

PARLIAMENT OF VICTORIA

Public Accounts and Estimates Committee



2025–26 Budget Estimates questionnaire

Department of Treasury and Finance

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Questionnaire information

The Committee's Inquiry into the 2025–26 Budget Estimates examines the Government's expenditure and revenue raising plan.

The Committee's Budget Estimates inquiry aims to benefit the Parliament and the community by:

- promoting the accountability, transparency and integrity of the executive and the public sector
- encouraging effective and efficient delivery of public services and assets
- enhancing understanding of the budget estimates and the wider economic environment
- assisting members of Parliament in their deliberation on the appropriation bills.

This questionnaire seeks information about how the budget affects each department, including how budget allocations are connected to service delivery, infrastructure projects and assets, and other key economic, financial management and emerging issues.

Timeline and format

Responses to this questionnaire are due by **5.00pm on 23 May 2025**.

It is essential that the Committee receive responses by this date to allow sufficient time to consider them before the budget estimates hearings.

The completed questionnaire and Excel worksheet in response to Question 10 should be sent (in the format received) to: paec@parliament.vic.gov.au.

Consistency with the budget papers

Wherever referring to an initiative (including output, asset and savings initiatives) that is also referred to in the budget papers, please use the name used in the budget papers. This ensures that the Committee can correlate the information provided by the department with the information in the budget papers.

Wherever providing details about the department (including amounts of funding, anticipated expenditure and revenue and savings targets) please provide figures for the department on the same basis of consolidation as is used in the budget papers, unless otherwise specified.

Machinery of government changes

For initiatives (including output, asset and savings initiatives) that have been subject to any prior machinery of government changes, the department with responsibility for the initiative at the time of the 2025–26 Budget is the relevant reporting department for this inquiry.

Specific guidance

Additional guidance is provided for particular questions in the questionnaire.

For any inquiries about this questionnaire, please contact the Committee secretariat:

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Major initiatives

Question 1

What progress has been made in implementing the major initiatives/programs identified in the 2024–25 Budget for the department. Please identify a minimum of five initiatives/programs.

Response

| | Major initiatives/programs | Objectives | Output | Activities undertaken | Progress against performance measures as at 30 April 2025 | Progress achieved against key Government objectives |
|----|--|--|-----------------------------|---|--|---|
| 1. | State Revenue Office expanded compliance program | Optimise Victoria's economic performance | Budget and Financial Advice | <ul style="list-style-type: none"> Compliance activities have continued with particular emphasis on Land Tax, Vacant Residential Land Tax and Payroll Tax. Business case for Data Lake Utilisation has been approved. Onboarded a Project Manager and a Data Architect. Detailed planning for delivery has commenced. Data migration planning for approximately June | Compliance revenue is on track to achieve the revenue target KPI ($\geq 95\%$) as at 28 April for 2024-2025. | <ul style="list-style-type: none"> Land Tax and Payroll Tax revenue remains strong, while the current economic environment and property market continue to influence landholder revenue, there are signs of improvement. Supporting compliance work through predictive data insights. |

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| | | | | to August for the approved use cases. | | |
| 2. | Wage Inspectorate Victoria – fair and safe Victorian workplaces | Strengthen Victoria’s economic performance through fair, equitable and productive workplaces | Industrial Relations | The Wage Inspectorate has completed its major change process to reduce staffing profile and ensure that the Wage Inspectorate can deliver its legislative functions with reduced funding. | <p>The performance measures for 2024-25 are</p> <ul style="list-style-type: none"> • 200 child employment investigations and compliance activities completed • 50% Long Service Leave investigations completed within 90 days of lodgement. <p>Both performance measures for 2024-25 will exceed their target.</p> | <p>As at Q3 2024-25, the Wage Inspectorate:</p> <ul style="list-style-type: none"> • answered over 7,000 calls to its helpline from people seeking information about rights and obligations under laws within its remit and responded to over 1,000 written enquiries. • approved over 480 new licence applications for the employment of over 3,200 children. • finalised over 100 long service leave investigations • successfully prosecuted for breaches of the Child Employment Act, securing a fine of \$10,000 • undertook regulatory responsibilities under the Owner Drive and Forestry Contractors Act, including auditing engagements to ensure hirers of |

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| | | | | | | <p>owner drivers were complying with the law</p> <ul style="list-style-type: none"> finalised implementation of its three-year education strategy to raise awareness of workplace rights and obligations in Victoria and ran two major educational videos and e-learning modules, engaged more than 200 stakeholders and translated information into 6 languages. |
| 3. | Expanding the Victorian Homebuyer Fund | Improve how Government manages its balance sheet, commercial activities and public sector infrastructure | Commercial and Infrastructure Advice | <p>Settlements since inception of the initiative have now exceeded 14,500, with another 2,000 approved to participate in the Victorian Homebuyer Fund (VHF).</p> <p>The Commonwealth government passed its Help to Buy legislation in December 2024. <i>Victoria's Help to Buy (Commonwealth</i></p> | The performance measure for 2024-25 is 600 settlements. Progress against the performance measure as at 31 March is 3,681 settlements. | The Victorian Homebuyer Fund continues to provide a path to home ownership for Victorians, with demand remaining steady in the lead up to the scheme closing to new applicants on 30 June 2025. |

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| | | | | <i>Powers) Act 2025</i> received Royal Assent on 8 April 2025, which will enable Help to Buy to operate in Victoria, Help to Buy is anticipated to launch later in 2025 (subject to Housing Australia). | | |
| 4. | Psychological health regulations – public sector planning and implementation | Improve how the Government manages its balance sheet, commercial activities and public sector infrastructure | Commercial and Infrastructure Advice | <p>In-depth research and stakeholder engagement with VPSC, WorkSafe and VPS departments has been undertaken to scope project elements.</p> <p>Potential suppliers have been identified for delivery of expert facilitated workshops and development of supporting materials. Procurement of suppliers is expected by mid-2025.</p> | The relevant performance measure is the number of “Departmental action plans”. The expected outcome for 2024-25 is 0 against a target of 9. The 2025-26 target is 10. This reflects the project being expected to be delivered to the 10 departments in 2025-26. | See activities undertaken column |
| 5. | Supporting the community and public sector to tackle asbestos and its impacts | Improve how the Government manages its balance sheet, commercial | Commercial and Infrastructure Advice | The Victorian Asbestos Eradication Agency (VAEA) is continuing to provide advice to Victorian government agencies on prioritised asbestos removal from | N/A | See activities undertaken column |

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| | | activities and public sector infrastructure | | <p>government-owned buildings.</p> <p>This financial year the VAEA has also expanded the reach of the AIRSystem, a live, digital, consolidated register of asbestos in workplaces across almost 13,000 Victorian government-owned buildings, is operationalising a roadmap to support prioritised removal, and has supported the delivery of the Victoria Asbestos Forum to lead Victoria's implementation of the Asbestos National Strategic Plan.</p> <p>The VAEA also worked with DTF to finalise the establishment of two new prequalification categories on the Construction Supplier Register and is commencing assessment of applications for prequalification.</p> | | |
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| | | | | <p>With funding from the <i>2024-25 Budget</i>, the Asbestos Council of Victoria/Gippsland Asbestos Related Diseases Support Inc, a not-for-profit community organisation, continued working with people impacted by asbestos and silica-related diseases. The organisation delivered support group meetings, loaned medical equipment to affected individuals and continued to build awareness through events and information sessions across the State.</p> | | |
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Question 2

What initiatives or programs have been streamlined or eliminated from the 2024–25 Budget in line with the interim recommendations made as part of the Independent Review of the Victorian Public Service?¹

Response

| Initiative/program | Reason for streamlining/elimination | Anticipated saving in 2025–26 | Anticipated impact on department/agency | Anticipated impact on service delivery |
|--|-------------------------------------|-------------------------------|---|--|
| Data cannot be provided at this stage, as specific savings initiatives and related FTE impacts are subject to future industrial relations and staff consultation processes. Further information will be provided following consultation processes and in the Government's response to the Independent Review final report. | N/A | N/A | N/A | N/A |

¹ Independent Review of the Victorian Public Service - Terms of Reference, <https://www.vic.gov.au/vps-review>

Question 3 [PAEC has advised of a correction – it is 2022 Victorian Economic and Fiscal Update not 2023]

For each of the output initiatives detailed in the 2022–23 Budget, 2023–24 Budget, 2023–24 Budget Update, 2022 Victorian Economic and Fiscal Update, 2024–25 Budget and the 2024–25 Budget Update that have allocated funding in 2024–25 and 2025–26, please detail (on the same basis of consolidation as the budget papers):

- the original funding allocation for 2024–25 and 2025–26
- the current expected funding allocation for 2024–25 and 2025–26
- an explanation for any variances between the current funding and what was originally published in the budget papers when the initiative was announced. If machinery of government changes affected the implementation of these initiatives, please detail how.

Response

| | Output initiative | Original funding allocation for 2024–25 | Current expected funding allocation for 2024–25 | Explanation of variance (if any) | Original funding allocation for 2025–26 | Current expected funding allocation for 2025–26 | Explanation of variance (if any) |
|---|---|---|---|--|---|---|--|
| 2022–23 Budget | Workplace Gender Pay Equity initiatives | NIL | \$0.38m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. Overall, there is no change to the total funding. | NIL | \$0.12m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. Overall, there is no change to the total funding. |
| <u>2022 Victorian Economic and Fiscal Update</u> | <u>Expanding the Victorian Homebuyer Fund</u> | \$4.1m | \$4.1m | N/A - [DN: please note this only reflects a portion of the Victorian Homebuyer Fund initiative budget.] | \$4.1m | \$4.1m | N/A - [DN: please note this only reflects a portion of the Victorian Homebuyer Fund initiative budget.] |
| 2023-24 Budget | Gender responsive budgeting | \$0.5m | \$0.5m | N/A | NIL | N/A | N/A |

| | | | | | | | |
|-----------------------|--|---------|---------|---|---------|---------|--|
| 2023-24 Budget | Making Victoria an Easy Place to do Business through Regulatory Reform | \$11.2m | \$17.2m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. Overall, there is no change to the total funding. | \$11.2m | \$17.7m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. Overall, there is no change to the total funding. |
| 2023-24 Budget | Maximising outcomes through social investments | \$7.8m | \$11.1m | The increase of \$3.3m is due to the below budget adjustments: 1) \$0.3m was carried over from 2023-24 to 2024-25; 2) The Victorian Government increased the Empowerment Fund funding cap by \$3m recognising high-quality projects received. | \$7.9m | \$7.9m | N/A |
| 2023-24 Budget | Standing up for workplace safety | \$6.0m | N/A | WorkSafe has been directed to cover the cost of the dedicated monitoring and enforcement unit. | \$6.1m | N/A | WorkSafe will be self-funding the monitoring and enforcement unit resourcing. |
| 2023-24 Budget | State Revenue Office Compliance Program | \$46.9m | \$46.9m | N/A | \$43.0m | \$43.0m | N/A |
| 2023-24 Budget | Building Equity | \$0.8m | \$0.03m | The variance is due to subsequent budget phasing adjustments to align with the program | \$0.08m | \$2.2m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. |

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| | | | | milestones. Overall there is no change to the total funding. | | | Overall there is no change to the total funding. |
| 2023-24 Budget | Industrial relations attraction and retention policies | \$2.5m | \$2.5m | N/A | \$2.5m | \$2.5m | N/A |
| 2023-24 Budget | On-demand worker support | \$4.5m | \$2.6m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. Overall there is no change to the total funding. | N/A | \$2.7m | The variance is due to subsequent budget phasing adjustments to align with the program milestones. Overall there is no change to the total funding. |
| 2023-24 Budget Update | N/A | | | | | | |
| 2024-25 Budget | Expanding the Victorian Homebuyer Fund | \$5.0m | \$5.0m | N/A - [Please note this only reflects a portion of the Victorian Homebuyer Fund initiative budget.] | \$2.2m | \$2.2m | N/A - [Please note this only reflects a portion of the Victorian Homebuyer Fund initiative budget.] |
| 2024-25 Budget | Psychological health regulations – public sector planning and implementation | \$1.3m | \$1.3m | N/A | \$0.4m | \$0.4m | N/A |
| 2024-25 Budget | Supporting the community and public sector to tackle asbestos and its impacts | \$4.9m | \$4.9m | N/A | \$4.9m | \$4.9m | N/A |

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|--------------------------------------|---|---------|---------|--|---------|---------|--|
| 2024–25 Budget | Wage Inspectorate Victoria – fair and safe Victorian workplaces | \$3.1m | \$3.25m | The increase reflects net carry over of \$0.15m from FY2023-24 to FY2024-25. | N/A | \$3.38m | The increase reflects approved funding in the 2025-26 Budget and \$0.28m repensed from FY2024-25 to FY2025-26. |
| 2024–25 Budget | State Revenue Office expanded compliance program | \$15.6m | \$15.6m | N/A | \$18.2m | \$18.2m | N/A |
| 2024–25 Budget Update | N/A | | | | | | |

Strategic issues

Question 4

In order of priority, please list the five most significant strategic issues that influenced the development of the department's estimates for the 2025–26 financial year. Please describe how the department will address these issues in 2025–26.

Response

| | Strategic issue | How the department will address the issue in 2025–26 | What progress, if any, has been made as at 30 April 2025, if applicable |
|----|--|---|---|
| 1. | Maintaining critical service delivery (such as continue to create jobs, reduce unemployment and restore economic growth) | The following initiative was in the <i>2023-24 Budget</i> and will continue in 2025-26 | |
| | | <ul style="list-style-type: none"> Making Victoria an Easy Place for Business through Regulatory Reform (four year initiative from 2023-24 to 2026-27) | <p>The Whole of Government Regulatory Reform Program implementation is in progress with initiatives underway with departments, regulators, and councils.</p> <p>This includes the Business Acceleration Fund (BAF), which will provide \$30 million from 2023-24 to 2026-27 to save Victorians time and money by streamlining regulatory processes across the state's regulators and local councils. Around 50 reforms are being implemented that will see many benefits for Victoria's businesses, including more targeted regulations, faster licensing, accessible and user-friendly application processes and streamlined and digitised applications. The BAF is estimated to deliver \$250 million in annual ongoing benefits to businesses and workers.</p> <p>The first tranche of model legislative provisions was published in 2025 to provide guidance to departments on developing effective and streamlined legislation that aligns</p> |

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| | | | <p>with best practice and promotes consistency across Victoria's regulatory environment.</p> <p>The Victorian Fit and Proper Test Framework was published in 2024 to assist departments and regulators to implement Fit and Proper Test schemes that are appropriate, effective in preventing harm, while minimising regulatory burden.</p> <p>The Digital Regulation Capability Model was published in 2024 to enable Victorian regulators to assess their digital capabilities and identify priority capabilities they might need in the future to support their regulatory functions.</p> <p>The Council and Regulator Toolkit (CART) was published in 2024. The CART is an online one-stop shop of best practice resources for departments, regulators and councils that will make it easier for business to interact with government.</p> |
| | | <p>The following initiatives were in the 2020-21 Budget and will continue in 2025-26</p> | |
| | | <ul style="list-style-type: none"> Big Housing Build: Expanded Social Housing Growth Fund | <p>Through successive funding rounds completed across 2020-21 to 2024-25, the Big Housing Build (BHB) component of the Social Housing Growth Fund has awarded contracts which support 4,019 new social housing dwellings that are to be delivered through the community housing sector. Construction has commenced on 2,844 dwellings, of which 1,762 dwellings have been completed.</p> |
| | | <ul style="list-style-type: none"> Big Housing Build: Victorian Homebuyer Fund | <p>The Victorian Homebuyer Fund (VHF) has committed \$2.49 billion in shared equity contributions as of 31 March 2025 to help thousands of Victorians achieve home ownership. Since launching in October 2021, over 14,500 participants have settled on their homes and an additional</p> |

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| | | <p>2,000 Victorians have been approved in the scheme to start house hunting. Over two-thirds have been first home buyers.</p> <p>The VHF will close to new applicants on 30 June 2025. However, some settlements will still occur in 2025-26 as participants have up to 12 months from obtaining Provisional Approval to enter the scheme to purchase a home. Victorians are expected to have access to the Commonwealth's new shared equity scheme, Help to Buy, later in 2025.</p> |
| | <ul style="list-style-type: none"> Regulatory reform package | <p>Funding for this initiative was announced in the <i>2020-21 Budget</i> for regulatory reforms to support the state's economic recovery.</p> <p>This included the \$40 million Regulation Reform Incentive Fund (RRIF) to support the Victorian regulators and local governments to reduce red tape, speed up approvals and simplify processes and deliver up to \$200 million in annual ongoing benefits when fully delivered.</p> <p>The \$40 million RRIF has supported 73 projects that are speeding up approval times for businesses, making it easier to start up and grow. This includes 32 regulatory reforms across local councils to make approvals easier. The reforms are delivering more than 290,000 faster approvals each year related to licences and permits for individuals to undertake work and businesses to operate. The saving in time is estimated at over 287,000 days annually.</p> <p>Outcomes for businesses delivered through the Regulatory Reform Package include:</p> <ul style="list-style-type: none"> expanding the network of pre-approved routes for oversized vehicles that will reduce delays in approvals and save the construction industry money |

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| | | | <ul style="list-style-type: none"> • digitising elements of the assessment and rating process for early childhood services, including reporting and submitting a Quality Improvement Plan, saving more than 13,000 days of staff time across the sector each year • local councils were funded to deliver automatic approvals on the Service Victoria platform for footpath trading, outdoor fitness and placing skip bins, speeding up the time it takes for businesses to get approvals – up to 10 days in some cases. |
| | | The following Initiatives were in the <i>Economic Growth Statement December 2024</i> and will continue in 2025-26 | |
| | | <ul style="list-style-type: none"> • Halving the number of regulators by 2030 (DTF) | <p>Under the <i>Economic Growth Statement</i>, the Government committed to halve the number of business regulators by 2030 from 37 current regulators down to at least 18, making it easier for businesses to interact with government.</p> <p>This will make it easier for businesses to interact with government by offering clearer points of contact and fewer interactions with regulators.</p> <p>A roadmap setting out how this will be achieved will be published in late 2025. Work with the regulators in the construction and food sectors is already underway.</p> |
| | | <ul style="list-style-type: none"> • Launching a Regulatory Digitisation and AI program (DTF) | <p>The <i>Economic Growth Statement</i> provided \$10.5 million to launch a digitisation and AI program with a focus on reducing paper-based or outdated digital processes, streamlining approvals and address regulatory pain points for business. Initial funding allocations will be made in June 2025.</p> |

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| | | <ul style="list-style-type: none"> Setting a regulatory burden reduction target of \$500 million by 2030 (DTF) | <p>Under the Economic Growth Statement, the Government committed to deliver \$500 million in benefits to business by 2030. This will be measured in time and money saved for businesses through regulatory burden reduction reforms.</p> <p>New regulatory reforms which benefit businesses across government agencies that have commenced on or after the <i>Economic Growth Statement</i> will be counted towards the target.</p> <p>The <i>Economic Growth Statement</i> also provided \$2.6 million for departments and regulators to implement high-value regulatory reduction initiatives, including intensive legislative reviews and modernising projects.</p> |
| | | <ul style="list-style-type: none"> Reducing red tape in the regions (DTF) | <p>The <i>Economic Growth Statement</i> provided \$3.5 million for targeted investment to address regulatory challenges faced by businesses in Victoria's regional communities. Opportunities include streamlining regulation of regionally focused industries and digitising regional council systems. Initial funding allocations will be made in June 2025.</p> |
| 2. | Renewing lapsing programs | The 2025-26 Budget provides funding to continue the following initiatives: | |
| | | <ul style="list-style-type: none"> Fair and Productive Victorian Workplaces | <p>Since establishment on 1 July 2021, the Wage Inspectorate has undertaken informal evaluations annually. Annual evaluations have provided evidence demonstrating the efficiency and effectiveness of the Wage Inspectorate as a regulator committed to delivering optimum outcomes for Victoria and the Victorian public. The Wage Inspectorate's operations support the department's objective to 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces'.</p> |

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| | | <p>It does so by promoting compliance and enforcement with the laws within its remit, including the <i>Child Employment Act</i>, the <i>Child Safety and Wellbeing Act</i>, the <i>Long Service Leave Act</i> and the <i>Owner Driver Forestry Contractors Act</i>.</p> <p>As at Q3 2024-25 the Inspectorate:</p> <ul style="list-style-type: none"> answered over 7,000 calls to its helpline from people seeking information about rights and obligations under laws within the Wage Inspectorate's remit, and responded to over 1,000 written enquiries protected the safety and welfare of children working in Victoria by administering child employment laws, including assessing and granting over 480 new child employment licences for the employment of over 3,200 children finalised over 100 long service leave investigations successfully prosecuted for breaches of the Child Employment Act, securing a fine of \$10,000 undertook regulatory responsibilities under the Owner Drive and Forestry Contractors Act, including auditing engagements to ensure hirers of owner drivers were complying with the law finalised implementation of its three-year education strategy to raise awareness of workplace rights and obligations in Victoria and ran two major educational videos and e-learning modules, engaged more than 200 stakeholders and translated information into 6 languages. |
| | <ul style="list-style-type: none"> Maintaining Positive Public Sector Industrial Relations; | <p>IRV's public sector industrial relations function supports the department objective to 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces'.</p> |

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| | | | <p>The existing mix of ongoing and initiative funding, has supported IRV's ongoing public sector functions including:</p> <ul style="list-style-type: none"> • developing and implementing the Government industrial relations policy priorities as they relate to the public sector workforce; • successfully managing and overseeing enterprise bargaining in the public sector • developing and providing regular advice to Government about managing significant public sector workforce initiatives, disputes and issues • developing and leading significant legislative amendments affecting public sector employers • facilitating the provision of essential industrial relations advice on key workforce issues • promote gender equality and workforce participation in the building and construction sector. <p>IRV consistently meets its annual two BP3 measures including 2024-25:</p> <ul style="list-style-type: none"> • Public sector agreements renewed and approved within current enterprise bargaining framework • Review and assessment of submitted public sector enterprise bargaining costings and proposed agreements completed and submitted for approval within four weeks. |
| | | <ul style="list-style-type: none"> • Continued Monitoring and Assurance of the state capital program | <p>Progress made as at 30 April 2025 on the continued monitoring and assurance of the state capital program includes the completion by DTF of 61 project reviews, delivery of 32.7 capability training days and three quarterly major projects performance reports (MPPRs) completed for Cabinet consideration.</p> |
| | | <ul style="list-style-type: none"> • Gender responsive budgeting | <p>DTF has assessed the gender impacts of budget proposals through the <i>2025-26 Budget</i>. DTF has provided workshops</p> |

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| | | | and training sessions to departments and agencies to build capability in, and understanding of, gender responsive budgeting. |
| 3. | Meeting unavoidable cost pressures (such as continue to implement reforms and enhance compliance activities) | The following initiative was in the 2024-25 Budget and will continue in 2025-26 | |
| | | <ul style="list-style-type: none"> State Revenue Office (SRO) Expanded Compliance program | <p>Funding approved from 1 July 2024 to build upon and further expand the broad range of taxation compliance programs administered by the State Revenue Office. This includes technology modernisation to support more efficient tax administration and enhanced compliance. Revenue compliance activities continue to achieve targets with a recent focus on land holding taxes. Recent technology developments include document management automation and core revenue management system build activities are continuing.</p> |
| | | <ul style="list-style-type: none"> Supporting the community and public sector to tackle asbestos and its impacts | <p>The Victorian Asbestos Eradication Agency (VAEA) is continuing to provide advice to Victorian government agencies on prioritised asbestos removal from government-owned buildings.</p> <p>This financial year the VAEA has also expanded the reach of the AIRSystem, a live, digital, consolidated register of asbestos in workplaces across almost 13,000 Victorian government-owned buildings, is operationalising a roadmap to support prioritised removal, and has supported the delivery of the Victoria Asbestos Forum to lead Victoria's implementation of the Asbestos National Strategic Plan (ANSP).</p> <p>The VAEA also worked with DTF to finalise the establishment of two new prequalification categories on the Construction Supplier Register and is commencing assessment of applications for prequalification.</p> |

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| | | | <p>With funding from the <i>2024-25 Budget</i>, the Asbestos Council of Victoria/Gippsland Asbestos Related Diseases Support Inc, a not-for-profit community organisation, continued working with people impacted by asbestos and silica-related diseases. The organisation delivered support group meetings, loaned medical equipment to affected individuals and continued to build awareness through events and information sessions across the State.</p> |
| | | The following initiative was in the <i>2023-24 Budget</i> and will continue in 2025-26 | |
| | | <ul style="list-style-type: none"> SRO Compliance Program | <p>Program funding commenced from 1 July 2023 to maintain and expand the broad range of taxation compliance programs and to enhance data quality and management. The program is expected to generate significant revenue of \$700 million gross for the period 2023-24 to 2026-27.</p> <p>Revenue compliance activities continue to achieve targets and a range of data quality programs are progressing.</p> |
| 4. | Continuing to apply the Early Intervention Investment Framework | The following initiatives were in the <i>2023-24 Budget</i> and will continue in 2025-26 | |
| | | <ul style="list-style-type: none"> Maximising outcomes through social investments | <p>DTF has awarded contracts to 22 organisations under the Empowerment Fund to support them with improvements to their data and evaluation capabilities, with details available on the DTF website.</p> <p>The <i>2023-24 Budget</i> funded two Partnerships Addressing Disadvantage (PADs), to complement the five existing programs. Work is underway to progress the new PADs.</p> <p>DTF worked in partnership with the Victorian Aboriginal Child Care Agency to develop a Cultural Safety Framework</p> |

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| | | | to underpin the Early Intervention Investment Framework (EIIF), which is available on the DTF website. |
| | | The following initiatives were in the 2021-22 Budget and will continue in 2025-26 | |
| | | <ul style="list-style-type: none"> Embedding Early Intervention in Government Service Delivery | <p>The EIIF has been government policy for the last five years, further embedding a focus on measuring wellbeing impacts for submissions in the Victorian budget process.</p> <p>For each EIIF initiative, government quantifies expected impacts in terms of avoided fiscal costs, other economic benefits and broader social outcomes. The evidence generated through the EIIF enables Government to make more informed decisions with the aim of increasing social impact. Annual tracking of the outcomes from each initiative also informs future budget deliberations and decisions.</p> |
| | | <ul style="list-style-type: none"> Partnerships Addressing Disadvantage (PADs) | The Arc PAD is now being implemented as a partnership with the Department of Justice and Community Safety, the Department of Families, Fairness and Housing, the Victorian Association for the Care and Resettlement of Offenders & Social Ventures Australia. |
| 5. | Delivery of 2025-26 Budget savings | The Department will be providing further details to Government on implementation of savings across the DTF portfolio, however, the target is expected to be met through general savings and efficiencies measures across the department, including reduced spending on corporate and back-office functions, administrative efficiencies, such as streamlining processes, and realignment of priorities. | Not applicable. |

Revenue and expenditure – variances

Question 5

Budget Paper No. 5: Statement of Finances provides a comprehensive operating statement that details each department's revenue and expenses on an accrual basis reflecting the cost of providing its output.

For each line item of the comprehensive operating statement if there is a variance greater than 10 per cent (positive or negative) or greater than \$100 million (positive or negative) please explain the reason for the variance between the budget for 2024–25, the revised estimate for 2024–25 and the budget for 2025–26.

Guidance

Where the variance is in 'Other operating expenses', please supply the relevant expense category.

Response

| Line item | 2024–25 Budget (\$ million) | 2024–25 Revised estimate (\$ million) | Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million) 2024–25 Budget vs. 2024–25 Revised estimate |
|-------------------------------|-----------------------------------|--|--|
| Output appropriations | 441.5 | 506.4 | Increase primarily reflects net funding carried over from the previous year, funding related to the Industrial Relations output that was recognised post <i>2024-25 Budget</i> and the outcome of the new VPS Enterprise Bargaining Agreement. |
| Sales of goods and services | - | 1.5 | Increase primarily reflects recognition of revenue from interdepartmental trust for the Victoria Major Projects Leadership Academy. |
| Grants | 0.6 | 1.9 | Increase primarily reflects reimbursement from the Department of Transport and Planning to cover the cost associated with administering the Growth Areas Infrastructure Contribution. |
| Employee benefits | 237.1 | 267.4 | Increase primarily reflects funding related to the Industrial Relations output that was recognised post <i>2024-25 Budget</i> and the outcome of the new VPS Enterprise Bargaining Agreement. |
| Depreciation and amortisation | 13.1 | 11.0 | The depreciation budget has been revised to align with the projected depreciation expenses associated with the Department's capital program. |
| Grants and other transfers | 34.4 | 42.9 | Increase primarily reflects net funding carried over from the previous year and funding related to the Industrial Relations output that was recognised post <i>2024-25 Budget</i> . |

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| Other operating expenses | 166.9 | 197.0 | Increase primarily reflects net funding carried over from the previous year and funding related to the Industrial Relations output that was recognised post <i>2024-25 Budget</i> . (Relevant expense categories are Professional Services, Consultancies, Office Expenses, Central Accommodation Management Operating Expenses, Software Maintenance and Licencing, etc.) |
| Line item | 2024–25 Budget (\$ million) | 2025–26 Budget (\$ million) | Explanation for any variances greater than ±10% (or greater than \$100 million) 2024–25 Budget vs. 2025–26 Budget |
| Output appropriations | 441.5 | 470.9 | Increase primarily reflects funding related to the Industrial Relations output that was recognised post <i>2024-25 Budget</i> and various funding that was rephased from 2024-25 to 2025-26. |
| Sales of goods and services | - | 1.0 | Increase primarily reflects recognition of revenue from interdepartmental trust for the Victoria Major Projects Leadership Academy. |
| Grants | 0.6 | 2.6 | Increase primarily reflects grants from WorkPlace Safety for the Workplace Incidents Consultative Committee. |
| Fair value of assets and services received free of charge or for nominal consideration | 7.7 | 25.1 | Increase reflects recognition of resources provided free of charge for office accommodation, as a result of the change in the funding arrangements for Centralised Accommodation Management. |
| Grants and other transfers | 34.4 | 67.8 | Increase primarily reflects funding related to the Industrial Relations output that was recognised post <i>2024-25 Budget</i> and funding for various initiatives such as Rent to Buy and Economic Growth Statement. |
| Line item | 2024–25 Revised estimate (\$ million) | 2025–26 Budget (\$ million) | Explanation for any variances greater than ±10% (or greater than \$100 million) 2024–25 Revised estimate vs. 2025–26 Budget |
| Sales of goods and services | 1.5 | 1.0 | Decrease primarily reflects reduction in revenue expected from interdepartmental trust. |
| Grants | 1.9 | 2.6 | Increase primarily reflects grants from WorkPlace Safety for the Workplace Incidents Consultative Committee. |
| Fair value of assets and services received free of charge or for nominal consideration | 7.7 | 25.1 | Increase reflects recognition of resources provided free of charge for office accommodation, as a result of the change in the funding arrangements for Centralised Accommodation Management. |

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| Depreciation and amortisation | 11.0 | 12.8 | Increase primarily reflects depreciation associated with the capital expenditure phasings for the State Revenue Office Expanded Compliance Program and State Revenue Office Advanced Revenue Management Program. |
| Grants and other transfers | 42.9 | 67.8 | Increase primarily reflects the grant phasings for various initiatives such as Rent to Buy and Economic Growth Statement along with initiatives managed by Industrial Relations Victoria. |
| Other operating expenses | 197.0 | 166.2 | 2024-25 was higher primarily due to carryover of funding from the previous year, higher funding received in 2024-25 for Commercial Reform and Advisory Services, the State Revenue Office's short stay levy administration costs, the Independent Review of the Victorian Public Service and Commonwealth funding received for the National Labour Hire Licensing Scheme. 2025-26 is also impacted by the implementation of savings included in the 2025-26 Budget. (Relevant expense categories are Outsourced IT Costs, Professional Services, Consultancies, Other Service Charges, Incidentals, Supplies and Consumables, etc) |

Revenue initiatives – new and changed

Question 6

For all new revenue initiatives in the 2025–26 budget papers and for all existing revenue initiatives that have changed in the 2025–26 budget papers as compared to the previous financial year, please provide the:

- name of the initiative in the 2025–26 budget papers
- objective/s of the initiative
- reason for the new initiative or change to the initiative
- expected outcome/benefit for the Victorian community of the new initiative/change to the initiative
- anticipated revenue in the financial year 2025–26 and over the forward estimates gained or foregone as a result of the new initiative/change to the initiative.

Response

| | |
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| Name of the initiative in the 2025–26 budget papers | Extending the temporary off-the-plan stamp duty concession for apartments, units and townhouses |
| Objective/s of the initiative | <p>The temporary land transfer duty concession for off-the-plan apartments, townhouses, and units announced on 21 October 2024 will be extended for twelve months.</p> <p>The concession will now apply to contracts signed on or after 21 October 2024 and before 21 October 2026.</p> <p>This concession was initially announced as part of the 2024-25 Budget Update and had a twelve-month time frame.</p> <p>The concession allows outstanding construction costs to be deducted when determining the dutiable value of non-detached dwellings within a strata subdivision sold off-the-plan.</p> |
| Reason for new initiative or change | This measure is designed to increase housing supply and reduce housing affordability pressures. |
| Expected outcome/benefit for the Victorian community of the new initiative/change to the initiative | <p>Anyone buying an eligible apartment, unit or townhouse off-the-plan can claim the concession.</p> <p>The concession will cut upfront costs for purchasers.</p> |

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| | Developers may be able to commence construction earlier, as this measure will assist in meeting pre-sale targets sooner for finance requirements. |
| Anticipated revenue in financial year 2025–26 gained or foregone | -\$4 million |
| Anticipated revenue in financial year 2026–27 gained or foregone | -\$20 million |
| Anticipated revenue in financial year 2027–28 gained or foregone | -\$22 million |
| Anticipated revenue in financial year 2028–29 gained or foregone | -\$16 million |

Expenditure – new programs and initiatives (output and asset)

Question 7

For all new programs and initiatives (output and asset) in the 2025–26 budget papers, please provide the:

- name of the program/initiative
- objective(s) of the program
- factors that have driven the creation of the initiative (including social, environmental or economic factors)
- budgeted expenditure in financial year 2025–26 on the program/initiative
- how it will be funded (i.e. through new output appropriation, Commonwealth funding, internal reprioritisation etc.)
- how the outcomes and impacts will be measured (such as relevant indicators, evaluations, routine monitoring).

Response

| Name of the program/initiative | Objective(s) of the program | Factors driving creation of the initiative | Budgeted expenditure in FY 2025–26 on the program/initiative (\$ million) | How it will be funded | How the outcomes and impacts will be measured |
|--|---|---|---|-----------------------------|---|
| Extending the temporary off the plan stamp duty concession for apartments, units and townhouses | This initiative covers the administrative cost to extend the temporary land transfer duty (stamp duty) concession announced in the 2024-25 Budget Update for an additional 12 months. | To support housing supply, by extending the concession for a further 12 months. It will apply to contracts entered into, on or after 21 October 2024, and before 21 October 2026. | 0.655 | Output appropriation | The outcome will be measured by the estimated foregone revenue over 4 years to 2028-29 of \$61 million. |
| Response to the independent review | To enable implementation of the Government's | The review found that a | 4.043 | Output appropriation | An evaluation of the reforms (implementations of |

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| into Victorian Bodies' engagement with Construction Companies and Construction Unions | <p>Response to the Formal Review into <i>Victoria Government Bodies' Engagement with Construction Companies and Construction Unions</i> (Wilson Review).</p> <p>A key initiative recommendation made by the review is that a central body is established to receive and refer complaints to agencies. Legislation is in the Victorian Parliament to confer this function on the Wage Inspectorate Victoria (WIV). Should the Bill pass the Victorian Parliament, the WIV will be given responsibility for receiving and referring complaints related to Victorian government construction projects.</p> | multifaceted approach involving cultural, regulatory, legal, policy, and contractual change is required to further respond to allegations of criminal and unlawful behaviour. | | | recommendations 1-7: complaints referral function; Alliance of law enforcement regulators and infrastructure delivery agencies; amendments to labour hire legislation, and contractual obligations on principal contractors) will be undertaken after two years (as proposed by recommendation 8 of the Wilson Review). |
| Halving the number of business regulators by 2030 | To make it easier for businesses to interact with government by offering clearer points of contact, fewer processes and forms to deal with, and fewer | Consultation with businesses and work undertaken as part of development of the Economic | 4.360 | Output appropriation | The outcomes will be measured by the decrease in the number of Victorian business regulators from 37 in December 2024. |

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| | interactions with regulators. | Growth Statement identified this as a priority reform to drive economic growth. | | | |
| Launching a regulatory digitisation and AI program | To accelerate replacement of paper-based or outdated digital processes, streamlining licensing and other approvals. | Consultation with businesses and work undertaken as part of development of the Economic Growth Statement identified this as a priority reform to drive economic growth. | 2.750 | Output appropriation | The outcomes will be measured by the ratio of regulatory burden reduction benefits for business to funds invested. |
| Reducing red tape in the regions | To address regulatory challenges faced by businesses in Victoria's regional communities. | Consultation with businesses and work undertaken as part of development of the Economic Growth Statement identified this as a priority reform to drive | 3.500 | Output appropriation | The outcomes will be measured by the ratio of regulatory burden reduction benefits for business to funds invested. |

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| | | economic growth. | | | |
| Setting a regulatory burden reduction target of \$500 million by 2030 | To reduce regulatory duplication, speed up and digitise application processes, remove unnecessary permits, and update regulations to be simpler. | Consultation with businesses and work undertaken as part of development of the Economic Growth Statement identified this as a priority reform to drive economic growth. | 0.809 | Output appropriation | The outcomes will be measured by progress in delivering on the target of \$500 million by 2030. |

Expenditure – lapsing programs (output initiatives, including grants)

Question 8

For all programs (output initiatives, including grants) with total funding of equal to or greater than \$5 million that were to lapse in the financial year 2024–25, where funding is to be extended in the 2025–26 Budget, please provide the:

- a) name of the program
- b) objective(s) of the program
- c) expenditure in the financial years 2024–25 and 2025–26 (and where relevant, future years)
- d) details of how the program will be funded (i.e. through new output appropriation, Commonwealth funding, internal reprioritisation etc.)
- e) confirmation that an evaluation of the program has been conducted as per *Section 6.1 Evaluating lapsing programs* of the Resource Management Framework.² Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation in the questionnaire response
- f) evidence of the continued need for the program, and Government’s role in delivering it
- g) evidence of the program’s progress toward its stated objectives and expected outcomes, including the alignment between the program, its output (as outlined in *Budget Paper No. 3: Service Delivery*), departmental objectives and any Government priorities
- h) evidence of the program being delivered within its scope, budget, expected timeframe and in line with appropriate governance and risk management practices
- i) extent and level of efficiencies realised in the delivery of the program
- j) information about the nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts
- k) evidence that the further funding reflects the actual cost required to deliver the program.

Guidance

Lapsing program—the Committee uses the definition of lapsing program as set out in the Department of Treasury and Finance, *Resource Management Framework*: A lapsing program is a program to deliver services (output-related) that is funded for a specified time period only (and not ongoing in nature). Programs of a ‘one-off’ or a time-specific nature (e.g. funding provided for specific events) are considered ‘fixed-term’ and do not fall under the definition of a ‘lapsing program’.

² Department of Treasury and Finance, *The Resource Management Framework Part 1 of 2 – Main document*, Melbourne, 2024, p. 135

Response

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| Name of the program | Maintaining positive public sector industrial relations | |
| Objective(s) of the program | IRV provides centralised industrial relations advice and assistance to Government, departments and agencies. It is responsible for supporting enterprise bargaining in the Victorian public sector and developing and implementing the Government's public sector industrial policy priorities. | |
| Expenditure in the financial years 2024–25 and 2025–26 (and where relevant, future years) (\$ million) | 2024–25 | 2025–26 |
| | \$1.195M | \$1.265M |
| Details of how the program will be funded | Output appropriation | |
| Confirmation that an evaluation for the program has been conducted. Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation | An audit of Industrial Relations Victoria was undertaken by KPMG in 2024-25. The audit found no instances of non-conformance with Wages Policy (as per DPS measures) and proper process were being followed in accordance with the enterprise bargaining framework. The audit also cited evidence of IRV attendance and support at negotiation meetings for significant enterprise agreements. The audit found sound controls were in place and did not make any specific recommendations with respect to the public sector branch. | |
| Evidence of the continued need for the program and the Government's role in delivering it | <p>Funding supports the delivery of government priorities:</p> <ul style="list-style-type: none"> the realisation of the Government's collaborative approach to enterprise bargaining and, where necessary, support the resolution of enterprise bargaining through facilitated discussions or Fair Work Commission intervention a partnership approach with public sector employees and their unions in the delivery of important services to Victorians and resolution of significant workforce matters the inclusion of public sector agencies in the development and promotion of model employment practices that promote model behaviours to the wider community implement legislative reform as it relates to industrial relations in the public sector oversees enterprise bargaining and other engagement with unions and the Commonwealth Government development of policies and initiatives which aide the implementation and operationalisation of the Government's industrial relations policy priorities promote gender equality and encourage women to participate in the construction industry | |
| Evidence of the program's progress toward its stated objectives and expected outcomes | IRV's public sector relations function supports the department objective to 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces. | |

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| | <p>The existing mix of ongoing and non-ongoing funding, has supported IRV's public sector functions including:</p> <ul style="list-style-type: none"> • developing and implementing the Government industrial relations policy priorities as they relate to the public sector workforce, including common policies which underpin the operation of the VPS Agreement, budget reprioritisation and public sector industrial relations policies • successfully managing and overseeing enterprise bargaining for 160+ enterprise agreements • developing and providing regular advice to Government about managing significant public sector workforce initiatives, disputes and issues • developing and leading significant legislative amendments affecting public sector employers, including with respect to the States referral of industrial relations powers to the Commonwealth • facilitating the provision of essential industrial relations advice and input associated with a range of reforms to the VPS and broader public sector • providing personnel and resources to departments and agencies to meet short term needs, which assists in developing consistency and capability across Government • Supporting resolution of significant industrial relations disputes by intervening or otherwise providing advice to entities to seek to manage industrial and bargaining disputes or issues. |
| Evidence of the program being delivered within its scope, budget, expected timeframe and in line with appropriate governance and risk management practices | <p>IRV consistently meets its annual DPS measures:</p> <ul style="list-style-type: none"> • Public sector agreements renewed and approved within current enterprise bargaining framework • Review and assessment of submitted public sector enterprise bargaining costings and proposed agreements completed and submitted for approval within four weeks. |
| Nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts | <p>In the absence of the program continuing there would be no central oversight or coordination of public sector enterprise bargaining or workforce policy initiatives which affect public sector. This is likely to lead to an increase in industrial disputation, difficulties resolving enterprise bargaining (including inconsistent outcomes), an inability develop or promulgate policy initiatives which regulate the expectations of Government of public sector employers and diminished relationships with public sector unions.</p> |

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| | No alternatives have been identified and as such there are no mitigation strategies to minimise or address these risks if the program is ceased. |
| Evidence that the further funding reflects the actual cost required to deliver the program | The public sector team is currently funded through a mixture of ongoing and non-ongoing funding, despite the public sector branch performing this ongoing function. The mix of ongoing and non-ongoing funding provides for 11 FTE (including 1 FTE administrative support). Under the current FTE the public sector branch has met its BP3 targets, supported public sector enterprise bargaining and delivered upon the Government's public sector workforce priorities. |

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| Name of the program | Wage Inspectorate Victoria - Fair and Productive Victorian Workplaces | |
| Objective(s) of the program | The Wage Inspectorate Victoria sought funding for 2025-26 to promote fair and productive workplaces in Victoria through strong compliance and enforcement under Victoria's Industrial Relations (IR) laws. | |
| Expenditure in the financial years 2024–25 and 2025–26 (and where relevant, future years) (\$ million) | 2024–25 | 2025–26 |
| | \$3.128M | \$3.128M |
| Details of how the program will be funded | Output appropriation | |
| Confirmation that an evaluation for the program has been conducted. Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation | Since establishment on 1 July 2021, the Wage Inspectorate Victoria (Wage Inspectorate) has undertaken informal evaluations annually. Annual evaluations have provided evidence demonstrating the efficiency and effectiveness of the Wage Inspectorate as a regulator committed to delivering optimum outcomes for Victoria. | |
| | At the time of the Wage Inspectorate's establishment, it was proposed a formal review of the reforms would be undertaken in July 2024. It was anticipated the review would be more meaningful if it was undertaken once the reforms had been operational for three years. However, significant changes which occurred in 2023-24 have impacted the Wage Inspectorate's Operations, and that meant it was no longer sensible to undertake the formal review as initially planned. | |
| | These significant changes include the Federal Government legislating the wage theft offences, and subsequently the repeal of Victoria's wage theft offences. Furthermore, the Wage Inspectorate's budget in 2024-25 was substantially reduced. | |

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| | <p>These changes resulted in a restructure and reduction of the Wage Inspectorate's staffing profile. Given these changes, it is proposed that the formal review be conducted after 1 July 2026 (about 18 months after the operation of the new structure).</p> |
| <p>Evidence of the continued need for the program and the Government's role in delivering it</p> | <p>The Wage Inspectorate supports fair and safe Victorian workplaces by strong compliance and enforcement action under Victoria's Industrial Relations (IR) laws. It does this by delivering the core legislated regulatory functions under the laws within its remit, including the Child Employment Act 2003 (CE Act), Child Safe Standards (CSS) under the Child Wellbeing and Safety Act 2005, Long Service Leave Act 2018 (LSL Act) and Owner Drivers and Forestry Contractors 2005 (ODFC Act).</p> <p>Below are some examples of how the Wage Inspectorate has supported the compliance of IR laws.</p> <p>Unlawful withholding of long service leave entitlements</p> <p>Underpayment of employee entitlements, including long service leave, is a deep-rooted problem in Australia. In many industries, underpayment is normalised, especially for migrant workers, with some research suggesting it has become a standard business model for some employers.</p> <p>The Wage Inspectorate enforces the Long Service Leave Act 2018 (the LSL Act) and investigates suspected withholding of LSL. LSL is a long-standing entitlement for Australian employees. Most Victorian workers qualify for LSL if they have continuously worked with one employer for at least 7 years. This applies to work that is full-time, part-time, casual, seasonal or fixed term. Failure to pay LSL entitlements at termination of employment is a significant problem. Last financial year, the Wage Inspectorate finalised over 100 LSL investigations.</p> <p>Owner Driver and Forestry Contractors</p> <p>The Wage Inspectorate regulates Victoria's laws that hirers and freight brokers must follow when engaging Owner Driver and Forestry Contractors. The Victorian Government amended the Owner Driver and Forestry Contractors 2005 (ODFC Act) in 2019 after its review found companies in supply chains were breaching the ODFC Act which meant that contractors who own and drive their own vehicles were having their rights undermined. For example, the Victorian Government found that contractual arrangements were often not properly recorded,</p> |

leaving owner operators with little recourse to pursue legal action if they wanted to contest issues.

The review was launched in 2016 to ensure a stronger and fairer system for workers, which put safety first. Economic pressures in the industry through the supply chain had forced some drivers into unsafe practices. Unsafe practices, include very long hours for financial reasons or not having adequate rest and recovery between shifts. This not only threatens the safety of the workers, but of all Victorian road users.

Key changes included enhanced requirements for hirers to provide owner drivers with the applicable schedule of rates and costs and the introduction of penalties for failure to provide an owner driver with the Victorian Owner Drivers' Information booklet, the applicable rates and costs schedule, a written contract and either the minimum period of termination or payment in lieu of notice.

The amendments also gave the Wage Inspectorate the responsibility for monitoring compliance with the ODFC Act. The Wage Inspectorate's Authorised Officers also have the power to enter premises with consent and require hirers to produce documents relevant to an investigation.

Last financial year, the Wage Inspectorate audited over 650 engagements to ensure hirers of owner drivers were complying with the law. Through these audits, the Wage Inspectorate observed and set right 145 breaches of ODFC legislation.

Child Employment Licensing and Child Safe Standards

In Victoria, there are laws which protect children from work which could harm their health or wellbeing. In accordance with the Child Employment Act 2003 (the CE Act), the Wage Inspectorate regulates the employment of children under 15 years. This includes administering, monitoring and enforcing compliance with the CE licencing system.

In line with Victoria's Child Safe Standards (CSS), the Wage Inspectorate also ensures employers embed child safety in their day-to-day operations, helping keep children safe from physical, sexual, emotional, and psychological abuse and neglect.

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| | <p>One in 10 children under 15 years old are currently, or have previously been employed, in Victoria. 3.5% of Victoria businesses currently and/or previously have employed children under the age of 15 in the last 5 years.</p> <p>Children can gain many benefits from their exposure and participation in the workforce including financial advantage, development of social and technical skills, and a sense of independence.</p> <p>However, children can also be vulnerable in the workplace for a variety of reasons including their:</p> <ul style="list-style-type: none"> • Lack of exposure and experience to the world of work • Lack of experience in building relationships outside of family and school • Absence of familiarity and clarity about expectations of their performance and behaviour • Limited understanding of those standard policies and procedures which operate in every workplace that adults take for granted • Physical and mental immaturity. <p>The Wage Inspectorate monitoring work helps to mitigate risks of non-compliance and the harmful impact it may have on our children.</p> |
| Evidence of the program's progress toward its stated objectives and expected outcomes | <p>The Wage Inspectorate's operations support the department objective to 'Strengthen Victoria's economic performance through fair, equitable and productive workplaces'.</p> <p>It does so by promoting compliance and enforcement with the laws within its remit including the Child Employment Act, the Child Safety and Wellbeing Act, the Long Service Leave Act and the Owner Driver Forestry Contractors Act.</p> <p>As at Q3 2024-25 the Inspectorate:</p> <ul style="list-style-type: none"> • answered over 7,300 calls to its helpline from people seeking information about rights and obligations under laws within the Wage Inspectorate's remit, and responded to over 1,000 written enquiries • protected the safety and welfare of children working in Victoria by administering child employment laws, including assessing and granting over 480 new child employment licences for the employment of over 3,200 children • finalised over 100 long service leave investigations |

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| | <ul style="list-style-type: none"> • successfully prosecuted for breaches of the Child Employment Act, securing a fine of \$10,000 • undertook regulatory responsibilities under the Owner Drive and Forestry Contractors Act, including auditing engagements to ensure hirers of owner drivers were complying with the law • finalised implementation of its three-year education strategy to raise awareness of workplace rights and obligations in Victoria, ran two major educational videos and e-learning modules, engaged more than 200 stakeholders and translated information into 6 languages. |
| Evidence of the program being delivered within its scope, budget, expected timeframe and in line with appropriate governance and risk management practices | <p>Since establishment, the Wage Inspectorate has operated within its annual budget.</p> <p>The Wage Inspectorate manages risk within the Victorian Government Risk Management Framework. Its management of risk is supported by the Wage Inspectorate's Audit and Risk Management Committee.</p> |
| Nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts | <p>Without further funding, the Wage Inspectorate would be unable to effectively enforce compliance and enforcement with the laws after 2026-27 financial year. Victoria's IR laws would not be administered, any monitoring activities assigned to the Wage Inspectorate may need to be repealed, which would require legislative change. Employees that deliver these functions would need to be made redundant as a result.</p> |
| Evidence that the further funding reflects the actual cost required to deliver the program | <p>The Wage Inspectorate's budget was reduced in 2024-25 compared to the previous financial year. This reduction resulted in a restructure through a formal clause 11 process under the Victorian Public Service Enterprise Agreement and a reduction of the Wage Inspectorate's staffing profile.</p> <p>As a smaller organisation, the Wage Inspectorate realises efficiencies by leveraging existing services and contracts within Government. This has continued to allow the Wage Inspectorate to access services at a lower cost than if it sought to negotiate its own arrangements. This includes a range of corporate services offered by the Department of Government Services, including procurement.</p> <p>The Wage Inspectorate will continue to proportionately deliver essential regulatory activities within its allocated funding. Additionally, it will pursue budgetary efficiencies in terms of staffing and processes to offset rising costs. Further, it will continue to assess the impact on critical</p> |

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| | business functions against proposed budget allocations that are essential to the effective operation of an independent regulator, including IT, People and Culture, Communications, Corporate Governance, Risk and Finance. |
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| Name of the program | Continued monitoring and assurance of the state capital program | |
| Objective(s) of the program | To identify and mitigate risks across the capital program through whole of government reporting and assurance activities. | |
| Expenditure in the financial years 2024–25 and 2025–26 (and where relevant, future years) (\$ million) | 2024–25 | 2025–26 |
| | \$2.044M | \$0.746M |
| Details of how the program will be funded | Output appropriation | |
| Confirmation that an evaluation for the program has been conducted. Please advise who undertook the evaluation and attach a copy of the executive summary of the evaluation | There was no specific evaluation done on this program. The performance of the program is reported in the Department's Annual Report. As an example, in the 2023-24 DTF Annual Report this is included in the report of operations under the heading <i>Improve how government manages its balance sheet, commercial activities and public sector infrastructure</i> . | |
| Evidence of the continued need for the program and the Government's role in delivering it | The Infrastructure Division within DTF provides project oversight and assurance on Victorian Government infrastructure investments and advice to address systemic issues in delivery of Government infrastructure projects. The funding supports the requirements to review and report to the Government on the performance of High Value High Risk (HVHR) projects. Given the high level of capital investment activities planned over the forward years, there is a requirement to provide ongoing assurance, systemic improvement and evidence-led monitoring and reporting systems to support the successful delivery of the Government infrastructure projects. | |
| Evidence of the program's progress toward its stated objectives and expected outcomes | <p>The program delivers benefits to Government, including:</p> <ul style="list-style-type: none"> • Providing the required advice to the Government on the delivery of the infrastructure pipeline through the Major Projects Performance Report. • Continued in-depth assurance reviews of projects resulting in ongoing technical insight made available to the Government on infrastructure projects. • Addressing systemic issues facing infrastructure projects to alleviate them, thereby resulting in reduced capital costs. | |
| Evidence of the program being delivered within its scope, budget, expected timeframe and in line with | <p>The performance measurement outcomes are reported in the DTF Annual Report's report of operations section.</p> <p>The evaluation indicators capture the following deliverables:</p> | |

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| appropriate governance and risk management practices | <ul style="list-style-type: none"> • policy reforms addressing systemic project delivery issues • project reviews undertaken • capability improvements of the VPS in delivery of major infrastructure projects • advice to Government on the delivery of the infrastructure pipeline through monitoring via the Major Projects Performance Report. |
| Nature of the impact of the program ceasing and what strategies have been identified to minimise any negative impacts | The portion of the program that is lapsing will be reflected by a reduction in the scale of business-as-usual activities to monitor and provide assurance on capital programs. DTF will apply a risk-based approach to target its monitoring and assurance activities to the highest risk components of the infrastructure projects. |
| Evidence that the further funding reflects the actual cost required to deliver the program | The services delivered under this program will be adjusted to manage within the funding allocation. This will also take into consideration the planned reduction in the Government's infrastructure pipeline. |

Question 9

For all programs (output initiatives, including grants) with total funding of equal to or greater than \$5 million that are to lapse in 2024–25, please provide the:

- a) name of the program
- b) objective(s) of the program
- c) expenditure in the financial year 2024–25
- d) reasons why the program was established
- e) details of who (describe the type of users for example, health care providers, families, volunteers etc.) and how many used the program, and evidence of the outcomes achieved
- f) reasons why further funding is not being sought
- g) impact of ceasing the program
- h) strategies that are being implemented to minimise any negative impacts.

Response

| | |
|--|-----|
| Name of the program | Nil |
| Objective(s) of the program | |
| Expenditure in the financial year 2024–25 (\$ million) | |
| Reasons why the program was established | |
| Details of who and how many used the program and evidence of the outcomes achieved | |
| Reasons why further funding is not being sought | |
| Impact of ceasing the program | |
| Strategies that are being implemented to minimise any negative impacts | |

Capital asset expenditure

Question 10

Budget Paper No. 5: Statement of Finances provides cash flow statements for departments.

Budget Paper No. 4: State Capital Program provides the capital projects undertaken by departments.

For the 'Payments for non-financial assets' line item in the 2025–26 budget cash flow statement, please provide a breakdown of these costs and indicate which capital project they relate to.

If any other line items in the cash flow statement comprises expenditure on Public Private Partnerships (PPPs), please list the PPP it relates to and the cost.

Guidance

Capital projects extracted from the cash flow statements are expected to correspond to capital projects listed in *Budget Paper No. 4: State Capital Program* as 'New projects', 'Existing projects', or 'Completed projects'.

Response

Please see Excel Worksheet for response

Public Private Partnerships – expenditure

Question 11

Budget Paper No. 5: Statement of Finances provides a comprehensive operating statement that details each department's revenue and expenses on an accrual basis reflecting the cost of providing its output.

- a) In the 2025–26 comprehensive operating statement please identify all expenditure on Public Private Partnerships (PPP) by line item and provide a breakdown of these costs and indicate to which project they relate.

Guidance

If the line item 'Other operating expenses' in the comprehensive operating statement comprises expenditure on PPPs, please also list the PPP it relates to and the cost.

- b) Please also provide the estimated/forecast expenditure for all PPPs across forward estimates.

Response

a)

| Line item | 2023–24 Actual (\$ million) | 2024–25 revised Budget (\$ million) | 2025–26 Budget (\$ million) | Related project(s) |
|--------------|--------------------------------|--|--------------------------------|--------------------|
| Nil return | | | | |
| Total | | | | |

b)

| PPPs | 2023–24 Actual (\$ million) | 2024–25 revised Budget (\$ million) | 2025–26 Budget (\$ million) | 2025-26 Estimated/Forecast (\$ million) | 2026-27 Estimated/Forecast (\$ million) | 2027-28 Estimated/Forecast (\$ million) |
|--------------|--------------------------------|---|-----------------------------------|---|---|---|
| Nil return | | | | | | |
| Total | | | | | | |

Public Private Partnerships – expected and actual benefits

Question 12

For Public Private Partnerships (PPP) projects in operation and in procurement and delivery, please provide detail on:

- the expected benefits of the PPP project in the uncommissioned (planning and construction) stages
- the value of the expected benefits of the PPP project in the uncommissioned stages to the State
- the actual/existing benefits of the PPP projects in its commissioned (operations and maintenance) stage
- the value of the actual/existing benefits of the PPP projects in its commissioned stage per year
- how benefits are monitored, measured and publicly reported.

Response:

| PPP | Expected benefits in uncommissioned (planning and construction) phases | Value of expected benefits to the State (\$ million) | Actual/existing benefits of commissioned (operations and maintenance) stage | Value of actual/existing benefits per year (\$ million) | How benefits are monitored, measured and publicly reported |
|------------|--|--|---|---|--|
| Nil return | | | | | |
| | | | | | |

Major project contracting – DTP only

Question 13

- a) For all the major transport projects, please provide the following details:
- project name
 - total estimated investment at announcement
 - budget year of announcement
 - revised total estimated investment in the 2025–26 Budget
 - delivery model – please specify if the major projects are delivered through either PPP, alliance contracting or other financing arrangement outlined in the *Whole of government infrastructure procurement framework*.³ If other, please specify the arrangement
 - estimated completion date at the announcement
 - revised estimated completion date in the 2025–26 Budget
 - explanation for variances in project cost and timeliness
 - cost/benefit analysis – please specify if a cost/benefit analysis has been undertaken for the project, and if so, what the cost/benefit ratio is and whether the analysis is publicly available and if so, where/how it can be accessed.

Response

| Project name | Total estimated investment at announcement | Budget year | Revised total estimated investment | Delivery model (PPP, Alliance contracting or other – please specify) | Estimated completion date at announcement | Revised estimated completion date | Explanation for variances in project cost and timeliness | Cost/benefit analysis (y/n) If yes, what is the ratio and where the analysis can be publicly accessed |
|--------------|--|-------------|------------------------------------|--|---|-----------------------------------|--|--|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

³ See Department of Treasury and Finance, *A modernised infrastructure procurement framework for Victoria*, September 2023, p.1.

b) What is the owner's cost⁴ (i.e. cost to the Government) of delivering the projects via alliance contracting as opposed to PPP projects?

Please provide the following details:

- i) project name
- ii) project value
- iii) project delivery model
- iv) expense category
- v) expenses incurred.

Please fill in the below table according to DTP's major projects.

Response

| Project name (E.g. Suburban Rail Loop) | Project value | Project delivery model (PPP, Alliance contracting, etc.) | Expense category | Expenses incurred by the Vic Government (\$ million) |
|---|---------------|---|------------------|---|
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total cost | | | | |

⁴ Owner's costs under traditional contracts may include, direct costs, contingency for risks, profit margin and contribution to corporate overheads, and internal contract administration expenses.

Savings initiatives

Question 14

For each of the savings initiatives detailed in the 2024–25 Budget,⁵ please detail:

- the department's saving target for 2024–25 and 2025–26
- a breakdown of how the department will meet the savings targets in 2024–25 and 2025–26
- the impact that these actions will have on the delivery of services and assets/infrastructure during 2024–25 and 2025–26.

Response

| Initiative | 2024–25 | | | 2025–26 | | |
|--|---------------------------------|---|--|-----------------------------|--|---|
| | Savings target for (\$ million) | Breakdown of how the department met savings targets | Impact these actions had on the delivery of services and assets/infrastructure | Savings target (\$ million) | How the department will meet savings targets | Impact these actions will have on delivery of services and assets/infrastructure |
| Whole of Government savings and efficiencies | 0.118 | The Department undertook measures to reduce expenditure including capping the budgets allocated for purchase of supplies and services and stronger centralised budget management. | There were no impacts on frontline service delivery or asset/infrastructure projects, as the saving amount is relatively immaterial in the context of the department's overall budget. | 0.087 | The Department will be providing further details to Government on implementation of the savings, however the target is expected to be met by measures that do not materially impact frontline services, including for example, reduced corporate and back office functions, and reduced advertising spend. | No anticipated material impacts on frontline service delivery or asset/infrastructure projects. |

⁵ Department of Treasury and Finance, *Budget Paper No. 3: 2024–25 Service Delivery*, Melbourne, 2024, p. 92.

Question 15

For each of the savings initiatives detailed in the 2025–26 Budget, please detail (on the same basis of consolidation as the budget papers):

- the department's saving target for 2025–26
- how the department will meet the various savings targets in 2025–26
- the impact that these actions will have on the delivery of services and assets/infrastructure during 2025–26.

Response

| Initiative | Savings target for 2025–26 (\$ million) | Savings target for 2026–27 (\$ million) | Savings target for 2027–28 (\$ million) | Savings target for 2028–29 (\$ million) | How the department will meet various savings targets | Impact these actions will have on delivery of services and assets/infrastructure |
|---|---|---|---|---|--|---|
| Savings and efficiencies and expenditure reduction measures in 2025–26 Budget | 14.140 | 14.140 | 14.140 | 14.140 | The Department will be providing further details to Government on implementation of the savings, however, the target is expected to be met through general savings and efficiencies measures across the department, including reduced spending on corporate and back-office functions, administrative efficiencies, such as streamlining processes, and realignment of priorities. | No anticipated material impacts on frontline service delivery or asset/infrastructure projects. |

Use of funds saved from other programs or initiatives

Question 16

In relation to any programs or initiatives that have been reprioritised, curtailed or reduced for 2025–26, please identify:

- the amount expected to be spent under the program or initiative during 2025–26 at the time of the 2024–25 Budget
- the amount currently to be spent under the program or initiative during 2025–26
- the use to which the funds realised by this reduction will be put. Please include the name(s) of any program or initiative that will be funded or partially funded.

Response

| Program/initiative that has been reprioritised, curtailed or reduced | The amount expected to be spent under the program or initiative during 2025–26 (\$ million) | | The use to which the funds will be put |
|--|---|-----------------------------------|--|
| | At the time of the 2024–25 Budget | At the time of the 2025–26 Budget | |
| Nil return | | | |
| | | | |
| | | | |

Service delivery

Question 17

- a) Please provide the total estimated cost to the department (if any) of the machinery of government changes made since July 2024.

Response

| |
|------------|
| Nil return |
|------------|

- b) Please complete the table below detailing the impacts of any machinery of government changes on the department since July 2024.

Response

| | |
|---|------------|
| Impact to the department | Nil return |
| Impact to departmental outputs | |
| Impact to departmental agencies | |
| Impact to portfolios | |
| Impact to statutory authorities | |
| Estimated cost and date changes are anticipated to be fully implemented | |
| New portfolio responsibilities and/or how responsibilities are shared, if relevant | |
| * Where the machinery of government change has no impact on the department, please type N/A where appropriate in the table above. | |

Question 18

Budget Paper No. 3: Service Delivery presents departmental performance statements that state the department's outputs by departmental objectives.

Please provide by ministerial portfolio, the relevant objective(s), objective indicator(s), output(s), and performance measure(s) as provided in the 2025–26 Budget. Where responsibility for outputs, initiatives or performance measures is shared, please clearly outline what is shared and how responsibility is divided between Ministers or portfolios.

Please use a separate table for each portfolio.

Please use one line per output and ensure that outputs align with the relevant objective and indicator/s.

Response

| | | | |
|--------------------------------------|---|-----------------------------|---|
| Minister* | Treasurer | | |
| Portfolio | Treasurer | | |
| Objective | Objective indicator/s | Output | Performance measures |
| Optimise Victoria's fiscal resources | <ul style="list-style-type: none"> General government net debt as a percentage of gross state product (GSP) to decline in the medium term Fully fund the unfunded superannuation liability by 2035 A net operating cash surplus consistent with maintaining general government net debt at a sustainable level General government interest expense as a percentage of revenue to stabilise in the medium term Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources | Budget and Financial advice | <ul style="list-style-type: none"> Number of funding reviews contributed to by DTF Percentage of attendees at Gender Responsive Budgeting (GRB) and Gender Impact Assessment (GIA) information sessions who indicated the session helped improve their understanding of associated requirements Unqualified audit reports/reviews for the State of Victoria Financial Report and Estimated Financial Statements Variance of the revised estimate of general government budget expenditure Annual Budget published by date agreed by Treasurer Budget Update, Financial Report for the State of Victoria, Mid-Year Financial Report, and Quarterly |

| | | | |
|--|---|--|---|
| | | | <p>Financial Reports are transmitted by legislated timelines</p> <ul style="list-style-type: none"> • Number of periodic portfolio performance reports provided to Government |
| Optimise Victoria's fiscal resources | <ul style="list-style-type: none"> • General government net debt as a percentage of gross state product (GSP) to decline in the medium term • Fully fund the unfunded superannuation liability by 2035 • A net operating cash surplus consistent with maintaining general government net debt at a sustainable level • General government interest expense as a percentage of revenue to stabilise in the medium term • achievement of Government policies and priorities relating to optimising Victoria's fiscal resources | Revenue Management and Administrative Services to Government | <ul style="list-style-type: none"> • Compliance revenue assessed meets target • Litigated success rate • Revenue accrued as a percentage of State Budget forecast • Average debt over 12 months overdue as a percentage of overdue debt • Business processes maintained to retain ISO 9001 (Quality Management Systems) Certification • Customer satisfaction level • Objections received to assessments issued as a result of compliance projects • Ratio of outstanding debt to total revenue (monthly average) • Achievement of scheduled milestones in the Advanced Revenue Management Program • Timely handling of objections (within 90 days) • Timely handling of private rulings (within 90 days) • Total output cost |
| Strengthen Victoria's economic performance | <ul style="list-style-type: none"> • Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change) | Economic and Policy Advice | <ul style="list-style-type: none"> • Economic research projects and papers completed that contribute to deeper understanding of economic |

| | | | |
|---|--|--------------------------------------|--|
| | <ul style="list-style-type: none"> • Total Victorian employment to grow each year (annual percentage change) • Advice contributes to the achievement of government policies and priorities relating to economic and social outcomes | | <p>issues and development of government policy</p> <ul style="list-style-type: none"> • Facilitation of roundtables and information sessions that inform government policy and contribute to public policy debate • Accuracy of estimating State taxation revenue in the State budget • Accuracy of estimating the employment growth rate in the State budget • Accuracy of estimating the gross state product growth rate in the State budget • Briefings on key Australian Bureau of Statistics economic data on the day of release |
| Improve how Government manages its balance sheet and commercial activities and public sector infrastructure | <ul style="list-style-type: none"> • High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope • Government Business Enterprises performing against agreed financial and non financial indicators • Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure | Commercial and Infrastructure Advice | <ul style="list-style-type: none"> • Assurance and gateway reviews undertaken • Develop and implement policy guidance and infrastructure investment frameworks to govern and build capability to deliver infrastructure • Develop and implement training to build capability to deliver infrastructure • Dwellings supported by Affordable Housing Investment Partnerships • Home purchases settled through the Victorian Homebuyer Fund • Number of HVHR project assurance plans in place |

| | | | |
|--|--|-------------------------|---|
| | <ul style="list-style-type: none"> Quality infrastructure drives economic growth activity in Victoria | | <ul style="list-style-type: none"> Provide effective monitoring of the delivery of HVHR public infrastructure commitments through quarterly reporting Provision of PNFC/PFC financial estimates and actuals, along with commentary and analysis, for the State budget papers and financial reports Social and Affordable Housing dwellings committed by the Social Housing Growth Fund Grants Program Credit agencies agree that the presentation and information provided support annual assessment Senior responsible owner agrees Gateway review was beneficial and would impact positively on project outcomes |
| Improve how Government manages its balance sheet, commercial activities and public sector infrastructure | <ul style="list-style-type: none"> Quality infrastructure drives economic growth activity in Victoria | Infrastructure Victoria | <ul style="list-style-type: none"> Number of publications or discussion papers released Stakeholder satisfaction with consultation process Delivery of research, advisory or infrastructure strategies within agreed timelines Total output cost |

| | | | |
|------------------|------------------------------|---------------|-----------------------------|
| Minister* | Minister for Finance | | |
| Portfolio | Finance | | |
| Objective | Objective indicator/s | Output | Performance measures |

| | | | |
|--|---|-----------------------------|--|
| Optimise Victoria's fiscal resources | <ul style="list-style-type: none"> • General government net debt as a percentage of gross state product (GSP) to decline in the medium term • Fully fund the unfunded superannuation liability by 2035 • A net operating cash surplus consistent with maintaining general government net debt at a sustainable level • General government interest expense as a percentage of revenue to stabilise in the medium term • Agency compliance with the Standing Directions under the Financial Management Act 1994 • Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources | Budget and financial advice | <ul style="list-style-type: none"> • Percentage of VPS stakeholder feedback indicating that the advice and sessions provided supported understanding of the financial reporting and financial management frameworks across the VPS • Annual financial management compliance report for the previous financial year is submitted to the Minister for Finance |
| Strengthen Victoria's economic performance | <ul style="list-style-type: none"> • Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change) • Total Victorian employment to grow each year (annual percentage change) • Advice contributes to the achievement of government policies and priorities relating to economic and social outcomes | Economic and Policy Advice | <ul style="list-style-type: none"> • Benefit to business (including through red tape savings) as a ratio of grant funding from the Business Acceleration Fund • Better Regulation Victoria's support for preparing Regulatory Impact Statements or Legislative Impact Assessments was valuable overall, as assessed by departments • Proportion of stakeholders that found Better Regulation Victoria's 'regulatory helpdesk service' responsive to their needs • Satisfaction of key stakeholders, including Members of Parliament, |

| | | | |
|--|---|------------------------------|---|
| | | | <p>public sector employers and elected local government officials, with the Remuneration Tribunal's process regarding determinations, reviews and advice</p> <ul style="list-style-type: none"> • Better Regulation Victoria's advice on Regulatory Impact Statements or Legislative Impact Assessments was timely, as assessed by departments • Regulation reviews completed by scheduled date • Conduct an annual survey to assess the impact of changes to Victorian regulations on business |
| Strengthen Victoria's economic performance | <ul style="list-style-type: none"> • Economic growth to exceed population growth as expressed by GSP per capita increasing in real terms (annual percentage change) • Total Victorian employment to grow each year (annual percentage change) • Advice contributes to the achievement of government policies and priorities relating to economic and social outcomes | Economic Regulatory Services | <ul style="list-style-type: none"> • Compliance and enforcement activities – Energy • Compliance and enforcement activities – Victorian Energy Upgrades • Performance and compliance reports issued about regulated industries • Price determinations of regulated businesses • Reviews, investigations or advisory projects • Setting of regulated price and tariffs in the energy sector • Victorian Energy Upgrades program approvals and refusals • Stakeholder perception of reputation, satisfaction and trust • Delivery of major milestones within agreed timelines • Total output cost |

| | | | |
|---|--|--------------------------------------|---|
| Improve how Government manages its balance sheet and commercial activities and public sector infrastructure | <ul style="list-style-type: none"> Government Business Enterprises performing against agreed financial and non financial indicators Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure | Commercial and Infrastructure Advice | <ul style="list-style-type: none"> Percentage of registered housing agencies assessed annually against performance standards |
|---|--|--------------------------------------|---|

| | | | |
|--|---|-----------------------------|---|
| Minister* | Treasurer and Minister for Finance | | |
| Portfolio | Treasurer and Finance | | |
| Objective | Objective indicator/s | Output | Performance measures |
| Optimise Victoria's fiscal resources | <ul style="list-style-type: none"> General government net debt as a percentage of gross state product (GSP) to decline in the medium term Fully fund the unfunded superannuation liability by 2035 A net operating cash surplus consistent with maintaining general government net debt at a sustainable level General government interest expense as a percentage of revenue to stabilise in the medium term Agency compliance with the Standing Directions under the Financial Management Act 1994 Advice contributes to the achievement of Government policies and priorities relating to optimising Victoria's fiscal resources | Budget and Financial Advice | <ul style="list-style-type: none"> Total output cost |
| Strengthen Victoria's economic performance | <ul style="list-style-type: none"> Economic growth to exceed population growth as expressed by | Economic Policy and Advice | <ul style="list-style-type: none"> Total output cost |

| | | | |
|--|--|--------------------------------------|---|
| | <p>GSP per capita increasing in real terms (annual percentage change)</p> <ul style="list-style-type: none"> • Total Victorian employment to grow each year (annual percentage change) • Advice contributes to the achievement of Government policies and priorities relating to economic and social outcomes | | |
| Improve how Government manages its balance sheet, commercial activities and public sector infrastructure | <ul style="list-style-type: none"> • High-Value High-Risk (HVHR) projects have had risks identified and managed through tailored project assurance, policy advice, governance and oversight to increase the likelihood that projects are completed within agreed timeframes, budget and scope • Government Business Enterprises performing against agreed financial and non-financial indicators • Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure • Quality infrastructure drives economic growth activity in Victoria | Commercial and Infrastructure Advice | <ul style="list-style-type: none"> • Advice provided to Government on board appointments at least three months prior to upcoming board vacancies • Analysis and review of corporate plans within two months of receipt • Advice provided to enable the Treasurer to make a dividend and/or capital repatriation determination • Total output cost |

| | | | |
|--|--|----------------------|---|
| Minister* | Industrial Relations | | |
| Portfolio | Industrial Relations | | |
| Objective | Objective indicator/s | Output | Performance measures |
| Strengthen Victoria's economic performance | <ul style="list-style-type: none"> • Advice contributes to the achievement of government policies | Industrial Relations | <ul style="list-style-type: none"> • Wage Inspectorate Victoria: Child employment investigations and compliance activities completed |

| | | | |
|---|--|--|--|
| through fair, equitable and productive workplaces | and priorities relating to industrial relations outcomes | | <ul style="list-style-type: none"> Public sector agreements renewed and approved within current enterprise bargaining framework Victoria represented in major industrial relations cases and inquiries Review and assessment of submitted public sector enterprise bargaining costings and proposed agreements completed and submitted for approval within four weeks Wage Inspectorate Victoria: Long Service leave investigations completed within 90 days of lodgement Total output cost |
|---|--|--|--|

| | | | |
|--|--|--------------------------------------|--|
| Minister* | WorkSafe and the TAC | | |
| Portfolio | WorkSafe and the TAC | | |
| Objective | Objective indicator/s | Output | Performance measures |
| Improve how Government manages its balance sheet, commercial activities and public sector infrastructure | <ul style="list-style-type: none"> Government Business Enterprises performing against agreed financial and non financial indicators Advice contributes to the achievement of Government policies and priorities relating to Victoria's balance sheet, commercial activities and public sector infrastructure | Commercial and Infrastructure Advice | <ul style="list-style-type: none"> Develop Department action plans to identify and implement priority measures to manage psychological health risks |

* Where Ministers share responsibility for outputs, initiatives or performance measures please detail where appropriate

Question 19

Please provide by ministerial portfolio a list of the agencies/entities/bodies and their category (for example statutory/administrative office/authority) to which the information contained in this questionnaire relates.

Response

| Ministerial Portfolio | Name of agency/entity/body | Category of agency/entity/body |
|-----------------------|---|--------------------------------|
| Treasurer | Department of Treasury and Finance (including State Revenue Office) | Department |
| Minister for Finance | Essential Services Commission | Office |
| Treasurer | Infrastructure Victoria | Office |
| Minister for Finance | Victorian Independent Remuneration Tribunal | Special body |
| Industrial Relations | Wage Inspectorate Victoria | Office |
| Industrial Relations | Labour Hire Licensing Authority | Authority |
| Industrial Relations | Portable Long Service Authority | Authority |
| WorkSafe and the TAC | Victorian Asbestos Eradication Agency | Independent state body |
| WorkSafe and the TAC | WorkSafe Victoria | Statutory authority |

Departmental objectives

Question 20 – new objectives

For all new departmental objectives in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of the objective
- b) an explanation of why the objective was added
- c) related outputs
- d) related objective indicators
- e) how the departmental objective aligns with Government objectives and priorities.

Response

| Output | |
|---|------------------------------|
| Description of the objective | No new objectives were added |
| Explanation of why the objective was added | |
| Related outputs | |
| Related objective indicators | |
| How departmental objective aligns with Government objectives and priorities | |

Question 21 – modified objectives

For all modified departmental objectives in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of changes made to the objective
- b) an explanation of why the objective was changed.

Response

| Output | |
|--|------------------------------|
| Description of changes made to the objective | No objectives were modified. |
| Explanation of why the objective was changed | |

Question 22 – discontinued objectives

For all discontinued departmental objectives in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of the objective
- b) an explanation of why the objective was discontinued
- c) any objectives that will replace the discontinued objective in part or in full.

Response

| Output | |
|---|---------------------------------|
| Description of the objective | No objectives were discontinued |
| Explanation of why the objective was discontinued | |
| Any objectives that will replace the discontinued objective | |

Objective indicators

Question 23 – new indicators

For all new objective indicators in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) the related objective
- b) a description of the indicator
- c) an explanation of why the indicator was added
- d) the assumptions and methodology underpinning the indicator
- e) the target (if applicable)
- f) how the target was set (if applicable)
- g) any shortcomings of the indicator, including data limitations, that limit the ability to assess performance against departmental objectives.

Response

| Output | |
|---|--|
| Related objective | No new objective indicators were added |
| Description of the indicator | |
| Why the indicator was added | |
| Assumptions and methodology underpinning the indicator | |
| Target | |
| How the target was set | |
| Any shortcomings of the indicator, including data limitations | |

Question 24 – modified indicators

For all modified objective indicators in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of changes made to the indicator
- b) an explanation of why the indicator was changed.

Response

| Output | |
|--|---------------------------------------|
| Description of changes made to the indicator | No objective indicators were modified |

| | |
|--|--|
| Explanation of why the indicator was changed | |
|--|--|

Question 25 – discontinued indicators

For all discontinued objective indicators in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of the indicator
- b) an explanation of why the indicator was discontinued
- c) any impacts on the ability to measure achievement of departmental objectives
- d) any indicators that will replace the discontinued indicator in part or in full.

Response

| Output | |
|--|---|
| Description of the indicator | No objective indicators were discontinued |
| Explanation of why the indicator was discontinued | |
| Any impacts on the ability to measure achievement of departmental objectives | |
| Any indicators that will replace the discontinued indicator | |

Question 26 – information base for objectives and indicators

Across all departmental objectives and indicators in the 2025–26 *Budget Paper No. 3: Service Delivery*, please describe:

- a) any work planned or underway to improve the objective indicators
- b) the quality of the data or information base used to assess performance of departmental objectives
- c) any changes required to improve the quality of the information used to assess performance of departmental objectives.

Response

| Output | |
|--|--|
| Work planned or underway to improve objective indicators | DTF's objective indicators are reviewed annually as part of the Department Performance Statement (DPS) process, allowing DTF to assess the continued relevance of their objectives indicators and make improvements where necessary. |
| Quality of data or information base used to assess performance | The Resource Management Framework (RMF) provides guidance and supplementary documentation to support departments to capture the best practice minimum data |

| | |
|---|---|
| | <p>requirements for assessing performance in the Department Performance Statement. The Department retains a complete and up-to-date centralised repository of the data and its interpretations (Data Output Methodologies) for each objective indicator and performance measure published in the performance statement.</p> <p>The Department of Government Services (DGS) facilitates DTF performance reporting and as part of the biannual reporting process, the data output methodology template is reviewed by measure owners to ensure continued accuracy and completeness.</p> |
| Any changes required to improve the quality of the information used to assess performance | No changes were identified in the review process for the 2025-26 DPS. |

Outputs

Question 27 – new outputs

For all new outputs in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of the output
- b) an explanation of why the output was added
- c) related performance measures
- d) how the output will contribute to outcomes in terms of departmental objectives.

Response

| Output | |
|--|---------------------------|
| Description of the output | No new outputs were added |
| Explanation of why the output was added | |
| Related performance measures | |
| How the output will contribute to outcomes in terms of departmental objectives | |

Question 28– modified outputs

For all modified outputs in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of changes made to the output
- b) an explanation of why the output was changed.

Response

| Output | |
|---|---|
| Description of changes made to the output | The output 'Commercial and Infrastructure Advice' itself was not modified, but the description of the output was updated. |
| Explanation of why the output was changed | The output description was changed to better reflect current Commercial Division items. |

Question 29 – discontinued outputs

For all discontinued outputs in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- a) a description of the output
- b) an explanation of why the output was discontinued
- c) any impacts on the achievement of departmental objectives
- d) any outputs that will replace the discontinued output in part or in full.

Response

| Output | |
|---|------------------------------|
| Description of the output | No outputs were discontinued |
| Explanation of why the output was discontinued | |
| Any impacts on the achievement of departmental objectives | |
| Any outputs that will replace the discontinued output | |

Performance measures

Question 30 – new performance measures

For all new performance measures in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- the output the measure relates to
- a description of the measure
- the assumptions and methodology underpinning the measure (including how the supporting data is calculated or derived, source and frequency of data collection, as well as any other business rules and assumptions)
- how the target was set
- the shortcomings of the measure, including data limitations.

Response

| Performance measure | Number of periodic portfolio performance reports provided to Government |
|---|--|
| Output the measure relates to | Budget and Financial Advice |
| Description of the measure | Number of separate reports provided to Government on portfolio performance |
| Assumptions and methodology underpinning the measure | N/a |
| How target was set | Target reflects expected number of portfolio performance reports based on reporting requirements to Government in the RMF and Information Request. |
| Shortcomings of the measure, including data limitations | N/a |

| Performance measure | Advice provided to enable the Treasurer to make a dividend and/or capital determination |
|---|---|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description of the measure | Percentage of budgeted payments that advice has been provided to the Treasurer on. |
| Assumptions and methodology underpinning the measure | Methodology is the number of entity payments that advice was provided on, divided by the number of entities that were expected to make payments to the state in the budget. |
| How target was set | DTF will provide advice on at least all entities that were forecast to make payments to the State in the Budget. |
| Shortcomings of the measure, including data limitations | N/A |

Question 31 – modified performance measures

For all existing performance measures with an associated target that has been modified in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- the output the measure relates to
- a description of the measure
- the previous target
- the new target and how it was set
- the justification for changing the target
- an explanation of why the target was not met in 2023–24, if applicable and the 2024–25 expected outcome
- the methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget.

Response

| Performance measure | Facilitation of roundtables and information sessions that inform government policy and contribute to public policy debate |
|--|--|
| Output the measure relates to | Economic and Policy Advice |
| Description/purpose of the measure | To measure the Economic and Policy Advice output's commitment to increase engagement with non-VPS stakeholders |
| The previous target | 35 |
| The new target and how it was set | 8 |
| The justification for changing the target | The lower target reflects the refinement of the activity measured. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The target was met in 2023-24 using the previous methodology. The 2024-25 expected outcome is 35. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is based on the number of engagement episodes with stakeholder groups external to the VPS that materially informs public policy for the financial year. |

| Performance measure | Compliance and enforcement activities – Victorian Energy Upgrades |
|------------------------------------|--|
| Output the measure relates to | Economic Regulatory Services |
| Description/purpose of the measure | Compliance monitoring and enforcement activities relating to Victorian Energy Upgrades |
| The previous target | 150 |
| The new target and how it was set | 200 |

| | |
|--|--|
| The justification for changing the target | The 2025-26 target has been increased to reflect the increased numbers of accredited persons in the program and the embedding of new audit and compliance and enforcement functions. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The 2023-24 actual of 118 was lower than target due to the implementation of Victorian Energy Efficient Target (VEET) Act reforms impacting on the delivery of the audit program. The 2024-25 expected outcome is 200. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is based on increased numbers of accredited persons in the program and the embedding of new audit and compliance and enforcement functions. |

| Performance measure | Price determinations of regulated businesses |
|--|--|
| Output the measure relates to | Economic Regulatory Services |
| Description/purpose of the measure | Number of pricing determinations made by the Commission that affects regulated industries or businesses |
| The previous target | 19 |
| The new target and how it was set | 18-21 |
| The justification for changing the target | The 2025-26 target is now stated as a range to better reflect that price determinations are only required to be undertaken for some sectors every two or more years. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The target was met in 2023-24. The 2024-25 expected outcome is 19. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is estimated based on planned pricing determinations for the year. The timing of determinations is set in legislation. |

| Performance measure | Victorian Energy Upgrades program approvals and refusals |
|--|---|
| Output the measure relates to | Economic Regulatory Services |
| Description/purpose of the measure | Amount of product approvals/refusals, PBA approvals/refusals and accreditation approvals/refusals |
| The previous target | 1 780 |
| The new target and how it was set | 1 100 |
| The justification for changing the target | The lower 2025-26 target reflects structural Victorian Energy Upgrade (VEU) program changes. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The target was exceeded in 2023-24. The 2024-25 expected outcome is 1 320. |

| | |
|--|--|
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is estimated based on monthly trend data. |
|--|--|

| Performance measure | Assurance and gateway reviews undertaken |
|--|--|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description/purpose of the measure | The number of assurance reviews initiated by DTF under the HVHR Framework to facilitate risk management recommendations about specific projects mitigations and actions. |
| The previous target | 72 |
| The new target and how it was set | 60 |
| The justification for changing the target | The lower 2025-26 target reflects fewer Gateway Reviews, which is consistent with the trend in the capital pipeline. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The performance measure was not measured in 2023-24. The 2024-25 expected outcome is 65. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is estimated based on completion of reviews to date and adjusted to reflect the trend in the capital pipeline. |

| Performance measure | Develop Department action plans to identify and implement priority measures to manage psychological health risks |
|--|---|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description/purpose of the measure | Number of finalised action plans identifying activities for VPS entities to undertake over a 2-3 year period to support improved psychological health in their workplaces and implementation of relevant reforms. |
| The previous target | 9 |
| The new target and how it was set | 10 |
| The justification for changing the target | The higher 2024-25 target reflects the total number of VPS departments currently participating in the initiative. The number of departments has changed from 9 in 2023-24 to 10 in 2024-25. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | N/A The 2024-25 expected outcome is 0. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is lower than the 2024-25 target as, in February 2025, the Government announced that it would be introducing Psychological Health Regulations which are expected to commence December 2025. These Regulations will |

| | |
|--|---|
| | set specific requirements for VPS departments (with all other Victorian employers) to identify and control psychosocial risks. Following this announcement, DTF will support departments to prepare action plans later in 2025, hence the 10 action plans are expected to be delivered in the 2025-26 year. |
|--|---|

| Performance measure | Develop and implement training to build capability to deliver infrastructure |
|--|--|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description/purpose of the measure | The number of training days supplied to build capability to deliver infrastructure. |
| The previous target | 56 |
| The new target and how it was set | 30 |
| The justification for changing the target | The 2025-26 target is lower as DTF is retendering some capability programs so lower training completions are expected. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The target was met in 2023-24. The 2024-25 expected outcome is 30. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is estimated based on targets completed to date. |

| Performance measure | Percentage of registered housing agencies assessed annually against performance standards |
|--|---|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description/purpose of the measure | The Housing Registrar continuously assesses the performance of registered agencies against gazetted Performance Standards through ongoing compliance activities and annual reporting. This metric measures the percentage of registered agencies' annual reporting assessed by the Registrar each financial year. |
| The previous target | 90 |
| The new target and how it was set | 100 |
| The justification for changing the target | The higher 2025-26 target reflects the improved efficiency of the annual reporting task following the Housing Registrar's adoption of real time regulatory reporting. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The target was met in 2023-24. The 2024-25 expected outcome is 90. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is estimated based on the outcome achieved over 2024-25 where the objective of real time regulatory reporting for all agencies has been achieved. |

| Performance measure | Social and Affordable Housing dwellings committed by the Social Housing Growth Fund Grants Program |
|--|---|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description/purpose of the measure | Number of dwellings committed by the Social Housing Growth Fund (SHGF) Grants Program. |
| The previous target | 500 |
| The new target and how it was set | 1300 |
| The justification for changing the target | The higher 2025-26 target reflects expected progress in delivering the Affordable Housing Partnership Program through the Social Housing Growth Fund Grants Program as part of the Big Housing Build. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | 388 dwellings were contracted in 2023-24 which was below the target of 500. The target was not met as there were delays in contracting projects with some community housing providers under the Social Housing Growth Fund round. The 2024-25 expected outcome is 500. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is based on the current contracting schedule for projects under the Homes for Aboriginal Victorians Round and the Big Housing Build (BHB) Build and Operate Program Round being delivered through the SHGF Program as part of the Big Housing Build. |

| Performance measure | Analysis and review of corporate plans within two months of receipt |
|--|--|
| Output the measure relates to | Commercial and Infrastructure Advice |
| Description/purpose of the measure | Completion of the analysis and review of GBE corporate plans within two months of receipt of final information from the GBE. |
| The previous target | 95 |
| The new target and how it was set | 85 |
| The justification for changing the target | The lower 2025-26 target reflects the more efficient focus of resources on the most significant entities. |
| An explanation of why the target was not met in 2023–24, if applicable, and the 2024–25 expected outcome | The target was met in 2023-24. The 2024-25 expected outcome is 90. |
| The methodology behind estimating the 2024–25 expected outcome in the 2025–26 Budget | The 2024-25 expected outcome is estimated based on the dates for briefings and advice already provided as well as expected timelines for forthcoming advice. |

Question 32 – discontinued performance measures

For performance measures that are identified as to be discontinued in the 2025–26 *Budget Paper No. 3: Service Delivery*, please provide:

- the output the measure related to
- a description/purpose of the measure and the year the measure was introduced
- the previous target
- when the target was last modified and reasons for modification
- the justification for discontinuing the measure, including any further information that is not available in *Budget Paper No. 3*
- any performance measures that will replace the discontinued measure in part or full.

Response

| Performance measure | Recommendations on financial management framework matters made by PAEC and VAGO and supported by Government are actioned |
|---|---|
| Output the measure related to | Budget and Financial Advice |
| Description/purpose of the measure and year introduced | From time to time, PAEC and VAGO make recommendations for changes to the Government's financial and performance management frameworks. In response, Government determines whether or not it will adopt the recommended changes. This measure tracks the extent to which Budget and Finance Division implements changes agreed by Government. |
| The previous target | 100 |
| When the target was last modified and reason for modification | N/a |
| The justification for discontinuing the measure | This performance measure is proposed to be discontinued as recommended by VAGO as the measure reflects a process and does not contribute to any identified key deliverable of the department. |
| Performance measures that will replace the discontinued measure | N/a |

| Performance measure | Delivery of advice to Government on portfolio performance within agreed timeframes |
|-------------------------------|--|
| Output the measure related to | Budget and Financial Advice |

| | |
|---|--|
| Description/purpose of the measure and year introduced | Percentage of output performance and asset investment performance reports delivered within agreed timeframe |
| The previous target | 100 |
| When the target was last modified and reason for modification | N/a |
| The justification for discontinuing the measure | This performance measure is proposed to be replaced ' <i>Number of periodic portfolio performance reports provided to Government</i> ', with the new measure changed from timeliness to quantity, for improved transparency. |
| Performance measures that will replace the discontinued measure | Number of periodic portfolio performance reports provided to Government |

| | |
|---|--|
| Performance measure | Dividend collection in accordance with budget decisions |
| Output the measure related to | Commercial and Infrastructure Advice |
| Description/purpose of the measure and year introduced | Percentage of GBE dividend payments made within agreed/revised timeframe |
| The previous target | 100 |
| When the target was last modified and reason for modification | N/a |
| The justification for discontinuing the measure | This performance measure is proposed to be replaced with ' <i>Advice provided to enable the Treasurer to make a dividend and/or capital repatriation determination</i> ' to better reflect DTF's role in dividend decision-making. |
| Performance measures that will replace the discontinued measure | Advice provided to enable the Treasurer to make a dividend and/or capital repatriation determination |

| | |
|---|---|
| Performance measure | Employers informed on OH&S obligations under both State and Commonwealth legislation and regulations |
| Output the measure related to | Industrial Relations |
| Description/purpose of the measure and year introduced | Performance measure to reflect the government funding provided to employer and employee organisations to support occupational health and safety training initiatives in the construction industry. The measure identifies the number of employees that have attended these funded activities. |
| The previous target | >3 500 |
| When the target was last modified and reason for modification | N/a |

| | |
|---|---|
| The justification for discontinuing the measure | This performance measure is proposed to be discontinued as previous budgets did not allocate funding for the program beyond 30 June 2025 to avoid overlap with Commonwealth programs. |
| Performance measures that will replace the discontinued measure | N/a |

| Performance measure | Workers informed on OH&S obligations under both State and Commonwealth legislation and regulations |
|---|---|
| Output the measure related to | Industrial Relations |
| Description/purpose of the measure and year introduced | Performance measure to reflect the government funding provided to employer and employee organisations to support occupational health and safety training initiatives in the construction industry. The measure identifies the number of employers that have attended these funded activities. |
| The previous target | >4 000 |
| When the target was last modified and reason for modification | N/a |
| The justification for discontinuing the measure | This performance measure is proposed to be discontinued as previous budgets did not allocate funding for the program beyond 30 June 2025 to avoid overlap with Commonwealth programs. |
| Performance measures that will replace the discontinued measure | N/a |

Question 33 – information base for output performance measures

Across all outputs and performance measures in the 2025–26 *Budget Paper No. 3: Service Delivery*, please describe:

- any work planned or underway to improve the performance measures
- the quality of the data or information base used to assess output performance
- any changes required to improve the quality of the information used to assess output performance.

Response

| Output | |
|--|--|
| Work planned or underway to improve performance measures | DTF's performance measures are reviewed annually as part of the Department Performance Statement (DPS) process, allowing DTF to assess the continued relevance |

| | |
|---|--|
| | of performance measures against criteria outlined in the Resource Management Framework (RMF), and make improvements where necessary. |
| Quality of data or information base used to assess performance | <p>The RMF provides guidance and supplementary documentation to support departments in understanding the best practice minimum data requirements for assessing performance in the Department Performance Statement. The Department retains a complete and up-to-date centralised repository of the data and its interpretations (Data Output Methodologies) for each objective indicator and performance measure published in the performance statement.</p> <p>The Department of Government Services (DGS) facilitates DTF performance reporting and as part of the biannual reporting process, the data output methodology template is reviewed by measure owners to ensure continued accuracy and completeness.</p> |
| Any changes required to improve the quality of the information used to assess performance | No changes have been identified in the 2025-26 DPS review process. |

Employees

Question 34

The Independent Review of the Victorian Public Service will include recommendations on how to reduce the size of the Victorian public service (VPS), including the current level of executives. In terms of the interim recommendations made as part of the Review for inclusion in the 2025–26 State Budget, please estimate:

- the planned number roles reduced in 2024–25 by VPS/Executive classification (Please list each level and actual FTE)
- the number of roles planned for reduction in 2025–26 by VPS/Executive classification (Please list each level and actual FTE)
- anticipated total budgeted savings made as part of the Review for 2024–25 (\$ million)
- anticipated total budgeted savings made as part of the Review for 2025–26 (\$ million)
- the functions within the department expected to be impacted by the reduction of roles
- the impact of role reductions on service delivery.

Response

| Number of roles planned for reduction in 2024–25 by VPS/Executive classification (Actual FTE) | Number of roles planned for reduction in 2025–26 by VPS/Executive classification (Actual FTE) | Anticipated total budgeted savings for 2024–25 (\$ million) | Anticipated total budgeted savings in 2025–26 (\$ million) | Functions expected to be impacted by the reduction of roles | Impact of the role reductions on service delivery |
|--|---|---|--|---|---|
| Data cannot be provided at this stage, as specific savings initiatives and related FTE impacts are subject to future industrial relations and staff consultation processes. Further information will be provided following consultation processes and in the Government's response to the Independent Review final report. | N/A | N/A | N/A | N/A | N/A |

Question 35

Please provide the department's (actual/expected/forecast) Full Time Equivalent (FTE) staff numbers for the financial years ending 30 June 2024, 30 June 2025 and 30 June 2026:

- a) broken down into employee classification codes
- b) broken down into categories of on-going, fixed term or casual
- c) according to their gender identification
- d) employees identifying as Aboriginal or Torres Strait Islander or having a disability.

Guidance

In responding to this question please provide details about the department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the department's Annual Report.

Response

a)

| Classification | As at 30-06-2024 | | As at 30-06-2025 | | As at 30-06-2026 | |
|----------------|---------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | (Actual FTE Number) | (% of total staff) | (Expected FTE Number) | (% of total staff) | (Forecast FTE Number) | (% of total staff) |
| Secretary | 1 | 0% | 1 | 0% | 1 | 0% |
| SES-3 | 6 | 0% | 6 | 0% | 6 | 0% |
| SES-2 | 32 | 2% | 35 | 2% | 35 | 2% |
| SES-1 | 56 | 4% | 65 | 4% | 64 | 4% |
| VPS Grade 7.3 | 1 | 0% | 1 | 0% | 1 | 0% |
| VPS Grade 7.2 | 2 | 0% | 1 | 0% | 1 | 0% |
| VPS Grade 7.1 | 12 | 1% | 11 | 1% | 11 | 1% |
| VPS Grade 6.2 | 156 | 10% | 146 | 9% | 146 | 9% |
| VPS Grade 6.1 | 125 | 8% | 118 | 7% | 114 | 7% |
| VPS Grade 5.2 | 211 | 13% | 221 | 13% | 223 | 14% |
| VPS Grade 5.1 | 179 | 11% | 197 | 12% | 198 | 12% |
| VPS Grade 4 | 312 | 19% | 302 | 18% | 296 | 18% |
| VPS Grade 3 | 385 | 24% | 452 | 27% | 427 | 26% |

| | | | | | | |
|-------------------------|-------|----|-------|----|-------|----|
| VPS Grade 2 | 103 | 6% | 108 | 6% | 100 | 6% |
| VPS Grade 1 | - | 0% | 2 | 0% | - | 0% |
| Other (Please specify)* | 22 | 1% | 23 | 1% | 24 | 1% |
| Total | 1,604 | | 1,690 | | 1,648 | |

*Other includes Legal Officers.

Some totals may not add due to rounding of FTE figures.

b)

| Category | As at 30-06-2024 | | As at 30-06-2025 | | As at 30-06-2026 | |
|------------|---------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | (Actual FTE Number) | (% of total staff) | (Expected FTE Number) | (% of total staff) | (Forecast FTE Number) | (% of total staff) |
| Ongoing | 1,479 | 92% | 1,572 | 93% | 1,570 | 95% |
| Fixed term | 125 | 8% | 117 | 7% | 78 | 5% |
| Casual | 0 | 0% | - | 0% | - | 0% |
| Total | 1,604 | | 1,690 | | 1,648 | |

Some totals may not add due to rounding of FTE figures.

c)

| Identification | As at 30-06-2024 | | As at 30-06-2025 | | As at 30-06-2026 | |
|----------------|---------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | (Actual FTE Number) | (% of total staff) | (Expected FTE Number) | (% of total staff) | (Forecast FTE Number) | (% of total staff) |
| Men | 754 | 47% | 782 | 46% | 750 | 46% |
| Women | 849 | 53% | 907 | 54% | 897 | 54% |
| Self-described | 1 | 0% | 1 | 0% | 1 | 0% |
| Total | 1,604 | | 1,690 | | 1,648 | |

Some totals may not add due to rounding of FTE figures.

d)

| Identification | As at 30-06-2024 | | As at 30-06-2025 | | As at 30-06-2026 | |
|---|---------------------|--------------------|-----------------------|--------------------|-----------------------|--------------------|
| | (Actual FTE Number) | (% of total staff) | (Expected FTE Number) | (% of total staff) | (Forecast FTE Number) | (% of total staff) |
| People who identify as Aboriginal or Torres Strait Islander | 10 | 1% | 10 | 1% | 13 | 1% |
| People who identify as having a disability | 10 | 1% | 16 | 1% | 17 | 1% |
| Total | 20 | 1% | 26 | 2% | 30 | 2% |

Workforce capability and capacity

Question 36

What are the main gaps in the department's capability and capacity identified in the 2024–25 financial year, and expected in the 2025–26 and 2026–27 financial years?

Response

| Financial year | Main gaps in capability and capacity |
|----------------|--|
| 2024–25 | <ul style="list-style-type: none"> DTF's main capability pressure in 2024-25 was in senior policy officer roles requiring advanced commercial negotiation skills. DTF continues to develop internal capability for skills that are growing in demand. DTF's training program includes offerings from external providers and online training accessible by all staff. Consistent with 2023-24, the State Revenue Office (SRO) experienced difficulties attracting IT professional and marketing and communications professionals due to competition with the private sector which offers higher remuneration and greater flexibility (e.g., full-time working from home). The SRO experienced difficulty in attracting solicitors with an accounting or tax law background. 2023 State Budget initiatives have resulted in several tax changes which have increased the need for such legal roles. In the SRO, there is a shortage of tax technical skills in senior tax technical staff at VPSG4-5 and an abundance of mentoring and quality assurance skills which has caused an imbalanced skillset in staff at this level. |
| 2025–26 | <ul style="list-style-type: none"> State Revenue Office anticipates similar challenges as experienced in 2024-25, particularly in the areas of attracting IT professionals, solicitors with a taxation background and senior tax technical staff. The SRO also anticipate there may also be a shortage of suitable leadership staff with the right mix of technical and leadership skills. DTF and SRO anticipate market supply related capacity pressures identified above will continue as per 2024-25 while labour market conditions remain the same. |
| 2026–27 | <ul style="list-style-type: none"> Gaps identified above are expected to continue if labour market conditions remain the same. |

Contractors

Guidance

In responding to this question please provide details about the department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the department's Annual Report.

Question 37

For each of the 2023–24, 2024–25 and 2025–26 financial years, please outline the actual, expected or anticipated:

- a) spend on contractors
- b) occupation categories for those contractors
- c) total number of contractor arrangements.

Response

| | 2023–24 (actual) | 2024–25 (expected) | 2025–26 (anticipated) |
|--|--|------------------------------|------------------------------|
| Spend | \$15.1 million | \$15.1 million | \$9.7 million |
| Occupation categories | Includes a range of categories including, legal, IT, telecommunications, risk management and administrative support. | Same as 2023-24 | Same as 2023-24 |
| Total number of contractor arrangements | Multiple contracts | Not available at this stage. | Not available at this stage. |

Consultants

Guidance

In responding to this question please provide details about the department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the department's Annual Report.

Question 38

- a) For the 2023–24 financial year, please outline the department's total spend on consultants and completed consultancy projects.

Response

Total spend on consultants: \$10.329 million
Total spend on completed consultancy projects: \$6.256 million

- b) For the 2023–24 financial year please outline: the **top five** department consultancy projects that were completed by spend, the actual outcomes achieved by the listed **top five**, the relevant occupation categories for those consultants, and the total number of consultant arrangements
- c) For the 2024–25 financial year please outline: the department's expected spend on consultants, the relevant occupation categories for those consultants, and the total number of consultant arrangements
- d) For the 2025–26 financial year please outline: the department's anticipated spend for consultants, and what the anticipated occupation categories are for consultant arrangements.

Response

| | 2023–24 | 2024–25 | 2025–26 (Anticipated) |
|--------------|---|------------------|-----------------------|
| Spend | \$1.851 million Note this is the total spend for the top five consultancy projects. Please see response to (a) for total spend for the 2023-24 financial year. | \$10.576 million | \$2.169 million |

| | | | |
|-----------------|---|----------------|----------------|
| | | | |
| Outcomes | <p>Outcome for Regulatory Reform Program: Reform program across state and local government to modernise regulatory frameworks, enhance capability and resource sharing across regulators and councils and streamline and digitise approvals processes. The program is currently in implementation.</p> <p>Outcome for Independent evaluation for Partnerships Addressing Disadvantage (PADs): Independent evaluators have provided interim and final evaluation reports on several PADs, which provide Government and PADs partners with understanding on impact (including cost-benefit analyses) and learnings to inform future policy and programs. Evaluations are also publicly available on the DTF website.</p> <p>Outcome for Insurance market analysis: Services for the collection and provision of premium and coverage data, including consumer propensity to take out insurance and/or under-insure for catastrophic events</p> <p>Outcome for Professional advisory services for the delivery of two Fast Track Reviews as part of the Regulatory Reform Agenda; pilots and guides for the Victorian Permissions Framework and implementation of the Victorian Fit and Proper Test Framework: Two new sets of guidance were developed and have been</p> | Not applicable | Not applicable |

| | | | |
|--|--|--|-----------------|
| | <p>downloaded more than 1000 times. These help identify improvements to permissions and fit and proper tests for environmental, conservation, food safety and consumer affairs regulatory regimes and/or practice.</p> <p>Outcome for Assurance Reviews: 125 subject matter experts engaged to establish teams to complete independent assessments on high value high risk projects at key project milestones.</p> | | |
| Occupation categories | Professional advisory services, project management advisory services and technical advisory services | Professional advisory services, commercial and financial advisory services | Same as 2024-25 |
| Total number of consultant arrangements | 77 | 64 | Not applicable |

Labour Hire arrangements

Guidance

In responding to this question please provide details about the department on the same basis of consolidation as is used in the comprehensive operating statement audited by the Victorian Auditor-General's Office in the department's Annual Report.

Question 39

For the 2023–24, 2024–25 and 2025–26 financial years, please outline the department's actual, expected or anticipated:

- a) spend on labour hire arrangements
- b) occupation categories for those labour hire arrangements
- c) total number of labour hire arrangements.

Response

| | 2023–24 (actual) | 2024–25 (expected) | 2025–26 (anticipated) |
|---|--|------------------------------|------------------------------|
| Spend | \$23.1 million | \$23.2 million | \$31.2 million |
| Occupation categories | Includes a range of categories including IT, telecommunications, administrative support, and project management. | Same as 2023-24 | Same as 2023-24 |
| Total number of labour hire arrangements | Multiple contracts | Not available at this stage. | Not available at this stage. |

Enterprise Bargaining Agreements

Question 40

- a) Please list all Enterprise Bargaining Agreements (EBAs) that are expected to be completed during the 2025–26 year that affect the department, along with an estimate of the proportion of your department's workforce (full-time equivalent) covered by the EBA.
- b) Please describe the effect the EBAs listed above have had on estimates of 2025–26 employee benefits.

Response

a)

There are no EBAs in the DTF portfolio expected to be completed during the 2025-26 financial year.

DTF considers the nominal expiry date of an agreement to indicate the financial year during which an EBA will expire. The Victorian Public Service Enterprise Agreement 2024 commenced operation on 12 August 2024 and its nominal expiry date is 9 April 2028.

b)

n/a

Relationship between the Commonwealth and Victoria

Question 41

What impact, if any, have changes to federal/state capital funding agreements and Commonwealth Government policy initiatives have had on the department's 2025–26 Budget?

Response

Nil

Climate Change

Question 42

- a) Please specify the initiatives in the department's 2025–26 Budget that will contribute to Victoria's Climate Change Strategy. Please also outline the budget allocation, the ways in which the initiatives will contribute to Victoria's Climate Change Strategy and the year the initiative will likely realise benefits.

Response

| Initiatives in 2025–26 Budget that contribute to Climate Change Strategy | Budget allocation in 2025–26 Budget | How will the initiative contribute to Victoria's Climate Change Strategy | Year likely to realise benefits |
|---|-------------------------------------|--|---------------------------------|
| DTF does not have any initiatives in the 2025-26 Budget that will contribute to Victoria's Climate Change Strategy. | | | |

- b) *The Climate Change Act 2017*, Part 3, section 17, requires decision makers from some departments to have regard to climate change.
- What is the most significant challenge for the department in complying with section 17?
 - What guidance does the department have in place to assist decision makers to comply with the *Climate Change Act 2017*?
 - What work is planned and budget allocated in 2025–26 to facilitate compliance of the department with section 17?

Response

| | |
|--|---|
| Most significant challenge with compliance | N/A. Section 17 of the Climate Change Act 2017 states that decision makers must have regard to climate for the decisions or actions authorised under Acts specified in Schedule 1 of the Climate Change Act 2017. |
| Guidance in place to assist decision makers | |
| Work planned/budget allocation to facilitate compliance in 2025–26 | |

- c) Under *FRD 24 Reporting of environmental data by government entities*, Victorian Government organisations must report their greenhouse gas emissions and other environmental impacts. Does the department have internal targets for reducing greenhouse gas emissions? If yes, please provide details, quantifying where possible and outlining actions that will be taken in the 2025–26 year onwards to achieve these targets.

Response

| Internal targets for reducing greenhouse gas emissions | Actions to be taken in 2025–26 and onward to achieve these targets |
|--|---|
| NIL | DTF does not have internal targets for reducing greenhouse gas emissions. |

Gender Responsive Budgeting

Question 43

- a) Please list the programs/initiatives (output and asset) from the 2025–26 Budget for which the department has undertaken a gender impact assessment and describe the main outcomes or results of the gender impact assessment process for each program/initiative. Please also advise what percentage of the department's 2025–26 output and asset initiatives have been subject to a gender impact assessment.

Response

| Initiative | Outcome/result of gender impact assessment |
|---|--|
| Ongoing funding for gender responsive budgeting (GRB) | A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive as it will ensure that impacts on women and intersectional cohorts are considered as part of policy design and as part of the decision-making process. As a result, services and programs delivered by the Victorian Government will better meet the needs of those who receive these services and will, over time, reduce the inherent disadvantages faced by women in many aspects of society. |
| Fair and Safe Victorian Workplaces | A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive as it will eliminate the underpayment or non-payment of long service leave entitlements, which disproportionately impacts women over the short and long terms. Further, this initiative considers gender norms and roles, particularly around women as primary caregivers, and identifies how these can be overcome to ensure accessibility of the service. |

| | Proportion of initiatives subject to Gender Impact Assessment (as percentage) |
|---------------|---|
| Output budget | 40% |
| Asset budget | N/a |

- b) Please list any other programs/initiatives (output and asset) in the 2025–26 Budget where Gender Responsive Budgeting (GRB) processes or principles were applied/considered by the department. Please detail: the initiative, how GRB was applied/considered and the outcome of this consideration.

Response

| Initiative | How GRB was considered | Outcome of GRB consideration |
|------------|------------------------|------------------------------|
| N/a | | |

- c) Please list what evaluations of the department's programs/initiatives have been undertaken from a gender perspective and what the key findings of the evaluations were.

Response

| Programs/initiatives that have been evaluated from a gender perspective | Key findings of the evaluation |
|--|--|
| Ongoing funding for gender responsive budgeting (GRB) | A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive as it will ensure that impacts on women and intersectional cohorts are considered as part of policy design and as part of the decision-making process. As a result, services and programs delivered by the Victorian Government will better meet the needs of those who receive these services and will, over time, reduce the inherent disadvantages faced by women in many aspects of society. |
| Fair and Safe Victorian Workplaces | A gender impact assessment (GIA) was undertaken and determined that the overall gender impact would be positive as it will eliminate the underpayment or non-payment of long service leave entitlements, which disproportionately impacts women over the short and long terms. Further, this initiative considers gender norms and roles, particularly around women as primary caregivers, and identifies how these can be overcome to ensure accessibility of the service. |

- d) What further work is being undertaken by the department in 2025–26 to embed GRB?

Response

| Further work being undertaken by the department in 2025–26 to embed GRB |
|--|
| DTF will continue working to ensure gender impacts are considered at all stages of the budget process, including in the policy development and design stage. Furthermore, DTF will continue to support policy makers in departments and central agency budget analysts to assess the gender impacts of programs and initiatives. |

Implementation of PAEC recommendations

Question 44 - Update on status of implementation

Please provide an update on the status of the implementation of:

- a) Committee recommendations that were made in the *Report on the 2023–24 Budget Estimates* and supported by the Government
- b) Committee recommendations that were made in the *Report on the 2024–25 Budget Estimates* and supported by the Government

Please populate the below table according to each department's supported recommendations.

Response

Update on the implementation of recommendations made in the *2023–24 Budget Estimates Report*

| Department | Recommendation supported by Government | Actions taken at the time of this questionnaire | Update on status of implementation |
|------------|---|--|------------------------------------|
| DTF | Recommendation 3: The Government provide further details on the Department of Treasury and Finance website on how savings initiatives related to the Whole of Government savings and efficiencies, Labor's financial statement savings and COVID Debt Repayment Plan amounting to \$2.9 billion will be achieved. | The Department of Treasury and Finance website, through the <i>2023-24 Budget</i> , Budget Paper No. 3, Chapter 1, details how the 'COVID Debt Repayment Plan - savings and efficiencies' initiative will be achieved. This will be through reductions in corporate and back-office functions, reductions in labour hire and consultancy expenditure (additional to the amount committed in Labor's Financial Statement 2022), and efficiencies across public nonfinancial corporations and public financial corporations. Furthermore, the <i>2023-24 Budget</i> , Budget Paper No. 3, Chapter 1, provides a detailed summary on how the 'COVID Debt Repayment Plan – COVID Debt Levy' will be implemented. | Implemented. |
| DTF | Recommendation 43: The Government announce the details of any costs incurred to the State of Victoria as a result of the cancellation of the Commonwealth Games as soon as they are known. | The final cost of withdrawing from the Commonwealth Games was identified in the Victorian Auditor General's report – <i>Withdrawal from 2026 Commonwealth Games</i> which identified that the costs incurred to bid for, plan and then | Completed. |

| | | | |
|---|--|---|---|
| | | withdraw from the Games were just over \$589 million. | |
| DTF | Recommendation 70: WorkSafe Victoria report on the outcomes and performance of changes to mental health injury claim eligibility and the establishment of Return to Work Victoria in upcoming annual reports. | The tabled WorkSafe Annual Report 2023-2024 highlighted the establishment of Return to Work Victoria with outcomes and performance changes to mental injury claims to be addressed in subsequent Annual Reports. | The 2024/25 Annual Report will be drafted to acquit this recommendation. |
| DTF (transferred from DPC due to MoG changes) | Recommendation 73: The Department of Premier and Cabinet review the performance measure 'On demand matters resolved or referred to a more suitable body within 180 days' to ensure the measure is sufficiently challenging. | The Commonwealth Fair Work Legislation Amendment (Closing Loopholes No. 2) Act 2024 was passed in late February 2024. The amendments enable the Fair Work Commission to set minimum standards for gig workers and gives them access to support through the Fair Work Ombudsman in the same way other workers do. Accordingly, the Gig Worker Support Service (GWSS) was wound up on 30 June 2024. | As the Gig Worker Support Service has been wound up, the performance measures are no longer applicable. |
| DTF (transferred from DPC due to MoG changes) | Recommendation 74: The Department of Premier and Cabinet develop further performance measures related to the Gig Worker Support Service for inclusion in the 2023–24 Budget. | The Gig Worker Support Service was wound up on 30 June 2024. | As the Gig Worker Support Service has been wound up, the performance measures are no longer applicable. |
| DTF | Recommendation 78: When multiple departments share responsibility for an output, the budget papers outline how this responsibility is divided between Ministers, including how initiatives and performance measures are allocated to ensure clarity. | Currently, there are no instances where multiple departments share responsibility for an output, therefore there is no requirement for the budget papers to outline how responsibility is divided between Ministers. | Implemented. |
| DTF (transferred from DPC due to MoG changes) | Recommendation 81: The Department of Premier and Cabinet address the shortcomings identified by the Committee with the two new performance measures introduced in 2023–24 regarding the Industrial | This recommendation was subsequently not supported by Government. No further action taken following this decision. | Did not progress implementation |

| | | | |
|--|--|--|--|
| | Relations and Self-Determination Policy and Reform Advice and Programs outputs with further, or altered, performance measures in the 2024–25 Budget. | | |
|--|--|--|--|

Update on the implementation of recommendations made in the *2024–25 Budget Estimates Report*

| Department | Recommendation supported by Government | Actions taken at the time of this questionnaire | Update on status of implementation |
|------------|--|---|---|
| DTF | Recommendation 1: Departments report individually and accurately on how they are achieving savings, including any staffing reductions, that form part of the whole of government savings initiatives outlined in Budget Paper No. 3, as well as savings measures that formed the 2023–24 Budget's COVID Debt Repayment Plan, in future Committee questionnaires. | DTF will continue to report individually and accurately on how it is achieving savings. | Completed |
| DTF | Recommendation 2: Victorian Government departments implementing output initiatives that form part of the Early Intervention Investment Framework publicly report on the initiative's progress through the outcome measures developed during the budget process, either in the departmental annual reports or via an annually released whole of government publication. | Support in principle. For new initiatives that form part of the Early Intervention and Investment Framework (EIIF), the budget papers publish descriptions, output performance measures, estimated avoided costs and economic benefits over ten years. | 2025-26 Budget papers publish descriptions, output performance measures, estimated avoided costs and economic benefits over ten years of initiatives funded under EIIF. |

Community consultation on budget initiatives

Question 45

With regard to the new initiatives in the 2025–26 Budget, which relevant and interested community groups and stakeholders did the department consult or engage with? Please detail the budget initiatives' consultation related to and the final outcomes of consultation.

Response

DTF has engaged with relevant and interested community groups and stakeholders on new initiatives as part of the 2025-26 Budget. DTF utilises such consultation to identify the impact of new initiatives on relevant community groups and stakeholders, highlight potential challenges and opportunities for new initiatives to minimise the risk of unintended consequences and poor outcomes. The following example illustrates the outcomes of consultation undertaken by DTF in relation to new initiatives in the 2025-26 Budget:

- The Wage Inspectorate Victoria undertook broad community engagement through the delivery of targeted communication campaigns. In 2023-24, this generated 467 unique news stories about long service leave, child employment and owner driver laws, with a potential reach of over 57 million people. Leading media monitoring agency Streem estimates the coverage was equivalent to \$1.7 million in advertising. During this period, the Wage Inspectorate also had over 5 million social media impressions and over 10,000 likes, clicks and shares on social media channels.

Victoria's Housing Statement

Question 46

- a) Please list the department's output and asset initiatives in the 2025–26 Budget that will deliver on outcomes outlined in *Victoria's Housing Statement: The decade ahead 2024-2034*.⁶

Response

| Initiative | 2024–25 funding (\$ million) | 2025–26 funding (\$ million) | 2026–27 funding (\$ million) | 2027–28 funding (\$ million) | 2028–29 funding (\$ million) |
|--------------------------|------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Housing Support Program* | Output – 36.8 | | | | |

* Fully funded by the Commonwealth

- b) What will be the impact of the initiatives on
- housing affordability
 - Victoria's planning system
 - housing supply
 - the regulation of rental properties
 - public housing supply
 - community housing supply

Response

| Initiative | Timeframe (e.g. 1-5 years, 5-10 years) | Housing affordability (if applicable) | Victoria's planning system (if applicable) | Housing supply (if applicable) | The regulation of rental properties (if applicable) | Public housing supply (if applicable) | Community housing supply (if applicable) |
|-------------------------|--|--|--|---|---|---------------------------------------|---|
| Housing Support Program | Funding must be expended by June 2027 | Funding will support the delivery of new social and/or | N/A | Funding will support infrastructure costs for the | N/A | N/A | Funding will support infrastructure costs for the |

⁶ Department of Premier and Cabinet, *Victoria's Housing Statement: The decade ahead 2024-2034*, Melbourne, 2023, <https://content.vic.gov.au/sites/default/files/2023-09/DTP0424_Housing_Statement_v6_FA_WEB.pdf>

| | | | | | | | |
|--|--|---------------------------|--|--|--|--|--|
| | | affordable housing homes. | | completion of approximately 800 new homes. | | | completion of approximately 500 homes to be delivered by community housing agencies. |
|--|--|---------------------------|--|--|--|--|--|

Cyber security

Question 47

- a) What actions has the department taken over 2024–25, and plans to take over 2025–26, to improve cyber security and mitigate the risk of a cyber-attack or data breach?

Response

| | Cyber security and cyber-attack risk mitigation measures planned by department |
|---------|--|
| 2024–25 | <p>The Department of Government Services has taken the following action to improve cybersecurity and mitigate the risk of a cyber-attack or data breach for DTF:</p> <ul style="list-style-type: none"> • Email Phishing Awareness campaigns. • Disaster Recovery Tests for critical systems. • Vulnerability Assessments and Penetration tests of department websites. • Cloud security assessments. • Validated security controls. • End user training and awareness campaigns. • Formed an information security community of practice. • Implemented Endpoint protection controls to secure information accessed from mobile devices. • Established common policies, including a policy relating to the safe and responsible use of AI. • Developed a common and risk-assessed Information and Security Management (ISM) work program to uplift information protection and cyber security. This work program included: <ul style="list-style-type: none"> – Development of a comprehensive ISM Risk and Audit Register – Establishment of common ISM Key Risk Indicators, including threshold tolerance levels. – Uplift to common ISM policies – Development of an ISM educational program – Development of common security incident reporting and response practices. |
| 2025–26 | <p>The Department of Government Services plans to take the following action to improve cybersecurity and mitigate the risk of a cyber-attack or data breach for DTF:</p> <ul style="list-style-type: none"> • Review baseline security controls, including security practices across staff, processes and computer systems. |

| | |
|--|---|
| | <ul style="list-style-type: none"> • Uplift endpoint security on devices. • Roll out ISM training. • Review all critical information and data assets and validate asset management plans. • Review Personnel Security practices and third-party access practices. |
|--|---|

b) What resources in terms of funding levels and staffing has the department assigned to cyber security for 2024–25 and 2025–26?

Response

| | Department cyber security funding (\$ million) | Staff (FTE) |
|---------|--|-------------|
| 2024–25 | • \$1 million | 4.5 FTE |
| 2025–26 | • \$1 million | 4.5 FTE |

If the department (or any of the department's agencies) have experienced a cyber attack or data breach since 2023:

c) What was the impact of this data breach on the department/agency's resources, staffing, services provided to the community and ongoing support to individuals impacted by the cybersecurity event?

Response

| Cyber attack/data breach | Impact on department/agency resources | Impact on staffing | Impact on services provided by department/agency to community | Ongoing support to individuals impacted by cyber-attack or data breach |
|---|--|--|---|--|
| Privacy – personally identifiable information disclosed to unintended recipients. | Negligible impact. Incident investigated internally and reported to OVIC, notification sent to impacted individuals. | Negligible impact. Targeted training for staff | None. A review of internal processes was conducted | n/a |

d) What measures were implemented after the event to improve cyber security?

Response

| |
|--|
| Internal processes were reviewed to mitigate recurrence of the incident and targeted training provided to staff. |
|--|

The information DGS collects from cyber incidents impacting Victoria informs future cyber security program and policy planning.

Health spending – DH only

Question 48

- a) When comparing one year to the next from 2021–22 to the forecast for 2026–27, please state the amount of funding provided to each of the below service types. Where the year-on-year variance is +/- 5 per cent, please provide an explanation for the increase/decrease in spending for the service type:

- Primary and community health
- Ambulance services
- Public hospitals
- Services for mental health

Guidance

The Committee notes that for the purposes of this question, the Committee uses the definitions of services in the sector as used in the Productivity Commission, Report on Government Services. See: <https://www.pc.gov.au/ongoing/report-on-government-services/2025/health> (accessed 12 March 2025).

Response

| | 2021–22 | 2022–23 | 2023–24 | 2024–25 | 2025–26 | 2026–27 | Reason for any year-on-year variances $\pm 5\%$ |
|------------------------------|---------|---------|---------|---------|---------|---------|---|
| Primary and community health | | | | | | | |
| Ambulance services | | | | | | | |
| Public hospitals | | | | | | | |
| Services for mental health | | | | | | | |

- b) Please explain how DH's 'Victorian public health and wellbeing outcomes framework' is used to inform funding allocations.

Response

| |
|--|
| |
|--|

- c) How much did the Victorian Government spend overall on health in 2021–22, 2022–23, 2023–24, 2024–25 and 2025–26. Where the year-on-year variance is +/- 5 per cent, please provide an explanation for the increase/decrease in spending.

Response

| Year | Total health spending | Reason for any year-on-year variances $\pm 5\%$ |
|---------|-----------------------|---|
| 2021–22 | | |
| 2022–23 | | |
| 2023–24 | | |
| 2024–25 | | |
| 2025–26 | | |

Large scale infrastructure projects – DTF/DTP only

Question 49

For the North-East Link, Melbourne Airport Rail, West Gate Tunnel, Suburban Rail Loop and the Level Crossing Removal Program please provide the information requested in the tables below regarding expenditure, scope and outcomes.

Response:

North East Link Project includes:

- North East Link – Primary Package (Tunnels) and State Tolling Corporation (Greensborough)
- M80 Ring Road Upgrade (Greensborough)
- Eastern Freeway Upgrade (Springvale to Hoddle)
- North East Link Connections (Bulleen/Watsonia)

North East Link – Primary Package (Tunnels) and State Tolling Corporation (Greensborough)

Expenditure – response

| Project name | North East Link – Primary Package (Tunnels) and State Tolling Corporation (Greensborough) |
|--|--|
| Total estimated investment at announcement | <p>The Victorian Government committed \$15.8 billion for North East Link at announcement. Funding arrangements reflected in 2022-23 Budget recognised the North East Link State Tolling Corporation.</p> <p>The TEI includes the \$11.1 billion contract with the Spark consortium to deliver the Primary Package (Tunnels) and other costs associated with the operations of STC. The TEI includes a share of \$5 billion of Commonwealth Government funding. The TEI excludes financing costs associated with the Primary Package.</p> |

| | |
|---|---|
| | STC is responsible for providing funding contributions to the North East Link – Primary Package (Tunnels). |
| Total estimated investment in the 2025–26 Budget | \$14,034.000 million. |
| Explanation for change in TEI | TEI is unchanged from 2024-25 Budget. |
| Actual cost of the program to date (i.e. cost since announcement) | Estimated cost to 30 June 2025 as per 2025-26 Budget Paper No. 4: \$7,397.641 million. |
| Amount allocated to the project/program in the 2025–26 Budget | Forecast cost for the 2025-26 financial year as per 2025-26 Budget Paper No. 4: \$2,814.042 million. |
| Total forecast remaining expenditure | Total forecast remaining expenditure as per 2025-26 Budget Paper No. 4: \$3,822.317 million. |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report and the North East Link State Tolling Corporation Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| Cost/benefit ratio of the project/program | The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website. |

Scope – response

| | |
|---|---|
| Project name | North East Link – Primary Package (Tunnels) and State Tolling Corporation (Greensborough) |
| Scope of works (brief description of completed and future works to be delivered through this project, including any | <p>The Primary Package (Tunnels) scope includes:</p> <ul style="list-style-type: none"> • twin, three-lane tunnels • split interchange at Lower Plenty Road and Manningham Road, and an upgrade on the existing interchange South of Bulleen Road to accommodate the tunnel on-ramp and a new interchange |

| | |
|--|---|
| components of other projects or asset initiatives) | <p>west of Thompsons Road to service the new Bulleen Park & Ride and accommodate the tunnel off- and on-ramps</p> <ul style="list-style-type: none"> new and upgraded green land bridges, development of extensive shared user paths and walking and cycling infrastructure, to form a new North East Trail network <p>high quality outcomes in open space, noise walls design and maximising tree canopy replacement.</p> |
| Changes to scope in 2025–26 | No material scope changes have occurred. |
| Explanation for changes to scope | N/A |

Outcomes – response

| Project name | North East Link – Primary Package (Tunnels) and State Tolling Corporation (Greensborough) |
|--|--|
| The outcomes achieved by the project/program to date | <p>The key project achievements to date include:</p> <ul style="list-style-type: none"> The Environment Effects Statement (EES) process undertaken for North East Link was Victoria's most comprehensive. All primary planning and environmental approvals required for works to date have been obtained. Completion of Early Works, involving the relocation of around 100 local utilities, to facilitate the commencement of major construction for North East Link. Approval of the Urban Design and Landscape Plan (UDLP) for the North East Link tunnels, following community consultation. Contract award and commencement of major construction for the North East Link tunnels. Launching of two tunnel boring machines (TBMs) for major tunnelling construction from Watsonia to Bulleen. Breakthrough achieved for the first stage of the mined section of tunnel between Manningham and Bulleen. Completed tunnelling and concrete lining for the ventilation tunnel in Yallambie. Started works to widen Lower Plenty Road. Started building the new Motorway Control Centre. Temporarily realigned Manningham Road and Bridge Street to keep traffic moving while the new Manningham interchange is built. |

| | |
|---|---|
| | <ul style="list-style-type: none"> • North East Community Fund established to support and strengthen local communities most impacted by construction. Nearly 100 recipients have already received funding for festivals, events, and upgrades to local infrastructure and community, sporting and recreational facilities. • Six brand new pavilions have been built as part of major upgrades being delivered at 19 sports grounds to support community sport in the northern and eastern suburbs. • Completion of local sporting facility upgrades at Templestowe Road, including a new soccer facility • Contract award and commencement of construction for upgrades to Bulleen Park, including three upgraded ovals and two brand new pavilions. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <p>Anticipated outcomes in 2025-26 and across the forward estimates:</p> <ul style="list-style-type: none"> • Traffic switched onto new permanent Bulleen Road in mid-2025, including new dedicated access for Marcellin College and the Manningham Hotel and Club. • Works commence to erect the two tunnel ventilation structures. • Works commence to build the new Greensborough Boulevard. • Tunnel boring and works to connect the North East Link tunnels with the upgraded Eastern Freeway and M80 Ring Road completed. • Finalise funding requests from the North East Community Fund. Completion of construction in 2028. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. • Gateway 6 Review |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |

M80 Ring Road Upgrade (Greensborough)**Expenditure – response**

| Project name | M80 Ring Road Upgrade (Greensborough) |
|---|--|
| Total estimated investment at announcement | <p>This project was previously published as part of ‘North East Link (State and Freeway Packages)’ in the 2023-24 Budget Paper No. 4 State Capital Program.</p> <p>The Commonwealth Government is contributing \$5 billion to the North East Link with \$3.25 billion of funding for the non-tolled sections of the project announced in May 2024.</p> |
| Total estimated investment in the 2025–26 Budget | \$3,824.210 million |
| Explanation for change in TEI | TEI is unchanged from 2024-25 Budget. |
| Actual cost of the program to date (i.e. cost since announcement) | Estimated cost to 30 June 2025 as per 2025-26 Budget Paper No 4: \$1,522.096 million. |
| Amount allocated to the project/program in the 2025–26 Budget | Forecast cost for the 2025-26 financial year as per 2025-26 Budget Paper No 4: \$838.409 million. |
| Total forecast remaining expenditure | Total forecast remaining expenditure as per 2025-26 Budget Paper No.4: \$1,463.705 million. |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet |
| Cost/benefit ratio of the project/program | The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website. |

Scope – response

| | |
|--|--|
| Project name | M80 Ring Road Upgrade (Greensborough) |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | <p>The M80 Ring Road Upgrade (Greensborough) scope includes:</p> <ul style="list-style-type: none"> • new and upgraded lanes on the M80 Ring Road and new interchanges • new traffic management technology and new noise walls • new and upgraded walking and cycling paths with new bridges, underpasses and crossings to link schools, shops, and public transport • an upgraded Watsonia Station car park |
| Changes to scope in 2025–26 | No material scope changes have occurred. |
| Explanation for changes to scope | N/A |

Outcomes – response

| | |
|---|---|
| Project name | M80 Ring Road Upgrade (Greensborough) |
| The outcomes achieved by the project/program to date | <p>The key project achievements to date include:</p> <ul style="list-style-type: none"> • Contract award and commencement of construction phase for the M80 Ring Road Upgrade project. • Approval of the UDLP for the M80 Ring Road Upgrade project, following community consultation. • Excavated over one million tonnes of dirt and rock across the project. • Installed the first permanent noise walls along the M80 Ring Road. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <p>Anticipated outcomes in 2025-26 and across the forward estimates:</p> <ul style="list-style-type: none"> • Public exhibition and community consultation for the UDLP for the new Watsonia Station car park in late 2025. • Approximately 1600 trees to be planted in nearby parks, reserve and streets in 2025. • Elder Street landscaped bridge open to traffic in 2026. • Nell Street pedestrian bridge open in 2026. • Connect the upgraded M80 Ring Road to the North East Link tunnels. • Expand the existing Hurstbridge line rail tunnel ready to build the freeway on top. • Build more than 15 kilometres of new lanes and traffic management systems along the freeway. |

| | |
|---|---|
| | <ul style="list-style-type: none"> • Deliver 10 kilometres of walking and cycling paths including a wider brighter underpass at Yando Street in Greensborough, and 2 wide landscaped bridges at Watsonia Road and Elder Street. • Completion of construction in 2028. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. • Gateway 6 Review |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report. • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |

Eastern Freeway Upgrade (Springvale to Hoddle)

Expenditure – response

| | |
|--|--|
| Project name | Eastern Freeway Upgrade (Springvale to Hoddle) |
| Total estimated investment at announcement | <p>This project was previously published as part of 'North East Link (State and Freeway Packages)' in the 2023-24 Budget Paper No. 4 State Capital Program.</p> <p>The Commonwealth Government is contributing \$5 billion to the North East Link with \$3.25 billion of funding for the non-tolled sections of the project announced in May 2024.</p> |
| Total estimated investment in the 2025–26 Budget | \$5,708.993 million |
| Explanation for change in TEI | TEI is unchanged from 2024-25 Budget. |

| | |
|---|---|
| Actual cost of the program to date (i.e. cost since announcement) | TBC. The estimated expenditure will be reported when the procurement processes and commercial arrangements are finalised. |
| Amount allocated to the project/program in the 2025–26 Budget | TBC. The estimated expenditure will be reported when the procurement processes and commercial arrangements are finalised. |
| Total forecast remaining expenditure | TBC. The estimated expenditure will be reported when the procurement processes and commercial arrangements are finalised. |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| Cost/benefit ratio of the project/program | The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website. |

Scope – response

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| Project name | Eastern Freeway Upgrade (Springvale to Hoddle) |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | <p>The Eastern Freeway Upgrade (Springvale to Hoddle) scope includes:</p> <ul style="list-style-type: none"> • new express lanes, with new and upgraded noise walls • new traffic management technology • Melbourne's first dedicated busway • new and upgraded walking and cycling paths, bridges and underpasses, upgrading Koonung Creek Reserve, revitalising wetlands and waterways and planting new trees and plants. |
| Changes to scope in 2025–26 | No material scope changes have occurred. |
| Explanation for changes to scope | N/A |

Outcomes – response

| Project name | Eastern Freeway Upgrade (Springvale to Hoddle) |
|---|--|
| The outcomes achieved by the project/program to date | <p>The key project achievements to date include:</p> <ul style="list-style-type: none"> • Contract award and commencement of construction phase for the Burke Road to Tram Road project. • Approval of the Urban Design and Landscape Plan (UDLP) for the Burke Road to Tram Road project, following community consultation. Appointed the Independent Environmental Auditor for the overhaul of the Eastern Freeway and the completion of the M80 Ring Road. • Procurement phase nearing completion for the Tram Road to Springvale Road and Hoddle Street to Burke Road projects as part of the Eastern Freeway Upgrade. • Opened the new Bulleen Park & Ride, the first part of the Eastern Express Busway. • Public exhibition and community consultation undertaken in September 2024 for the UDLP for Doncaster Park and Ride. • All bridge beams installed for the new Bulleen Road bridge north of Thompsons Road. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <p>Anticipated outcomes in 2025-26 and across the forward estimates:</p> <ul style="list-style-type: none"> • Approval of the UDLP for the Doncaster Park and Ride. • Public exhibition and community consultation of UDLPs for the Tram Road to Springvale Road and Hoddle Street to Burke Road projects as part of the Eastern Freeway Upgrade. • Contract award and commencement of construction phase for the Tram Road to Springvale Road and Hoddle Street to Burke Road projects. • Opening of the new Estelle Street and Heyington Avenue pedestrian bridges by late 2025. • Connecting an upgraded Eastern Freeway to the North East Link tunnels. • Build more than 45 kilometres of new lanes and traffic management systems along the freeway. • Build Melbourne’s first dedicated busway from Doncaster to the City, and an upgraded Park & Ride at Doncaster. • Deliver 10-kilometres of walking and cycling paths and a rebuilt Koonung Creek Reserve. • Completion of construction in 2028. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects’ performance reports, provided to the Infrastructure Delivery Committee of Cabinet. • Gateway 6 Review. |

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| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report. • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
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North East Link Connections (Bulleen/Watsonia)

Expenditure – response

| Project name | North East Link Connections (Bulleen/Watsonia) |
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| Total estimated investment at announcement | <p>This project was previously published as part of 'North East Link (State and Freeway Packages)' in the 2023-24 Budget Paper No. 4 State Capital Program.</p> <p>The Commonwealth Government is contributing \$5 billion to the North East Link with \$3.25 billion of funding for the non-tolled sections of the project announced in May 2024.</p> |
| Total estimated investment in the 2025–26 Budget | \$2,642.257 million |
| Explanation for change in TEI | TEI is unchanged from 2024-25 Budget. |
| Actual cost of the program to date (i.e. cost since announcement) | Estimated cost to 30 June 2025 as per 2025-26 Budget paper No 4: \$1,263.025 million. |
| Amount allocated to the project/program in the 2025–26 Budget | Forecast cost for the 2025-26 financial year as per 2025-26 Budget Paper No 4: \$576.245 million. |
| Total forecast remaining expenditure | Total forecast remaining expenditure as per 2025-26 Budget Paper No.4: \$802.987 million. |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report |

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| | <ul style="list-style-type: none"> Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| Cost/benefit ratio of the project/program | The benefit cost ratio of the North East Link is estimated to be 1.3. The analysis behind this ratio can be found on the Big Build Website. |

Scope – response

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| Project name | North East Link Connections (Bulleen/Watsonia) |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | North East Link Connections refers to scope items that connect the Freeway Packages to the Primary Package (Tunnels) and is being undertaken by the Eastern Freeway Upgrades: Burke Road to Tram Road contractor. |
| Changes to scope in 2025–26 | No material scope changes have occurred. |
| Explanation for changes to scope | N/A |

Outcomes – response

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| Project name | North East Link Connections (Bulleen/Watsonia) |
| The outcomes achieved by the project/program to date | <p>The key project achievements to date include:</p> <ul style="list-style-type: none"> Approval of the Urban Design and Landscape Plan (UDLP) for the Burke Road to Tram Road project, following community consultation. Contract award and commencement of construction phase for the Burke Road to Tram Road project. Temporarily diverted Bulleen Road to keep traffic moving while the new permanent Bulleen Road is built. Moved the intersection of Watsonia Road and Greensborough Highway to make space for construction of the Watsonia Road landscaped bridge. |

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| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <p>Anticipated outcomes in 2025-26 and across the forward estimates:</p> <ul style="list-style-type: none"> • Traffic to be switched to the new permanent Bulleen Road in mid-2025, allowing traffic to flow while works take place to build the Yarra Link Green Bridge and southern tunnel portal. • Completion of construction in 2028. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. • Gateway 6 Review. |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |

Melbourne Airport Rail

Expenditure – response

| Project name | Melbourne Airport Rail |
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| Total estimated investment at announcement | <p>The State and Commonwealth Governments originally committed \$5 billion each to the Melbourne Airport Rail project.</p> <p>The Commonwealth Government's 2025-26 budget committed an additional \$2 billion for the Sunshine Station Superhub, increasing its total contribution for the Melbourne Airport Rail project to \$7 billion. The 2025-26 Budget commits \$4.1 billion to deliver the Sunshine Station Superhub as a joint funding initiative with the Commonwealth Government.</p> |
| Total estimated investment in the 2025–26 Budget | TBC |

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| Explanation for change in TEI | N/A |
| Actual cost of the program to date (i.e. cost since announcement) | Estimated cost to 30 June 2025 as per 2025-26 Budget paper No 4 for Melbourne Airport Rail: \$932.691 million. |
| Amount allocated to the project/program in the 2025–26 Budget | TBC |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report |
| Cost/benefit ratio of the project/program | The benefit cost ratio of the Melbourne Airport Rail project is estimated to be between 1.8 to 2.1. |

Scope – response

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| Project name | Melbourne Airport Rail |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | <p>Melbourne Airport Rail will connect Melbourne Airport to Victoria’s regional and metropolitan train network for the first time. Completed works to date include:</p> <ul style="list-style-type: none"> • Early works including works to relocate and protect more than 250 critical utilities along the Albion-Jacana route completed. • The Mobil Jet Fuel Pipeline protection works and relocation of the Greater Western Water pressure reducing station completed. • Work completed to demobilise the project and return construction sites to the community, including reopening walking and cycling paths, returning car parks and removing site compounds, fencing and signage. <p>Final scope and timing for the remainder of the Melbourne Airport Rail project is to be determined.</p> |
| Changes to scope in 2025–26 | The Sunshine Station Superhub is a necessary first step to delivery of the Melbourne Airport Rail and a future electrified Melton Line. The scope comprises more than 6 kilometres of track from West Footscray to Albion, two new dedicated regional platforms and an extended station concourse. Three new rail bridges, new and upgraded tracks, new signalling technology, and realigned passenger and freight lines will also be delivered. Design and |

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| | planning work for the Sunshine Station Superhub works is underway, with works expected to start in early 2026 and be completed by 2030. |
| Explanation for changes to scope | N/A |

Outcomes – response

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|---|---|
| Project name | Melbourne Airport Rail |
| The outcomes achieved by the project/program to date | <ul style="list-style-type: none"> In March 2025, a Memorandum of Understanding (MoU) was agreed between the State and Commonwealth Governments, and Australia Pacific Airports (Melbourne) Pty Ltd committing all parties to work towards recommencing Melbourne Airport Rail. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | Procurement will progress for the Sunshine Station Superhub. |
| How the department will measure the outcomes achieved by the project/program as it progresses | TBC |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> Budget Papers Department of Transport and Planning Annual Report Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee (IDC) of Cabinet. |

West Gate Tunnel (metropolitan various)

Expenditure – response

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| Project name | West Gate Tunnel (metropolitan various) |
| Total estimated investment at announcement | \$5,500.000 million |

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| Total estimated investment in the 2025–26 Budget | \$10,159.204 million |
| Explanation for change in TEI | TEI is unchanged from 2024-25 Budget. |
| Actual cost of the program to date (i.e. cost since announcement) | Estimated cost to 30 June 2025 as per 2025-26 Budget paper No 4: \$9,556.340 million (estimated expenditure to June 30, 2025) |
| Amount allocated to the project/program in the 2025–26 Budget | Forecast cost for the 2025-26 financial year as per 2025-26 Budget Paper No 4: \$443.303 million |
| Total forecast remaining expenditure | Total forecast remaining expenditure as per 2025-26 Budget Paper No.4: \$159.560 million. |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| Cost/benefit ratio of the project/program | The benefit cost ratio of the West Gate Tunnel project is 1.3. |

Scope – response

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| Project name | West Gate Tunnel (metropolitan various) |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | <p>The West Gate Tunnel project includes:</p> <ul style="list-style-type: none"> • Widening the West Gate Freeway from 8 to 12 lanes • New twin tunnels under Yarraville • A bridge over the Maribyrnong River providing a second river crossing that joins an elevated road along Footscray Road • A direct connection to Hyde Street for trucks carrying hazardous goods, over-height or local trips • Improved access to the Port of Melbourne • Connections to CityLink, inner northern suburbs and the city |

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| | <ul style="list-style-type: none"> • Extending Wurundjeri Way to provide a city bypass • Over 14 kilometres of new and upgraded walking and cycling paths • Almost 9 hectares of new parks and wetlands • Smart technology adding to the M1 freeway management system • Adding 9 kilometres of new and improved noise walls. |
| Changes to scope in 2025–26 | N/A |
| Explanation for changes to scope | N/A |

Outcomes – response

| Project name | West Gate Tunnel (metropolitan various) |
|---|---|
| The outcomes achieved by the project/program to date | <ul style="list-style-type: none"> • The project is nearing completion. • New citybound express lanes on the West Gate Freeway are now open, allowing smoother traffic flow from the M80 Ring Road to the West Gate Bridge. • The elevated road above Footscray Road is complete. Tunnel Boring works are complete. • The 31 cross passages linking the twin tunnels are also complete, providing emergency evacuation routes. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <p>Final works and commissioning continue across the project in preparation for opening in 2025. This includes fit out of the tunnels. Crews are installing lights, traffic management systems and asphalt on close to seven kilometres of the new underground roadway.</p> <p>The project provides a network-wide solution to reducing congestion along the M1 corridor, expanding travel choices for motorists, and reducing travel times across one of Melbourne’s main cross-city road corridors.</p> |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance (previously Office of Projects Victoria) for inclusion in its quarterly major projects’ performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |

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| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance (previously Office of Projects Victoria) for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
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Suburban Rail Loop East – Development, Initial and Early Works

Expenditure – response

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| Project name | Suburban Rail Loop East – Development, Initial and Early Works |
| Total estimated investment at announcement | <p>Announced funding to date covers development and planning costs, Initial and Early Works and a provision towards the Main Works packages.</p> <p>2019-20: \$300 million funding allocated for detailed planning and development.</p> <p>2020-21: Additional \$2.2 billion funding allocated for Initial and Early Works to prepare for Main Works.</p> |
| Total estimated investment in the 2025–26 Budget | \$2,371.618 million |
| Explanation for change in TEI | TEI is unchanged from 2024-25 Budget. |
| Actual cost of the program to date (i.e. cost since announcement) | Estimated cost to 30 June 2025 as per 2025-26 Budget paper No 4: \$1,820.427 million |
| Amount allocated to the project/program in the 2025–26 Budget | Forecast cost for the 2025-26 financial year as per 2025-26 Budget Paper No 4: \$278.476 million |
| Remaining amount forecast for the project/program | Total forecast remaining expenditure as per 2025-26 Budget Paper No.4: \$272.715 million |

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| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Paper • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning report quarterly on time, cost and scope measures to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance report, provided to the Infrastructure Delivery Committee of Cabinet. |
| Cost/benefit ratio of the project/program | 1.1 to 1.7 for SRL East and SRL North assuming completion by 2053. |

Scope – response

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| Project name | Suburban Rail Loop East – Development, Initial and Early Works |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | <p>Initial and Early Works includes:</p> <ul style="list-style-type: none"> • Works Package A (WPA) includes site establishment, utility relocation and protection works, road and traffic modifications, drainage and civil works, ground improvement works and tunnel access shaft structures. Works Package B (WPB) includes Power Construction Supply Works. |
| Changes to scope in 2025–26 | N/A |
| Explanation for changes to scope | N/A |

Outcomes – response

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| Project name | Suburban Rail Loop East – Development, Initial and Early Works |
| The outcomes achieved by the project/program to date | <ul style="list-style-type: none"> • The Initial and Early Works (WPA) contract was awarded to Laing O'Rourke in November 2021. • Works are well underway at each SRL East station site between Cheltenham and Box Hill, and at the stabling facility in Heatherton. the works include utility relocations, ground improvement works, demolition, sewer boring, and tunnel access shaft excavation. • Crews are building tunnel access structures in Burwood and Heatherton and moving underground services to make way for excavation of the new stations and tunnels. |

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| | <ul style="list-style-type: none"> • Works on three power substations are progressing to program which will provide construction and operational power for SRL East (enabling the launch of the Tunnel Boring Machines (TBMs)). • A temporary bridge has been built on Whitehorse Road to keep traffic moving during excavation of the underground station. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <ul style="list-style-type: none"> • Works are currently at a peak on most of Initial and Early Works sites, ahead of the progressive zone completion (and handover to Main Works) from mid-2025 onwards. • Early Works is on track to be concluded early 2026 to enable major construction to commence in 2026, including the launch of TBMs. • Commencement of the relocation of the Westernport-Altona-Geelong (WAG) pipeline. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Suburban Rail Loop Authority uses internal key performance indicators and a benefits management framework to measure the performance outcomes of the SRL Program. • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |

Suburban Rail Loop East – Main Works packages

Expenditure – response

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| Project name | Suburban Rail Loop East – Main Works packages |
| Total estimated investment at announcement | <p>Suburban Rail Loop (SRL) East is expected to cost between \$30.000 - \$34.500 billion, covering Development, Initial and Early Works and Main Works, with project completion by 2035.</p> <p>The expected cost includes:</p> <ul style="list-style-type: none"> • \$3.610 billion (GST exclusive) for the SRL East Tunnels South contract from Cheltenham to Glen Waverley awarded in December 2023; and |

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| | <ul style="list-style-type: none"> • \$1.710 billion (GST exclusive) for the SRL East Tunnels North contract from Glen Waverley to Box Hill awarded in November 2024. <p>The TEI, estimated expenditure and estimated completion date will be disclosed following the procurement of the remaining Main Works packages.</p> <p>The TEI includes \$2.200 billion of committed Commonwealth Government funding.</p> |
| Total estimated investment in the 2025–26 Budget | TBC |
| Explanation for change in TEI | N/A |
| Actual cost of the program to date (i.e. cost since announcement) | TBC |
| Amount allocated to the project/program in the 2025–26 Budget | TBC |
| Remaining amount forecast for the project/program | TBC |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget Papers • Suburban Rail Loop Authority Annual Report • Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| Cost/benefit ratio of the project/program | 1.1 to 1.7 for SRL East and SRL North assuming completion by 2053. |

Scope – response

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| Project name | Suburban Rail Loop East – Main Works packages |
| Scope of works (brief description of completed and future works to be delivered through this project, including | <p>SRL Main Works Packages include:</p> <ul style="list-style-type: none"> • Tunnels South (Works Package C (WPC)): 16-kilometre twin tunnels between Cheltenham and Glen Waverley and construction of portals at stabling facility. |

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| any components of other projects or asset initiatives) | <ul style="list-style-type: none"> • Tunnels North (Works Package D (WPD)): 10-kilometre twin tunnels between Glen Waverley and Box Hill. • Stations Alliance South (Works Package E (WPE)): building works at Cheltenham, Clayton and Monash, and station box excavation at Cheltenham. • Stations Alliance North (Works Package F (WPF)): building works at Glen Waverley, Burwood and Box Hill, and station box excavation at Box Hill. • Linewide Alliance (Works Package G (WPG)): will fit out the tunnels, install signalling and communications, depot and maintenance facilities and build the high-tech fleet of SRL trains. The package also includes the operating and maintenance contract for the initial 15-year phase. |
| Changes to scope in 2025–26 | N/A |
| Explanation for changes to scope | N/A |

Outcomes – response

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| Project name | Suburban Rail Loop East – Main Works packages |
| The outcomes achieved by the project/program to date | <ul style="list-style-type: none"> • Suburban Connect was awarded the contract for Tunnels South (WPC) in December 2023 to build the 16-kilometre twin tunnels between Cheltenham and Glen Waverley. • Terra Verde, was awarded the Tunnels North (WPD) contract, which includes 10-kilometre twin tunnels between Glen Waverley and Box Hill in November 2024. • The first four TBMs have been ordered, with the first arriving later this year, ready to start boring in 2026. • Proposals from two shortlisted bidders for the Linewide Alliance (WPG) Request for Proposal (RFP) process were submitted in November 2024. • Three RFP submissions for the Stations Alliance North Package were received in April 2025, which includes construction of Glen Waverley, Burwood and Box Hill stations. • Shortlisting three consortiums to bid for the two station contracts - the first contract to build the stations at Glen Waverley, Burwood and Box Hill (WPF), and the second contract to build the stations at Cheltenham, Clayton and Monash (WPE). |

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| | <ul style="list-style-type: none"> The public exhibition of the draft structural plans and Infrastructure Delivery plans in March 2025 which provide an indication of what the suburbs in the transport corridor will look like, with planning scheme amendments expected to be finalised in 2026. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <ul style="list-style-type: none"> Tunnels South (WPC) tunnelling to start in 2026. Tunnels North (WPD) will also begin in 2026. Linewide Alliance (WPG) to be awarded later in 2025. Unsuccessful bidders for Stations Alliance North (WPC) will participate in RFP for Stations Alliance South (WPE), which includes construction of Cheltenham, Clayton and Monash stations. Stations packages are expected to be awarded in 2026 and 2027. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> Suburban Rail Loop Authority uses internal key performance indicators and a benefits management framework to measure the performance outcomes of the SRL Program. Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> Budget Papers Suburban Rail Loop Authority Annual Report Suburban Rail Loop Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. |

Level Crossing Removal Program

Expenditure – response

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| Project name | Level Crossing Removal Program |
| Total estimated investment at announcement | <ul style="list-style-type: none"> The Level Crossing Removal Program has been funded in stages. Level Crossing Removal Program ('LX 50') and Metropolitan Network Modernisation Program (MNMP) were reported as completed projects in the 2023-24 State Budget. The Program currently has two stages reported in Budget Paper No.4. <ul style="list-style-type: none"> '85 by 2025', with \$6.550 billion allocated in the 2019-20 State Budget for 25 additional level crossing removals ('75 by 2025') and a further \$2.536 billion |

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| | <p>allocated in the 2021-22 Budget Update for 10 additional level crossing removals. These two initiatives were combined for reporting purposes in the 2022-23 State Budget.</p> <ul style="list-style-type: none"> • ‘Twenty-five more level crossing removals by 2030’, with a further \$6.522 billion provided for 25 additional level crossing removals to reach a total of 110 level crossing removals. This was first reported in the 2022 Victorian Economic and Fiscal Update. |
| Total estimated investment in the 2025–26 Budget | <p>The relevant Total estimated investment (TEI) amounts as reported in 2025-26 State Budget Paper 4 are as follows:</p> <ul style="list-style-type: none"> • ‘85 by 2025’ – \$8.647 billion TEI. • ‘Twenty-five more level crossing removals by 2030’ – \$6.449 billion TEI |
| Explanation for change in TEI | <p>The TEIs for ‘85 by 2025’ and “Twenty-five more level crossing removals by 2030’ have changed since first announced due to movements including budgeted amounts being reclassified as operating instead of capital expenditure and program savings.</p> <p>In relation to the 2025-26 State Budget specifically:</p> <ul style="list-style-type: none"> • ‘85 by 2025’ – The TEI has decreased from \$8.747 billion (per 2024-25 State Budget) to \$8.647 billion by \$99.400 million, including \$88.500 million due to budgeted amounts being reclassified as operating instead of capital expenditure, in line with accounting standards, and \$10.900 million which has been reprioritised to ‘Metro Tunnel (metropolitan various)’ initiative. • ‘Twenty-five more level crossing removals by 2030’ – The TEI has decreased from \$6.510 billion (per 2024-25 State Budget) to \$6.449 billion by \$60.723 million due to budgeted amounts being reclassified as operating instead of capital expenditure, in line with accounting standards. |
| Actual cost of the program to date (i.e. cost since announcement) | <p>The relevant estimated expenditures to 30 June 2025 as reported in 2025-26 State Budget Paper 4 are as follows:</p> <ul style="list-style-type: none"> • ‘85 by 2025’ – \$8.152 billion • ‘Twenty-five more level crossing removals by 2030’ – \$923.504 million <p>Note the following completed projects not reported in the 2025-26 Budget Papers have also funded the Level Crossing Removal Program:</p> <ul style="list-style-type: none"> • Level Crossing Removal Program (metropolitan various) (LX50) • Metropolitan Network Modernisation Program (metropolitan various) (MNMP). |

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| Amount allocated to the project/program in the 2025–26 Budget | <p>Forecast cost for the 2025-26 financial year as per 2025-26 Budget Paper No 4:</p> <ul style="list-style-type: none"> • \$463.240 million for '85 by 2025' • \$1.049 billion for 'Twenty-five more level crossing removals by 2030' |
| Total forecast remaining expenditure | <p>Total forecast remaining expenditure beyond 2025-26 as per 2025-26 Budget Paper No.4:</p> <ul style="list-style-type: none"> • \$31.696 million for '85 by 2025' • \$4.476 billion for 'Twenty-five more level crossing removals by 2030' |
| How the department will report on expenditure in relation to the project/program as it progresses | <ul style="list-style-type: none"> • Budget papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet. • The Minister for Transport Infrastructure provides an update to the Infrastructure Delivery Committee of Cabinet twice annually regarding the status of the Level Crossing Removal Project, including forecast delivery schedule and expenditure forecast. |
| Cost/benefit ratio of the project/program | The business case for the Level Crossing Removal Program is available via the Big Build website. This discloses a benefit cost ratio range of 0.78 to 1.34. The business case has not been updated with additional stages of the program. |

Scope – response

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|--|---|
| Project name | Level Crossing Removal Program |
| Scope of works (brief description of completed and future works to be delivered through this project, including any components of other projects or asset initiatives) | The Government has removed 85 dangerous and congested level crossings in Melbourne. The Level Crossing Removal Project is removing an additional 25 level crossings, reaching 110 level crossings, by 2030. |
| Changes to scope in 2025–26 | N/A |

| | |
|----------------------------------|-----|
| Explanation for changes to scope | N/A |
|----------------------------------|-----|

Outcomes – response

| | |
|---|---|
| Project name | Level Crossing Removal Program |
| The outcomes achieved by the project/program to date | <ul style="list-style-type: none"> • The Level Crossing Removal Program has removed 85 level crossings to date. • 40 new stations have been built and five upgraded as part of these level crossing removal projects. |
| The anticipated outcomes of the project/program in 2025–26 and across the forward estimates | <ul style="list-style-type: none"> • 85 level crossings have been removed to date (as of April 2025), with a further 10 scheduled to be removed in 2025 and 2026. • The Level Crossing Removal Project is removing an additional 25 level crossings, reaching 110 level crossings, by 2030. |
| How the department will measure the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • The Level Crossing Removal Program measures its outcomes by comparing its progress against the approved project budget and approved project milestones, and reports on progress outcomes to Government. • Gateway review process |
| How the department will report on the outcomes achieved by the project/program as it progresses | <ul style="list-style-type: none"> • Budget papers • Department of Transport and Planning Annual Report • Victorian Infrastructure Delivery Authority and Department of Transport and Planning provide information to the Department of Treasury and Finance for inclusion in its quarterly major projects' performance reports, provided to the Infrastructure Delivery Committee of Cabinet • The Minister for Transport Infrastructure provides an update to the Infrastructure Delivery Committee of Cabinet twice annually regarding the status of the Level Crossing Removal Project, including forecast delivery schedule and expenditure forecast • Gateway review process |

Economic forecast – DTF only

Question 50

Budget Paper No. 2: Strategy and Outlook, Table 2.1, provides forecasts for the following indicators:

- real gross state product
- employment
- unemployment rate
- consumer price index
- wage price index
- population.

Variance analysis

- a) For each of the above indicators, please provide a detailed explanation for the variance when comparing the same year in the 2024–25 Budget, the 2024–25 Budget Update and the 2025–26 Budget, including the assumptions used to forecast the specific indicator.

Response

| Economic indicator | Real Gross State Product | | | | | |
|--|---|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Forecast/projection in 2024–25 Budget | 2.00 | 2.50 | 2.75 | 2.75 | 2.75 | - |
| Forecast/projection in 2024–25 Budget Update | 1.5 (actual) | 2.50 | 2.50 | 2.75 | 2.75 | - |
| Forecast/projection in 2025-26 Budget | 1.5 (actual) | 2.00 | 2.50 | 2.75 | 2.75 | 2.75 |
| Variance from 2024-25 Budget | -0.5 | -0.5 | -0.25 | - | - | - |
| Reason for variance | Real gross state product (GSP) grew by 1.5 per cent in 2023-24, lower than the forecast 2.00 per cent. This was due to the Australian Bureau of Statistics applying a historical data revision that increased the level of GSP in 2022-23, which then resulted in lower growth for 2023-24 due to the 'base effect' of the historical data revision. In level terms, GSP in 2023-24 was close to what was forecast. | | | | | |

| Economic indicator | Real Gross State Product | | | | | |
|--|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| | <p>Real GSP in 2024-25 is forecast to be 2.00 per cent in the <i>2025-26 Budget</i>, which is lower than the 2.50 per cent forecast in the <i>2024-25 Budget Update</i>. This largely reflects ongoing subdued consumer spending due to cost-of-living pressures and elevated interest rates continuing to weigh on household budgets. The reduction in the 2024-25 economic growth forecast is consistent with national trends: the Commonwealth Government, the Reserve Bank of Australia and other States have also lowered their estimates of economic growth in 2024-25.</p> <p>Variances for years 2025-26 onwards are small or nil.</p> | | | | | |
| Assumptions used to forecast indicator | <p>The key assumptions underlying our GSP forecasts are outlined below:</p> <ul style="list-style-type: none"> • Interest rates broadly follow market economists' expectations • Oil prices follow the path suggested by oil futures • An Australian dollar trade weighted index of 59.8 | | | | | |

| Economic indicator | Employment | | | | | |
|--|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Forecast/projection in 2024-25 Budget | 3.25 | 1.00 | 1.75 | 1.75 | 1.75 | |
| Forecast/projection in 2024-25 Budget Update | 3.50 | 2.50 | 0.75 | 1.75 | 1.75 | |
| Forecast/projection in 2025-26 Budget | 3.4 | 2.50 | 0.50 | 1.50 | 1.75 | 1.75 |
| Variance from 2024-25 Budget | 0.15 | 1.50 | -1.25 | -0.25 | - | - |
| Reason for variance | <p>Revised employment growth in 2024-25 mainly reflects a higher level of employment in 2024-25 to date, as reported by the Australian Bureau of Statistics. With the level of employment higher in 2024-25, forecast growth for 2025-26 and 2026-27 has been downgraded alongside easing growth in labour supply, as the share of working-age Victorians in employment and labour force participation is at historically high levels, and an easing in demand for new workers relative to recent years is expected.</p> | | | | | |
| Assumptions used to forecast indicator | <p>Employment growth is assumed to be broadly correlated with GSP growth.</p> | | | | | |

| Economic indicator | Unemployment rate | | | | | |
|--|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Forecast/projection in 2024–25 Budget | 4.00 | 4.25 | 4.50 | 4.75 | 4.75 | |
| Forecast/projection in 2024–25 Budget Update | 4.00 | 4.50 | 4.75 | 4.75 | 4.75 | |
| Forecast/projection in 2025-26 Budget | 4.00 | 4.50 | 4.75 | 4.75 | 4.75 | 4.75 |
| Variance from 2024-25 Budget | - | 0.25 | 0.25 | - | - | - |
| Reason for variance | Unemployment in 2023-24 was in line with the <i>2024-25 Budget</i> and <i>2024-25 Budget Update</i> . The higher unemployment rate for 2024-25 forecast in the 2024-25 Budget Update reflected higher unemployment actuals data from the Australian Bureau of Statistics, partly due to the participation rate reaching higher levels and remained elevated. | | | | | |
| Assumptions used to forecast indicator | The unemployment rate is projected to gradually rise from low levels to a rate consistent with stable inflation within the RBA's inflation target band. | | | | | |

| Economic indicator | Consumer Price Index | | | | | |
|--|-----------------------------|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Forecast/projection in 2024–25 Budget | 4.0 | 2.75 | 2.50 | 2.50 | 2.50 | |
| Forecast/projection in 2024–25 Budget Update | 4.0 | 2.50 | 3.00 | 2.50 | 2.50 | |
| Forecast/projection in 2025-26 Budget | 4.0 | 2.50 | 2.75 | 2.75 | 2.50 | 2.50 |
| Variance from 2024-25 Budget | – | -0.25 | 0.25 | 0.25 | – | |

| Economic indicator | Consumer Price Index | | | | | |
|--|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Reason for variance | The introduction of the Commonwealth Energy Rebates in 2024-25 led to electricity prices detracting significantly from headline inflation. The energy rebates are due to expire in December 2025, which is expected to add to headline inflation across 2025-26 and 2026-27. | | | | | |
| Assumptions used to forecast indicator | The Commonwealth Energy Rebates are expected to end in December 2025. Projections assume that inflation returns to a trend 2.5 per cent, the middle of the Reserve Bank of Australia's 2–3 per cent inflation target band. | | | | | |

| Economic indicator | Wage Price Index | | | | | |
|--|--|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Forecast/projection in 2024–25 Budget | 3.75 | 3.75 | 3.25 | 3.25 | 3.25 | – |
| Forecast/projection in 2024–25 Budget Update | 3.6 (actual) | 3.50 | 3.25 | 3.25 | 3.25 | – |
| Forecast/projection in 2025-26 Budget | 3.6 (actual) | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 |
| Variance from 2024-25 Budget | -0.15 | -0.50 | – | – | – | N/A |
| Reason for variance | Wages growth in 2023-24 was broadly in line with the forecast in the <i>2024-25 Budget</i> . Wages growth in 2024-25 has been revised down, due to weaker than expected wages growth in the December quarter 2024, which was partly due to the Australian Bureau of Statistics capturing recent public sector EBA outcomes that were agreed in December 2024 in the data from the March 2025 quarter onwards. The 2025-26 forecast is unchanged. | | | | | |
| Assumptions used to forecast indicator | Wages growth is assumed to be influenced by the degree of spare capacity in the labour market as well as inflation and inflation expectations. Trend growth is assumed to be 3.25 per cent | | | | | |

| Economic indicator | Population | | | | | |
|--|---|-------------------------|-------------------------|-------------------------|---------------------------|---------------------------|
| Year for which variance relates | 2023-24 Actual | 2024-25 Forecast | 2025-26 Forecast | 2026-27 Forecast | 2027-28 Projection | 2028-29 Projection |
| Forecast/projection in 2024–25 Budget | 2.30 | 1.80 | 1.70 | 1.70 | 1.70 | - |
| Forecast/projection in 2024–25 Budget Update | 2.60 | 1.80 | 1.70 | 1.70 | 1.70 | - |
| Forecast/projection in 2025-26 Budget | 2.40 (actual) | 1.70 | 1.70 | 1.70 | 1.70 | 1.70 |
| Variance from 2024-25 Budget | 0.10 | -0.10 | - | - | - | - |
| Reason for variance | Population growth in 2023-24 was in line with the forecast in the 2024-25 Budget. The 2024-25 population growth forecast has been revised downwards marginally. This reflects lower than expected net overseas migration in the September quarter 2024. | | | | | |
| Assumptions used to forecast indicator | Population growth is assumed to return to its long-term average growth rate of 1.7 per cent. | | | | | |

Trend analysis

- b) For each of the above indicators, when comparing one year to the next in the 2025–26 Budget, please explain the reason for the variance and provide details for any improvement or deterioration for the indicator.

| | 2023–24 Actual | 2024–25 Forecast | 2025–26 Forecast | 2026–27 Forecast | 2027–28 Projection | 2028–29 Projection |
|---|-----------------------|---|--|--|-------------------------------|-------------------------------|
| Real gross state product | 1.5 | 2.00 | 2.50 | 2.75 | 2.75 | 2.75 |
| Variance | N/A | 0.50 | 0.50 | 0.25 | - | - |
| Explanation for any variance year over year | | Growth is expected to pick up as inflation eases further and real wages grow, boosting consumers' spending power, | Growth is expected to continue to pick up, reflecting further improvement in household consumption, and lower interest rates | Economy returns to trend rate of growth. | Unchanged from previous year. | Unchanged from previous year. |

| | 2023–24 Actual | 2024–25 Forecast | 2025–26 Forecast | 2026–27 Forecast | 2027–28 Projection | 2028–29 Projection |
|---|----------------|--|---|---|--|---|
| | | while the RBA further reduces interest rates. | have their full effect. | | | |
| Employment | 3.4 | 2.50 | 0.50 | 1.50 | 1.75 | 1.75 |
| Variance | | -0.9 | -2.0 | 1.0 | 0.25 | - |
| Explanation for any variance year over year | | Growth is estimated to slow but remain high, given partial data for the year from the Australian Bureau of Statistics. | Following very strong employment growth in 2023-24 and 2024-25, with the share of working-age Victorians in work reaching new highs and hence further growth in the supply of labour likely to slow, growth in employment is expected to further ease in 2025-26. Job vacancies remain elevated but have also eased, pointing to lower demand for new workers than in recent years. | Growth rises from the previous year, as the pool of available workers grows, and GSP returns to trend rate of growth. | Growth rises slightly to trend rate of growth. | Unchanged from previous year (remains at trend) |
| Unemployment rate | 4.00 | 4.50 | 4.75 | 4.75 | 4.75 | 4.75 |
| Variance | - | +0.50 | +0.25 | - | - | - |

| | 2023–24 Actual | 2024–25 Forecast | 2025–26 Forecast | 2026–27 Forecast | 2027–28 Projection | 2028–29 Projection |
|---|----------------|---|--|---|---|---|
| Explanation for any variance year over year | | The higher unemployment rate reflects current actuals data from the Australian Bureau of Statistics, partly due to the participation rate reaching higher levels and remaining elevated. | The unemployment rate is projected to continue gradually rising from historically low levels to a level consistent with stable inflation within the RBA's target band. | Unchanged from previous year (remains at trend) | Unchanged from previous year (remains at trend) | Unchanged from previous year (remains at trend) |
| Consumer price index | 4.0 | 2.50 | 2.75 | 2.75 | 2.50 | 2.50 |
| Variance | – | -1.5 | 0.25 | – | -0.25 | – |
| Explanation for any variance year over year | | Inflation continues to ease, mostly driven by goods disinflation. The introduction of the Commonwealth Government's temporary energy rebates for all households also places downward pressure on inflation. | Inflation is expected to rise following the expiration of the Commonwealth's energy rebates in December 2025. | Unchanged from the previous year. | Inflation returns to trend of 2.50 per cent, the middle of the RBA's inflation target band. | Unchanged from previous year. |
| Wage price index | 3.6 | 3.25 | 3.25 | 3.25 | 3.25 | 3.25 |
| Variance | | -0.35 | - | - | - | - |

| | 2023–24 Actual | 2024–25 Forecast | 2025–26 Forecast | 2026–27 Forecast | 2027–28 Projection | 2028–29 Projection |
|---|----------------|--|--|--|--|--|
| Explanation for any variance year over year | | Wage growth is expected to slow, reflecting recent partial data from the Australian Bureau of Statistics for the year, easing labour market conditions, and the delayed impact of public sector EBAs on the Australian Bureau of Statistics wage price index. | Unchanged from previous year (wages growth has returned to trend). | Unchanged from previous year (wages growth has returned to trend). | Unchanged from previous year (wages growth has returned to trend). | Unchanged from previous year (wages growth has returned to trend). |
| Population | 2.4 | 1.7 | 1.7 | 1.7 | 1.7 | 1.7 |
| Variance | | -0.7 | - | - | - | - |
| Explanation for any variance year over year | | Departures of international students continue to pick up from low levels following disruptions to national borders during the pandemic; student arrivals are returning to around pre-COVID levels. This results in a smaller contribution to population growth from net overseas | Unchanged from previous year. | Unchanged from previous year. | Unchanged from previous year. | Unchanged from previous year. |

| | 2023–24 Actual | 2024–25 Forecast | 2025–26 Forecast | 2026–27 Forecast | 2027–28 Projection | 2028–29 Projection |
|--|----------------|--------------------------------------|------------------|------------------|--------------------|--------------------|
| | | migration than in the previous year. | | | | |

Grants – DTF only

Question 51

Budget Paper No. 5: Statement of Finances, Table 4.3, details the expected total grant revenue to be received by Victoria in 2024–25 by grant type.

For the ‘General purpose grants – goods and services tax’ line item if there is a variance:

- a) between the 2024–25 budget figure in the 2024–25 Budget and the 2024–25 revised figure in the 2025–26 Budget, please explain the:
 - i. reason for the variance
 - ii. impact of the variance on Victoria
 - iii. action taken in response to expected changes in the value of general purpose grants.

Response

| Line item | 2024–25 budget | 2024–25 revised | Variance | Reason for the variance | Impact on Victoria | Action taken |
|---|----------------|-----------------|----------|---|--|--|
| General purpose grants - goods and services tax | \$23,487m | \$24,001m | \$514m | The variance is due to an increase in the national GST pool estimate for 24-25 which is partially offset by a small decline in Victoria's population share. | Higher than expected GST revenue has a positive impact on Victoria's revenue and net operating balance | The cause of the increase in GST revenue in 2024-25 and forward years has been incorporated into forecasts for GST revenue for the 2025-26 budget. |

- b. from year to year in the 2025–26 Budget please explain the:
 - i. reason for any variance
 - ii. impact of the variance on Victoria
 - iii. action taken in response to expected changes in the value of general-purpose grants.

| | 2024–25 revised | 2025–26 budget | 2026–27 estimate | 2027–28 estimate | 2028–29 estimate |
|---|-----------------|---|--|---|---|
| General purpose grants – goods and services tax | \$24,001m | \$27,561 | \$27,036 | 27,551 | \$27,825 |
| Variance | NA | \$3,560m | –\$525m | \$515m | \$274m |
| Reason for any variance year over year | NA | This variance reflects an increase in Victoria's GST relativity in 2025-26, driven by the outcomes of the Commonwealth Grants Commission's (CGC) 2025 Methodology review. | The variance from prior year is caused by an expected decrease in Victoria's GST relativity, as the pandemic-related expenses assessments which supported Victoria's relativity in 2025-26 no longer make a material contribution to GST relativity calculations from 2026-27, and declining commodity prices. | The variance from the prior year is caused by growth in GST pool forecast which is partially offset by the impact of a decrease in Victoria's GST relativity predominantly caused by a forecast decline in commodity prices in 2025-26, reducing the revenue raising capacity of mining states. | The variance from the prior year is caused by growth in GST pool forecast which is partially offset by the impact of a decrease in Victoria's GST relativity. |
| Impact of the variance on Victoria | NA | The additional revenue positively impacts Victoria's total state revenue and net operating balance. | The reduced revenue negatively impacts Victoria's total state revenue and net operating balance. | The additional revenue positively impacts Victoria's total state revenue and net operating balance. | The additional revenue positively impacts Victoria's total state revenue and net operating balance. |

| | | | | | |
|---|----|--|--|--|--|
| Action taken in response to expected changes in the value of general purpose grants | NA | Additional GST revenue is used to fund service delivery in Victoria. | Less GST revenue reduces funds for service delivery in Victoria. | Additional GST revenue is used to fund service delivery in Victoria. | Additional GST revenue is used to fund service delivery in Victoria. |
|---|----|--|--|--|--|

Question 52

Budget Paper No. 5: Statement of Finances, Table 4.5, lists Commonwealth grants for specific purposes, with detailed tables by expenditure category in Tables 4.6 to 4.12.

For each line item of the detailed tables by expenditure labelled 'Other' in the 2025–26 Budget, for both years listed (2024–25 revised Budget and 2025–26 Budget) that has a value exceeding \$10 million, please provide details of the grants to which they relate.

Response

| Table number | Grant details | 2024–25 revised Budget (\$ million) | 2025–26 Budget (\$ million) |
|---|---|-------------------------------------|-----------------------------|
| 4.14 – Payments for contingent and other services | <p><u>Commonwealth General Purpose (Other Current) - Hospitals, Nursing Homes, Ambulance Services & Other Health Agencies.</u></p> <ul style="list-style-type: none"> • A one-time payment of \$402 million for hospital related health services in 2025-26 • Further funding for Medicare Urgent Health Clinics • Residential aged care and Supporting Older Australians initiative • National Reform Agenda for Organ and Tissue Donation | \$1 983 million | \$2 363 million |
| 4.14 – Payments for contingent and other services | <p><u>Commonwealth General Purpose (Other Current) initiatives.</u></p> <ul style="list-style-type: none"> • Thriving Suburbs Program (DGS Component) to provide or expand community infrastructure • Growing Regions Program to provide funding for regional capital works • Cost recovery from the Commonwealth for services provided to Federal Prisoners • Regional Precincts and Partnerships Program (DJSIR component), to support transformative investment in regional, rural and remote Australia • Catchment Management Authorities • Family, Domestic and Sexual Violence Responses (DFFH component), and recruitment of 500 frontline workers • Pest and Disease Preparedness and Response Program | \$378 million | \$109 million |

| | | | |
|---|---|--------------|--------------|
| | <ul style="list-style-type: none"> • Energy Efficiency in Social Housing • Albury Wodonga Regional Deal | | |
| 4.14 – Payments for contingent and other services | <u>General Commonwealth (Capital) - Hospitals, Nursing Homes, Ambulance Services & Other Health Agencies</u> | \$36 million | \$37 million |

Equity funding – DTF only

Question 53

Does the Government expect to receive equity funding as an alternative to traditional grant payments made by the Commonwealth over 2025–26 and the forward estimates? If so, please detail which projects will receive this funding and the amount.

Response

The Commonwealth Government has indicated that it will provide equity funding into a third party non-financial corporation owned by the Commonwealth Government for the Western Intermodal Freight Terminal (WIFT) and Beveridge Intermodal Freight Terminal (BIFT) projects in Victoria, collectively known as the Melbourne Intermodal Terminal Package. The 2022-23 Commonwealth Budget committed \$1.9 billion in equity to be delivered through its third party non-financial corporation, the National Intermodal Corporation. Funding of \$1.2 billion was committed in equity for the BIFT project, while \$740 million was committed in equity for the WIFT project. The timing of these equity investments is not known to the Victorian Government.

The Commonwealth Government has also confirmed equity investment into the Australian Rail Track Corporation (ARTC) for its Inland Rail project, which is a project that benefits Victoria through freight rail construction activities between Beveridge and the VIC/NSW border (Albury). The timing of total estimated equity investments into the ARTC is not known to the Victorian Government.

Land transfer duty – DTF only

Question 54

Budget Paper No. 5: Statement of Finances, Table 4.2, provides taxation revenue forecasts across the forward estimates broken down by source.

For the 'Land transfer duty' line item if there is a variance greater than 5 per cent (positive or negative) or greater than \$50 million (positive or negative) when comparing:

Variance analysis

- a) the same year in the 2024–25 Budget and the 2025–26 Budget, please explain the reason for the variance for each year.

Trend analysis

- b) one year to the next in the 2025–26 Budget please explain the reason for the variance.

Response

a)

| | |
|-----------------------------------|--|
| Year for which variance relates | 2024-25 |
| Budget/estimate in 2024–25 Budget | \$8,526m |
| Budget/estimate in 2025–26 Budget | \$9,200m |
| Variance | \$674m |
| Reason for variance | The variance reflects stronger than expected residential sales volumes, as well as more resilient residential property prices. 2024-25 revenue is further supported by a rebound in high-value non-residential transactions. |

| | |
|-----------------------------------|----------|
| Year for which variance relates | 2025-26 |
| Budget/estimate in 2024–25 Budget | \$9,110m |
| Budget/estimate in 2025–26 Budget | \$9,562m |

| | |
|---------------------|---|
| Variance | \$452m |
| Reason for variance | The variance reflects the flow-on effect of stronger-than-expected property prices and transaction volumes in the prior year. |

| | |
|-----------------------------------|--|
| Year for which variance relates | 2026-27 |
| Budget/estimate in 2024–25 Budget | \$9,637m |
| Budget/estimate in 2025–26 Budget | \$9,993m |
| Variance | \$356m |
| Reason for variance | The variance reflects the flow-on effect of stronger-than-expected property prices and transaction volumes in the prior years. |

| | |
|-----------------------------------|--|
| Year for which variance relates | 2027-28 |
| Budget/estimate in 2024–25 Budget | \$10,161m |
| Budget/estimate in 2025–26 Budget | \$10,518m |
| Variance | \$357m |
| Reason for variance | The variance reflects the flow-on effect of stronger-than-expected property prices and transaction volumes in the prior years. |

b)

| | 2024–25 revised | 2025–26 budget | 2026–27 estimate | 2027–28 estimate | 2028–29 estimate |
|--------------------|-----------------|----------------|------------------|------------------|------------------|
| Land transfer duty | \$9,200m | \$9,562m | \$9,993m | \$10,518m | \$11,079m |
| Variance | N/A | \$362m | \$431m | \$525m | \$561m |

| | | | | | |
|---|-----|--|--|--|--|
| Explanation for the variance year over year | N/A | The variance reflects expected dwelling price growth driven by an anticipated improvement in borrowing capacity. | The variance from the prior year is largely caused by trend growth in property prices, moderated by the impact of the Commercial and Industrial Property Tax reform. | The variance from the prior year is largely caused by trend growth in property prices, moderated by the impact of the Commercial and Industrial Property Tax reform. | The variance from the prior year is largely caused by trend growth in property prices, moderated by the impact of the Commercial and Industrial Property Tax reform. |
|---|-----|--|--|--|--|

Public Private Partnerships – modifications and accountability – DTF only

Question 55

Please detail all Public Private Partnerships (PPP) currently under construction in the 2025–26 year as per the 2025–26 Budget, which in comparison to the 2024–25 Budget have changed their:

- name
- scope
- Total Estimated Investment (by greater than 5 per cent (positive or negative))
- timelines (including estimated completion date and key stages/milestones of the project)
- which government entity and portfolio is responsible for delivery of the project or components of the project.

Please provide an explanation for these changes.

Response

Frankston Hospital Redevelopment

| | 2024–25 Budget | 2025–26 Budget | Explanation for change |
|-----------|--|----------------|---|
| Name | Frankston Hospital Redevelopment BP4 name: Building a world class hospital for Frankston families | | |
| Timelines | Q3 2025-26 | Q3 2027-28 | The Frankston Hospital Redevelopment comprises a new hospital tower, refurbishment works, and value creation works. The estimated completion date has been revised to reflect the completion of main works by the end of 2025, with the remaining refurbishment and other works to be completed by quarter 3 2027-28. |

High Capacity Metro Train

| | 2024–25 Budget | 2025–26 Budget | Explanation for change |
|-----------|----------------|----------------|--|
| Timelines | Q4 2024-25 | Q2 2025-26 | The estimated completion date has been revised to quarter 2 2025-26 due to the staging of complex signalling infrastructure works across major projects. |

Melton Hospital

| | 2024–25 Budget | 2025–26 Budget | Explanation for change |
|---|-----------------------------|-------------------|---|
| Name | New Melton Hospital | | |
| Total Estimated Investment (excl financing costs) | 900.000 – 1,000.000 million | 1,487.719 million | The TEI has been revised following financial close of the project in October 2024. The updated TEI reflects the upfront capital investment under the PPP model, which has resulted in additional scope and whole of life benefits, whilst remaining within the project's affordability benchmark. |
| Timelines | Q4 2028-29 | Q1 2029-30 | The estimated completion date has been revised in line with the project schedule. The revised date is still in line with the public commitment to complete the hospital by 2029. |
| Scope | N/A | N/A | The PPP model has delivered value for money benefits including additional capacity for future expansion, ESD benefits, a basement car park, an onsite childcare centre and commercial opportunities. |

Metro Tunnel

| | 2024–25 Budget | 2025–26 Budget | Explanation for change |
|---|--------------------|--------------------|---|
| Total Estimated Investment (excl financing costs) | 12,642.471 million | 13,480.371 million | The TEI has increased by \$837.900 million. This includes the additional payment of \$745.000 million agreed between the State and Cross Yarra Partnership under the 2024 settlement agreement, State costs and reprioritisation of savings from Dandenong Corridor Readiness Works (metropolitan various) (\$18.467 million), Level Crossing Removal (metropolitan various) (\$10.900 million) and Caulfield Reprioritisation Works (\$8.524 million). |

New Footscray Hospital

| | 2024–25 Budget | 2025–26 Budget | Explanation for change |
|-----------|---|----------------|---|
| Name | New Footscray Hospital BP4 name: Building a better hospital for Melbourne's inner West | | |
| Timelines | Q1 2025-26 | Q2 2025-26 | The estimated completion date has been revised from quarter 1 to quarter 2 2025-26 in line with a revised project schedule. |

Net Debt – DTF only

Question 56

Budget Paper No. 2: Strategy and Outlook, Table 1.1, provides general government fiscal aggregates for net debt and net debt to gross state product (GSP).

Variance analysis

- a) For the 'Net debt' and 'Net debt to GSP' line items, please explain the reason for the variance when comparing the same year in the 2024–25 Budget, the 2024–25 Budget Update and the 2025–26 Budget.

Trend analysis

- b) For the 'Net debt' and 'Net debt to GSP' line items, when comparing one year to the next in the 2025–26 Budget, please explain the reason for the variance, including the major projects or interest payment increases that may have contributed to any variance in net debt.

Risks underpinning assumptions in the 2025–26 Budget

- c) Noting the revisions to the forecasts/estimates for debt, inflation, wages and unemployment made in the 2025–26 Budget, please explain:
 - i. how the Victorian Future Fund (VFF) is controlling State debt
 - ii. what impacts these revisions could have on Victoria's credit rating
 - iii. what impact inflation could have on the State's debt repayment forecasts.

Refinancing debt

- d) What proportion of net debt is existing loans that will be subject to refinancing?

Impact of debt on service delivery

- e) What impact does State debt and interest payments have on Government service and infrastructure delivery? Please list the five most significant impacts.

Response

a)

At the *2024-25 Budget Update*, the general government sector's net debt at June 2026 was forecast to be \$168.5 billion (25.0 per cent of GSP), increasing to \$187.3 billion (25.0 per cent of GSP) by June 2028.

Net debt by June 2026 is now forecast in the *2025-26 Budget* to be \$167.6 billion (25.1 per cent of GSP), increasing to \$185.2 billion (25.0 per cent of GSP) by June 2028.

The \$2.1 billion decrease in net debt to June 2028 is primarily due to three key factors:

- Policy decisions: new decisions relating to expenditure on output, revenue, savings and asset decisions which are set out in *Budget Paper No. 3 Chapter 1* and movements in existing asset projects which are set out in *Budget Paper No. 4 Chapter 1*.
- Commonwealth grant variations: an upgrade to general purpose grants (GST) and additional funding from the Commonwealth for health services and capital projects.
- Administrative variations: including movements in contingencies and changes to the timing of activity across departments.

Note the ratios to GSP may vary from publications year to year due to revisions to the Australian Bureau of Statistics GSP data.

Please refer to *Budget Paper No. 2, Chapter 4* for more information.

b)

In the *2025-26 Budget*, net debt by June 2026 is forecast to be \$167.6 billion (25.1 per cent of GSP), increasing to \$185.2 billion (25.0 per cent of GSP) by June 2028.

This is an improvement in all years across the budget and forward estimates, including an improvement of \$2.1 billion by June 2028 when compared with the *2024-25 Budget Update*. Net debt is then forecast to increase to \$194.0 billion by June 2029.

Steps 4 and 5 of the fiscal strategy are to stabilise and then reduce net debt as a percentage of GSP by the end of the forward estimates. As a proportion of GSP, net debt is projected to be 25.2 per cent at June 2027 before declining to 25.0 per cent by June 2028 and then declining further to 24.9 per cent by June 2029.

The increase in net debt from year to year cannot be attributed to any individual project.

Please refer to *Budget Paper No. 2, Chapter 4* for more information on movements on net debt and *Budget Paper No. 4* for more information on the capital program.

c)

| Noting the revisions to forecasts/estimates for debt, inflation, wages and unemployment made in the 2024–25 Budget | |
|--|---|
| Explain how the VFF is controlling State debt | The Victorian Future Fund (the Fund, or 'VFF') was established by the Government to support the State's debt stabilisation strategy. It was established using proceeds from the VicRoads Modernisation Joint Venture and will initially serve to manage the impact of the COVID debt. |

| | |
|--|---|
| | <p>The Fund is being managed by the Victorian Funds Management Corporation (VFMC), the State's specialist investment agency, by implementing a diversified investment strategy designed to deliver returns that exceed the savings that would otherwise have been achieved by simply paying down debt. These excess returns are expected to, over time, improve the State's operating result and net debt position. The investment returns from the Fund will be quarantined and returned to the Fund so that its balance will grow over time. Further investments will be allocated to the Fund in the future through proceeds from designated government land sales and a proportion of future budget surpluses once net debt stabilises. In the 2025-26 Budget, the Fund is projected to have a balance of around \$14.0 billion by June 2029.</p> |
| Explain what impacts these revisions could have on Victoria's credit rating | <p>The impact of these revisions on the State's credit rating is an assessment made by credit rating agencies.</p> <p>Credit rating agencies consider a range of factors in assessing the State's credit rating. These factors include the strength of the Victorian economy and its outlook, the financial management of the State including institutional framework, budgetary performance, debt burden and access to funding, including levels of liquidity held.</p> |
| Explain what impact inflation could have on the State's debt repayment forecasts | <p>Budget Paper 2, Chapter 6 Table 6.5 presents the sensitivity of financial aggregates where the levels of key economic parameters, including inflation ('consumer prices'), are 1 per cent above the forecast for each year of the budget and forward estimates, holding all else constant. The table shows that a one per cent increase in consumer prices, relative to the base case forecasts as presented in Budget Paper 2, Chapter 2 <i>Economic context</i>, and holding all other economic variables constant, would improve the State's net debt balance across the entire forecast period, resulting in a \$448 million reduction in estimated net debt in 2028-29.</p> |

d)

| Net debt | Proportion that is subject to refinancing |
|-----------|--|
| June 2026 | <p>Net debt is the difference between gross debt and financial assets. Gross debt includes TCV borrowings which make up approximately 81 per cent of gross borrowings at 30 June 2024. The balance of gross borrowings is mainly comprised of leases, service concession agreements and Central Banking System borrowings.</p> |
| June 2027 | |
| June 2028 | |
| June 2029 | |
| June 2030 | <p>The projections in the 2025-26 <i>Budget</i> assume that all General Government sector TCV debt maturities will be refinanced and approximately 7- 10 per cent of debt matures each year which spreads out the refinancing task. In practice, the percentage of debt maturing in any particular year will vary depending on market conditions at the time of debt issuance.</p> |

e)

In response to the COVID-19 pandemic, the Government developed in the *2020-21 Budget* a comprehensive fiscal strategy to protect Victorian households and businesses and provide a strong foundation for recovery. This initially involved a four-step plan to support Victorians, grow the economy and return to surpluses over the medium term.

The Government has reported on its progress over the last five years, and updated the plan in the *2024-25 Budget* to introduce a fifth step. The Victorian economy is performing well, with gross state product above pre-pandemic levels and the labour market strong.

The *2025-26 Budget* funds \$22.2 billion in new output initiatives over the five years to 2028-29 and a further \$8.1 billion total estimated investment (TEI) in new capital initiatives that adds to the Government's existing infrastructure program, focusing on critical investments in transport, education and health.

Please refer to *Budget Paper No. 3, Chapter 1* for more information.

Long term financial management objectives – DTF only

The *2024–25 Budget Paper No. 2: Strategy and Outlook* outlined five longer term financial management objectives:

1. Sound financial management – Victoria’s finances will be managed in a responsible manner to provide capacity to fund services and infrastructure and support households and businesses at levels consistent with sound financial management.
2. Improved services – Public services will improve over time.
3. Building infrastructure – Public infrastructure will grow steadily over time to meet the needs of a growing population.
4. Efficient use of public resources – Public sector resources will be invested in services and infrastructure to maximise the economic, social and environmental benefits.
5. A resilient economy – Increase economic resilience by supporting an innovative and diversified economy that will unlock employment growth, long-term economic growth and productivity in Victoria.

To support the long-term financial management objectives, four financial measures and targets have been set:

1. Net debt to GSP – General government net debt as a percentage of GSP to stabilise and reduce in the medium term.
2. Interest expense to revenue – General government interest expense as a percentage of revenue to stabilise in the medium term.
3. Superannuation liabilities – Fully fund the unfunded superannuation liability by 2035.
4. Operating cash surplus – A net operating cash surplus consistent with maintaining general government net debt at a sustainable level.

Question 57

How will the following risks to the Government’s long term financial management objectives be managed:

- a) The growing indebtedness of the State
- b) The rising interest costs of any new and refinanced debt
- c) Rising general government sector employee expenses
- d) Increasing operating expenses driven by rising demand for services and inflationary pressures

Risks to the long-term financial management objectives are managed through the ongoing implementation of the Government’s five-step fiscal strategy of restoring the budget over the medium term. The *2025-26 Budget* continues progress towards this goal, including carefully targeted savings decisions focusing on reducing unnecessary, inefficient and non-priority spending.

The first step in the strategy has been achieved, with strong employment outcomes continuing and robust economic growth.

The second step – returning to an operating cash surplus – means the State is generating sufficient cash inflows to exceed its cash outflows on operating activities, a key pillar of fiscal sustainability. The Government achieved an operating cash surplus for the past two years and continues to forecast operating cash surpluses across the budget and forward estimates, reaching \$5.8 billion in 2028-29.

The third step – returning to an operating surplus – is where the Government generates sufficient revenues to cover its cash expenditure and support the ongoing replacement of existing assets. The Government is forecasting operating surpluses across the budget and forward estimates, with surpluses of \$1.9 billion in 2026-27 and \$2.4 billion in 2027-28, an improvement from the *2024-25 Budget Update*. The operating surplus is then forecast to be \$1.5 billion in 2028-29.

As outlined in *Budget Paper No. 2, Chapter 4*, the estimated average annual growth in expenditure is comparatively low relative to the forecast growth in the size of the Victorian economy, as measured by nominal GSP, and is lower than average revenue growth for the general government sector.

The fourth and fifth steps of the fiscal strategy are to stabilise and then reduce net debt as a percentage of GSP by the end of the forward estimates. These steps involve progressively improving the operating cash surpluses while growing the economy. These surpluses will fund a higher proportion of capital expenditure, reducing the reliance on borrowings.

In the *2025-26 Budget*, as a proportion of GSP, net debt is projected to be 25.2 per cent at June 2027 before reducing to 25.0 per cent by June 2028 and then declining further to 24.9 per cent by June 2029.

Question 58

For the ‘interest expense to revenue’ target:

- a) What is the percentage of interest expense to revenue target DTF is aiming for, and what timeframe (calculated in months or years) is meant by ‘medium term’?

Response

Steps 4 and 5 of the fiscal strategy are to stabilise and then reduce net debt as a percentage of GSP by the end of the forward estimates. These steps involve progressively improving the operating cash surpluses while growing the economy. These surpluses will fund a higher proportion of capital expenditure, reducing the reliance on borrowings.

The General government sector debt management strategy has the objectives of minimising interest cost and controlling interest rate risk by spreading borrowings relatively evenly over a 15-year horizon.

This strategy assists in stabilising interest expenses by managing the amount of debt that is either maturing or subject to resetting of interest rates. This reduces the risk of large amounts of debt being subject to movements in interest rates in any particular period.

In the *2025-26 Budget*, interest expense as a share of total revenue is expected to average 8.0 per cent a year over the budget and forward estimates.

- b) Are general government interest expenses expected to increase or decrease over the 2025–26 Budget and forward estimates and what are the reasons for this?

Response

In the *2025-26 Budget*, total interest expense for the general government sector is forecast to grow to \$7.6 billion in 2025-26, \$8.4 billion in 2026-27, \$9.5 billion in 2027-28 and to \$10.6 billion in 2028-29. This is largely due to additional borrowings as the Government continues to support investment in the infrastructure program.

Interest expenses are also impacted by projected movements in interest rate forecasts. Interest rate estimates in the *2025-26 Budget* are based on the Treasury Corporation of Victoria (TCV) yield curve at 31 March 2025.

Currently, the TCV yield curve is upward sloping (as it is generally in capital markets), which implies that future interest rates will be higher than the current interest rates. Consequently, the interest expense estimates assume that the average interest rate on new and refinanced borrowings will increase over time.

Treasurer's Advances and Central Contingencies – DTF only

Question 59

As per the 'General government asset contingencies not allocated to departments' table in Section 1.3.6 in *Budget Paper No 5: Statement of Finances*, for 2024-25:

- a) please identify the capital project where funding decisions have been made but not yet allocated to departments
- b) the department delivering or relating to the project
- c) the amount of money held in contingency

Response

In the *2025-26 Budget*, the 'General government asset contingencies not allocated to departments' table in Section 1.3.8 in *Budget Paper No 5: Statement of Finances*, sets out the key components of asset funding provisions, including from the Advance to Treasurer in 2025-26 as set out in the annual appropriation bill.

It includes contingencies relating to the budget year (2025-26) and forward estimates (2026-27 to 2028-29), so does not include contingencies held in 2024-25.

However, as a general principle, DTF does not publicly disclose detailed information on contingency allocations, as this funding is held to release upon the achievement of milestones or similar, manage risks and future policy decisions. Disclosure of specific contingency amounts or intended uses could, for example, prejudice commercial negotiations or undermine the Government's bargaining position.

In the case of asset investments, this information is particularly commercially sensitive, as many projects are subject to active procurement processes or market engagement. Premature disclosure may impact value for money outcomes and compromise the integrity of competitive processes.

DTF remains committed to transparency and accountability through regular reporting mechanisms where funding decisions are reflected once they are finalised and no longer commercially or strategically sensitive.

Question 60

1. What are the differences between Treasurer's Advance payments and payments from central contingencies?

Response

As outlined in the Resource Management Framework (RMF), central contingencies are provisions established by Government for future expenditure which have not yet been allocated to specific departments. The provision for expenditure can be across all years of the budget and forward estimates. These contingencies are held and managed by DTF.

In addition, holding funds in contingency is a mechanism for stronger financial management, as funds are only released as needed, once specific conditions or milestones are met, or once the actual amount required has been confirmed (e.g. following an approach to market).

In the *2025-26 Budget*, these are set out in tables in Section 1.3.7 and 1.3.8 in *Budget Paper No 5: Statement of Finances*.

The table in Section 1.3.7 for output allocations include as a new disclosure the following categories:

- **Output milestone** – a provision to account for release of contingency funding upon conditions being met, including when milestone(s) are reached.
- **Future services demand allocation** – a provision not yet allocated to meet additional price and demand growth for sectors such as health and education. This can include other provisions, decisions made but not yet announced, or a provision which otherwise cannot be appropriately classified in the other categories.
- **Provision for unforeseen circumstances** – an unallocated provision, not allocated to specific purposes but specifically set aside for urgent and unforeseen circumstances.

The table in Section 1.3.8 for asset allocations include the following categories:

- **Asset milestone** – a provision to account for release of contingency funding upon a report back delivered or project milestone(s) being reached.
- **Future growth allocation** – a provision for future growth not yet allocated to specific projects. This can include other provisions, decisions made but not yet announced, or a provision which otherwise cannot be appropriately classified in the other categories.

A Treasurer's Advance (TA) represents a specific appropriation made available to the Treasurer each year as part of the annual Appropriation Act, and covers authority only for the budget year.

It includes the appropriation coverage for the total of all output and asset contingencies in 2025-26, as outlined in tables in Section 1.3.7 and 1.3.8 in *Budget Paper No 5: Statement of Finances*.

The RMF outlines separate processes for departments when requesting TA (RMF section 4.4) as opposed to requesting the release of funding from contingency (RMF section 4.5).

2. Have contingency releases been delivered through a Treasurer's Advance payment in 2024–25? If yes, please explain why this mechanism is used rather than another form of payment.

Response

For the first time, the *2023-24 Annual Financial Report*, pages 160 – 165, Table 8.2.13, separately disclosed Treasurer's advance payments relating to decisions made post budget and contingency releases paid from the advance to the Treasurer.

During the year, Treasurer's Advances are approved-in-principle and will not be finalised until the end of the 2024 -25 financial year.

Any Treasurer's Advances drawn down in 2024-25 will be reported in the Annual Financial Report and will be disclosed by the department.

3. How does DTF calculate the following totals to be included in *Budget Paper 5: Statement of Finances*:
- a. General government output contingencies not allocated to departments
 - i. Decisions made but not yet allocated
 - ii. Funding not allocated to specific purposes

Response

As part of the *2025-26 Budget*, the 'General government output contingencies not allocated to departments' table in Section 1.3.7 in *Budget Paper No 5: Statement of Finances*, has been expanded to include new categories.

The table sets out the key components of output funding provisions, including from the Advance to Treasurer in 2025-26 as set out in the annual appropriation bill at the time of this publication.

The expanded output allocations include the following categories:

- **Output milestone** – a provision to account for release of contingency funding upon conditions being met, including when milestone(s) are reached.
- **Future services demand allocation** – a provision not yet allocated to meet additional price and demand growth for sectors such as health and education. This can include other provisions, decisions made but not yet announced, or a provision which otherwise cannot be appropriately classified in the other categories.
- **Provision for unforeseen circumstances** – an unallocated provision, not allocated to specific purposes but specifically set aside for urgent and unforeseen circumstances.

- b. General government asset contingencies not allocated to departments
 - i. Decisions made but not yet allocated
 - ii. Funding not allocated to specific purposes.

Response

As part of the *2025-26 Budget*, the 'General government asset contingencies not allocated to departments' table in Section 1.3.8 in *Budget Paper No 5: Statement of Finances*, has been amended to include new categories for additional disclosure.

The table sets out the key components of asset funding provisions, including from the Advance to Treasurer in 2025-26 as set out in the annual appropriation bill at the time of this publication.

The expanded asset allocations include the following categories:

- **Asset milestone** – a provision to account for release of contingency funding upon a report back delivered or project milestone(s) being reached.
- **Future growth allocation** – a provision for future growth not yet allocated to specific projects. This can include other provisions, decisions made but not yet announced, or a provision which otherwise cannot be appropriately classified in the other categories.

Question 10 - Capital asset expenditure

2025-26 State Budget Paper No. 5/Relevant state financial reports

| Line item | 2022-23 actual (\$ million) | 2023-24 budget (\$ million) | 2023-24 revised (\$ million) | 2023-24 actual (\$ million) | 2024-25 budget (\$ million) | 2025-26 budget (\$ million) |
|----------------------------------|--------------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Payment for non financial assets | 18.76 | 15.34 | 24.53 | 15.34 | 14.61 | 16.2 |
| Total | 18.76 | 15.34 | 24.53 | 15.34 | 14.61 | 16.20 |

2025-26 State Budget Paper No. 4

| Capital projects | 2022-23 actual (\$ million) | 2023-24 budget (\$ million) | 2023-24 revised (\$ million) | 2023-24 actual (\$ million) | 2024-25 budget (\$ million) | 2025-26 budget (\$ million) |
|---|--------------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Existing | | | | | | |
| State Revenue Office (SRO) Expanded Compliance Program 2024 (Statewide) | - | - | - | - | 0.88 | 3.97 |
| State Revenue Office Advanced Revenue Management Program (Melbourne) ¹ | 6.85 | 7.05 | 7.55 | 2.10 | 6.85 | 8.08 |
| State Revenue Office Compliance Program (statewide) ¹ | 1.35 | 3.70 | 5.90 | 5.06 | 3.70 | 3.35 |
| Other capital expenditure | 10.56 | 3.81 | 10.30 | 8.19 | 3.18 | 0.79 |
| Sub total | 18.76 | 14.56 | 23.75 | 15.34 | 14.61 | 16.20 |

| Line item | 2022-23 actual (\$ million) | 2023-24 budget (\$ million) | 2023-24 revised (\$ million) | 2023-24 actual (\$ million) | 2024-25 budget (\$ million) | 2025-26 budget (\$ million) |
|---|--------------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Completed in 2024-25 | | | | | | |
| Boosting efficiency in infrastructure procurement – resourcing the Construction Supplier and Residential Cladding Rectification Registers (Melbourne) | | 0.78 | 0.78 | | | |
| Sub total | - | 0.78 | 0.78 | - | - | - |

| PPPs | 2022-23 actual (\$ million) | 2023-24 budget (\$ million) | 2023-24 revised (\$ million) | 2023-24 actual (\$ million) | 2024-25 budget (\$ million) | 2025-26 budget (\$ million) |
|------------------|--------------------------------|--------------------------------|---------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Nil return | | | | | | |
| Sub total | | | | | | |

| | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|
| Total Payment for non financial assets | 18.76 | 15.34 | 24.53 | 15.34 | 14.61 | 16.20 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|

| | | | | | | |
|---------|---------|---------|---------|---------|---------|---------|
| Correct | Correct | Correct | Correct | Correct | Correct | Correct |
|---------|---------|---------|---------|---------|---------|---------|

Please note the total of capital projects for each year is expected to reconcile to the total payments for non financial assets
Please insert rows as required