

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2025-26 Budget Estimates

Melbourne – Tuesday 3 June 2025

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

WITNESSES

Jacinta Allan MP, Premier; and

Jeremi Moule, Secretary,

Joshua Puls, Deputy Secretary, Public Administration,

Dr Emma Cassar, Deputy Secretary, Social Policy, and

Jason Loos, Deputy Secretary, Economic Policy and State Productivity, Department of Premier and Cabinet.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent. On behalf of the Parliament the committee is conducting this inquiry into the 2025–26 budget estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and broadcast live on the Parliament's website. The broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings, and anything said may be picked up and captioned, even if it is said quietly.

As Chair, I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream this afternoon and other committee members.

Witnesses will be provided with a proof version of the transcript to check and verify. Transcripts, presentations and handouts will be placed on the committee's website.

I welcome the Premier of Victoria the Honourable Jacinta Allan as well as officials from the Department of Premier and Cabinet. Premier, I am going to invite you to make an opening statement or presentation of no more than 10 minutes, after which time the committee members will ask you some questions. Your time starts now.

Jacinta ALLAN: Thank you very much, Chair, Deputy Chair and members of the committee. It is a pleasure to be back here before PAEC for the 2025 season. Can I start by acknowledging the traditional owners of the land on which we are gathering and paying my respects to elders past and present.

Visual presentation.

Jacinta ALLAN: I am delighted to take you through a short presentation about the key features of the 2025–26 Victorian state budget. The budget is very much focused on what matters most for working people and Victorian families, and that is centred on a strong and growing economy but also recognising really keenly that cost-of-living pressures are hurting families, hurting working people, and as a government we are determined to be on their side. That is why you will see throughout this presentation how in this budget we are delivering real help with those cost-of-living pressures right now. But also we have been able to deliver on these cost-of-living supports and these investments because of our responsible approach to this year's budget setting, which also means, as a consequence of these decisions that we have taken, that this budget will deliver an operating surplus in this coming budget year. It will also see net debt fall as a share of the economy. We did chart this course a little while ago – a few years ago – and we continue to deliver on that fiscal strategy, that fiscal plan that we put in place. We have done that by carefully managing the state's finances and reducing government spending on inefficient and non-priority programs, but doing this with a laser-like focus on making sure the budget can deliver more of those supports to families and working people.

I will also highlight throughout the presentation, and perhaps over the course of the afternoon, how this budget also delivers on our government's *Economic Growth Statement* with a package of support which is focused on the economy. At the heart of it are people and jobs and also supporting businesses – making it even easier to start or build businesses here in Victoria. Also, particularly at a time when we are seeing increasing global

uncertainty in terms of some of the economic decisions that have been made in other parts of the world, it continues to be of central importance that we have a strong economic growth strategy to chart our course. Also, the budget focuses on those really important frontline services.

I will try and quickly whip through the rest of these slides, Chair, focusing at the start on the cost-of-living supports I mentioned the most. This budget delivers a significant investment. As I said, it was key to our decision-making in this year's budget to provide \$2.3 billion in support to working people and families with their cost-of-living supports. This is across a range of different areas with your power bills, with the power saving bonus and public transport support and also for schools. I look forward to later on in our discussions talking about the pharmacist program, getting care at the local pharmacy, which is a great initiative, and also continuing to invest in initiatives that have been in place for some time like free kinder, free TAFE and our Get Active Kids vouchers as well.

I touched earlier on a growing economy and how that is particularly important to being able to underpin that cost-of-living support that I have just mentioned. We are seeing that despite some of those global pressures I referenced earlier, the Victorian economy today is 14 per cent larger in real terms than it was before the COVID-19 pandemic. If you contemplate the global economic shock that all jurisdictions experienced through that COVID period, to come out on the other side of that a 14 per cent larger economy means there are more jobs, more businesses and more investment in our state. Certainly our economy has grown faster than that of any other state over the past decade, and in the past year alone, business investment grew by 3.7 per cent whilst across the rest of the nation it declined by 1.3 per cent. That means more than 113,000 new businesses have been created here in Victoria in the past five years, an 18 per cent increase. Also, importantly, around jobs, 85,800 Victorians have found work. You will see from the budget papers the economic outlook remains a positive one – notwithstanding some of those challenges – inflation returning to lower levels, wages growth being forecast over the forward period.

Continuing to support jobs and a strong economy is our focus. Part of that is having a good, strong infrastructure pipeline. You can see there how that pipeline has grown, but also now we are focused on how we are progressively returning that capital program towards those pre-pandemic levels.

Also, if I can go to the next slide, it will take you to what that investment is realising – a world-class transport network. We will be really excited later this year to see the turning on and operationalising of the Metro Tunnel. This year's budget delivers the services that will run through the Metro Tunnel, but also the West Gate Tunnel will be completed and opened later this year. Then there are also investments in those local and suburban roads that people rely on every single day, as well as investment in those important projects that we are partnering with the Commonwealth on, particularly at Sunshine station as a big step towards delivering airport rail.

Continuing to invest in those frontline services is absolutely central to the role of any state government, and for our Labor government it is alongside making sure families and working people have the cost-of-living supports they need. It is also about making sure that they have the investment in the frontline services they need.

When we start with health, we have made substantial investments in our health system in recent years. An additional \$11.1 billion has been invested in this year's budget. We have a world-class health system here in this state. It is outstanding. It is world class because of the people who work in it, the tens of thousands of healthcare workers and other staff who work in our hospital system, and we continue to support them with this investment but also with new infrastructure in new large hospitals, small hospitals, community hospitals and then also initiatives like the Victorian Virtual Emergency Department, which is an incredibly important initiative. I know Ms Kathage is very familiar with the VVED as a mum of three. It just demonstrates how you can be anywhere; you can be in Yan Yean or Mildura and you can access the VVED from the comfort of your home, which is really important when you might have a sick little one that you have got to take care of.

Also this budget continues that year-on-year investment we are making in our mental health system as a result of the Royal Commission into Victoria's Mental Health System, where we accepted the recommendations and invested. Since 2018 we have invested more than \$6 billion in our mental health system and we continue that investment in this year's budget, as you can see there with \$497 million in our mental health system.

Education is another key and central area of the work of our state government, making sure that our students learn in great new buildings but also supporting the great work of the staff and the programs that are run in our great government schools. I mentioned before that we have a world-class health system; we have an outstanding government school system as well. And that is why you will see in this year's budget there is that investment of \$4.9 billion, continuing to build that better future for our students. The \$1.5 billion to deliver new schools, new school upgrades and maintenance support again is a sustained effort. Year on year we have been investing in new school buildings. Part of that commitment is to open 100 new schools by 2026. We are on the way – 81 have already been opened, including six at the start of this school year, and another 19 are on track for the opening of day 1, term 1 next year.

But it is not just building the new schools, it is also investing in what goes on inside of our schools as well. This is the great gift of public education: making sure every child has the opportunity to get a great education, regardless of where they come from. That is why there is additional funding of \$133 million to deliver the programs around excellence in reading and writing and maths, and then also the really important work of supporting students with a disability, supporting those great special development schools and programs for students with a disability that, again, we are making sure are inclusive and supportive. Then there are also the additional initiatives that are about supporting the workforce and attracting and retaining our great teachers.

The next slide goes to how we are continuing our program to build more homes. Again, it is so critically important for an equity outcome to make sure particularly young Victorians who have been locked out of the housing market have a go and have an opportunity to find their first home. That is why this budget, amongst a number of initiatives, includes extending that stamp duty concession – a tax cut – for off-the-plan apartments, units and townhouses, to support more homes.

Keeping communities safe is another priority of the budget as we continue to invest in making sure that the prison capacity and the prison officers are there to back in our tough new bail laws that are focused on keeping our community safe.

The CHAIR: Thank you, Premier.

Jacinta ALLAN: Thank you, Chair.

The CHAIR: First 17 minutes is going to Mr Welch.

Richard WELCH: Thank you, Chair. Thank you, Premier. Premier, I will refer you to budget paper 4, page 19. In relation to the SRL, it states announced funding totals \$11.8 billion. However, on page 168 of the same document, it states that the Suburban Rail Loop East main works project has a total investment to be confirmed and a completion date –

Jacinta ALLAN: Sorry, what was that second page number?

Richard WELCH: 168.

Jacinta ALLAN: Yes.

Richard WELCH: How is it that despite announcing \$11.8 billion in funding, the project has no confirmed price tag and no confirmed completion date?

Jacinta ALLAN: Thank you for your question, Mr Welch. You have read two parts of BP4. I would encourage you to read the footnotes as well. It is always important when we are reading – particularly BP4 and the funding that has been allocated to capital projects – to refer to the footnotes, because the footnotes do identify how the Suburban Rail Loop East is expected to require an investment of between \$30 billion and \$34.5 billion. Of course because of the size and scale of the Suburban Rail Loop, it is being delivered across a range of different packages. Those packages are at various stages of procurement processes. If my memory serves me correctly, we have announced an early works package and the first two packages that involve tunnel-boring machines that will be in the ground from next year. There are a number of other packages that are still in that procurement phase, which means we will confirm the allocation of funding as those procurements are realised, just like we have done with the early works and the two packages that involve the tunnel-boring machines. We again have announced publicly the investment in those two packages that involve the tunnel-

boring machines. I am sure someone can provide them with a quick Google search, but I can provide them for you, Mr Welch, if you would like that detail more precisely.

Richard WELCH: Premier, are you saying then that you are very confident that the figure of \$34 billion will be the ultimate figure?

Jacinta ALLAN: Well, the range between \$30 billion and \$34.5 billion continues to be our estimate – thank you, Secretary. On the tunnel's delivery, what is called works package C, which is the bigger of the two tunnels – 26 kilometres of twin tunnels have been broken up into two packages. The first is 16 kilometres, and that has been announced and estimated as being –

Richard WELCH: Premier, I am familiar with the project. I am interested in the costings.

Jacinta ALLAN: And I am sharing them with you. If I can just finish sharing with you – the \$3.6 billion that has been invested in works package C –

Richard WELCH: On a point of order, Chair, I do not need a description of the project. I would like to proceed with my next question.

The CHAIR: On the point of order, Mr Welch, now that you have raised one: the Premier is entitled to respond to your question whether you like the Premier's response or not. The Premier is entitled to respond to your question, and I believe that she was. If you would like to move on to the next question, thank you.

Richard WELCH: Thank you, Chair. Thank you, Premier. Premier, can you confirm that the development and initial and early works referenced on page 168 – that is roughly \$2.3 billion – is that excluded from the \$30 billion to \$34 billion price tag?

Jacinta ALLAN: No. It is inclusive.

Richard WELCH: It is included. We have seen recently with the Metro Tunnel there has been approximately \$700 million required to operationalise the Metro and a similar cost for Suburban Rail Loop East. Is that also incorporated in that \$34 billion?

Jacinta ALLAN: This is a great opportunity to explain how capital projects are delivered and how when they are ready to be operationalised – we do this for schools, we do this for hospitals and we do it for train lines as well. The budget papers will show the TEI and the investment in the Metro Tunnel on page – I am just trying to go back a page or two. Actually it will be in the VicTrack. It is in this section; here it is: it is on pages 166 and 165. It talks about the investment that the government has made in the Metro Tunnel. Of course when we make the capital investment we always know, again, whether it is a school or a hospital – and as I think I skipped over in my presentation, this year's budget includes significant operational funding for the nine new or expanded hospitals that we are delivering. Train lines are no different. So the Metro Tunnel –

Richard WELCH: In the interests of time, because I am very pressed for time: is the operationalising of the SRL part of the \$34 billion?

Jacinta ALLAN: I am explaining to you that it is standard practice that closer to 2035, when the Suburban Rail Loop East will be opening – and what will come with the opening in 2035 will be a train line to Monash University, a train line to Deakin University –

Richard WELCH: Right. But there will be extra cost for that at that point?

Jacinta ALLAN: Yes.

Richard WELCH: What is that cost?

Jacinta ALLAN: That will be determined closer to that point in time. I would love it to be much sooner, but it does take a little while to build tunnels. We have seen the Metro Tunnel take 10 years. The Suburban Rail Loop is on track to open in 2035, and you would expect us at that point in time to sit down and negotiate with the operator the investment that will be required. Can I be clear, though –

Richard WELCH: I understand your answer now, so –

Jacinta ALLAN: Can I just finish this point; this is an important point: we build train lines to run trains on them. That is a really important, fundamental point. We build train lines to run trains on them so kids can get to Monash University, so kids can get to Deakin University, a nurse can get to work at Box Hill TAFE. I have seen some of the commentary; it is inferred that it is a problem that you have to come along and fund the train services –

Richard WELCH: Premier, we also run budgets so we do not go broke. This is not on budget, so that amount is in excess of the \$34 billion. I am glad you have clarified that. Can the Premier –

Jacinta ALLAN: Are you suggesting – Chair, if I can just clarify –

The CHAIR: Please proceed.

Jacinta ALLAN: I think what the member is proposing is that we run a pub with no beer. You do not build a train line and a train tunnel and then not run trains through it.

Richard WELCH: And not have money for it – when you are not able to fund it.

Jacinta ALLAN: And on that question, if I can answer that question on the cost–benefit of this project, we simply cannot afford not to build the Suburban Rail Loop. The business and investment case demonstrates that for every dollar invested it returns up to \$1.70. I believe you represent this part of the world. If you think about the way our city is growing, we need to address the congestion challenge, we need to address the issue of building more homes next to more train stations –

Richard WELCH: This is not in relation to the question I am asking.

Jacinta ALLAN: Your question went to the affordability of the Suburban Rail Loop, and I am suggesting that the evidence demonstrates we simply cannot afford not to build the Suburban Rail Loop, because it is so central to the way our city will grow into the future. Also, as the Secretary –

Richard WELCH: Thank you. Premier, can you confirm that over \$1 billion has already been spent on Suburban Rail Loop main works despite being listed in the budget as ‘to be confirmed’?

Jacinta ALLAN: I would have to refer to the minister responsible for the project in terms of the expenditure, but you can anticipate that in preparation to have tunnel-boring commencing from next year there will have been investments made. But going back to your point –

Richard WELCH: That is still under ‘to be confirmed’, but we are spending money when there is a ‘to be confirmed’ line.

Jacinta ALLAN: Yes, and that goes to the earlier point that I made. We have – and you did interrupt, so I would appreciate the opportunity to go back and explain – already previously announced that the work package C, which is the 16-kilometre stretch of tunnel between Cheltenham and Glen Waverley, is an investment of \$3.6 billion, publicly announced, contracts awarded. Tunnel works package D, which is the 10-kilometre stretch between Glen Waverley and Box Hill, that is an estimated investment of \$1.7 billion. So we have already publicly announced the investment in those two packages. This budget paper item explains the total cost of the project, and as I have just explained, there are still other packages that are going through procurements. I am sure as members of PAEC you would appreciate we would not want to compromise now the state’s position to be able to negotiate with the tenderers and the construction industry to get the best possible outcome on behalf of the state.

Richard WELCH: Thank you. Premier. The Department of Premier and Cabinet is a member of the interdepartmental –

Jacinta ALLAN: Sorry, which department?

Richard WELCH: The Department of Premier and Cabinet –

Jacinta ALLAN: Yes.

Richard WELCH: is a member of the interdepartmental committee on the SRL.

Jacinta ALLAN: Yes.

Richard WELCH: A freedom-of-information document on the interdepartmental committee on the SRL minutes from the 21 June 2024 states that the committee discussed the importance of keeping the program on track while resolving their – and there is one word redacted – issues. However, the same FOI document two pages later notes the same sentence except unredacted, and the IDC discussed the importance of keeping the program on track while resolving cost issues. What are those cost issues?

Jacinta ALLAN: Well, I think at PAEC last year I went through at some length – and it continues to be a feature that is challenging governments around the nation and indeed globally – that construction costs have accelerated substantially. You referred to minutes from 21 June 2024. Well, around that time last year I was sitting here at PAEC referring to the 21, 22 per cent cost escalation that had been experienced nationwide in the construction industry, and particularly when you look at global supply chains, particularly for steel, the challenge of cost pressures and needing to keep an eye on them is only exacerbated as a result of some of those decisions that we are seeing come out of the US in particular. So I think it is entirely prudent, firstly, to have an interdepartmental committee; it is again standard practice when you have these big and large projects that you have an interdepartmental committee. And it is no secret that it is DPC and DTF and –

Richard WELCH: What is the cost issue?

Jacinta ALLAN: I am explaining to you the cost issue is the construction escalation that is being experienced by projects around the country and around the world.

Richard WELCH: Premier, in acknowledging that –

Jacinta ALLAN: There is cost of materials. There is –

Richard WELCH: Infrastructure Australia have made it abundantly clear that one of the two key things they require is updated costs. The government is very fond of saying, ‘We’re working with Infrastructure Australia, we’re working with the federal government,’ but Infrastructure Australia have been absolutely clear: the two things they require are updated costs and clarity on how the value capture mechanism works. If you are not providing that, and you have just acknowledged yourself that the costs have gone up –

Jacinta ALLAN: No. No, can I please –

Richard WELCH: Globally. No, I am not –

The CHAIR: Excuse me, Mr Welch. Mr Welch, I would caution you about putting words into the Premier’s mouth. Premier, if you want to clarify that for the record.

Jacinta ALLAN: No, I think Mr Welch did correct himself as appropriate. I was referring to the global escalation of construction costs, but I will let the member continue.

Richard WELCH: But the point follows: why is the SRL immune to those increases, and why haven’t you provided updated costs to Infrastructure Australia?

Jacinta ALLAN: Well, there are a couple of things. I never suggested that any project that we are delivering is immune to those global challenges. Going back to your reference to the interdepartmental committee, one of the tasks for all of us is to manage costs within that budget envelope that is identified in the budget paper that you referenced earlier. That is the task of that interdepartmental committee, the minister responsible for the project and the authority delivering that project. So that is the first point. On the second point around the request for further work with Infrastructure Australia, we are absolutely doing that work with Infrastructure Australia, and I should also note that we do that in the context where Infrastructure Australia itself has said that the project demonstrates the:

... strong potential to reshape the urban form, increase access to jobs and services, and improve transport connectivity in Melbourne ...

and that it:

... presents a significant opportunity to directly improve quality of life for residents in the middle and outer suburbs – the ones I believe you represent –

... of Melbourne's east by increasing transport choice, connecting major ... health, education and retail areas, and facilitating new housing.

This is why Infrastructure Australia supported the release of the funding and why we will continue to –

Richard WELCH: All the more reason why you should provide updated costs and the value capture mechanism to them.

Jacinta ALLAN: If you had resisted the temptation to interrupt me, you would have heard me say that that is exactly why we are working with Infrastructure Australia.

Richard WELCH: It has been a year and a half, two years, so what exactly are you working on? Because if it is not simply providing them the updated costs and explaining what the value capture mechanism is, what are you working on with them?

Jacinta ALLAN: I think you are answering your own question there. I have indicated that we are working, in terms of the information that we are providing to Infrastructure Australia, to help guide future decisions of the federal government.

Richard WELCH: What is that information if it is not cost in the value capture mechanism?

Jacinta ALLAN: No, I think you might be misunderstanding.

Richard WELCH: You have provided the updated costs?

Jacinta ALLAN: Hang on, hang on. I think you might have been misunderstanding what I said earlier. I said, yes, we are working, in terms of what Infrastructure Australia is asking for, and we are working with them. And again, this is standard practice.

Richard WELCH: So you have provided updated cost –

Jacinta ALLAN: We are in the process of providing information as requested by Infrastructure Australia around the value capture mechanisms.

Richard WELCH: What information? Premier! Premier, what –

The CHAIR: Excuse me, Mr Welch. I hope I do not have to caution you again today about this. You will treat the Premier with respect. You have a question. Please ask the question.

Richard WELCH: Well, I am not sure my question is being respected.

The CHAIR: You cannot tell the Premier how to respond to your question. Even if you do not like the Premier's response, the Premier is actually responding to you, and this is important evidence that will form part of our inquiry.

Richard WELCH: That is true, Chair. That is true.

The CHAIR: Please ask your question again.

Richard WELCH: Have you provided Infrastructure Australia updated costs and details in the value capture mechanism?

Jacinta ALLAN: In terms of the actual detail and the exchange of information, that is being handled as appropriate by our officials, so I will have to suggest that might be something we can come back to, particularly the Minister for the Suburban Rail Loop. But I do want to be really clear, in terms of providing Infrastructure Australia with information that we need to provide, it comes in the context that Infrastructure Australia itself, as I just indicated to you, thinks that this is a project of great importance to your community and to the state of

Victoria, and it is in that context that we are working with our partner in the federal Labor government to deliver this project. It is just so vitally important. Depending on whether you are focused on productivity, getting cars off roads, connecting a train line to Monash University, making sure workers can get to where they need to go or making sure we can build more homes near train stations exactly where they should be, this is a project that stacks up, and we are getting on and delivering. We will work, as we have for other projects –

Can I be clear: this is working with Infrastructure Australia. It is great. I must say, I was not always able to work with a federal government on our projects, the Metro Tunnel being a case in point where money was taken off the Metro Tunnel by the former federal Liberal government. We have got a government that we are working with. I know this is hard to appreciate for some, but we are really delighted to be working with them.

Richard WELCH: No, I just would like to have more questions, if I could; I have not got much time. I will note also that the federal government, which you have just mentioned, has not provided additional funding. You still require \$11.5 billion from the Commonwealth –

The CHAIR: Thank you, Mr Welch. We are going to go straight to Ms Kathage.

Lauren KATHAGE: Thank you, Chair, Premier, officials. Budget paper 2 sets out the strength of Victoria's economy across a couple of pages there, pages 1 to 3. Can you speak a bit about how this budget is contributing to the growth or the expansion of the economy?

Jacinta ALLAN: Yes. Thank you, Ms Kathage. As I mentioned earlier in my presentation, having a focus on the economy and supporting its growth and resilience is of central importance to our government. It also means that we can have that focus on real help with cost of living and supporting our frontline services, as well as having that strong and growing economy. As I think I mentioned earlier, our economy is 14 per cent larger today than what it was a number of years ago, an increase of 4.7 per cent per capita, and also you will see from the budget papers that it is expected to continue to grow even faster over the coming years.

Again – I mentioned this earlier; I will keep mentioning it because it is an important metric – business investment in Victoria is up by 3.7 per cent: down 1.3 nationally, up 3.7 per cent here in Victoria. That is a really strong metric that shows that businesses are investing with confidence here in our state. Growing the economy is a central plank of our fiscal strategy, because a growing economy, yes, certainly means more jobs, but it also addresses that plank in our fiscal strategy around seeing debt stabilise and come down over that as a share of the economy.

In terms of this year's budget, there is \$627 million of investment to support businesses and to grow the economy. I have it here. I do not have copies for everyone, but I would be delighted to share with everyone copies of our *Economic Growth Statement*, which we released last December. This budget backs that work with \$240 million to support businesses to continue to grow and reduce red tape, but also to support Victorians with the skills that they need to be able to access the jobs of tomorrow. That is why the *Economic Growth Statement* also clearly identifies where we see those industries for growth are and looks at how we can support them through the work that we have done.

There are a couple of key features that we have in the budget that support our economic growth strategy – \$150 million for our new Victorian Investment Fund, again, focusing on those priority industry sectors that I mentioned earlier and also providing direct support like grants for businesses and industries. There is a dedicated \$50 million regional stream within that, making sure we are seeing that growth occur right across the state. And also we are continuing investment in TAFE. Central to supporting a growing economy is making sure businesses can access the skilled workers that they need. That is why there is \$459 million in TAFE and training initiatives to both support people to get the skills they need but also to upskill as well. And if you can upskill, that does often mean you are moving into higher paid, more secure jobs – great for you and your family and your household, but also really important for our state and business needs as well.

What also supports a really strong economy is our investment in our infrastructure program and pipeline. The budget has \$8.1 billion in our infrastructure pipeline. I think I mentioned in the presentation earlier schools, and we have had a bit of a chat just now about transport and hospitals as well. And of course a big feature in this year's budget, which I know the Chair is very fond of me mentioning, is the investment around Sunshine station, which is great in terms of a project in its own right, in terms of what it means to unlock capacity at Sunshine, but also as a big, major step towards the delivery of an airport rail connection. I mentioned before

that construction will finish this year on the West Gate Tunnel, the Metro Tunnel and the new Footscray Hospital and also the redevelopment of Frankston Hospital.

And then of course, if I can just segue off capital for a minute, once you build the hospitals, you have got to fund them to run. That is why there is an investment of \$634 million to fund the operationalisation of that extra hospital capacity, as there is too the additional funding for the trains to run through the Metro Tunnel – remembering of course that the Metro Tunnel is going to be the biggest overhaul to our public transport system in more than 40 years, since the opening of the city loop more than 40 years ago.

I have mentioned the investment in schools as well. Another important investment is the work in the better roads blitz. Last year's budget was the biggest investment ever in road maintenance. Well, this year's budget has gone even further. This is in recognition of a couple of things: we need to continue to invest in our road network, but also it has taken a bit of a battering in recent years as a result of those big flood and storm events that we are seeing more frequently across our state. And so this is where you can see the range of investments all go towards supporting our strong and growing economy.

Lauren KATHAGE: Thank you. You mentioned the government's fiscal strategy earlier. We heard a bit from the Treasurer on how that is progressing, but I am keen to hear your view on how you see the government progressing through that.

Jacinta ALLAN: Thank you, and I am sure you did have some conversations with the Treasurer earlier, because we do have a fiscal plan. We are sticking to it, and by sticking to it we can see how we can make that investment in those frontline services, make that investment in building on our strong economy. We are doing this through careful management – and again I am sure the Treasurer went to this – zeroing in on inefficiency and non-priority programs, and that means we can continue to turn that investment into those frontline services, which are so important to our families as well. We are progressively working our way through delivering the different steps of the fiscal strategy. Last year we achieved steps one and two. This year continuing our fiscal discipline means we are achieving that step three of delivering an operating surplus in 2025–26. A couple of key points there. It is the first time since before the pandemic, and we are amongst Western Australia and South Australia, the only three states in the nation to do so, to deliver an operating surplus – in 2025–26 – with that averaging out to be \$1.9 billion over the forward estimates. So we will continue to remain disciplined against that fiscal strategy.

Part of that too is looking at – we have mentioned infrastructure a little bit already – making sure we continue to be able to deliver a sustainable infrastructure program. The presentation earlier showed that that is stabilising back to those pre-pandemic levels – still at a good rate though, recognising that we are a growing city and state. A growing city and state need to have continued investment in the road and rail and hospital infrastructure that supports people to have the great life that we have here in Victoria, and also it is important for jobs. It is so important to have that pipeline of infrastructure so people can have that confidence that they can come off the Metro Tunnel, which is finishing later this year, and head across to the Suburban Rail Loop. I meet so many workers when I am out and about on our projects who talk to me about the different projects that they have worked on over the past decade because we have had that sustained pipeline – and that sustained pipeline has come as a result of making those investments in the context of our fiscal strategy.

Lauren KATHAGE: And the jobs that you are talking about – BP2 sets out that there is good, strong jobs growth in Victoria. In terms of this year's budget, how will that help deliver jobs not just in and of themselves but then deliver services that Victorians are wanting?

Jacinta ALLAN: Jobs are absolutely central to the work we do, and I see them as an incredibly important priority for our government because of, yes, the important role that they play in terms of supporting a strong and sustainable economy. But also, as I often say, behind every job is a worker who takes home a pay packet to their household and their family every single week. And that is so important for families and households – to be able to have that reliability of that pay packet coming home, particularly when those cost-of-living pressures are real right now.

I mentioned before, we lead the nation in jobs growth and in business investment, and over the past year alone more than 85,000 Victorians have found work, which is a significant number. Also more jobs means more people are fairly sharing in their workforce participation, and workforce participation for women is also near a

record high, which again does not just speak to the importance of the economy of being able to access that pool of skilled workers but is such an important equality outcome as well. We are seeing that strong labour market strength being felt right across the state, including in rural and regional Victoria. The regional unemployment rate remained low in 2024, averaging around 3.8 per cent. But again, we cannot just rest on our laurels; we know we need to continue to both provide the economic environment where we have that record business investment and jobs growth and also support a range of initiatives. There are 44 initiatives in our *Economic Growth Statement*. They include cutting red tape and supporting businesses to create more jobs.

Government is an important source of job creation as well. That is why there are the investments in the budget to attract and retain and support teachers in our great government schools through some targeted scholarships and professional learning, supporting our early education workforce – so important as we continue to roll out free kinder and roll out more hours for three- and four-year-old kinder. There are 20,000 people employed directly across our Big Build. Also, because of some decisions we have made, we are recruiting and supporting 700 new prison officers joining our corrections system. These are all good government jobs that support our economy but support families and households as well.

When you look at the health system in particular, if you zero down on the health system in particular, we have grown the healthcare workforce more than 50 per cent in the last decade. A big chunk of that would have come through that course of the pandemic, but it also reflects a growing economy and it also reflects a growing community that needs more health care close to where they live. When you can make sure that you can have community hospitals and large hospitals, you have got to staff them, and that is why we are seeing more than 40,300 additional nurses, midwives, doctors, allied health professionals and other hospital staff in our state's health services. We also understand that we have got to support the pipeline, which is why there are programs to support additional registered undergrad nurses, midwife students and nurse practitioner roles as well. There is also work to support our rural maternity program as well – maternity midwives to meet the needs of their community through Victoria's Maternity Connect program. So it is a range of investments – direct investment that we make, supporting the workforce and then programs that are targeted to bring the workforce through into those good government jobs – that do support the strong jobs base but also support the private sector as well.

Lauren KATHAGE: A personal thanks for the midwifery program, because the midwife who delivered my latest baby became a midwife through a government scholarship.

Jacinta ALLAN: How lovely.

Lauren KATHAGE: It has a real-world impact, and she was very good indeed. So thank you very much, Cassie. Pages 25 and 26 of budget paper 2 talk a bit about the trade outlook. Victoria is not just by itself; we exist in the world. Has Victoria thought about responding to US trade sanctions – or proposed tariffs, rather.

Jacinta ALLAN: We have amongst the best exporters and exports in the world. In 2024 our goods exports hit a record high of \$39.7 billion, an annual increase of 11 per cent. That is a significant growth, and it comes off the back of the hard work of businesses and the workers who work in these export-orientated industries at a time, as you say in your question, that we are seeing ongoing global uncertainty. There was the global uncertainty triggered by the pandemic, which was continued through international conflict and now various decisions that are coming out of the White House on a semiregular basis. It continues to be a really challenging environment for our exporters, so to see that number lift to that amount really does speak to both the quality of the produce and the quality of the people who make the product as well. The increase has particularly been driven by our food and fibre exports. They have driven that export of goods. Beef and meat, Victoria's top two goods exports, grew by 50 and 28 per cent respectively. Again, it speaks to the importance of those industries in rural and regional Victoria as well. Also service exports: we are a people state as well and our service economy and our service exports are important to us. They have seen a 12 per cent increase on the previous year, an investment that is worth \$32 billion to our economy. That includes growth in international education. International education is important for the economy; it is important for our cultural way of life as well. International education supports around 64,000 Victorian jobs.

If I can just say that in terms of some of that global uncertainty, particularly out of the United States, we have been really clear as a state that we think those tariffs are unjustified. It is driving that global uncertainty. We will continue to work through our substantial network of overseas offices on how we can support any exporter who might be finding they may be at risk – because it still continues to be a little uncertain – to provide new

source markets. It is why the engagements we have – particularly with India and with China as two key source markets but there are others as well – are so critically important to the work that we do. That is why in the budget this year there is \$35 million to support our exporters, specifically for our exporters, looking at how we can provide one-on-one facilitation. It is particularly important for our small and medium-sized businesses. Some of our bigger businesses, particularly in the manufacturing, advanced manufacturing and defence space, are big and they have good, established networks and relationships. It is helping our small and medium-sized businesses to tap into that global market, which is part of that work that we will be doing, particularly at a challenging international time.

It is also helping businesses to sell their products around the world and find new customers, including through some of that personalised support that we will provide through our exports. We are continuing to provide support for our export businesses. Whether it is in the food and fibre space or the advanced manufacturing space, Victoria has an outstanding reputation for what we produce. If anyone had spent any time at the air show back in March, it is not just about the planes in the sky, it is about the manufacturing businesses on the ground here in Victoria that are regarded internationally for what we produce, and we will continue to support them through that very large overseas network of trade and investment offices. I think of all the states we have the largest overseas network, which is directly connecting those small and medium-sized businesses that I mentioned earlier with those opportunities in country through our global network of overseas offices, which do a terrific job.

Lauren KATHAGE: It is great to have the regional support for regional businesses as well.

The CHAIR: Thank you, Ms Kathage. We are going to go to Ms Benham.

Jade BENHAM: Thank you, Chair. Afternoon, Premier. I am still seeking some clarity around the Emergency Services and Volunteers Fund, and I do have to refer to the gazette on Friday with the revised figures after Friday's announcement. Your gazette on Friday did list the funding for each recipient with the percentage that comes from the Emergency Services and Volunteers Fund. That allows us then to calculate each agency's total budget for 2025–26. The budgets of FRV, the CFA and the SES have all reduced from 2023–24, by \$115 million, \$42 million and \$8.5 million respectively. How is it that you are raising an extra \$550 million in tax but actually cutting the budgets of the main emergency service responders by \$165 million?

Jacinta ALLAN: Thank you, Ms Benham. I am really pleased that you have asked me this, because it gives me the opportunity to clarify and to make it absolutely clear that your calculations are wrong. You made a statement in your question that the gazettal allows you to calculate the total budget for 2025–26, which is simply incorrect.

Jade BENHAM: How is that incorrect?

Jacinta ALLAN: I am about to take you through how incorrect that statement is, because we have been really clear that whilst every dollar – every dollar – of the emergency services fund will go to emergency services, not every dollar that is expended in those emergency services agencies comes from the fund. As colleagues would know, because we have just been through a recent parliamentary debate, the Emergency Services and Volunteers Fund funds up to a threshold of 90 and 95 per cent depending on the agency. Therefore there is more money that gets allocated by the government into emergency services, and a couple of examples that I can provide you with demonstrate how your assertion is wrong. And in being really clear that your assertion is wrong, I would really hope that you could work with us to be able to make sure that this misinformation does not get out there into communities, because that would be quite a dishonourable thing to do, to have this level of misinformation be circulating in communities when it is just simply not correct. I will give you the benefit of the doubt. It could come from a simple misreading of the budget papers and the gazettal, or it could be some deliberate misinformation, but I will give you the benefit of the doubt, Ms Benham, as to which one it is.

An example of what is not in those gazettal figures is the investment that we are making – investment that has already being announced – and which totals more than \$250 million of support to our emergency services for things like the rolling fleet program for the CFA and the SES and the rolling fleet program for Fire Rescue Victoria. That is just one example of many more where there are other funds that go to our emergency services, and it is just simply not correct to extrapolate the figure you see in the gazettal with the overall budget for our

emergency services. I really hope that clarifies it for you and you can work with us to make sure that that matter is put to bed once and for all and that none of this information gets circulated in the community, because that would be quite deliberately misleading of our investments that we are making in our emergency services.

Jade BENHAM: I am still not clear, Premier, honestly. Where the Country Fire Authority is listed, the funding for that fund is at 95 per cent. It is easy to calculate: you divide that figure by 0.95, and you come up with 100 per cent. What do you say, then, the other base funding might be, if that is not the correct calculation to get to 100 per cent of the CFA funding, which is in fact less than 2024–25 figures, at \$337.6 million?

Jacinta ALLAN: Again, you cannot extrapolate a previous budget, an annual report which you have drawn those figures from, against the gazettal, against the total budget for our fire agencies. If I can use a colloquialism, they are not apples and apples. They are not direct comparisons; they are incorrect. I will give you the benefit of the doubt that your interpretation is incorrect because it is misunderstanding how the budgets of our emergency services agencies are put together. They include funding from the emergency services levy – and every dollar, as I said, is going towards our emergency services – but I have mentioned the trucks and things like the VESEP that go towards our SES. There is also funding that comes from other parts of government that goes into our emergency services, and this is a really important point, because our emergency services work together in those events, particularly in an emergency. And also there may be funds that are held in trusts by agencies and departments. I want to be really clear and repeat that it is incorrect to extrapolate the figures in the gazettal with the total budget for our emergency services, and therefore to claim that it is a cut is incorrect. I would hope that that puts this issue to bed, we do not hear of it again and we do not hear this misinformation being peddled again.

Jade BENHAM: To seek some more clarity, then, what is the point of gazetting the budget figures? And what do you say the figure for 2025–26 for the CFA is, for example?

Jacinta ALLAN: Our colleagues from the Legislative Council will know this because of the long debate: the point of the gazettal is the Treasurer is required to do that by legislation. Again, the royal commission into the 2009 Black Saturday fires initially recommended that the state of Victoria move towards this mechanism of a levy to fund our fire services. It did have bipartisan support, I will be clear, and the mechanism was introduced in 2012–13 by the former Liberal government. The mechanism for the allocation of the funding from the levy is required to be gazetted, and there is a requirement under legislation for that gazettal to occur by the end of May and for it to reflect the decision of the Treasurer in setting the rate for the coming year. I hope that clarifies why the gazette exists and why we need to gazette how the emergency services levy is collected. Again, it is an existing levy, an existing mechanism that has been expanded in recognition of the increased demand that is being placed on our emergency services. Whilst we have said every dollar that is raised is going towards our emergency services, not every dollar for our emergency services comes from the emergency services fund.

Jade BENHAM: Thank you, Premier. Are you able to provide the emergency services funding breakdown by agency, on notice?

Jacinta ALLAN: On notice? Yes, we can look. I think you might also have the minister later today as well. I am sure we can provide that information. We can take that on notice. But if I can, in answering that, point to something that I personally find quite interesting, as I think would any of us who have experienced the frequency of the flood, fire and storm disasters that we have seen in recent times. I have said before that we have taken an existing levy and expanded it in recognition that more is being asked of all of our emergency services. One of the other recommendations out of the 2009–10 royal commission was to move to a ‘one emergency, one agency’ response where all of our emergency services work together, which saw the introduction of an emergency management commissioner, who heads up the State Control Centre.

In the last year, my advice is that the State Control Centre has been activated for 203 days. That is a significant number. And it is not nine to five, it is 24 hours a day, seven days a week, and there are 85 full-time staff that work in there. If I can give you an example of what the people in there do, all the different uniforms and all the different agencies come together in one place. I have been in there on a number of occasions, particularly when there have been fires in the western part of the state, and because of the technology that they have and the way the agencies work together, they can use the technology to predict where the fire will go, send out the emergency alerts and literally save lives. That is the work that is funded. That is the work that is central to

saving lives in this state. More and more is being asked of our emergency services – not just our fire services, which were previously covered by the fire services levy. More and more is being asked. More and more lives are being saved as a result of the work that goes on by our State Control Centre teams, the investment in technology and the way the agencies work together, and I think every dollar is worth it. Every dollar is worth it because of the way it is saving lives and saving communities.

Jade BENHAM: Premier, if the gazetted numbers are wrong, then –

Jacinta ALLAN: No, no, the gazetted numbers are not wrong, your extrapolation of the gazettal is wrong.

Jade BENHAM: Okay. Does that mean, then, that when we extrapolate those numbers and when we make the adjustment for the \$73 million less brought by the pausing for primary producers –

Jacinta ALLAN: Sorry, could you just – I was just being shared a note. Sorry, Ms Benham, would you mind just starting again?

Jade BENHAM: When we look at the forecast revenue for 2025–26, which should have been \$1.623 billion as per the budget papers, reducing that by \$73 million by pausing the primary producers total for 12 months means that is \$1.550 billion now, but when you do the totals we are only getting \$1.538 billion, leaving a \$12 million shortfall.

Jacinta ALLAN: The \$12 million amount I can perhaps help you with. I understand this is also perhaps a little bit of mischief that is being made around the traps. The \$12 million difference refers to the support that is being provided to councils. The levy has been in place since 2012 – again, introduced by the former Liberal–National government as a result of the royal commission recommendation after the Black Saturday fires. The collection mechanism has always been through a collection on the rates notices distributed by local councils. There has always been support provided to local councils to assist with that collection mechanism. My advice is that \$12 million has been allocated to support the costs that councils have to administer both the levy and also the rebate where CFA and SES volunteers will of course not have to pay the levy.

Jade BENHAM: So that \$12 million will be shared across the 79 councils in Victoria?

Jacinta ALLAN: Consistent with how it is operated at the moment.

Jade BENHAM: Okay. Can I ask about the policy basis for increasing the farm rate by 150 per cent, which is four times higher than the residential rate, and how the government has justified that decision?

Jacinta ALLAN: The policy decision has been made to take the existing levy – an existing levy that has been in place since the former Liberal–National government introduced it in 2012 – and expand it in recognition of the increased frequency of fire, flood and storm events. I have just given you some of those statistics that have come from the State Control Centre and the demand that is being asked of the State Control Centre. That is just one example of many. The State Emergency Service is being asked to do more and more and more, whether it is up in the hills in the Dandenong Ranges – and I visited Mirboo North after the storm went through there in February of last year. More and more is being asked of our emergency services. Indeed I was struck by – and I am happy to share with you some of the detail here – how the Bureau of Meteorology is predicting, and indeed the CFA acting chief officer recently was talking about the great concern for firefighters at this time of the year –

Jade BENHAM: Sorry, Premier. We know why you are doing it, we have heard all that. That is fine.

Jacinta ALLAN: You just asked me why though. Sorry, you just asked me the question, why are we doing it.

Jade BENHAM: Sorry, what I actually want to know is how you can justify charging farmers four times what everybody else in the state is being charged, at a time when they can least afford it, with drought, the cost of feed, the cost of hay and the cost of fertiliser. How do you justify that kind of increase for primary producers?

Jacinta ALLAN: Again, your statement is not quite correct –

Jade BENHAM: Sorry, it is not 150 per cent?

Jacinta ALLAN: The statement that there has only been a change to the primary production rate is not correct.

Jade BENHAM: No, that is not what I said. I said it has gone up 150 per cent. Others have gone up 100 per cent.

Jacinta ALLAN: Your statement was not correct where you talked about just the increases around primary production. It goes to what I was saying before, and I was directly answering your question when I was saying that because of the increased demand, and also for property owners – whether you are a farm owner, a household or a business – because of the increased ferocity of the floods, fires and storms, there is increased risk everywhere across the community. To protect property and to protect lives we need to provide additional investment and support to our emergency services. In terms of our primary producers, our primary producers, our farming communities and our rural communities are the most exposed to the ravages of a changing climate

Jade BENHAM: And the ones that are volunteers fighting those fires.

Jacinta ALLAN: and that is why they are getting a rebate. Those volunteers are providing a –

Jade BENHAM: Will you guarantee that every single –

The CHAIR: Excuse me, Ms Benham, you have asked a question –

Jade BENHAM: And I would like it answered.

The CHAIR: You get to ask a question; you do not get to tell the Premier how to respond. The Premier is being entirely relevant to the first question that you have asked. Premier, please proceed.

Jacinta ALLAN: That is why we are also providing a rebate in recognition – exactly. And I think this is also an important point: under the changes that have gone through Parliament, CFA and SES volunteers are getting a rebate, and depending on their circumstances, they will not have to pay anything. Under the alternative that is being proposed, they will have to pay, or there is a giant – you talk about cuts to the emergency services budget, but under the alternative that we saw put to the Parliament last week by the opposition, there is a giant funding cut coming to our emergency services – a giant funding cut that has not been explained. Not supporting the rebate for volunteers in the SES and the CFA is the consequence of that giant funding cut that was announced last week by the opposition.

Jade BENHAM: The rebate actually has nothing to do with the increase of 150 per cent to farmers. Have you released details yet on the mechanics around how CFA volunteers will actually be able to get that rebate?

The CHAIR: Apologies, Ms Benham. We are going to go to Mr Galea.

Michael GALEA: Thank you, Chair. Good afternoon, Premier, Secretary and other officials. Premier, you mentioned the *Economic Growth Statement* earlier, and I would like to take you to that, in particular budget paper 3, page 8, which lists the output initiatives relevant to the *Economic Growth Statement*. Premier, how will these initiatives – noting that there is a significant increase in the funds allocated in this area for this budget year – support jobs and broader economic development for Victoria?

Jacinta ALLAN: Thank you. Our *Economic Growth Statement* is getting a good run this afternoon, and I am delighted to continue to talk about it, because it is a central plank of the work that we are doing to ensure that we continue to lead the nation on business investment, jobs growth and economic growth more broadly. In terms of the work that led into the development of our *Economic Growth Statement*, we worked collaboratively with business and industries right across the state to hear directly from them what more we needed to do in partnership with them but also what more government needed to do to support them to continue to grow, to continue to employ and to continue to increase their exports, like we talked about earlier. As a consequence of that partnership approach that we took, sitting down and listening to businesses and industry, the *Economic Growth Statement* is underpinned by four key actions.

Opening doors: we have established a position, a new coordinator-general, to ensure our agencies and regulators and our statutory agencies all work together but also to meet the required approvals deadlines. This is really important, that we continue to drive our agencies, and this is an acknowledgement that we need to do more and to be a bit better in this space, and that is the work of the coordinator-general. I think I mentioned before the investment in skills and TAFE, and again this is a priority action in our *Economic Growth Statement*. Cutting red tape is also a key priority. We have made a commitment to halve the number of business regulators by 2030. We understand that regulation can be a barrier for business and can stymie activity. Also we are streamlining the liquor and planning approvals to support our vibrant hospitality industry. Then, backed by having priority industry sectors, is making sure that this economic growth is occurring right across the state, into regional and rural Victoria.

There were around 40 initiatives in the *Economic Growth Statement*, and work is well underway on each of those initiatives. I should add in terms of the *Economic Growth Statement*, it was informed by those consultations and discussions we had with industry. That work continues through the establishment of the Premier's Business Council, which continues to see me and the Treasurer and key ministers sit at the table with key business and industry leaders to listen to them about how we can continue to work together to grow our economy and support jobs here in Victoria.

Michael GALEA: Thank you, Premier. You also spoke earlier I believe about business investment and how Victoria's trends are bucking the national trend at the moment. Budget paper 2, pages 22 and 23, go into a little bit more detail on that, but I am wondering if you could tell us a bit more about the future outlook for business investment in Victoria.

Jacinta ALLAN: Yes. Thank you. This is a great opportunity to talk about how there is great confidence being shown in the Victorian economy. We are a great place to live, work and invest, and more and more people are choosing to do exactly that. I mentioned a couple of times, and I will mention again, that 3.7 per cent increase in investment compared to the 1.3 per cent decline across the rest of Australia. We have seen more than 113,000 new businesses created here in Victoria in the past five years. That is an 18 per cent increase, and that is the largest percentage growth of any state. Again, what that means is more jobs, and indeed, if you look – your question went to I think some of those statistics and the confidence in terms of the outlook – over the past decade, Victoria has outperformed all other states on economic growth, employment growth, business investment growth, business numbers and importantly the number of homes being built here in Victoria. That is why we continue to have this really sharp focus on our economy and on economic growth and on doing everything we can to get more homes built here in Victoria. Also, we have got a great record in the number of startups, scale-ups and, if you bear with me, unicorns that are supported here in Victoria. We are home to more than 3500 of those, and that is an ecosystem that is worth \$132 billion, supporting 63,000 jobs over the past 20 years. This is again helping those businesses to start up and scale up, which is so important and a feature of our statement. That is why we will continue to have this focus going forward.

Michael GALEA: Thank you. We spoke earlier this morning with the Treasurer as well about the importance of international students and international education towards Victoria's economy. DJSIR's output initiatives also discuss some initiatives around supporting international students. Could you talk to me a bit about how important you see that as being, as part of this broader economic picture?

Jacinta ALLAN: Yes, international education, I think I mentioned it earlier as well in terms of how important it is to our economy. It supports 64,000 jobs. It is our single largest export, with 330,000 international student enrolments. But also it is such a great way that we can build more cultural and economic ties internationally. Students who come here, live here, study here, work here, they are future leaders of their chosen field and industry. Many of them go on to positions of importance. They might eventually leave and go and live and work somewhere else, but the connection and the relationship they have with our state is invaluable in terms of fostering future ties and economic activity. And that is why we have announced our Yes to International Students Fund, sending a very, very clear message that despite some other policy changes, I will acknowledge, at a federal level, Victoria absolutely remains strongly supportive of this sector. I announced this fund when I was in India in September of last year. Being in India and having a focus on education just underscores the central importance, both economically and culturally, of having strong engagement with international students and the relationships between our universities and TAFEs. One example was Bendigo Kangan Institute, which has developed very strong relationships with the automotive industry in India, delivering training in partnership with Indian-based equivalent technical institutes. Similarly, RMIT have

developed a transnational program where students study at an Indian-based institute and at RMIT and come out with a dual certificate, meaning that they can go and work globally. They have this enormous, enormous head start on their resume because they have got, in effect, two certificates, two qualifications, and that demonstrates that they are ready for work anywhere in the world. So the international students fund is looking at how we can continue to strengthen our ties between institutes and support transnational education. Also, I have mentioned a number of times how jobs are of central importance to the work that we are doing – 60,000 families rely on a job in the international education sector, and so that is certainly a sector and an industry that is worth fighting for.

Michael GALEA: Definitely. Thank you, Premier. And just earlier you spoke about the investment coordinator-general, and I am wondering if you can expand a little on how that role will support in the escalation process of disputes to fast-track and simplify any sorts of issues that do emerge in these sorts of major projects.

Jacinta ALLAN: This position has been established in recognition that, notwithstanding those great stats I mentioned earlier about business investment and homes that are being built here and jobs that are being created, we have got to continue to pedal harder and faster to make it easier to do business here in Victoria. So that is why the investment coordinator-general role has been established. It is about ensuring that there is one point of contact for project proponents to come to, because many of these large projects require multiple different agencies and regulatory bodies to be part of the approvals process. So we want to streamline it and make it as easy as possible for projects and proponents to go through that process and also to serve as an escalation point should one of those agencies or regulators or authorities not be meeting the required deadlines for the project to continue to move through the approval process. So this is a new oversight role that is focused on addressing delays and blockages but also enhancing accountability across all government departments, and the model that we have used here for the investment coordinator-general is modelled on the success of a program that has been in the Resources Victoria space in the resources portfolio, Resources Victoria Approval Coordination, which in its first year of operation alone facilitated 93 million tonnes of quarry materials, roughly worth around \$2 billion in gross production value. And when you think about how central materials that come from quarrying are to our construction pipeline, it has got that dual benefit. You are supporting that industry, you are supporting jobs in the quarries industry but you are also supporting the broader construction pipeline as well. So we are using that model, and the investment coordinator is now in place.

Michael GALEA: Thank you, Premier. And those statistics indeed with the future outlook of business growth are very exciting. But I think if you were to ask most constituents in my electorate, the most exciting figure in this budget is the zero dollars they will have to spend on their kids' public transport travel, if I can use that tortured segue.

Jacinta ALLAN: That was beautifully done.

Michael GALEA: Thank you, thank you. But it is a very exciting announcement as part of this budget, making travel free for all under-18s. Premier, can you talk to me a little bit more about this and how specifically it is designed to help with the cost of living?

Jacinta ALLAN: Yes. It is such an important initiative, and can I say we can do this because we have built up a good, strong public transport system – we have spent a bit of time talking about trains, but across trams and buses as well. A number of members of the committee would be well aware of the investments that we have made in this budget in our bus network – \$162 million to expand and improve our bus network, particularly in our growing communities.

Free public transport for kids is all about being focused on helping families with real help right now and recognising that this can also be a bit of a barrier to a young person getting to school, getting to work, getting to a training opportunity, so this is removing that barrier as well. Making public transport free for all kids under the age of 18 every day, everywhere is estimated to save around \$755 every year for every child. So if you have got three kids – Lauren – that is \$2265 a year when your children are all of public transport catching age. That is a significant saving for families, and that is keeping that money back in households and supporting them in other ways as well. This is going to be a big change. I know the minister for public transport is working right now on the development of a dedicated youth Myki card, because again, any parent knows the challenge of having various Myki cards. So this would be a dedicated card that will be different in look –

Nick McGOWAN: Premier, you were doing so well – not another Myki card.

Jacinta ALLAN: It will look different, Nick. Do you want to help the minister for public transport design it?

Nick McGOWAN: I do.

Jacinta ALLAN: Excellent. I will let her know.

Nick McGOWAN: The minister will be very pleased to hear that; I have got no doubt.

Jacinta ALLAN: Why don't you have a design ready for when she next appears?

Nick McGOWAN: I will pull out my telephone, just for argument's sake, and we will go from there.

Jacinta ALLAN: I can see what you are doing.

Nick McGOWAN: I will talk to you about a toilet at Ringwood East train station at the same time.

Jacinta ALLAN: I know. I was hoping you would raise that with me.

Nick McGOWAN: Me too.

Jacinta ALLAN: Look, this is something that is going to mean, particularly for families that rely on public transport to get the kids to school, cheaper school runs. It means more affordable weekends as well, and it is just one less thing for families to have to worry about.

Michael GALEA: And indeed of course there is free public transport on weekends for seniors statewide as well, which is another new initiative. If I can move to –

Jacinta ALLAN: Didn't you want to talk about the oldies?

Michael GALEA: I am happy to ask you about that.

Jacinta ALLAN: That is all right.

Michael GALEA: If I can ask you about train services, we know that from the implementation of the regional fare cap we saw a big jump in patronage, and I am sure we will see a similar increase as well. But more to the point of your earlier discussion with Mr Welch – talking about the investments that have been made into the transport system, including the Metro Tunnel – can you talk to me a little bit about how train services will be increased to accommodate this and to take advantage of the new infrastructure?

Jacinta ALLAN: Again, you build the infrastructure to run the services, because running new services or extra services means more opportunity for people to get around our state, whether it is to get to uni or TAFE or to work. It opens up their landscape. It opens up their world and their opportunity, which is what public transport delivers. Just in passing you mentioned the regional fare cap. Since it has been introduced, that has saved people who travel on our regional network – and I say that deliberately, because not everyone who travels on our regional network is a regional person – something like \$130 million. That has been a massive saving simply by bringing the regional fare to the same level as metropolitan Melbourne. And as a result, too, we have put on hundreds of extra services and upgraded every regional line across the state through our program.

In terms of taking that approach now to the metropolitan network, the opening of the Metro Tunnel is a massive game changer, because what it does is it joins up the Cranbourne, Pakenham and Sunbury lines – 97 kilometres in length. It means that we will be running services on the Sunbury, Cranbourne and Pakenham corridor through the Metro Tunnel. It also frees up space. It takes those train lines out of the city loop, which means you have got space in the city loop that we just do not have at the moment. Alongside the funding that is in the budget to, if you like, switch on the Metro Tunnel – run the trains through the Metro Tunnel – it also means we can deliver additional train services on the Sandringham, Craigieburn, Upfield and Werribee lines as well, noting, too, of course in recent years we have been progressively adding train services across our metropolitan and regional network but particularly across our metropolitan network. There is a point, because of the city loop getting to capacity. It gets the Cranbourne, Pakenham and Sunbury lines out of the Metro Tunnel, and it means

you can run those services: two extra peak hour trains for Werribee, two inter-peak for Sandringham, an increase in off-peak for the Upfield and an increase in shoulder, peak and off-peak services for the Craigieburn line. Also, I mentioned we have already added 200 additional weekend V/Line services in a previous budget. This budget adds 40-minute inter-peak services on the Gippsland line, which is going to be huge for the Gippsland community to be able to connect both intraregional as well as in and out of the city. There are more services on the Seymour line and longer trains for Bendigo.

Michael GALEA: Thank you.

The CHAIR: Thank you, Premier. The committee is going to take a short break before resuming this hearing at 3:35 pm.

The committee will now resume its consideration of Premier and cabinet. Mr McGowan, the Deputy Chair.

Nick McGOWAN: Thank you. Good afternoon, Premier and Secretary. Secretary, I will start with you just to get a few housekeeping ones out of the way, and I know you are expecting these. How much money was spent on the department's credit card to promote the Premier's Facebook page?

Jeremi MOULE: Thank you, Mr McGowan. As you know, the Premier uses social media as a modern and cost-effective way to communicate with Victorians, including with those without means to subscribe to paid media channels. The year-to-date expenditure on Meta accounts, which covers Facebook and Instagram, to 31 March 2025 is \$219,375.

Nick McGOWAN: Do you have a breakdown between Instagram versus Facebook, or is it one and the same?

Jeremi MOULE: It is one and the same. We just receive a single Meta invoice; that is the visibility that we have of that. As you know, it is a transaction that is conducted on the DPC credit card because the Premier's office does not hold a credit card, and it is the only method of payment. Then the funds are journaled from the Premier's budget to DPC as a reimbursement.

Nick McGOWAN: And how much was spent to promote the Premier's other social media accounts?

Jeremi MOULE: They are the only ones that we are aware of through that payment reimbursement mechanism. There are no others where the credit card is used for such payments.

Nick McGOWAN: Little Red Book?

Jeremi MOULE: Sorry?

Nick McGOWAN: Little Red Book. It is a social media account.

Mathew HILAKARI: It is also known as RedNote.

Jacinta ALLAN: I know what you mean.

Jeremi MOULE: I do not.

Nick McGOWAN: Not that you are aware of. Okay, that is fine. The other perennial question is of course in respect to how many staff are in each ministerial office. Do you have that breakdown?

Jeremi MOULE: Yes, thank you. As at 31 March 2025, for the year to date, expenditure on ministerial staff was \$45.9 million for 302.9 FTE. That includes \$14.2 million for 87 FTE in the Premier's office and \$29.6 million for 198.2 FTE in ministerial offices.

Nick McGOWAN: And the amount spent for redundancy payments in the Premier's office and/or ministerial staff generally?

Jeremi MOULE: As at 31 March 2025, the expenditure on ministerial redundancies was \$2.8 million, but Mr McGowan, I would say that that number also includes redundancies in relation to the office of the Leader of the Opposition.

Nick McGOWAN: Secretary, can you provide a number for actual headcount for each ministerial office, including the Premier's office?

Jeremi MOULE: I only have the data in front of me expressed as an FTE figure, Mr McGowan.

Nick McGOWAN: Okay. Can you undertake to provide that to us later?

Jeremi MOULE: I can if our data allows us to do that, yes.

Nick McGOWAN: Thank you. I would appreciate that. Also, whether that includes or is separate from DLOs?

Jeremi MOULE: The figures that I have given you exclude DLOs, who are department employees.

Nick McGOWAN: Okay. And can we get a breakdown of how many DLOs there are in each ministerial office and/or the Premier's office?

Jeremi MOULE: I can certainly provide that to you for DPC and the ministers, including the Premier, who are part of our portfolio. I would need to see whether we have visibility of those numbers across government.

Nick McGOWAN: Okay, thank you very much, Mr Moule. Sorry, Premier, I just had to get through that. It just makes everyone's life a lot easier if that is done. I am just wondering, for the total cost of the West Gate Tunnel project, it says here the TEI is \$10.2 billion. I did notice in the *Herald Sun* they were saying it was close to \$15 billion. Are they wrong?

Jacinta ALLAN: Well, unless you invite me to reflect on media reporting, Mr McGowan, the West Gate Tunnel project is budgeted for with those amounts as consistent with the commercial agreement that was struck in 2021, and the delivery remains consistent with those terms.

Nick McGOWAN: And Metro Tunnel is the same? That is because, again, it is \$13.5 billion I can see here in chapter 1 in the documents. Is it still expected to be –

Jacinta ALLAN: That is in terms of the government investment, yes.

Nick McGOWAN: Okay. And one of my favourites, the NELP project. Of course we both know that is in the wrong location, but we will not squabble about that today.

Jacinta ALLAN: The wrong location?

Nick McGOWAN: The wrong location – wrong option. It is very expensive, Premier.

Jacinta ALLAN: Were you suggesting it should have been above ground?

Nick McGOWAN: Well, that is not a bad suggestion, but I will –

Jacinta ALLAN: And the acquisition of thousands of homes and businesses?

Nick McGOWAN: Not along the SES powerline easement past the Eltham Barrel, Premier, as you know.

Jacinta ALLAN: You should have made a submission to the inquiry that was held in 2016.

Nick McGOWAN: I did; I can dig it up for you. But without boring you with that, Premier, there is no TEI, I see, on page 20 of budget paper 4 for my favourite project, the NELP.

Jacinta ALLAN: I am going back into a previous life. Twenty-six is the number that is jumping out in terms of the total end investment. Here we go – 26.2. Yes. Is that BP4?

Nick McGOWAN: No advance on that, Premier? That is the final –

Jacinta ALLAN: No other what, sorry?

Nick McGOWAN: No advance on that? No greater figure than that?

Jacinta ALLAN: We are not playing cards.

Nick McGOWAN: Well, I am just checking. I just like to check.

Jacinta ALLAN: Not that I am aware of.

Nick McGOWAN: Not that you are aware of, yes.

Jacinta ALLAN: I am not trying to be evasive. You may need to go to this with the relevant minister.

Nick McGOWAN: I will do that.

Jacinta ALLAN: Because there has been, as I understand it, no change, other than it is going at a cracking pace.

Nick McGOWAN: I should hope so.

Jacinta ALLAN: We have a partner in Canberra in that project as well who have made significant investment.

Nick McGOWAN: Five billion I think from memory, thereabouts.

Jacinta ALLAN: That is correct.

Nick McGOWAN: I must do a few things here, Premier – it grieves me. There is a press release your predecessor put out – and it does relate to this budget, so I will come to that – that talks about the new Queen Elizabeth hospital. Nobody likes that name, so we will try and change that. It talks here about a hospital in Maroondah, and it says construction is expected to start in 2025. I am terribly excited, as you would appreciate – I am trying to contain my enthusiasm today. I was just going to check which month we can expect the Maroondah Hospital to be commenced in this year.

Jacinta ALLAN: As you are aware, as the local member for this community, planning is continuing to be underway. It does look like that construction ambition is not going to be met. However, the planning continues to be underway, consistent with the planning that was provided in the 2023–24 budget.

Nick McGOWAN: I suppose what concerns me – and you know that I jest, but nonetheless – is that there is planning money in this budget. It is not clear how much of that planning money is for Maroondah, and I guess the more concerning element is there is no money for construction.

Jacinta ALLAN: Yes, I do – I absolutely understand every community's desire to see their local hospital facilities upgraded. I recently opened the new hospital at Maryborough, which is amazing in terms of not just the infrastructure and the asset that it is for the community but what goes on inside it. In terms of an update on the planning and how that then segues into construction, I will have to either take that on board or suggest that it is asked when the relevant minister comes before the committee.

Nick McGOWAN: That would be most useful, because of course you will recall also that in 2018 the people of Maroondah were promised an emergency department for children, and that was never delivered. We are now some two elections down the line and very quickly approaching another election, as you and I know, and sadly, not a cent has gone into construction for a new hospital in Maroondah.

Jacinta ALLAN: I will take that as a statement.

Nick McGOWAN: Thank you. In respect to Mullauna college, I see that in the budget –

Jacinta ALLAN: Sorry, which college?

Nick McGOWAN: Mullauna college, which is in Mitcham. It is in your budget here as well – they have received \$17.5 million. The President of our chamber in fact went out to make that announcement. I have a letter here, which I am prepared to give to you as well, which I am sure the President of the chamber has. This is from the school council president. It says in part, but I am happy to give you the whole letter:

Adding to our challenges, Stage 2 originally included two buildings, the STEM Centre and a Food Technology Centre (including canteen). However, due to rising building costs, the Food Technology Centre, critical to our school's technology program, had to be removed to bring the project 'back to budget'; a keen blow to the staff team that had spent hours working with the architect team to design it.

Clearly this school is very sad, I think is the only word I can use – sad at the fact that it has taken so long for them to receive that money. It is now out of budget, and they cannot do what was promised originally. Can we rectify that?

Jacinta ALLAN: Could you share that correspondence? I believe the education minister might be attending the committee hearing tomorrow. I am sure he would also be happy to furnish additional details. It is frustrating from time to time, because – and we had this conversation earlier with Mr Welch's questions around the escalation around costs to do with the rising costs of construction that go to the supply of materials and the heat in the market. There is a combination of factors that bodies like Infrastructure Partnerships Australia have reported extensively on. It does lead to projects big and small – the Suburban Rail Loop, Metro Tunnel and West Gate Tunnel, all the way through to some of these smaller ones comparatively but no less important from a local community perspective – putting pressure on scope for our school projects. I do appreciate that that is something that would be disappointing for that local school community, particularly as they do invest a lot in the planning and design phase.

Nick McGOWAN: They do indeed. Ringwood Secondary College have now been without a stadium for many, many years. They have over 1700 kids and not a single court indoors. I do not know what I have to do. I am almost bursting, and you know it is not good for me to burst. But in all seriousness, we had the Ringwood Hawks refuse 600 kids from the basketball program last year, the domestic program, because they just do not have enough courts. This is a plague in the eastern suburbs. We do not have enough courts, not just for basketball but for netball, for volleyball, for badminton, shuttlecock, whatever you want to choose. Ringwood college are entitled to a stadium. They do not have one. The council are on board. Everyone else is on board. We just cannot get it to happen. It is a tragedy. It does not matter what I do, every year I am saying the same things again and again and I am not getting traction.

Jacinta ALLAN: I will have to take that on notice. I have visited Ringwood Secondary College, so I am aware of – is it right to describe it as having some constraints around its site as well? Let me take that one on notice, because your broader point around how these facilities are not just important for the school but also for the broader community is a really important one, and I know the Minister for Education, the Deputy Premier, is looking at this issue about access to school facilities and community use. In terms of the specifics around Ringwood, I will have to take that one on notice.

Nick McGOWAN: Thank you, Premier. Also Marlborough Primary School – I have raised this with the secretary Jenny Atta. She has now moved on to the Department of Health, but I did it pointedly in front of the minister too. Again, it is a school that is struggling with low enrolments, and unless we are prepared to invest something in their buildings, parents drive there and they keep driving by and they go to other schools. With the tightening down of the enrolment procedures, we are either going to condemn the school to failure or we are going to invest in it. The school committee, the school council and the principal, who has been chosen by the department – everyone, it would appear – wants this to work, except no-one is prepared to put the money behind that. And unless money gets behind that, in the form of a few new classrooms and a reception block to make it look better and appealing to parents, it will die. So that is Marlborough Primary School.

Jacinta ALLAN: Again, your points are well made and your advocacy is well made. Again I am not aware of the specifics of this school. Even though we often talk about the \$18 billion that we have invested in school capital, clearly there continues to be more schools that need to come into that capital pipeline. This year's budget has \$1.5 billion in school capital that has been allocated. We are all local members, and we all have a keen understanding of, when schools miss out, how deeply frustrated they are. But on that one specifically, I will have to take that on notice as well. Again, the minister is here tomorrow, so he is getting good warning of what you are going to ask tomorrow.

Nick McGOWAN: He has good warning indeed. Likewise, the police minister – we are 15 uniformed police officers down in Box Hill. We have just about 10 too few police officers in Ringwood. Crime is an issue in some of our areas, and it is not one that I talk about lightly, because I am not one that wants to scare people.

But nonetheless with too few officers they can do too few foot patrols, and that is an issue in both Box Hill but also Ringwood stations, and including Forest Hill for that matter.

I will move on, though, to the Nunawading Spectres. The Spectres got, as you know, \$45 million from the federal government – which I am not against, I have to say – and \$35 million from the council. What I am imploring you to do, Minister, is not make this an election issue next year – exactly; you see where I am going. If they do not get \$25 million 12 months from now, then that project will stall for two years, because of course you and I both know that if they do not get it until the commitment next financial year it will not kick in until the year after. Your federal colleagues will not be happy because they will not be turning a sod; they will just be feeling a bit grumpy with you. Fair enough for them. So what we would love is \$25 million, really now, to be honest, but you know.

Jacinta ALLAN: Again, I am loving the advocacy for projects in the eastern suburbs, and you have touched on a project I have very good visibility of, for a range of reasons, that we share a commitment to. My advice to date – and I am sure this will now happen as a result of this conversation – is we have actually not received an official request yet from council. It could be that officials are still working with each other at official level and we have not yet tipped into a formal request, but obviously we would welcome discussions – and I believe it is Whitehorse City Council's area – to apply for another round of the Local Sports Infrastructure Fund, because again, your points earlier were well made around pressure on indoor hardcourt facilities right across the state but particularly in your part of the world. The Nunawading Spectres have a good, proud history of producing great talent as well as being a great local club for everyone to participate in a great sport.

Nick McGOWAN: Indeed, Premier. I would urge you to prevent those around you from convincing you that they should reduce the size or scope of it down from 11 courts to anything other than 11 courts.

Jacinta ALLAN: Was that the scope of the commitment of the federal government?

Nick McGOWAN: Correct, 11 courts.

Jacinta ALLAN: Eleven courts. Who is suggesting it be smaller?

Nick McGOWAN: I would not want to see it go down, and you and I both know clubs do not have a couple of million sitting around, unfortunately, to throw at these sorts of projects. It is just not the sort of money they have. While I am talking about all things local – Ringwood East train station. Now, I have written to just about every minister you have, except those you have not yet appointed, and yourself. I know and I understand the way we define train stations, but the people of Ringwood East only know that perhaps you might have done two level crossing removals and a new station but you did not do a toilet.

Jacinta ALLAN: I know.

Nick McGOWAN: And while I jest, in fact today I was looking at the video of an awesome young chap who is in year 7. I will not share his name here, but he is in a wheelchair, and he went to one of the local primary schools. There are a number of local kids that I have had interactions with over the time in wheelchairs – not just kids but older people, pregnant mums, mums, you name it. Enabling them to use the public transport system and to have the use of toilets – I would suggest it should be mandatory with every new train station, regardless of whether they are staffed or unstaffed, frankly. They all have PSOs on them, and they all have security cameras. I just do not know why we cannot see ourselves clear to put one single disabled toilet for everyone's use at Ringwood East train station.

Jacinta ALLAN: Again, the advocacy is well made. The policy has not changed since you asked this question of me last year.

Nick McGOWAN: I know, but you said no to me last time in writing. Perhaps we can get someone different to draft you a letter.

Jacinta ALLAN: I am just saying the policy has not changed. But your point is well made, particularly the point around there being PSOs on the station as well. They are not technically Metro Trains staff, which is where it intersects with the policy about staffed stations, but I anticipate you will continue to advocate. Also,

your point about making sure people with a disability can equally access our public transport system is really important.

Nick McGOWAN: One hundred per cent. I did see \$320 million here for disability inclusion reform.

Jacinta ALLAN: In education.

Nick McGOWAN: I hope that some of that might come our way. I can help educate them, perhaps, if that would assist.

Jacinta ALLAN: Okay. Very good.

Nick McGOWAN: Ringwood was also promised a mental health and wellbeing hub. Now, we never received that. They were renamed as local services. That was supposed to be rolled out. We have not got it yet, but I think you were perhaps intimating maybe we were going to have something out this way in Mitcham, Nunawading or Blackburn.

Jacinta ALLAN: Yes, I know the Minister for Health – I think you might have gone to this with the Treasurer this morning. There is more to follow in terms of delivery of the royal commission recommendations. We have got 15 that have opened and seven more that are being supported through this budget. I will leave it to the minister to provide details of those locations.

Nick McGOWAN: Oh, Premier, you are tempting me. I forgot about asking you about Dan Andrews's statue. Is that happening, Premier?

The CHAIR: Thank you, Mr McGowan. We are going to go on to Mr Tak.

Meng Heang TAK: Thank you, Chair. Thank you, Premier, Secretary and officials. There is more exciting news for community pharmacies. Premier, budget paper 3, page 49, talks about funding provided for community pharmacists to deliver services. Can you please inform the committee about these services and how they will help Victorian families?

Jacinta ALLAN: Thank you, Mr Tak, for your question. Mr Galea mentioned earlier this is one of his favourites. This is one of my favourites amongst many of the cost-of-living measures that we have introduced in this year's budget, providing that real help to families right now. This is up there for me in terms of one of the really great, strong initiatives that we have. This is a program where we are partnering with our community pharmacies. Pharmacists are already in every community providing great access to health care right now. We have had a pilot of this program underway. This year's budget not only finishes up the pilot but continues the program and extends the community pharmacist program in some really key ways. The initial scope of the pilot was that it treated five different conditions. With the investment we are making in this year's budget, that number is going to extend to 22 conditions. Additional conditions are going to be added to the program. At the moment common urinary tract infections, the contraceptive pill and shingles are what you can currently access at the pharmacy. We are expanding that to include conditions like acute nausea, vomiting, rhinitis and reflux. They are things too, particularly if you have got little ones, where you can go to the pharmacy, get your script filled at the pharmacy and it is saving you a trip to the GP. So it is really great for families.

It is also taking pressure off our GP system at the same time. What we are doing is expanding the program to 22 services, but one of the key things we are doing is investing so that the consultation is free. We are going to be, I believe, the only jurisdiction to do this. Other jurisdictions charge up to \$20 for that consultation, if you like. We are making an investment so that you can go into the pharmacy and can ask for your condition to be looked at and that consultation is free. You will still have to pay for your script, like you would normally if you go to a doctor, but it is that consultation that becomes free in your local pharmacy.

I was speaking to a pharmacist at the Africa Day gala dinner on Saturday night – a well-known pharmacist in Springvale who is known to many in the local community – and he is so excited about it. He thinks it is going to really enhance the offering that he provides to his local community. That also demonstrates that they are working providing health care in their local community. If I could quote George Tambassis, who is the president of the pharmacy guild's Victoria branch, he said of this announcement that:

This is a smart, modern reform that puts patients first ...

and that it:

... empowers community pharmacists to do even more for patients and that's a win for every Victorian.

I am going to leave it there. I could not say it better myself.

Meng Heang TAK: Thank you, Premier. Certainly you have been to the local pharmacies in Springvale not long ago; I hope you can drop by once again. Just a little bit more, on a supplementary question – Premier, could you please give the committee a bit more information about the community pharmacy trials and the outcomes associated with them?

Jacinta ALLAN: Thank you for that question, because we can only go to this next stage, this expansionary stage that provides that additional support, through the work that we have done in the trial. Again, I want to acknowledge the partnership we have had with the pharmacy guild and their pharmacists as well, because for pharmacists to participate they do need to undertake a bit of extra training. That takes up a bit of time, obviously, but it is so important in terms of expanding the access to health care into local communities. The pilot began in October of 2023, and as I mentioned before, there were five conditions that you could go and access it for: the resupply of the oral contraceptive pill for women between 16 and 50 years of age – I am a bit offended by that cut-off point by the way, just putting it out there; treatment of uncomplicated urinary tract infections for women 18 to 65 –

Nick McGOWAN: I feel your pain.

Jacinta ALLAN: treatment for shingles, which I mentioned; mild psoriasis –

Nick McGOWAN: I'm going through the same thing myself, in a different way.

Jacinta ALLAN: okay, I should not have got distracted; it is late in the day, and you all still have another one to go – and vaccinations, travel vaccinations, as well. The pilot was evaluated in late 2024. Twenty-three thousand services were provided over that 12-month period, and users reported a 97 per cent satisfaction rate. One of the really important stats for many of us is that 84 per cent of the services were provided to women – now, I guess that is not surprising when you consider two of the five conditions that can be treated through this program, but that is a significant improvement in terms of access for women, to be able to get the care that they need; and 87 per cent of patients surveyed said that they would have gone to a GP if the service was not available to them. Again, it is just underscoring how this is taking pressure off an already pressured GP primary care system and putting this care into pharmacists. I should also say this is really important too for those of us in rural and regional Victoria, because there are many more pharmacists able to be accessed than there are GPs, particularly bulk-billing GPs. So the pilot has informed the moving to the next stage, and the next stage has got that significant expansion now of up to 22 conditions that can be treated.

Meng Heang TAK: Thank you, Premier. Of course there are other supports that exist. Premier, what other supports exist that increase free health care access for Victorian families?

Jacinta ALLAN: Thank you. In terms of other areas – I have mentioned GPs a couple of times now – the urgent care centres are key to providing expanded access to GP services. I hope, whether it might be soon or a little bit later on, to talk a little bit about the Victorian Virtual Emergency Department again as well, but just touching on our urgent care centres, these have been in place since September 2022 and have had more than 800,000 visits. That is 800,000 visits to an urgent care centre who may have otherwise gone to a hospital ED. That is what we are seeing, that diversion away from the hospital emergency departments into our urgent care centres, particularly when you consider some of the treatments – you know, they can do cuts and bruises and broken bones and things. I have visited one of the urgent care centres here in Richmond, where, particularly over school holidays; they are a busier time for broken bones and the like. So it is about taking again that pressure off our tertiary emergency department. Also, again, because they are local – it is local care in local communities – it is making a real difference.

Meng Heang TAK: Thank you, Premier. Still on the exciting news in terms of cost of living, page 28 of budget paper 3, Premier, outlines the funding for the power saving bonus for vulnerable consumers. With many Victorians struggling with the costs of bills, especially with winter coming up, what support does this budget provide for those doing it hardest?

Jacinta ALLAN: I mentioned earlier in my presentation that there is something like \$2.3 billion of investment in our budget that is focused on providing real help right now to working people and families, because we know they are feeling those cost-of-living pressures. There is no let-up for many families and for many household budgets, so that is where, amongst a suite of new measures that we have announced in the budget, there is that investment of \$50 million in the power saving bonus. This is a targeted power saving bonus, where it will be targeted to helping people with a concession card with \$100 off their power bills. We are timing this to kick in in August to align with the winter power bill cycle, when obviously the winter bills are more expensive. Households with an eligible concession card will be able to apply by visiting the Victorian Energy Compare website. Also, other community organisations can provide some assistance. But if I can give a plug to the Victorian Energy Compare website, we should all go and check out the Energy Compare website because you never know, you might just find a better offer as a result of plugging in your details. Particularly at the start of last week, the default offer was set around the nation, and the Victorian default offer is substantially lower for households and businesses than New South Wales, Queensland and South Australia. I think it is something on average like 21 per cent less here in Victoria for the Victorian default offer compared to other jurisdictions. So there is a combination of initiatives, and the power saving bonus is one of those. Also, the energy assistance program is another important way that we can, with some investment in the budget, help expand its services. It is getting increased demand to help people to also save on their energy bills. Obviously, as I said, the power saving bonus will kick in August.

Meng Heang TAK: We know that switching to electric is one way to reduce energy bills. What benefit will the additional funding, Premier, for electric heat pumps and solar hot-water systems provide to Victorians?

Jacinta ALLAN: You are right: switching to all electric, for those households who can – and we are standing with those households to support them to go all electric – does reduce their energy bills. Again, if I can step through, there are a few different things we are doing in this in this space. The budget invests \$29.7 million for Solar Victoria to deliver an additional 27,000 hot-water rebates. This is obviously a way that Victorians can lower their energy bills, by installing electric appliances in their homes. Also, to just step back to a more global level, households with gas and electric appliances, if they go all electric, can reduce their average energy bill by something like \$1,400 per annum, and then that goes up to \$2700 if they add in solar panels as well. That is a saving year on year on year that you get from going all electric.

We also understand, though, that for some households it can be a bit daunting to work out how to go all electric, which is why we have the SEC one-stop shop. The SEC is back. We announced last week that from the middle of the year it will be powering all of our government buildings, as a retailer, with renewable energy. The other great feature of the SEC being back is that it is going to be a one-stop shop where households can go and get tailored plans to help cut their energy bills, to go all electric, to have energy-efficient electric appliances. The minister – Minister D'Ambrosio – and I visited Charles and Susie's house last week in Brunswick, and they had gone through the process themselves, but they had a combination of gas and electric and solar and batteries, and they did talk about how it can be a bit of a complicated process. It saved them thousands of dollars on their energy bills, but it can be a little bit complicated. That is where the one-stop shop comes in: it provides a free service and a tailored plan for each house. It can calculate your up-front costs and your annual bill savings, so it gives you that return on investment. It can also connect you to trusted, verified suppliers and installers. That is the other thing: it connects you with someone that has got the tick-off from the SEC, and they can also potentially come and do a free home visit as well. Again, that is a really practical way that we can help households. We know many households do want to make the switch; they just need that additional support to step through the process, recognising it can be a little complicated. Everyone is busy with a lot of things going on in households at different times, and we want to make it as easy as possible so people can access those savings on their energy bills.

Meng Heang TAK: Thank you, Premier. The cost of living means that more Victorians are relying on the help of food relief organisations, such as the Make A Difference organisation in my electorate. How does this budget support that work?

Jacinta ALLAN: Look, this is an ongoing demand and need in our community. We start from the principle that no Victorian, no-one, should go hungry, but we know more and more households and more and more families are cutting back on their food consumption because grocery bills just keep going up; that is another marker of those cost-of-living pressures that are being felt by families everywhere. In Victoria we have a really strong food relief ecosystem with a range of agencies and organisations. You mentioned one in your electorate;

there are many across the state who do really good and important work, and this budget is providing them with that additional support. We are providing \$18 million. In the scheme of our budget it is a modest investment, but it is a really central and important one to provide, for example, \$9 million to the community food relief program; that will double the funding support to the community food relief program. It also includes an allocation to Foodbank of \$500,000 so that they can deliver fresh and chilled food to their network of partner agencies out in regional Victoria, because many of the more regional and rural organisations that provide food relief can do dry goods, but sometimes it is hard to get fresh and chilled produce, so this will provide that support.

Also, we are doubling the Regional Food Security Alliance funding, doubling funding support. They are in Albury–Wodonga, Geelong, Bendigo, Shepparton, Mildura and Warrnambool, and they are an incredible network; obviously with one in Bendigo I have seen firsthand the work that they do, and they have a network of another 90 food relief partners that they work with. The Bendigo Foodshare, as an example of I am more familiar with, has 90 food relief partners, and they cover north-central Victoria, which is quite a vast distance. On a couple of occasions recently I have had the opportunity to visit the Geelong Foodshare. They have taken it one step further and have what is called a social supermarket. You have got the food relief and the distribution that is again staffed by amazing volunteers, and then there is also a supermarket aspect where people can access the equivalent of a voucher, and the equivalent of a \$20 or \$30 voucher can realise up to \$200 worth of food and produce that they can get in a supermarket setting that provides people with that dignity – alongside really important food relief, the dignity of choosing what they and their family need by way of food relief.

The CHAIR: Thank you Premier.

Meng Heang TAK: Thank you, Premier.

The CHAIR: Thank you, Mr Tak. We are going to Mr Puglielli.

Aiv PUGLIELLI: Thank you. Good afternoon. In your *Economic Growth Statement*, you specifically have announced a plan to fast-track new gas projects through the development facilitation program. As you know, right now Victorians are facing historic droughts in the west of the state, while many Victorians are facing increased flood and fire risk, which is jacking up their insurance premiums. Premier, I ask: how is fast-tracking new gas projects ethical, given the increased climate disasters that Victorians are seeing right now?

Jacinta ALLAN: Well, in terms of your framing of the question, I reject your framing of the question, but I will not quibble with it, because the facts are that I want to spend more time on why it is important that we have, as part of our transition to renewable energy, gas. We have been very, very clear that gas has and will continue to be part of our state's energy mix. I mean, it needs to be part of our energy mix. However, I do not think you can deny that no state has done more to drive investment and therefore delivery of renewable energy than Victoria. Enormous credit goes to Minister D'Ambrosio, who has driven this work for more than a decade, which now sees us getting close to 40 per cent of our state's energy mix being renewable energy. You mentioned the fast-tracking of gas projects in the *Economic Growth Statement*, but what you failed to include is that we are also fast-tracking renewable energy projects as well.

Just last week, I was with Minister D'Ambrosio and Minister Kilkenny to announce that since we made this decision in April of last year – and we made this decision to include renewable energy projects in our development facilitation program because too many of them were getting stuck in VCAT, causing two years of delay in the production of renewable energy our state needs. Since we made that deliberate decision to fast-track renewable energy projects, we have had 13 projects go through that process, with \$3 billion of investment, and this is renewable energy. I am trying to remember the number from last week, but it is enough renewable energy to power hundreds of thousands of homes.

So I think it is important that when we have these discussions about our state and our nation's energy mix, we do not present it in an overtly alarmist way that puts people in different corners of the debate. We have got to be sensible about this. Gas is part of our energy mix now and into the future – noting, though, that it is a diminishing resource, and it is also cheaper to go all-electric. That is why we have continued this significant focus on investment in renewable energy alongside, yes, including gas in our fast-tracking approvals, because for many businesses, gas is their option. But the more we can encourage households and businesses to go all-electric, that is making sure that that gas supply is there for those businesses and industries who need it.

Aiv PUGLIELLI: Thank you, Premier. On gas, just a bit further: your government has just approved the Viva gas import terminal, which means you are going to dredge a large chunk of the Corio Bay, all to import gas well into our state's future. Our own climate laws mean we have to hit net zero by 2045. So can I ask: has your government received departmental briefings on the net zero impact of that decision?

Jacinta ALLAN: Well, again, I emphasise the point I made earlier that we are on track for our renewable energy targets by having 40 per cent of our energy mix be renewable energy by the end of this year. In terms of your comments though around the processing of the facility, this announcement last week came following an extensive environment effects statement process. As we all know, EES processes are extensive, they are independent and they are led by experts. Ultimately, on the balance of that process, the advice that went to the minister was that this was a project that should be approved, which is why it was subsequently approved by the minister.

Aiv PUGLIELLI: Premier, does your government have any evidence that you can provide to the committee that opening more gas projects can still get us to net zero in 20 years?

Jacinta ALLAN: I would have to perhaps refer you to the energy minister in terms of the mix, but again I re-emphasise that no state has done more in driving more renewable energy than Victoria. I mentioned the SEC before. Not only is the SEC back as an energy retailer with renewable energy for every government building, it has also made significant investments in two big projects, a solar farm near Horsham and the battery project in in Plumpton, near what I always call the Calder BP – I drive past it regularly. So we are doing more and more to move Victoria's energy mix to having more of a renewable focus with our investments in wind and solar. But again, we need gas to be part of that transition. It is undeniable that we need gas to be part of our transition, and we do not shy away from that.

Aiv PUGLIELLI: I might move on. Thank you, Premier. Last month the *Age* reported that Victoria had delayed its agreement with the Commonwealth to fully fund public schools. They reported that Victoria would now be providing 75 per cent of schooling resource standard funding by 2031, instead of 2028 as previously agreed. Can you confirm for the committee what year Victoria will fund 75 per cent of the SRS?

Jacinta ALLAN: Well, in terms of the work we are doing, again, we have invested heavily in our government schools. I mentioned the \$18 billion in infrastructure. We have also increased the recurrent expenditure, the operational investment, in our government schools by 34 per cent over the last decade. That is the most of any state or territory, and I am really proud of that investment, both as a Premier but also as a parent who sends her kids to local government schools. I see firsthand just how important (a) that investment is, (b) how important every dollar of investment and where it goes is in terms of the work that teachers and staff do, but also (c), going back to something I said earlier, the purpose of public education is to ensure that no child misses out, regardless of income or background. I see that every single day in our government schools that I visit, and also, like this morning when I was dropping my youngest off for their school camp, I see it every single day in terms of the difference that is made in kids' lives through our great government schools.

In terms of the work we are doing with the Commonwealth right now, going back to the point about having a partner in Canberra, you may have noticed and might recall there was a bit of a battle over the past year between education ministers. Our Deputy Premier and education minister worked incredibly hard to ensure that with the federal government we got to the point where we did sign a heads of agreement with the Prime Minister in January of this year, which gets us to that pathway of 100 per cent of school resourcing, with that mix of 75–25 between state and federal governments, and we have committed to delivering that across the life of the agreement. How these agreements work is they are signed at a high level and then education ministers work out the details of the bilateral agreement as to how we both together get to that outcome of 100 per cent – 75 per cent and 25 per cent between federal and state.

Aiv PUGLIELLI: The question was about a specific year. Premier, are you refusing to confirm the year Victoria will fully fund schools under the SRS?

Jacinta ALLAN: No, I am not refusing to confirm; I am saying – I should have been more precise – that was the purpose of referring to the bilateral discussions that are going on between the education ministers, which again, are consistent with how federal–state agreements work. There was that broad heads of agreement that was signed, which had both federal and state governments commit to that 100 per cent outcome and how

that is actioned, if you like, in the year by year, because both federal and state governments do have to both make additional investments to hit that 100 per cent over the life of the agreement. How that is achieved is being informed by those bilateral discussions that are going on between ministers, and I am just not going to cut across those bilateral discussions because that would be a bit impolite to our negotiating partner.

Aiv PUGLIELLI: Just to clarify, when it comes to these types of decisions, which is what I am getting to with the question, does the buck stop with you?

Jacinta ALLAN: I am the Premier. I am not sure what you are referring to.

Aiv PUGLIELLI: The year that we reach 75 per cent of the SRS.

Jacinta ALLAN: Well, again, I think I have just explained to you the process by which we jointly get to that 100 per cent outcome of funding for our government schools – 75–25 shared between state and federal governments.

Aiv PUGLIELLI: Okay, I might move on. Premier, we know from your ministerial diaries that on 28 March you met with executives from Lockheed Martin at the Avalon airshow. What did you speak about?

Jacinta ALLAN: I spoke about the significant investment that they are making. I know there is no budget paper reference, Chair, but I am delighted to talk about it, because our defence industry and our subsequent manufacturing and advanced manufacturing industry are such a big and important part of our state. Victoria is an international leader in terms of our advanced manufacturing sector being part of a global supply chain for the defence industry, and it is one of our key priorities in our *Economic Growth Statement*, which I mentioned earlier. And yes, I met with Lockheed Martin. I met with a number of companies that day, and that is one of the great benefits of having the Avalon airshow. Can I say, too, having the Land Forces conference last year – these are conferences that bring big companies, global leaders who are making investment decisions here in Victoria, and that is about supporting jobs in our local supply chain. That is what I spoke about to the global leaders who were there from Lockheed Martin. They are looking at a range of opportunities here in Victoria. The reason why global companies like Lockheed Martin are looking at Victoria is because we have that international reputation, and that international reputation is built off the back of our strong and skilled workforce, people who go to work every single day incredibly proud to work in our advanced manufacturing sector.

There are also other spin-offs too. I am actually now recalling that I had many conversations that day, and one of them really struck me. One of the defence industry representatives shared with me the observation that – and this might go to where your question is heading – if we are ultimately in times of conflict, in times countries are considering questions about sending their citizens off to defend their own country or other allies, isn't it our obligation to make sure they have the best protection possible? And I see that in my own community with the production of the Bushmasters that are currently providing huge support to the Ukrainian community. Those Bushmasters are proudly made in Bendigo and are serving in that awful conflict in Ukraine and are protecting people. That is also why we have a defence industry. It is as much to protect the people who go out to protect us to be able to have discussions like this, to protect our democracy, to protect our opportunity to have, as members of Parliament, a free and flowing and peaceful engagement that is the envy of many, many nations around the world.

Aiv PUGLIELLI: Thank you. I am going to move on. The environment minister said last year that the government would have two bills for the central west national parks by the end of 2024. That has not happened. We are now midway through 2025. We have not seen the bills. Where are they, and when can we expect them to be debated?

Jacinta ALLAN: I am sure the environment minister appreciates you telegraphing the question for when they appear before the committee. I would have to refer you in terms of the legislative timeline. I am keenly interested in one of those, because one of them concerns the greater protections that are going to be provided to parts of the Wellsford forest, which is in my community, and I am very much looking forward to that legislation.

Aiv PUGLIELLI: Thank you. Just moving on, currently the Treasurer is responsible for deciding the funding of Victoria's independent officers, like the Ombudsman and the IBAC Commissioner, who are responsible for oversight of the government of the day. This then creates a conflict of interest. In a 2022 joint

report, IBAC, the Victorian Auditor-General and the Ombudsman recommended establishing an independent tribunal to decide on the funding of integrity agencies. Last week the IOC recommended you have another look at this recommendation. Should funding of integrity agencies be determined by the government they oversee or by an independent body?

Jacinta ALLAN: Just to clarify your earlier part of the question, which intimated that it was the Treasurer who was responsible for setting the budgets, it is actually a collective decision made by the budget committee of cabinet that is ultimately then endorsed by cabinet – just to be precise in how those decisions are made. And I have no plans to change those arrangements.

Aiv PUGLIELLI: Okay. Thank you. Premier, do you consider your government a transparent government?

Jacinta ALLAN: Yes.

Aiv PUGLIELLI: Why?

Jacinta ALLAN: There are a range of actions we have taken. You mentioned earlier – the very fact you were able to probe me on my discussions and meeting with Lockheed Martin was because I introduced the disclosure of ministerial diaries. We now have a parliamentary integrity commissioner who could investigate all manner of things, including people who sign members of the public into the front door of the Premier's office without authorisation – it can prove matters like that, for example. So that is another initiative that I have introduced, and I am proud to lead a government that is open, that is transparent. I think, again, one of the important features of having a strong democracy is ensuring that people have confidence in its processes, and one of the things that undermines that confidence would be if unfounded allegations are made to undermine people's confidence in our great, strong democratic systems.

Aiv PUGLIELLI: On to revenue: is Victoria too dependent on gambling revenue?

Jacinta ALLAN: No.

Aiv PUGLIELLI: Why do you say that?

Jacinta ALLAN: The budget papers demonstrate that there is a range of revenue sources. On previous occasions we have had discussions about stamp duty and land tax and payroll tax and a whole range of revenue measures that come into the state – again, consistent with just about every jurisdiction in the nation, except for those resource-rich states. Their budgets have more of a royalty revenue base than ours does, but we have a range of revenue sources that support the delivery of frontline services. Those revenue sources go to \$11 billion of investment in health. It goes to \$2.3 billion of investment in real cost-of-living support. It goes into the investments that we can make to bring back the SEC to deliver renewable energy to all of our government buildings, and that is all strong investment for our state.

The CHAIR: Thank you, Mr Puglielli. We will go straight to Mr Hilakari.

Mathew HILAKARI: Thank you, Premier and officials, for attending this afternoon. It is great to see you here. You just mentioned a moment ago investment in health, so I might just take you straight there, if that is okay. In budget paper 3, on pages 49 and 50, it talks about some of the investments that we are making in the health sector. I am just hoping you could outline what some of those investments are and how they help some of the health workforce in delivering health care to all Victorians.

Jacinta ALLAN: Yes. Thank you. I am really pleased that we can have a discussion. The health component of the budget, as I am sure I do not have to tell members of this committee, is the most significant part of our state budget. When you consider the world-class health system that we have – you mentioned the workforce – it is world class because of the outstanding workforce that we have in our hospitals and across our healthcare system. Also, a key focus of our government's work is to ensure that that health care can be delivered as close as possible to where people live. The conversation we were having earlier about the pharmacy program is a great example of how we can make sure that there is care being delivered right across the state.

That takes me to why we invest in building new and expanded hospitals and healthcare facilities as well. I think we touched on this a little bit earlier. We make a lot of investment in capital – in building the buildings. But when you have the new buildings and the expanded buildings, you then need the funding to run the services

and put the staff in, and so this is why this year's budget has \$634 million to open and operate nine new and redeveloped hospitals. It includes Footscray Hospital. I think anyone who spends any time in that part of the inner western suburbs knows the Footscray Hospital. It is going to be such a great addition in terms of an expansion of our health care but also too in what it means in terms of taking some of the pressure off hospitals in the surrounding area.

The CHAIR: On Friday even the signage is going up.

Jacinta ALLAN: I know; it is very exciting. Frankston Hospital is in a similar category. With the expansion at Frankston Hospital, amongst the additional beds and services it has got things like a dedicated paediatric zone within the emergency department. Again, anyone who has taken kids into ED knows it can be a tough experience, so having a dedicated paediatric section is really important. The Maryborough hospital I mentioned earlier as well. It was great to be there for the opening of the new Maryborough hospital. It has got an urgent care centre, a 32-bed inpatient unit and two operating theatres. Again, it is so important for that community to have that quality hospital service delivered. There is the opening of the Craigieburn, Cranbourne and Phillip Island community hospitals, the expansion of the short-stay unit at the Albury–Wodonga regional hospital, the expansion of the paediatric emergency department at the University Hospital Geelong and the redeveloped Swan Hill District Health emergency department. That is in your patch, isn't it?

Jade BENHAM: No, that is Walshie.

Jacinta ALLAN: It is Walshie, of course. Swan Hill and Echuca have gone in together. But, again, that demonstrates the breadth of the investments that we have made right across the state.

There are also just two other things to quickly touch on. \$230 million of funding is targeted towards our hospital emergency departments. It is making sure that they are better equipped and working with our paramedics to reduce those ambulance waiting times. I know the Minister for Health is also the Minister for Ambulance Services. There is a huge amount of work that is going on in improving the flow of patients between ambulance and ED, and there is also \$203 million for staff to support them with the skills and training that they need to continue to provide that great quality care.

If I can just have one more minute on that workforce, I mentioned earlier the significant increase in our healthcare workforce. We were really proud to reach that agreement with the nurses last year – nurses and midwives, let us be clear, being recognised for the work that they do. Going further than that, this budget is investing \$95 million for 1100 more positions for nursing and midwifery students and for support for nurse practitioners to go into high-demand areas like aged care, mental health, primary care and urgent care settings; to provide more opportunities for enrolled nurses to train as practising nurses; and to support more nurses and midwives in rural Victoria to help them build their skills through clinical placements. Then for our mental health workforce there is \$47 million to continue the psychology registrar program, the junior medical officer psychiatry rotations program and the psychiatry registrar training and supports program. Again, it is really all the different layers of our healthcare system, making sure we are training and supporting the workforce.

Mathew HILAKARI: That access to mental health services is really important to the community that I represent and across all of Victoria. I am happy if you take us there, because you have ticked off a lot of what I wanted to ask about workforces. But otherwise, I also want to ask you some questions about the virtual ED and the expansion of that. I am happy if you want to touch more on mental health but then get on to the virtual ED if you are happy to.

Jacinta ALLAN: Yes, thank you. It is important that we spend some time on the work that is going on in the reform of our mental health system. The royal commission report was delivered to government in 2021, but by its very nature reform needs multiyear investment and it is over a longer period of time. So far we have invested \$6 billion in rebuilding our mental health system, and we still need to continue to make investments, which is why the budget includes a \$497 million increase on top of that investment that is already being made. I might have mentioned this earlier in response to Mr McGowan's question around the investment in expanding our network of locals, but this is, again, free mental health care. You do not need a referral; you do not need a Medicare card. You can access those services free in your local community. This investment will establish seven new services. We have got 15 underway, and they have already supported 18,000 Victorians. Again, it speaks to the need that is present in our community. Six million dollars is supporting the existing network, too,

of mental health and wellbeing locals. Also, as an update on the royal commission recommendations, work continues on 90 per cent of those recommendations that go to all those different aspects of workforce, additional numbers of beds, Australia's first dedicated women's mental health service and a number of things that are being continually worked on as part of that systemwide reform of our mental health system.

Mathew HILAKARI: On virtual emergency departments, I note that in the budget there is a really significant expansion from this financial year that is coming up all the way through to 2028–29, which is really great to see. I remember Mary-Anne Thomas, the Minister for Health, talking about this being now already the largest emergency department that we have across the state. I am just hoping you could talk about what these dollar investments are going to mean for that over time.

Jacinta ALLAN: Again, we have had a few favourites today. This is just an outstanding addition to our great public health services here in Victoria. It is the first of its kind in Australia, and it means that you can be at home when your little one is sick or you might be caring for an older relative and you are just not sure about a trip to an emergency department, or you might need to go to an emergency department and you might not be able to get there. What you can do with the Victorian Virtual Emergency Department is literally, whatever your device – your phone, your iPad, your computer – you can log in and it will step you through and deliver that emergency department care wherever you are. You might be in your lounge room, you might be on the side of the road; you can just access that care wherever you are. To date, since it has been in place it has taken more than half a million calls, and what that averages out to is delivering urgent care to more than 600 Victorians every day.

Mathew HILAKARI: Huge.

Jacinta ALLAN: So yes, it is already our busiest emergency department, and we are going to make it even busier with the investment in this year's budget that is going to triple the capacity, as you said, out to that 2028–29 period so it can take 1750 calls a day. I know Ms Kathage and I have had the chance to see the VVED in action. There are cubicles and there are trained nurses and specialists who are there, including paediatric support. The call comes in, and you are triaged quickly. You are taken through the process, and you are getting that care immediately. What it means in terms of the pressure it takes off the rest of the system: in the past year it has helped 83 per cent of patients avoid a trip to hospital – 83 per cent. In December alone, one month, it took 22,000 calls, and we are seeing 83 per cent of those are an avoided hospital visit.

It has been a real help for paramedics as well. It has taken pressure off our paramedics. Seventy-nine per cent of patients have been referred by a paramedic when the paramedic has been in their home. So, going back to that point we were talking about earlier about other budget investments to help improve the transfer of patients between ambulance and EDs, what this is doing is it is doing it in people's homes. So the paramedics are accessing the VVED. You might ring them up. You have got a paramedic coming to your house. They, instead of taking you to the ED, physically are accessing the VVED, and that is 79 per cent of patients being referred by a paramedic receiving that care at home. So this is just another example of how, again, focusing on delivering care where people are and making it as easy as possible to access care is what the Victorian Virtual Emergency Department is all about. If I can again emphasise that point, you are accessing the nurses and the doctors, but also those specialist services are all part of this network that is going to be expanded with this budget investment. So please, we want more people to be using the VVED. More and more people are discovering it and discovering how it is such an important addition to our healthcare network.

Mathew HILAKARI: I might change gear entirely and take us to education and something that I know is very close to your heart at the moment, the Camps, Sports and Excursions Fund. That program is being expanded in this year's budget, and I am hoping you can tell us how that supports people to have access to the best quality education.

Jacinta ALLAN: Yes. This is a great program, and it is about making sure that kids who might have missed out if they come from a family who cannot quite afford that additional cost that does come with some of those school camps, sports and excursions experiences know that they can have the opportunity to participate, which is why in this year's budget we have increased the amount of funding for the Camps, Sports and Excursions Fund. It is targeted to families with a healthcare card or concession card, and we have lifted the payments from \$154 a year for primary school students and \$256 a year for secondary students to \$400 from the start of the next school year. In terms of the number of students this is going to support, this is going to support something

like 200,000 students, who will benefit from this increase. Again, to emphasise: the importance of a government education is that no matter who you are, you are getting the chance to get a good education. But we know some of those really special memories that are made when you are at school are when you do go away on camp or you go away on an excursion. If you are a country kid coming into the city and going to the aquarium or the zoo or a city kid coming to the country –

Mathew HILAKARI: Or the Parliament.

Jacinta ALLAN: Or the Parliament, yes. Urban camp – country kids love urban camp. But there are so many great experiences. We do not want kids to miss out on those experiences, which is why we did make – again, if you go back to the decision-making that surrounds this budget, it is a budget that was built on those responsible decisions to ensure the adherence to the fiscal strategy, but it was done in a way that made sure we could find space for these investments that provide an equality of opportunity for kids and families, no matter where they are. And so the Camps, Sports and Excursions Fund is an important example of that.

Mathew HILAKARI: Fantastic. I might take us to a different type of excellence in our schools, which is the excellence in mathematics, in reading and writing education and the student excellence programs. I am just hoping you could outline how some of these support and promote excellence in our classrooms across the state.

Jacinta ALLAN: Now, I know you have got the Deputy Premier tomorrow, so I am going to let him –

Mathew HILAKARI: Not all of it. Give us a little teaser.

Jacinta ALLAN: I was going to say I will let him talk. He loves talking about the reform. And it is important reform in phonics; it really, really has been. We are also taking a similar back-to-basics approach with maths, because we know this is an area that needs some further work. So alongside the way that schools are embracing that shift to phonics we are introducing a year 1 phonics check to all government schools, and we are going to replicate that with a year 1 numeracy check. This is going to be a really important tool to support teachers to identify the kids who need a bit of extra help. It is grade 1; it is early; teachers can provide some targeted support. We know teachers are so skilled at being able to support kids in the classroom. They might have 25 kids in the classroom, but they can support kids at different stages. Also you do not want kids to not have a love of maths because they have struggled early.

So it is giving them that opportunity, but then also, for those kids who really love maths and might be a bit of a maths whiz, we are bringing in a maths camp. For year 9 and 10 students we are bringing in maths camp, and this will be for 1000 kids. They will get to go to a five-day camp which will be run by mathematics specialists; there will be team-based projects and it will be great for the kids who really do love maths who are looking at taking it further, connecting with their peers – students right across the state and from different schools – to engage in their love of maths.

We have mentioned a lot the investment that we make in school buildings. We are really proud of that investment. But it is also what goes on inside those school buildings that really counts. If you look at the NAPLAN results, we already do top the nation across the NAPLAN metrics, but we want to keep working really hard at that, whether it is making sure kids do not miss out or helping the kids that might be struggling a bit with maths or reading, all the way through to supporting some of the kids who really want to get into the subject matter. And as I said, the maths camp alongside their regular study is all about being in the Education State.

The CHAIR: Thank you very much, Premier. Premier, officials, thank you for taking the time to appear before us today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

The committee is now going to take a break before beginning its consideration of emergency services at 5 pm. I declare this hearing adjourned.

Witnesses withdrew.