them here with regard to IBAC contact. So zero on that side. VicPol—yes, indeed. We have uncovered a couple of hundred actually that we have referred on, and it is not surprising—

Mr NEWBURY: And is that across all the grant rounds?

Mr PHEMISTER: Yes, it is. I will take that on notice. The team possibly have the number there, but we have front-end fraud controls—thanks, David. Mr Latina might be able to run through it in more detail. We have suspected fraudulent claims that we pick up in algorithms at the front end, and they have got much better. So, you know, is somebody’s licence number being used twice? Yes. That is a red flag for us. Then we have for where payments need to be made quickly, like test isolation payments, algorithms that run at the front end. We do a physical crosscheck, and then we also do back-end audit and inspection as well, which is a really important part of any regime.

So I do have the numbers here. I will do those referred to VicPol: BSF1, 417; BSF2, 227; BSF3, 184; BCAP1—we are in the process of working through seven—zero referred to VicPol; BCAP2, 100; BCAP2E, 55. The remainder is very small until you get to the test isolation payment, where it is 7021, acknowledging that that is not 7000 people who have tried to defraud, that is in some cases syndicates or individuals who are trying to defraud at large scale. They are individual cases. So we found, for example, one case, which is in the hands of VicPol right now, where a group of people got together and put in hundreds upon hundreds of claims that we picked up in the algorithm and then referred to VicPol.

Mr NEWBURY: So the 7000 may be a much smaller number of people that are making—

Mr PHEMISTER: Correct. That is right.

Mr NEWBURY: Yes. Okay. I understand. Thank you for that. If I can take you more recently—because I think this is important; it is all taxpayer money—to the September VAGO report *Managing Conflicts of Interest in Procurement*, where the Auditor found that the department:

... did not fully follow its procurement policies and procedures when it engaged a service provider to deliver security services for the Hotel Quarantine Program.

And the department:

... breached market confidentiality when it contacted Trades Hall to discuss security services for the Hotel Quarantine Program.

I take it you have read those findings.

Mr PHEMISTER: I have read them and I have had the opportunity on numerous occasions to talk about those issues, which I am happy to do again.

Mr NEWBURY: Yes. So you have taken those on board?

Mr PHEMISTER: I will clarify it. So the Victorian Trades Hall Council point was an errant email we have discussed with this committee twice, I think, Mr Newbury—

Mr NEWBURY: Yes.

Mr PHEMISTER: and through the board of inquiry. It was an errant email sent in a rush by one of our really important staff and it was not actioned, and there is absolutely zero evidence that the Victorian Trades Hall Council sought ever to inject themselves into a procurement process. The Auditor-General—

Mr NEWBURY: But as you would probably appreciate, conflict of interest is not actual, it is sometimes perceived—

Mr PHEMISTER: Indeed.

Mr NEWBURY: And, you know, I mean if potentially former Labor staffers now work for departments and then they have contact with Trades Hall, it can be perceived to be a conflict. So I do not want to make any accusation other than to say that perception matters too.

Mr PHEMISTER: Perception does, but in fairness to people's employment arrangements, if they have done nothing wrong, I cannot accept that they actually activated a conflict of interest.

So on the Victorian Trades Hall Council, there is an email that I have almost committed to memory, I have had that much opportunity to talk about it, and there was no action off the back of that email. It was to do with an intersection between working for Victoria and the selection of different companies that were procured, and if you read the email, that is actually internally inconsistent and, like I said, was never actioned. The Auditor-General, as you said, was doing a review into perception, and he was right to call it out.

With regard to the other audit that you referred to with value for money, we have been through multiple post-instance reviews of our invoking of the emergency procurement procedures and we followed the rules. So the Auditor-General makes observations about using the SPCs, which I think Secretary Martine talked about at length the other day. On our procurement procedures, which we have since refined—we will always update and thank the Auditor-General for his work—he comments in there that we did not actually break the rules. Would we have been better served by using an SPC? Well, maybe. There is no conclusion on that point. But it is the same as I said previously and the same as I said to the board of inquiry, and the board of inquiry found that we did not break any rules with regard to procurement for the procurement of the hotel security firms—two on the SPC, one was not, and I will defer to my earlier testimony as to why we went down that direction. Thank you.

Mr NEWBURY: And then if I can take you to the more recent October VAGO report, which found that the department:

... did not put in place effective fraud controls at inception—

of a particular program, and further, in relation to a particular program, the department:

... did not effectively manage the perceived conflict of interest of using a non-competitive process to hire staff from an organisation which, at the time, was chaired by a former ...

Labor minister. Do you understand that there is clearly—who I think was Wade Noonan—at the very least, a perception issue there?

Mr PHEMISTER: I cannot speak to perception issues. Others can. I can tell you what happened with regard to that procurement.

Mr NEWBURY: Yes.

Mr PHEMISTER: We had a grant with Jobscan. So Jobscan is the board that Mr Noonan chaired, voluntary, no payment made—it is a not-for-profit—to himself or board members. Jobscan's role was to get people with disadvantaged backgrounds into employment. That was their job as an intermediary between government employment services and the demand side of labour. When the pandemic hit obviously their opportunities dried up, so we pivoted that grant agreement from being the provision of those outputs—much as per Mr Limbrick's comment before—to actually utilising those staff for a different purpose in pandemic response. So we used the grant agreement for that particular purpose. It was not any new procurement. It is like many grant agreements we amended so that we could put those resources to best use from a not-for-profit organisation that had a board of people who are not paid to do what they do. So that is that one. Again, we look at it and think, 'We were within our rights to amend the grant agreement to do that'. The second case, Mr Newbury—

Mr NEWBURY: As you can probably appreciate, when auditors say things it matters. They have got a very important role of oversight, and when they say a department does not 'manage the perceived conflict of interest', I mean, that is something you take seriously.

Mr PHEMISTER: I actually take seriously the role that we were asked to perform at that moment, and I had a bunch of staff who, through a grant agreement, had no work on in Jobscan, who we knew to have expertise in employment services. At the same time we were getting a phone call to stand up a \$500 million Working for Victoria Fund. I think we made exactly the right decision to get those staff in. The mechanism was transparent. We changed the grant agreement. If you go back and look at the Jobscan grant agreement, the change was explicit. We asked the board permission to do it. The board agreed. The grant agreement changed, and we had those staff deployed on Working for Victoria really quickly.

Mr NEWBURY: Yes. Though it was a non-competitive process?

Mr PHEMISTER: It was through amendment to a grant agreement. So I employed over the last couple of years thousands of staff from various backgrounds to perform different functions.

Mr NEWBURY: But if it is not competitive it means not everyone can apply. Is that a fair comment?

Mr PHEMISTER: It was an amendment to a grant agreement, so I do not put existing grant agreement amendments out to competitive processes.

Mr NEWBURY: So not everyone could apply?

Mr PHEMISTER: I do not—

Mr NEWBURY: Well, that would be correct, wouldn't it?

Mr PHEMISTER: Well, not everyone can apply when you make an amendment to a pre-existing grant agreement, I guess—

Mr NEWBURY: Yes, I appreciate that not everyone could apply. My point is I think that when you have two reports from the Auditor talking about conflict, whether it is perceived or actual, it is important to take them on board and recognise that, especially when it comes to politics, it is very important to not have perceptions of conflict of interest. So I am glad to know that you have read those, that you have taken those on board, and I am sure that any other issues in the future would be, I am pretty sure, jumped on by the Auditor.

Can I move on then to business support. If I can refer you to your questionnaire provided earlier in the year and my calculation on the first business support round. If you accept that there are roughly 660 000 small businesses in the state—let us just use that figure—in the first business support round the take-up rate was I think roughly 16 per cent: 79 000 you provided—79 446; in round 2, 108 265, which represents about 11 per cent; and round 3, 73 903, which represents about 13 per cent. I am not actually going to test you on those numbers by the way. I am not testing you, I am just using them as an illustrative point, and whether or not it is exactly 660 000 clearly is a debatable point. Some people say it is the lower 600s—whatever. My point is roughly five out of six small businesses did not take part in those grant rounds.

So when looking at that I say, ‘Well, if one out of six small businesses in this state in the middle of a pandemic’—I mean, the pain of the pandemic to small businesses was extraordinary to the point that the department was providing mental health support to small businesses. When so many businesses were not applying, what was the department doing in terms of saying to the government, ‘Five out of six?’—roughly speaking; we may not debate the exact figure—‘If one out of six is applying, what are the five out of six doing?’.

Mr PHEMISTER: I am going to have to debate the five out of six to begin with, just because the numerator there has to be pitched against the eligibility criteria. So the eligibility criteria—

Mr NEWBURY: No, I accept that. But my point then on that, if we go to that point, is you are right: eligibility means that less small businesses can apply. If you know you are only hitting one of six in total, do you say to yourself, ‘Maybe the eligibility needs to be expanded?’.

Mr PHEMISTER: One of the really critical points of the eligibility criteria was that businesses were registered with the appropriate regulator and also trading in Victoria, and so I will have to defer to others around the numerator that you have used, Mr Newbury. So I will put that to one side.

Early in the pandemic we used JobKeeper as our proxy—that was our front door—and so the numbers you refer to all had to come in through the JobKeeper front door. If they had not come in through the JobKeeper front door, then they could not come into BSF. That was a federal government-established program, and it was really useful for us. It was the key criterion. If you were eligible for JobKeeper, you could come into the BSF round. So if you were excluded from BSF, you had to be excluded from JobKeeper. So anybody who was not eligible ergo was not eligible for JobKeeper. If a business then went away and said, ‘Hey, we now will become eligible for JobKeeper’—and some did through various iterations because they hit the turnover thresholds that JobKeeper required—they could come into our business support funds.

So on the numbers you are using—and to be honest they sound pretty accurate off the top of my head; definitely the demand side is accurate—JobKeeper eligibility is why that is the answer.

Mr NEWBURY: I absolutely appreciate that. I guess what I am saying is that there are a lot of businesses that either through eligibility or otherwise were not taking up a grant. I think that we can all accept the pain was overwhelming. When so many businesses were not getting a grant, did you say to the government at any point, ‘Lots of businesses aren’t getting a grant, and we’re getting 1.1 million people calling our phone line’. I mean, 1.1 million were not taking up the grant. We were talking about figures of 80 000 applicants for round 1, 108 000 for round 2 and 73 000 for round 3. So lots of people were not getting the grant. Did you talk to the government about so many businesses not getting financial support at any time?

Mr PHEMISTER: There were a couple of things in the question—and thank you. The 1.1 million, I just want to clarify, is over the life, so that is between the end of November. So you cannot equate that to BSF1.

Mr NEWBURY: Yes, I understand that. If you give me a daily detail, I am happy to give you the specific number.

Mr PHEMISTER: Actually, we might be able to if that would help the committee.

Mr NEWBURY: Not really.

Mr PHEMISTER: No? Okay.

Mr NEWBURY: I will take 1.1.

Mr PHEMISTER: So 1.1 million is between the beginning of the pandemic and 3 November.

Mr NEWBURY: Yes, I accept that.

Mr PHEMISTER: So 1.1 million cannot be applied to BSF1.

Did we have a conversation? At some of the different programs we actually pushed to businesses, so we actually went out to businesses we knew in particular ANZSIC codes and we went out to their peaks and we said, 'Hey, advertise this'. So we beat the drum through advertising. If you look back at the promotion of BSF1, it was pretty broad and we engaged peaks and local chambers to really beat the drum around it. When it became clear that JobKeeper as a front door was no longer going to be available to us we had to go away and redesign a front door—an entry—and the critical criteria for that were: you had to be operating in Victoria; you had to be GST registered; if you were employing, you had to be registered with WorkSafe or a relevant authority; and you had to have experienced some form of turnover. Now, if you could tick all of those boxes—and others had different ANZSIC criteria et cetera—you were in our program. So did we ever advise government how to maximise eligibility? Yes, and our primary vehicle was to advertise the program and the eligibility criteria.

Mr NEWBURY: Did you ever talk to government about lots of businesses not getting funding?

Mr PHEMISTER: We talked to government in the early days about JobKeeper. JobKeeper stats were really hard to get a hold of in the early days. But we made the decision, like New South Wales and a few others, that JobKeeper was going to be our front door.

Mr NEWBURY: The other thing I just want to leave you on before I finish is I know that once a lot of these issues were ironed out, we went to the direct debit system, and quite a lot of businesses did talk about the fact that sometimes those direct debit payments were coming in up to a month after the start of the month. Can I leave that in my last 10 seconds with you—and I put that to you in good faith—that there were quite a lot of businesses that were concerned about the delays, as they were all direct debit, in receiving those grants.

Mr PHEMISTER: If I can say: it is very unusual for a pure direct debit coming in, where there are no additional eligibility requirements, to take a month. We had lots of bank bounce-backs because people changed accounts et cetera. But I would be more than happy to take up individual cases, because that is something we did not see as a systemic issue if it was a pure direct debit. In some instances, I should be really clear with the committee, we rolled forward a program but different ANZSICs were excluded or different geography was excluded, and sometimes we had to go to great extents to communicate that with the businesses, as to why. And that led to a lot of frustration. That is an area that we continually improved over the course, but I am happy to take those individual cases.

Mr NEWBURY: Thank you.

The CHAIR: Thank you. As we are halfway through this session, we might take a 10-minute break and resume at five past 3.

I will reopen this hearing of the Public Accounts and Estimates Committee, and the call is with Ms Richards.

Ms RICHARDS: Thank you very much, Secretary and officials, for your time here this afternoon but also for what I know has been an extraordinary load from the experiences we have all had, knowing that you are really responding to so many people across the Victorian state. I would like to explore Victorian innovation and digital jobs and in particular draw you to the questionnaire, which highlights that the expected outcome of the \$10 million Victorian innovation and digital jobs program was to support Victorian SMEs to boost their productivity and competitiveness. I am interested perhaps if you could provide some more detail and unpack that a little bit more for us so we can understand how the program was implemented and the way it has supported Victorian businesses.

Mr PHEMISTER: Thank you very much, Ms Richards. I guess we have never before seen the importance of technology and digital adaptation in the economy and in our own personal lives. We have seen the profound impacts it has had at the workplace, and while it has been an ongoing focus of the department and the portfolio I think recently it has really caught on with people just how integral it is going to be not only to the existing

economy but the future. That particular program sits in the jobs and innovation area, so I will hand over to Deputy Secretary Latina to take you through it.

Mr LATINA: Thanks, Secretary. The 2020–21 budget provided \$10.25 million for the Victorian innovation and jobs fund to support Victorian SMEs to boost their productivity and competitiveness. There were a number of different components that comprised that \$10.25 million. The largest component of it was what became known as the technology adoption and innovation program. The purpose of that program was to support businesses to onboard innovative technologies and develop new commercial technologies by co-contributing to providing relatively small quanta but important to support innovation projects to proceed. They were either \$20 000 for smaller projects or \$50 000 for larger projects. For instance, \$50 000 went to a business called Navi Medical Technologies to develop an ECG to help sick babies in Victoria with a medical device, \$50 000 went to support for a business called Red Marble for an artificial intelligence project in the construction sector and \$50 000 went to a company called iBuild Building Solutions to launch virtual showrooms in an app to improve customers experiences and enable them to grow their business. In the end, while notionally \$5 million was allocated to that program, the demand under that program was so strong that the government allocated \$6.1 million through that program to 134 Victorian SMEs.

A second key component of that broader program, the \$10.25 million, is an initiative called the SummerTech LIVE program, which is an important program that helps to grow ICT students' job readiness skills. They are primarily university students who are studying ICT, and this program gives them an opportunity to have work placements effectively during the summer period, as the name suggests, to strengthen up their work readiness skills and position themselves in a sector that has got a very strong skill need. That program was delivered in partnership with the Victorian chamber of commerce.

Another key component of the program has also been in relation to the Digital Innovation Festival, or Digital Innovation Futures Victoria, which is a key program which normally would involve literally hundreds of events across the state promoting the uptake of digital innovation across metropolitan Melbourne and regional Victoria. But of course the nature of COVID meant that almost all of those events were virtual in nature. Certainly the uptake of that initiative, which involved hundreds of online events, as they turned out to be, was quite critical, and I think it is a really well-supported event. So they were three key components of that funding that you alluded to.

Ms RICHARDS: It has been a really fascinating time watching people adapt in so many ways. You just spoke about the Digital Innovation Futures initiative. I was just wondering if perhaps you could explore with the committee or help the committee explore some of the outcomes of the 2020–21 program.

Mr LATINA: Sure. Digital Innovation Futures 2020–21 delivered live online events from 25 August to 8 September and on-demand events to the end of October. There were 300 events offered live and on demand. The events focused on government priority areas in those sectors, which included around emerging technology, future jobs, digital inclusion and supporting online businesses as well. So they were very much focused around skilling up businesses and raising awareness of the opportunities that the digital economy provides as part of that as well.

In terms of some of the other priorities or themes of it, they were around cybersecurity and of course the importance of raising the awareness of cybersecurity, particularly in SMEs; and celebrating success and providing inspiration for innovative businesses through an awards night called the iAwards, which is a well-recognised award that ends up feeding into the national iAwards. There was an entrepreneurship award, in that year run as part of the 2021 Digital Innovation Festival, awarded to Bronwyn Le Grice from ANDHealth, which is a really successful and innovative digital health business. That was recognised as particularly important I think in terms of recognising the enormous contribution that women are making and are increasingly making in that sector as well.

The global connection as well. I think through global connections and having our external speakers internationally, and of course the technology enables us to do that. So there was a Global Emerging Innovation Summit that was held over three days, with 70 speakers from five countries, which strengthened up those international connections and demonstrated the importance, particularly in a sector where often with SMEs they are more global and looking to those global markets. At a more local level there were also events, which included a Public Libraries Victoria and Committee for Melbourne forum which recognised I think the

importance of local libraries in terms of communicating, particularly from a digital inclusion perspective into local communities.

Ms RICHARDS: Thanks for that, Mr Latina. I am interested in exploring the SummerTech Live program and the support that has provided for Victorian SMEs. I am perhaps hoping that you can explain whether the department has run a program like that before and what sort of outcomes it will deliver for students and for businesses, so SummerTech live.

Mr LATINA: Yes, thank you. In June 2021 the Victorian government partnered with the Victorian Chamber of Commerce and Industry to deliver SummerTech Live over two years, over the summer months in the coming summer and the summer after that as well, providing research graduates, ICT graduates and tertiary students with job-ready skills and increased employment opportunities. The program is funded to assist over 180 students or graduates over 90 projects. Part of that support includes \$5000 studentships in paid summer jobs to ensure that students, when they are placed in these internships with businesses, with IT companies, are actually appropriately paid, and there is a recognition of that through the support that the Victorian government provides as well. It is a program that has been run for several years. This is the first time that we have partnered with the Victorian chamber to deliver it in partnership with them, which we think is a really positive move and will really broaden the scope, the scale and the awareness of the importance of these digital connections and these partnerships in a sector that is experiencing significant skill shortages.

Ms RICHARDS: Thank you. This is fascinating. So the questionnaire also highlights the Victorian innovation and digital jobs initiative and the support provided to establish the Australian Sports Innovation Centre for Excellence, which I understand is in Cremorne. So I am interested in understanding what the objective of the centre is and how that will drive growth in Victoria's innovation ecosystem.

Mr LATINA: Thank you, Ms Richards. The Australian Sports Technologies Network, as many of you would know, is one of the jewels in the crown in Victoria in terms of startup technology in what they call sports tech. ASTN is Australia's national governing body for sports tech, sports digital and sports innovation. It has got a track record of helping startup Australian sports technology and innovation companies grow and expand. It was established in 2012 and has really created that really national ecosystem. Its membership includes 10 universities, 39 national sporting organisations and more than 100 SMEs that cut across a range of sectors, including sports distributors, retailers, agencies and sports tech businesses.

I think the purpose of this latest initiative is really to have a national home for that centre that provides a centre that will actually provide the support and enable that sector, and particularly Victorian businesses, to take it to the next level with all the auspicing and support that is available—particularly critical for startups at those critical stages in their growth. That centre is going to be located in Cremorne. And of course what a great example is Cremorne in terms of the businesses that are located there, key businesses—Carsales, realestate.com.au and so on—that have started very small and have grown significantly.

So in terms of the ecosystem that exists in Cremorne, the sports tech initiative—it is a really great location for it, so it is not surprising then that the Victorian government supported this initiative, and it is not surprising also that ASTN chose Cremorne to locate the centre.

Ms RICHARDS: Thanks so much, Mr Latina. I am going to drive down a different road now, to tourism, the visitor economy. And I was in Ballarat at the biennale last weekend, so I feel newly enthusiastic. In the questionnaire there is reference to the regional travel vouchers. Tourism in regional Victoria has been obviously significantly impacted by the pandemic and these vouchers have encouraged Victorians to explore the state, and that obviously in turn supports jobs. So I am interested in and perhaps hoping that you could explore for the committee or describe how the voucher program works and what benefits it has brought to regional Victoria, including the visitor spend.

Mr PHEMISTER: Thank you. So regional travel vouchers were an innovation early in the pandemic. Simply put, it is just to drive visitation to regional Victoria. I mentioned earlier Victorians are great travellers, so we spend a lot of money offshore and interstate, but we were also for a number of years Australia's number one destination—Melbourne was Australia's number one destination.

The challenge for regional tourism is twofold. One is to generate supply. Right now there is a labour shortage, as we discussed, and we are working really hard on that. But two is to drive yield out of the CBD and

effectively make sure that visitors that come to it get to experience not just day trips out but overnight stays to drive yields in, obviously, accommodation providers, experience providers, restaurants et cetera. The vouchers were aimed very much at that: getting people out and about but also driving yield. So we wanted people to go to regional Victoria and stay in regional Victoria. There have been three rounds of travel vouchers completed, so 160 000 regional travel vouchers have been provided. We have had to be really nimble with the travel vouchers because in some instances the dates where they could be claimed fell in lockdown periods. So, simply, we moved the dates so they could be claimed, and we have just been in constant communication with people. In some instances, for various reasons, they cannot be taken up. That is okay. Those vouchers roll into the next round of allocation.

When we first stood up travel vouchers it proved to be one of our most popular initiatives, and our systems come under incredible pressure on day one. It was one of my least favourite days of the pandemic, but in many respects it was a lovely day because it was such an overwhelming success. With the help of Service Victoria we got things online really quickly and allocated those 160 000 vouchers over a number of rounds really quickly. They have since been complemented by a Melbourne round. There is the Melbourne Money, which is a really interesting concept that the state has co-funded with the City of Melbourne, administered by the City of Melbourne, and again that is about driving people through the daytime economy to get them purchasing meals in that instance.

Our regional travel vouchers, though: we are getting great feedback from accommodation providers and we are getting great feedback from experience providers because the administrative burden also does not fall on them, and we are really conscious of that. We are really conscious of: the first round of support for regional accommodation was for lost bookings, and then accommodation providers have been constant features in ANZSIC codes, eligible for BCAP et cetera. So those supports are there. We just were also ever conscious of taking, absorbing, administrative burden here rather than out there so businesses can just get on and do what they do and folks can go off, get a voucher, go and have an experience and then send us all the admin and we will make sure the paper flows, and today it has been a real success and we would hope would be a feature of recovery going forward.

Ms RICHARDS: Thanks so much. Thanks, Chair.

The CHAIR: Thanks, Ms Richards. Mr Hibbins.

Mr HIBBINS: Thanks, Chair. Thank you, Secretary and your team, for appearing this afternoon. I would like to ask about the initiative in the 2021 budget, and it is detailed in page 18: 'Regulating Victoria's conventional gas resources'. According to the time line to update Victoria's petroleum regulations to enable gas drilling to start in Victoria, these regulations will be in place by the end of October. Are those regulations in place, and if not, when will they commence?

Mr PHEMISTER: I will defer directly to the expert, Mr Hibbins, and Ms Jones.

Ms JONES: Yes, Mr Hibbins. The regulations will be in place probably next week. We have just been through a public consultation process on the RIS associated with those, and they are currently being finalised. My understanding is they will be in effect from next week.

Mr HIBBINS: Thank you. And once the regulations are in place, are there going to be any additional requirements from the government's end before applications start to be considered—like, for example, guidelines or modes of practice?

Ms JONES: Yes. So in addition to the regs being finalised, at about the same time a code of practice will also be released, and there is a whole bunch of guidance material—support for landholders who interact with the system et cetera—that is also being produced. I suppose as of next week when that culminates and all publishes, that is essentially I guess the end of the regulatory part of the process in terms of the guidance being out there, and it is a matter of how industry interacts with that and of course the continuing conversation with stakeholder and community about the restart of the onshore gas industry.

Mr HIBBINS: Okay. Thank you. Now, I understand that the government has not approved any new operations until the new regulations are in place, but I understand Beach Energy has reported that it has already

submitted to Earth Resources an application for conversion of its enterprise well to a production well. How is that being managed, given the regulations are still being finalised?

Ms JONES: Just in relation to what companies could do whilst the moratorium was in place and the regs were being finalised, planning was able to happen. The well which you are referring to, Beach Energy off Port Campbell there, in my understanding is an offshore well which was under a different arrangement from the onshore arrangements, so they have continued to carry on activities down there in line with their licensing arrangements. But it is an offshore well.

Mr HIBBINS: Yes. Okay. Thank you. And how many other applications for operations have also been submitted that are now waiting on review?

Ms JONES: I would have to take that on notice, Mr Hibbins. I am not aware of any others at the moment, but I will need to take that on notice to come back to you with an accurate answer.

Mr HIBBINS: Okay. Thank you. And how soon do you think we can actually expect to see projects either approved or rejected under this regulatory process?

Ms JONES: Can I just clarify you are talking about onshore gas? Yes, okay. So I guess it is up to commercial and business decision-making now as to how companies choose to uptake the opportunity to get involved with onshore gas. There are obviously processes in place to explore and find the gas; it is not a tap-turn-on-tomorrow-type exercise, as you know. We know that there are 830 petajoules of gas out there, but there is a fair bit of work to be done to look through that. So my understanding is that the earliest time frame at which we could see gas starting to be coming would be 2023–24 or beyond.

Mr HIBBINS: Okay. Thank you. And just finally, did the scope of the Victorian gas program include the gas reserves located beneath Victorian waters offshore, where they can be accessed via onshore-to-offshore drilling?

Ms JONES: There are onshore and offshore, and they are regulated differently, yes.

Mr HIBBINS: Okay. So if it is offshore but it is being piped onshore, that comes under offshore regulations—is that correct?

Ms JONES: Yes, correct.

Mr HIBBINS: Okay. Thank you. All right. I will move on now, and I just want to find some information about the Jobs Victoria Fund, which was announced in the budget. I think the target was at least 10 000 jobs. To date how much has been expended and how many successful applicants—jobs, if you will—have been subsidised from the scheme?

Mr PHEMISTER: Thanks, Mr Hibbins. Jobs Victoria is an evolution, if you like, of Working for Victoria, with a different subsidy structure but similar goals in mind with a refined set of supports. I will have to get the numbers specifically for you, which I will have—I am looking for a nod. I will get Mr Clements to come to the table and provide that, if that is okay, as the responsible Deputy Secretary.

Mr HIBBINS: Yes. Thanks.

Mr PHEMISTER: I know that we are on track for output; I am just not exactly sure of where we are up to in regard to numbers. David, are you happy to take that?

Mr CLEMENTS: Thanks, Mr Hibbins. Yes. Look, thank you. I am just checking my numbers here. In terms of subsidised jobs, the target for 2020–21 was 4000 and achievement was about 2400. That was due to a delay in the establishment of the fund. So at an average cost of around \$20 000 per subsidy, that is a multiple of that.

Mr HIBBINS: So, sorry, 2400 to date?

Mr CLEMENTS: Yes, for the 2020–21 financial year.

Mr HIBBINS: For the financial year. Okay. All right.

Mr PHEMISTER: That output is rolled over for this year, and now we are on target for this year's output, which we will update at the next estimates, I dare say.

Mr HIBBINS: Yes. So the scheme started this financial year? No?

Mr CLEMENTS: The fund was allocated in the November budget for the last financial year, so there was obviously a process to establish the process whereby it was set up. It is a backdated grant administered with employers establishing the criteria and so on and so forth, and that needed to be gone through in order to establish it and have it running. It is fully functioning now and launched with two streams, one very much about supporting subsidies for employers who have employed people already and can demonstrate that they have employed people from particular groups, particular cohorts of people facing barriers to employment, and then there is another stream as well, looking at sort of innovative partnerships with industries and employers to create, for example, earn and learn opportunities to get people into jobs. There was one recently announced with the disability sector, whereby employers have been engaged to provide additional on-the-job training for people who may not yet have particular qualifications and experience in working in a sector such as disability. So it is trying to bring together that supply and demand piece where there is a lot of demand for people to work in a particular industry and providing support to people to actually transition into that industry.

Mr HIBBINS: So are we talking about the same thing? Is that the subsidy and youth training?

Mr CLEMENTS: Correct. The training is obviously via a partnership with the Department of Education and Training, but there are some additional partnerships through the fund.

Mr PHEMISTER: Can I clarify, Mr Hibbins—I am sorry—I started answering about Working for Victoria, which was a 2020–21 budget initiative, rather than Jobs Victoria, which is a 2021–22 initiative. Are you after Jobs Victoria, the newly created fund, or Working for Victoria?

Mr HIBBINS: Yes, I am after Jobs Victoria.

Mr PHEMISTER: Right. Apologies. I was answering for Working for Victoria, which was the 2020–21 initiative. So you are on Jobs Victoria.

Mr CLEMENTS: Yes, that is right. That was announced in the delayed November budget.

Mr HIBBINS: Yes. Okay. Thank you. Just in terms of the job numbers—and you can take this on notice—I think there are two levels, level 1 and level 2, or two streams. If we can get any further detail in terms of the jobs by that stream as well.

Mr CLEMENTS: This is the differentiation of subsidy, you mean, Mr Hibbins, between \$10 000 and \$20 000?

Mr HIBBINS: Yes.

Mr CLEMENTS: Sure, yes.

Mr HIBBINS: And any data in terms of the specific cohorts that have received jobs. And also if we can get it by postcode or by geography in terms of where the jobs are located.

Mr CLEMENTS: We will provide you with what we can to give you the sort of information you are after.

Mr HIBBINS: Yes, okay. Thank you. I understand that there are some new guidelines being introduced. Is that the case?

Mr CLEMENTS: Correct.

Mr HIBBINS: And then what is the reason behind creating new guidelines?

Mr CLEMENTS: A few things. Some of them are around process improvements—so the sorts of things that Simon mentioned before, just around the administrative tasks around dealing with it. The other is around really making sure that we support the uptake, support employers more fully, to take on board people who might be facing barriers to employment. We got some feedback from employers, a lot of which is really

positive obviously about the opportunities to support their employment but others are around the process being difficult at times, it taking some time to work—part of the reform of the guidelines was around that—also on some quite technical reforms around issues like the hours of employment that we would subsidise or not, the proportion of an FTE position if you like. So there were a few more technical tweaks to it as well.

Mr HIBBINS: Yes. It reminds me just a little bit of the old—what was the initiative that the government first brought in?—Jobs for Victoria or what have you, like the direct, straight-up subsidy scheme. Basically it was not a big enough subsidy to get employers to take it up, and so you had to go in and then increase the subsidy, make sure to get the money out the door.

Mr CLEMENTS: Yes. I missed you just at the start there. What was the program you referred to at the start?

Mr HIBBINS: I think it was working for—what was it called?

Mr PHEMISTER: Back to Work.

Mr HIBBINS: Back to Work. There you go.

Mr CLEMENTS: Yes, that is right. So there is that real challenge of the balance between how large a subsidy is required to actually initiate employment, and we found certainly—obviously with Working for Victoria, which was a full subsidy—enormous uptake from employers there, and the feedback from employers was I think 98 per cent of employers said they would not have employed these people without the full subsidy. But of course a full subsidy is very difficult to maintain, hence a \$20 000 subsidy is available to people through the Jobs Victoria Fund. You know, that is a test to see where that goes. The \$10 000 subsidy, I think you are right in saying it possibly was not quite attractive enough, but a \$20 000 one we think has great attraction, particularly complicated by the fact that in order to administer the funds well we are providing the payment not up-front; we are providing it in backdated instalments to make sure that the funds are expended appropriately.

Mr HIBBINS: And do you have any way of ensuring that these are actually adding to job creation, that without the subsidy either this job would not have been created or this person still would have been employed?

Mr CLEMENTS: It is another, I think, really good question about the use of subsidies. I think in terms of certainly—I know your question is about the Jobs Victoria Fund—the Working for Victoria Fund, it categorically absolutely inspired people to employ those 13 000, 14 000 people that were employed through Working for Victoria. It was 100 per cent subsidy, so that categorically did it. In fact with the Jobs Victoria subsidy we were actually saying that we wanted people to have employed the people, employed somebody, before we started to make the payment. But we believe that through the awareness of that people are saying, ‘Okay. I know if I put this person on, it is going to cost me 50 grand. I’m going to get \$20 000 back behind that’. We believe that that is absolutely having an incentive to employers, but it is difficult to be very, very definitive and say categorically they would not have employed this person with or without this subsidy.

Mr HIBBINS: Okay. Thank you. And how long is the program due to go for?

Mr CLEMENTS: It runs for the next two financial years—the one we are in and the year after as well.

Mr HIBBINS: All right. Thank you.

Mr CLEMENTS: The subsidy covers a 12-month period for each of the individuals employed.

Mr HIBBINS: Yes, okay. Terrific. Thank you. I have just got one final question, and it is regarding budget paper 3, page 85:

Game hunting

Funding is provided for the development and delivery of a second Sustainable Hunting Action Plan to further promote responsible hunting in Victoria.

What is the latest information on that particular plan? And has any consultation been done with environment groups? This is particularly considering that there is significant impact. I think waterbird numbers are particularly low; you know, climate change, drought are an impact there.

Mr PHEMISTER: Thanks, Mr Hibbins. I will defer the question to the Deputy Secretary, Paul Smith.

Mr SMITH: Thanks for your question. So the sustainable hunting action plan, which is SHAP 2, is \$5.3 million of investment to further promote responsible hunting in Victoria. The state budget committed that \$5.3 over four years to develop a SHAP that will build on the work of the first *Sustainable Hunting Action Plan*. It is currently under development by the department, and we are consulting with key stakeholders. It will be released later this year for consultation.

Mr HIBBINS: Who are the key stakeholders?

Mr SMITH: That will be a broadly based consultation process including all interests in hunting. As you know, there is a fairly broad brush of interests across the community with an interest in hunting.

Mr HIBBINS: When you say ‘interest in hunting’, is it those who are engaged in hunting or those perhaps engaged in conservation, or Indigenous groups?

Mr SMITH: It will be a public consultation process through Engage Vic, and all input to that plan will be considered and taken forward.

Mr HIBBINS: Okay. Thank you. Thanks, Chair.

The CHAIR: Thank you, Mr Hibbins. Ms Taylor.

Ms TAYLOR: Thank you, Secretary and department officials. I wanted to continue a bit further on the regional tourism accommodation support program. I will echo the sentiments of Ms Richards as well, because I had a nice trip to regional Victoria myself—no jet lag; brilliant—so I can thoroughly endorse it. Anyway, can you tell me what support was available—for the periods when there was the inability to travel—for these businesses via the regional tourism accommodation support program, what types of businesses were eligible and how many businesses received support?

Mr PHEMISTER: Thank you. Regional tourism is so important. It is a great distributor of the benefits of state and international tourism. We were starting to make some really great grounds on yield pre pandemic, and that drives a whole lot of economic activity above and beyond the discrete accommodation sector. The program you are referring to I will defer to Deputy Secretary Andrew Abbott to answer. I will make the point off the bat that the ANZSIC codes that drive tourism have been mainstays in our assistance programs. It has just been one of those sectors that unfortunately—and I have got to say the sector itself has been exceptional in dealing with it. Cancellation policies have been really sympathetic. The industry itself has found ways to keep the supply chain engaged, because like I said before, the accommodation in small regional towns in Victoria has a direct spillover obviously to a really diverse range of businesses.

Andrew will answer the questions specific with regard to that program. I can, should the committee like, provide a breakdown of accommodation ANZSIC codes—where and where they were not eligible for various rounds of business assistance of BCAP. The answer to that is really simple: if the LGA was in any form of restriction, those ANZSIC codes were eligible. Equally, too, take a regional pub that might find itself with an ANZSIC code primarily as a hotel but actually relies almost exclusively on the accommodation to drive its patronage, we had lots of bespoke arrangements in place to make sure they were not missing out on subsidies that really should have been afforded to them but by nature of a five-digit ANZSIC code administered by the ATO they fell on the wrong side of eligibility. So with that in mind, I will hand over to Andrew for the specifics of the program.

Mr ABBOTT: Thank you. And thanks for the question, Ms Taylor. The regional tourism accommodation support program was open for applications from July 2020 to September 2020 and specifically to support accommodation providers who had bookings cancelled for residents who were subject to stay-at-home restrictions and border closures during that period. It ended up providing \$18.9 million to 3923 accommodation businesses. The providers could apply for funding of up to \$225 per night for five nights, so up to \$1125 per bookable accommodation offering. A number of providers had multiple accommodation offerings if they were a motel or a hotel, and that could multiply, so they could get reasonably significant support during that period.

More recently and relatedly was the business costs assistance program, which was a tourism supplement, and that was announced in June 2021, supporting a kind of similar cohort. It provided eligible tourism businesses in Melbourne as well as regional Victoria with up to \$4500 in additional support, and those eligible tourism businesses, which were accommodation but also attractions and tourism operators, were able to receive up to \$7000—the \$2500 from BCAP2 that was available at the time and up to \$4500 by way of this tourism supplement. That totalled \$11.8 million to those eligible tourism businesses.

Ms TAYLOR: Thank you. And just talking about the CBD specifically, noting it has been obviously very significantly impacted by COVID restrictions, are you able to sort of share what initiatives have been put in place to draw people into the CBD, and what impact have they had?

Mr PHEMISTER: I can start. We actually have part of the department dedicated to inner-city recovery, and I will ask Deputy Secretary Emily Phillips to join me. Across the world CBDs have been profoundly affected by COVID, as you can imagine. Melbourne is a city that has been incredibly successful over the years at bringing people in. It has a very vibrant daytime and night-time economy. You know, our CBD is not one that goes to sleep after 6 o'clock at night, and a lot of the traders are geared towards that kind of 24-hour flow of economic activity. Equally, our events—business and major, you know, sporting—drive a lot of traffic through the night-time and weekend economy, and then ultimately CBD workers drive the daytime economy. So if all of those things have been disrupted, it was really important that we worked hard getting kind of the golden goose, if you like, of economic growth, the CBD—those agglomeration effects that over years have driven growth—back up. And like other cities around the world, we have had a team working on how to do that, led by Emily. So over to you, Emily.

Ms PHILLIPS: Thank you very much, Simon. Thank you for your question, Ms Taylor. Look, as you rightly identify, the CBD operating at the heart of Victoria's economy is incredibly important, and we have been working incredibly hard to support the CBD over the past 12 months. As you are aware, in September 2020 the Victorian government announced \$50 million in contributions to a \$100 million Melbourne city recovery fund as a really important initiative to address the impacts of COVID on the CBD and the central city, and the City of Melbourne matched that to make up the \$100 million fund. The fund was really focused very much on the immediate recovery of the CBD and the immediate needs of the CBD to do things like raise footfall and get activity generated again, and to do that it has focused on three streams of work: a stream around supporting businesses to adapt to a COVID-safe environment, and there is around \$30 million that has been allocated to that; a stream around COVID-safe events and cultural activities, and the goal there is to attract visitors into the city, and just over \$32 million was allocated to that; and a stream for infrastructure works to make the city more safe, more accessible, more sustainable, more rideable and more walkable into the future, with a view to attracting residents into the city, and there is just under \$38 million that has been allocated to that.

All of the initiatives sitting within these streams have been developed in partnership between ourselves and the City of Melbourne, with advice from the city economy advisory board, which has been incredibly important—there is a broad range of industry and local stakeholders who have been involved in that work over the past 12 months—and chaired by the City of Melbourne, which has been just fabulous. The funds are now fully committed and two-thirds of them have actually been expended, so just over \$69 million of them have been expended, and the remaining just over \$30 million are now being rolled out as the city reopens again. So by the end of this financial year that will be fully committed. I can run through some of the initiatives, if you would like me to, in more detail.

Ms TAYLOR: Yes.

Ms PHILLIPS: Sure. So of the \$69.7 million that has been implemented under the three streams, in terms of supporting businesses to be COVID-safe, there has been \$8.85 million of grants to businesses of up to \$10 000 to adapt to COVID-safe settings; there has been \$1.5 million for a very successful business concierge service that the City of Melbourne has run, which has been about providing advice and support to businesses to ensure they can operate in a COVID-safe manner; there has been \$1.25 million for shopfront activations, including decals and artworks on vacant buildings; and \$11.42 million for additional business support, including rent relief, permit waivers and money to precinct associations to develop five-year plans going forward for those areas.

Under the second stream, which is around COVID-safe events and cultural activities to attract visitors back to the central city, the projects that have been delivered so far have been \$19.03 million on a range of events and activations to bring people into the city, and they have included the Christmas festival, the New Year's Eve street feasts, Melbourne Fashion Week, Urban Blooms, Moomba, Melbourne Music Week and some live music pop-ups. \$1.92 million has been expended on third-party event grants through the city reactivation event grants program, and \$4.28 million for marketing activities, including the What's On digital channel, which has delivered more than 384 000 page views.

Then there is the third stream, which is around infrastructure to make the city more safe, accessible and sustainable, and whilst it is an immediate recovery fund in a sense, we have had an eye in this infrastructure stream in particular to the future of the city and investing in infrastructure that is really setting the city up for a vibrant future. There is \$10.43 million that has been spent on the bike lane network to provide more transport options into the city with the demand for active transport continuing to grow. This is also about making the city increasingly attractive to residents and more rideable for residents as well. There is \$7.04 million to support hospitality businesses to trade through outdoor dining on footpaths—and I am sure you have all seen how successful that has been—and the provision of parklets across the city; \$820 000 for the little streets and shared zones program to create a more walkable city; and \$3.19 million for streetscapes and pop-ups, including some pretty significant improvements in the Elizabeth Street precinct.

The remaining \$30.3 million has also been allocated, and those initiatives we are going to see rolling out over the coming months. I can run through those as well if you would like. So again under stream 1, the remainder of the support to businesses to operate COVID safely, there is \$1.75 million to the city activation grants program, which is providing grants of up to \$50 000 to organisations to energise city streets and neighbourhoods. There is \$2.6 million to a collaboration with the Place Agency, Renew Australia and Ginnane & Associates to make vacant shopfronts available for startups, creatives and entrepreneurs—and we are very excited about that one—and that is targeting Lygon Street, Docklands and the CBD. And there is \$2.65 million to support the continuation of the very successful business concierge service and additional support for business precincts. And, again, this will be important as we see retailers from later this month being required to check vaccination, for example. It will provide a lot of support to those businesses going forward.

In the second stream, COVID-safe events and cultural activities, we will be spending \$2 million on supporting a program of events and activities to reinvigorate Docklands over summer; \$1 million on a Live In Melbourne campaign that has launched to attract new residents into the city and in particular ensuring that they are aware of the stamp duty concessions that the state government has made available; \$1 million to support the delivery of COVID-safe New Year's Eve celebrations; and \$3.14 million for additional events and marketing to encourage people back into the city over the coming months.

And then, finally, the infrastructure stream: there is \$1.28 million for more outdoor dining infrastructure going forward; \$2 million to improve the Southbank promenade to open up the space and make it more pedestrian friendly; \$1 million to revamp the Princess Theatre forecourt, creating more space and supporting the theatre and the local hospitality businesses around there; \$2 million for a pop-up park at the Queen Victoria Market to support a whole range of different activations over the summer period in that part of the city; \$5.57 million for the remaining bike lanes; and the remaining \$4.3 million will be used for further streetscaping, further public realm upgrades and some laneway closures to support outdoor trading going forward as well.

So in our view this comes together as a really nice package that has supported businesses—supports them to operate in a COVID-safe manner—that is putting on a whole range of events that are bringing people into the city and is investing in some infrastructure, both new infrastructure and upgrades that both support businesses to operate but also think about what the city might look like in the future.

Ms TAYLOR: Excellent. Thank you. Very comprehensive. I really want to see that street art. I have seen it on telly, and I want to get in there. Anyway, thinking about business events and noting their importance for Melbourne, I believe \$9.7 million was allocated for the business events program 2020–21. Can you tell us a bit about the importance of business events to the visitor economy and some of the events that have been secured with this funding? I do not know who I am looking at, so I will just look around.

Mr PHEMISTER: Thank you. I know we are an unwieldy structure at times. Thank you for your question. Business events are really important. It is a really important industry, and it is hard to define because they go

through small trade shows right up to the largest of scale, the MCEC or the exhibition building. We are really mindful of the sole operators that work down at the smaller scale end, while we celebrate the large-scale wins, and we have had some incredible business conferences in Melbourne. The Melbourne Convention Bureau, which is part of Visit Victoria, do a pretty stunning job, planning three, four, five years out. There are actually a few announcements on the horizon that I do not have completely confirmed on business events. We know that there is a very exciting round of business event announcements coming as we compete globally for out-year events, because they are planned out a long time into the future.

What we can say about business events is that they occupy various ANZSIC codes, so everything from the provider of the building—goodness, I am sure we have all been to very, very small scale trade events—right through to suppliers of catering, suppliers of set-up, plan, shop. They have been captured, we believe, in the majority of the mainstream business programs. There have been a few—you mentioned one of them—specific presenter and supplier programs. I can get Deputy Secretary Abbott, if you like, to break down the \$9 million program and, while he is coming to the table, also talk about the fact that one of the things we are working with the City of Melbourne on a lot is bringing business events back to life. We have charged the Melbourne Convention Bureau with not only attracting those large-scale events but seeing how they can distribute out to smaller scale operators. But, Andrew, over to you with regard to the \$9 million.

Mr ABBOTT: Thank you, Secretary. Thanks for the question, Ms Taylor. The business events \$9.7 million that was allocated in the state budget for 2020–21 enables us, the department, to work with Visit Victoria and Melbourne Convention Bureau to support the local events industry by acquiring and staging events when it is safe to do so. That \$9.7 million comprised \$5.163 million to the business events fund for the acquisition of international and national business events, \$4.1 million for the Melbourne Convention Bureau to maintain its business operations in order to bid for and secure business events and to promote Melbourne as a business events destination and \$410 000 importantly to Business Events Victoria to promote regional Victoria as a business events destination. In 2020–21 we were able to secure events such as SpineWeek 2023, the International Mass Spectrometry Conference 2024 and the International Geographical Congress 2028. So, as the Secretary mentioned, we are bidding for events that are occurring some time into the future right now. So that is that program. One element of it is this national business events program, which had not previously existed. The focus of the business events fund was to attract events internationally. That has shifted in the last year or so to seek to attract national business events to Victoria, given the closure of international borders. So again we have worked with the Melbourne Convention Bureau to launch the national business events program to support COVID recovery in the business events sector by attracting national business events to Melbourne. I think I will leave that there.

Ms TAYLOR: Thank you. Now, I note that the questionnaire shows funding has been put into supporting people with disabilities into meaningful employment, including the funding allocated to the Impact21 initiative to support people living with Down syndrome. So I think it would be helpful for the committee to know how the department has been delivering these supports and what this has meant for people living with disability, such as those with Down syndrome.

The CHAIR: Sorry, the clock has cut you off, Ms Taylor. I will pass the call to Mrs McArthur.

Mrs McARTHUR: Thank you, Chair. Thank you, team. My first question is to the Secretary. Page 72 of the questionnaire relates to the increasing protective personal equipment stockpiles program. Stream 2 relates to contactless thermometers: 4000 were provided to businesses and 5200 for broader community use. How much did all this cost, how many of those thermometers are still in use and have you lately been tested by any business with one of these thermometers?

Mr PHEMISTER: Thank you. We played a role with regard to PPE mainly because we have industry connections. We are the jobs department, and we are probably the lowest user of PPE across government. But what we did have was industry connection. And you are quite right: we did have a round of purchasing the thermometers; we had a round of purchasing surgical masks, re-usable masks; and we helped out on ventilator supplies. With regard to the thermometers themselves, we were taking advice from the Department of Health at the time as to the most recent science on what would help scan, and it was primarily about regional tourism accommodation actually in the first instance: how we could de-risk people getting out and getting confidence to attend regional tourism operators.

Mrs McARTHUR: How much did they cost, and are they still in use?

Mr PHEMISTER: So the science has moved on obviously with regard to temperature scanning, and I think one of the points to your question was when I was last scanned to enter a premise. It was just the other day, but it is very rare. So the science has moved on from scanning, and we no longer purchase or deliver the scanners. In terms of how many are in use—

Mrs McARTHUR: Or how much did it all cost?

Mr PHEMISTER: How much did they cost? We can certainly track down that down for you.

Mrs McARTHUR: Great.

Mr PHEMISTER: How many are in use? They were distributed out to local businesses, so I might struggle on that one.

Mrs McARTHUR: My next question is for Matt Lowe, the Deputy Secretary of Agriculture, if you don't mind. So, Deputy Secretary, in September last year the government, at the height of the lockdown I must say, presumably via Animal Welfare Victoria, was conducting a phone survey about forthcoming animal welfare legislation. What was the cost of this survey?

The CHAIR: Sorry, Mrs McArthur. Is your question in relation to the financial year—

Mrs McARTHUR: Last year's, yes. Last September.

The CHAIR: Thank you.

Mr LOWE: Let me just check my notes to see if I have got that, and thank you for the question. I have got a breakdown of the work that we did to support the legislative reform program. We engaged a supplier, *Whereto* Research, to undertake quantitative and qualitative research about animal welfare legislation and community expectations—

Mrs McARTHUR: And how much did it cost?

Mr LOWE: Government? That one was \$223 997.

Mrs McARTHUR: How many Victorians were contacted, and were they in Melbourne? Was it mobile or landline contact?

Mr LOWE: I do not know if I have got that detail in front of me at the moment.

Mrs McARTHUR: Could I put it on notice?

Mr LOWE: Yes, happy to supply that to you.

Mrs McARTHUR: Thank you so much. Goodness me. Anyway, another question, Deputy Secretary, if you do not mind. The summer seasonal harvest sign-on bonus gives an \$810 bonus to workers, who can claim that after working for 10 days. A further \$1620 is available for those who remain for 30 days. It appears 3100 applicants received the first payment, but the full payment went to only 2000. What happened to the other 1100? Do you have a figure on how far beyond the 10 days they worked?

Mr LOWE: The numbers are driven by, I guess, applicants. So applicants have to apply for their first payment, and you are quite right: as at 21 October we have had 3200 applicants receive their first payment of \$810. As of 21 October we have had 2100 applicants approved for their second payment. It is driven by applicants and—

Mrs McARTHUR: They sign on, but they leave. Is that what has happened? They take their first payment and then they go?

Mr LOWE: It could be a delay in terms of them undertaking their second period of work. I do not have a specific answer, I would be speculating.

Mrs McARTHUR: So what additional benefit has this provided to the sector? Are these additional employees people who would have done the jobs anyway, or were they there to claim the bonus?

Mr LOWE: So in terms of the applicants, what I would probably say is that we tested with industry how we would design the program. So in testing with industry it was really clear that a first period of work for the first payment was of value to industry, which was two weeks, and overall a period of work of six weeks was also valuable. However, some harvests only occur for a short period of time, so it might be that—again I am speculating, and this is just my insight—some applicants are just participating in a single harvest and not proceeding on to additional harvests.

Mrs McARTHUR: I now move to the Deputy Secretary for Rural and Regional Victoria. Deputy Secretary, are you able to tell us the total cost to taxpayers of the nine regional partnerships in the last financial year?

Ms JONES: In the last financial year? No, I would have to take—

Mrs McARTHUR: Take it on notice?

Ms JONES: Yes. A lot of it is voluntary is what I would say, though, in terms of the time and effort that is given up by various members of the partnerships.

Mrs McARTHUR: Maybe you know this, or you might have to take this on notice too. Can you outline the material impact that they have had on local communities? If they did not exist, what would have been the loss of benefit?

Ms JONES: Thank you for the question. I mean, there are nine of them, as you know, and they have all got very varied priorities. One thing I will say about the 2021 year, if I can keep it to that, is they played a really important role in feeding information to government during the COVID pandemic. There were quite a number of regional round tables that we held. They were really important in us understanding how things were playing out in community in terms of how we could provide advice into health and other parts of government about management of the pandemic not only from a response point of view but also from a recovery point of view. They also played a really critical role in regional recovery committees that were formed and were very much at the forefront of how the \$10 million regional rural recovery fund for COVID was distributed across the state.

Mrs McARTHUR: Okay. Thank you so much. Could I go to Ms Serbest, from Global Victoria. Could you tell us the total cost of operations and activities of the five Victorian government trade and investment offices in China?

Ms SERBEST: I do not know if I have the exact details, but we can take that on notice.

Mrs McARTHUR: Okay. So in the last financial year, how frequently did Global Victoria consult the federal Department of Foreign Affairs and Trade on its activities in China?

Ms SERBEST: We maintain a good working relationship with both DFAT and Austrade, so we work with them across a number of issues, in particular with IFAM last year, which continues, which is the International Freight Assistance Mechanism program, as well as through our trade mission activities and ecommerce activities.

Mrs McARTHUR: So did Global Victoria consult with any other federal government departments or agencies on its activities in China?

Ms SERBEST: Could you be more specific, sorry?

Mrs McARTHUR: Well, did you consult with any other government departments or agencies or just the foreign affairs and trade department?

Ms SERBEST: Yes, with Foreign Affairs and Trade and with Austrade.

Mrs McARTHUR: Okay, thank you. And at the beginning of the financial year in question the Chinese government placed significant tariffs on Australian products. Could you divulge how that affected Global Victoria's activities and relationships in China?

Ms SERBEST: So we have seen a decline in some of our exports to China. You know, for example—

Mrs McARTHUR: And what was your role in ensuring that we overcame that?

Ms SERBEST: So we continually talk to businesses. Where we see barriers we raise them with officials in China through our office in China, through our commissioner. We have seen certain categories grow over the last year in China, and particularly horticulture and dairy continue to be strong exports for Victoria.

Mrs McARTHUR: So at the beginning of the last financial year, a new commissioner for Victoria to Greater China was appointed. Could you explain the commissioner's role?

Ms SERBEST: The commissioners, while their primary focus is on trade and investment—so working with Victorian businesses to help them increase their exports and working with international businesses to help them invest in Victoria and grow jobs—also in many posts have a focus on international education. So, for example, last year we also opened an international study hub which is seeing about 150 students from China connect with the office. They also work across government, so there may be other areas that they support and other portfolios.

Mr PHEMISTER: I can just add to that. Sorry, Mrs McArthur. They also work with Invest Victoria. That is hosted by Department of Treasury and Finance. So inbound FDI is facilitated—primarily new inbound FDI. They also have a strong working relationship with Visit Victoria, particularly around the interaction of major and business events.

Mrs McARTHUR: So the previous commissioner for Victoria to Greater China stated in November:

The Victorian Government will continue to build a strong relationship with China.

The previous commissioner also boasted of Victoria's Belt and Road Initiative MOU. With a new commissioner, in the last financial year did Global Victoria's or the Victorian government's position on our relationship with China change?

Ms SERBEST: We remain committed to supporting businesses that are looking to export to China. China remains Victoria's number one export market, so of course some sectors have been heavily impacted. We are looking at how we can continue to support those.

Mrs McARTHUR: Thank you so much. Could I now go to Mr Smith, the Deputy Secretary of Forestry and Climate Change? I will ask the question while we are getting seated. Page 134 of the questionnaire your department provided to the committee notes that:

VicForests did not provide a Corporate Plan for 2020–21 due to ongoing uncertainty and legal challenges associated with the transition away from native timber harvesting.

Do you have a figure on the cost of these challenges in legal actions and the cost to the industry of any suspended operations?

Mr SMITH: I do, if you will pardon me just a moment. I will just start by saying there are currently eight legal proceedings against VicForests before the Supreme Court and two applications for special leave to appeal to the High Court. As released in Vic Forests' 2019–20 annual report, the total legal expenses amounted to \$3.6 million in 2019 and \$2.3 million in the 2020 calendar year.

Mrs McARTHUR: Thank you. Can you tell us how much compensation has been paid to VicForests for harvest operations suspended due to vexatious litigation brought against them as a result of ambiguity in the code of practice for timber production?

Mr SMITH: That figure will be available, it is just not in front of me here.

Mrs McARTHUR: Can you take it on notice?

Mr SMITH: I will take it on notice.

Mrs McARTHUR: Thank you so much for that. And do you know if any of this compensation—maybe you would take this on notice—was paid to activists?

Mr SMITH: We do not compensate activists for their activities in halting the native timber harvesting.

Mrs McARTHUR: But others who were affected might get compensated.

Mr SMITH: Those who are affected, yes.

Mrs McARTHUR: You would take that on notice? Thank you. The government announced it would urgently review the code of practice for timber production in July 2020, but it was it was not completed until last week. What is the financial cost of this delay by government in reviewing the code?

Mr SMITH: I will need to take that on notice.

Mrs McARTHUR: Okay, thank you. Can I go to the Secretary, please. Secretary, page 117 of the department's 2000-21 financial report refers to the fact that DJPR is the subject of two class actions concerning its involvement in the government's response to the pandemic, one from Victorian businesses and another from Victorian residents. Can you please advise us what level of external legal costs DJPR has incurred in relation to these two Supreme Court proceedings?

Mr PHEMISTER: In the 2020-21 financial year, Mrs McArthur, I am unsure about the 2020-21 financial year. They are currently afoot now. I will give them a bell and see if we did incur expenses in that financial year.

Mrs McARTHUR: Very kind. Thank you very much. Sorry to jump around. Mr Latina, Deputy Secretary of Jobs, Innovation and Business Engagement, page 125 of the department's questionnaire notes that Victoria's target market share of nominated investor and business migrants was 45 per cent, but the outcome is 13.5 per cent. That is an absolute collapse, isn't it? If this is a market share, surely we cannot even blame COVID for that. Why is this number so much lower than expected?

Mr LATINA: I think it is a factor of two key elements. The first one is in relation to—Victoria for a number of years has recognised the economic and broader benefits of skilled and business migration and the benefits that it creates for Victoria. For many years Victoria was able to secure a significant share of the potential places that were being offered by the commonwealth government. In recent years—most recently—the other states have cottoned on to these opportunities as well, and so they have sought to have a larger share in the number of visa nomination places. So that has meant that given the nature of the performance measure Victoria's percentage has been diluted. The second aspect of it is of course these are things that we can only act on to the extent that the commonwealth actually offers us places. During 2020-21 the commonwealth did not offer places for the states I think until the second half of the year, so the first half of the year was gone, obviously, because of issues such as COVID and so on. So it was those two factors: a much more competitive environment where other states have sought to get a share of the pie that has been offered by the commonwealth, as well as COVID delays.

Mrs McARTHUR: Thank you, Chair.

The CHAIR: Thank you. Mr Richardson.

Mr RICHARDSON: Thank you, Chair. And thank you, department officials and Secretary for joining us today. I want to take you back to the Impact21 program that Ms Taylor started to get underway on and then the time ceased. The questionnaire showed that funding has been put into the support of people with disabilities into meaningful employment, something that is such an important initiative. This includes funding allocated to the Impact21 initiative to support people living with Down syndrome. How has the department been delivering these supports and what has this meant for people living with disabilities such as Down syndrome?

Mr PHEMISTER: Thank you for the question. I am really pleased to get to answer it, so thank you for following up. I will start with Impact21. It is an incredible program, born of a great passion for opportunity and hope for people living with Down's, their families, their support, their carers et cetera, and also recognising the incredible talents and capabilities that some of these people bring to the workplace. We often start these conversations from a deficit perspective, but actually when we survey our organisations who participate in Working for Victoria or Jobs Victoria or any number of employment programs across government, the first thing they say to you is how valuable and how enriched they feel their business is through having the

participation of people with disability. It is not just the inspiration that they bring to the workplace and the infectious positivity but also the skill sets and talents. We have heard it referred to as the superpower they bring into the workplace that some of us just do not possess. It is a real thing.

Just on the Impact program, that is a program that is run by a third-party agency, and while we are really proud of Jobs Victoria and Working for Victoria, and JVEN before that—the Jobs Victoria Employment Network—which engaged with and will continue to engage with a number of third-party employment providers, sometimes we have got to recognise that these community-born initiatives and programs are streets ahead of where we could develop something up in 121 Exhibition Street. So it is one of those really terrific examples where we have engaged with a third party. Well, what have we got from it? We have got a whole lot of terrific outcomes through people living with Down syndrome accessing employment. We have also taken a whole lot of inspiration with the way we co-produce our programs with the users. Once upon a time government would define a program and we would unleash it on citizens. In the Impact program I think what it has done for Working for Victoria more generally is it means we have a co-produced service that works for people and that people feel really good and safe participating in, and it has delivered some really inspirational results. If you ever need a shot of inspiration or hope in your life, go to a graduation ceremony of not just the Impact program but many others in Working for Vic, and it will not just be the participants and their families singing the praises; it will be those workplaces that benefit from them. I stand by something I said at the top during my presentation—and sorry for the long answer—I really love this particular program and this part of the department. I love all parts of the department—it is something that is nice to do, it is something that we should do as a society, but it is also something that makes the economy much stronger. It is just another data point that suggests that when economies and businesses are inclusive, they actually achieve better financial outcomes, and I reckon that is exactly what all the participants in the Impact program would tell you if they were here today.

Mr RICHARDSON: That is fantastic. I want to take you to page 21 of the questionnaire, which talks about \$1.3 million of funding being allocated to the Impact21 program through the 2020–21 financial year. Are you able to give any insight for the committee and report back on the outcomes or any feedback?

Mr PHEMISTER: I reckon I will be doing a disservice if I try to do that, Mr Richardson, so I will get David Clements, who has been working with the founder of Impact21 for a few years now to achieve this outcome, to talk to you directly about some of the really terrific case studies.

Mr RICHARDSON: Thank you.

Mr CLEMENTS: Thanks for the question, Mr Richardson. So there are three types of outcomes that have been achieved through the Impact21 investment in the last financial year. Broadly speaking, there were 16 participants, who are largely people leaving school or soon after leaving school who aspire to either work or move into higher education and then move on into work from that. So 16 people—people with disability, largely Down syndrome but also some other disability types—were engaged through the program and put through the program and graduated from the program successfully.

The second body of work, if you like, that Impact21 program does is that engagement with employers, where they actually engage with the organisations that are going to employ the young people who are coming through the program. It needs to be a two-way model. You need to actually ensure that an employer understands some of the challenges and some of the gifts that the people with the disability will bring to the workplace, and so you need to be working with them—with their HR departments, with their HR processes, with their supervisory processes—to really make sure that there is a strong commitment in the employers. I think one of the great benefits of Impact21 has been the ability to engage with a number of really quite large and significant employers—JB Hi-Fi, organisations of that sort of size, some really large employers—to get them on board.

And the third bit of work that Impact21 has done as well is to start to develop some online material that can then become available to families and young people who might have a disability, who may not necessarily be able to participate face to face, in a one-on-one approach through the Impact21 program, but also for employers—to help inform them and educate them as well. So there are those three groups, if you like, of deliverables that were achieved and are continuing to be achieved through that program.

Mr RICHARDSON: You mentioned JB Hi-Fi, but stepping into some of the feedback from participating employers, the funding for Impact21 included inclusion readiness training to better equip employers to support

those participants. Do you have any stakeholder feedback from participating employers on what their experience has been to date?

Mr CLEMENTS: Yes. So, look, as Simon, the Secretary, mentioned before, the feedback largely—well, I would say almost universally—is that, yes, the experience for the organisations themselves rather than being seen as some sort of a charitable effort, if you like, on their part has actually enriched those organisations. And I would have to say that we find that really through the broad sweep of inclusive employment programs that the department operates, not just Impact21 but also our broader Jobs Victoria programs as well, employers constantly feed back to us and say, ‘Employing this person from this cultural background or employing this person with this life experience that made it really hard for them to find work or they had a really bad start in life has enriched our organisation, because it has taught our organisation. The staff who work here changed the culture of our organisation’.

Also often in communities it means we have got people who work in our organisation who reflect our local community: they come from the same cultural group or they come from people of a similar background. So the broad sweep of inclusive employment programs that we operate tend to get that pretty constant stream of feedback from employers: ‘It makes our culture stronger as an organisation; it provides us with workers’, because increasingly, as the Secretary said in his opening comments, there is a real challenge to actually get workers in some parts of the state. So we have to mine into the groups of people who historically have been excluded from employment and excluded from opportunities. So it has actually provided a labour source for people, but also it has actually really improved the functioning and the profitability of those organisations as well.

Mr RICHARDSON: Just going to the targeting of the program, the Impact21 program is targeted to support young adults with intellectual disability, including Down syndrome. Are you able to expand for the committee’s benefit the initiative’s successes, including some of the co-design work mentioned in the questionnaire?

Mr CLEMENTS: I would probably be repeating myself a little bit if I went back into that again. I would say largely the successes are around that harnessing of young people’s aspirations; helping them and their families understand that they have got these opportunities and pathways to come through; listening to the young people themselves and, as Simon said, not imposing a program that particular people think works for them but actually engaging with the young people participating themselves and engaging with their families; and also engaging with employers so you get that real-life understanding of what it is like and what the challenges have been and what people’s life experiences have been. And again, this is really, I think, more broadly across government; the government is trying to develop and design programs that have got the voice of the participant much more prominently in the way that programs are designed and then implemented.

Mr RICHARDSON: Just diverting a bit into the education space, is there any engagement from the department and employers with specialist and mainstream school settings on those pathways for students into those programs? Is there any of that engagement, or does it come from those organisations?

Mr CLEMENTS: I would need to double-check on exactly the timing of the interface with the education system. I know that certainly in some instances the young people are themselves still undergoing training as they are studying, so they will definitely interface there. If you think about it a bit like an apprenticeship arrangement—it is not an apprenticeship—often the interface between an employer and a training provider is obviously a really important part of some of the contract and the way that an apprenticeship unwinds. But I could certainly provide you with some additional information.

Mr RICHARDSON: Any of those pathways and how that engagement occurs—yes, I think that is a great call. Just going into further department support for people with disabilities, what are other ways the department provides other meaningful support to people with disabilities, such as through Jobs Victoria?

Mr PHEMISTER: Mr Richardson, if Mr Clements is happy to talk about Jobs Victoria, we also have a really great Enablers Network that Deputy Secretary McKay is actually a founding member of, so we are really keen to make sure that we are a place that walks the walk as well as talking and proselytising to others.

Mr RICHARDSON: Yes, that would be great.

Mr PHEMISTER: Are you happy to start with Jobs Victoria first?

Mr CLEMENTS: Sure. In terms of disability employment, like all employment services, it is predominantly the responsibility of the commonwealth government, so the commonwealth government runs a number of disability employment services. But what Jobs Victoria has done since its inception in 2016—it was built off the realisation that there are some groups of people for whom the commonwealth system is not working, whether it is not intensive enough or it is not personalised enough, it is just not working for those people. So as part of the Jobs Victoria creation back in 2016 we made a very conscious decision to include people with a disability to also be eligible to participate in our programs, and that can be any form of a disability, and also obviously people with mental health challenges as well are participating in Jobs Victoria. People self-identify when they register with programs like Jobs Victoria. It is a voluntary program, so people self-identify. Between 2016 and the middle of this year we had about 2200 people who registered who identified as having a disability as one of the barriers and challenges they face to employment, and about 800 of those people have been placed into ongoing employment by Jobs Victoria over that period as well.

More recently, with the significant investment in November in the last budget, the government has expanded significantly the Jobs Victoria footprint. We now refer to it as the Jobs Victoria employment service. There are more of them. They are more available and more readily available across the state. Since just 1 July we have had about 500 people with a disability identify as a person with a disability who have registered for support, and we have placed about 100 of those people into work at this stage. We think that is an undercount. There will be other people with disabilities who do not necessarily identify as such. That gives you a bit of a sense of that.

The only other comment I will make as well is that about 3 per cent of the people who we placed through the Working for Victoria Fund, which Mr Hibbins asked a question about earlier—the \$500 million fund that funded employment—were people who, again, self-identified as a person with a disability. That is 3 per cent of the 13 000 figure, so that is not an insignificant number. Also, just somewhat tangentially, as I mentioned before, in addition to supporting people with a disability we are also engaging very much with some disability support services and part of that sector that provides that support.

We see that as really important. Providing staff to those services ensures that people with a disability get better quality care, get care that supports them in their own aspirations back into employment and so on and so forth. So I think there is a really good sort of virtuous cycle, if you like, there as well—not just supporting people with a disability but also supporting some of the organisations that support those people with a disability to live really full and meaningful lives, including finding work.

Mr RICHARDSON: That is fantastic. Thank you for that answer.

Ms McKAY: If I can add, I am a person who has a hearing disability, so you would have noticed when I come to the hearings I have a special microphone. And within the department we are not only an industry-facing department that looks to support industry and how they support career pathways for people with disability, we also take it very seriously as a role to make sure that as an employer we are an employer of best practice in the way that we support people with a disability.

So we have an Enablers Network that is a branch of the VPS-wide Enablers Network. We have one within our department specifically designed to help people with a disability, to consult with them about what brings out their best at work, what sort of supports they need and how we as employers and managers can help them in that situation. We have had a lot more people coming forward and identifying as people wanting to be part of that network, both as supporters and as people with a disability. And it has been really empowering, I think, to be able to say to industry when we speak them about taking people that we ourselves take that commitment very seriously.

Mr RICHARDSON: Yes, fantastic. Thank you very much for that insight. I might just go, and this might cover off some of the points that Mr Hibbins raised, in the few minutes that I have got remaining to Working for Victoria and Jobs Victoria and take you to the questionnaire again. It shows funding for Working for Victoria employment programs. How has the department delivered support to jobseekers with this funding?

Mr CLEMENTS: Specifically Working for Victoria, the approach adopted with Working for Victoria funding provided in early 2020 off the back of the pandemic—obviously prior to the 2020–21 financial year,

but then most of the rollout of the fund occurred in the 2020–21 financial year—effectively engaged with a range of community service organisations, local government, public sector and also the private sector to provide full subsidies to offer employment to people who had lost their job as a result of the impact of COVID and also people who were already employed prior to the onset of COVID. We know that with the flood of people losing employment at that time those people who were employed pre the pandemic would have been pushed much further back down the labour market queue, so it was really important to be inclusive of both groups of people.

We engaged with those broad sectors in a number of ways to basically offer employment, largely employment that provided support to respond to the COVID pandemic, so that went to a broad range of things in the community sector. It might have gone to things like the delivery of food, the provision of support to people from multicultural backgrounds who might have been struggling a little bit to understand some of the challenges and impact of the pandemic, so that general sort of welfare and support work. In local government it went to a range of services again, like emergency relief type services. But it also went to just more practical things that wanted to leave a legacy off the back of Working for Victoria. So it might have been a tree-planting exercise or it might have been some minor construction. There have been some initiatives recently that received some media around artways in lanes to create opportunities for creative workers, who we know are amongst those people who were really severely hit as a result of the pandemic.

So a really broad range of employment opportunities that went to both the immediate response to COVID—cleaning, hygiene, responses like that—but also to things that derive great community benefit, like the types of things I just outlined. So about 13 500 people ended up getting jobs off the back of that investment. About 120, 130 Aboriginal Victorians were amongst those groups. We engaged really significantly with the Victorian Aboriginal community sector, including VACCHO, which is one of the peak bodies for the community controlled health organisations, who I think led an absolutely brilliant program employing young trainees, Aboriginal people as trainees, across a range of health and other services. We know it is an area where there is a great demand for services, so we are actually able to bring young trainees in and actually start them off on their careers as a result of this funding. Local government again, as I said.

Just in terms of, like, the nature of jobs, about 2500 or 2600 of the jobs are in the community sector, about 5000 of them in local government and about 4000 in the private sector, the great majority of them in that immediate response to COVID—cleaning, hygiene, work with transport and so on and so forth—and a couple of thousand in the public sector as well. So, yes, 13 500—Simon gave an answer earlier about that, and I think it might have been Mr Limbrick who asked that question about that: what does that do for people? Well, it puts food on the table, obviously, for people who had lost their jobs and who may not have been eligible for JobKeeper. International students are a classic example of that—hospitality shut down; accommodation services shut down. They were a vital part of the engine driving industry as part of that. So it has put food on the table for people, but we have also had a number of people basically say, ‘I got this job at the local government; I’ve been offered a permanent and ongoing job there’ or ‘I’ve successfully applied for another permanent job somewhere else where I could refer to the experience of my local government employment; I didn’t have a gap in my CV’ or perhaps ‘It was the first job I’ve had in a year, even prior to the pandemic’. So people have had those opportunities.

Some of our programs interwove a little bit of training as well, provided people with training, skills that they continued on with into new employment and employment opportunities. The Working for Victoria team did a brilliant job in rolling it out in the way that they did, and I do think it was a great initiative by government to ensure that people who were losing their job or people who were going to be pushed further behind as a result of the pandemic were sort of lifted up and given this opportunity for employment that continued on. It has had a really profound impact, I think, on those who benefited from the employment.

Mr RICHARDSON: Thank you very much for that evidence.

The CHAIR: Thank you very much. That concludes the time we have set aside for consideration with you this afternoon, so thank you very much for your time today. The committee will follow up on any questions taken on notice in writing, and responses will be required within 5 working days of the committee’s request.

The committee will take a short break before moving to consideration with Court Services Victoria. Thank you for your time.

Witnesses withdrew.