

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into the 2025-26 Budget Estimates**

Melbourne – Tuesday 10 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**

Steve Dimopoulos MP, Minister for Environment;

John Bradley, Secretary,

Kelly Crosthwaite, Deputy Secretary, Bushfire and Forest Services,

Carolyn Jackson, Deputy Secretary, Regions, Environment, Climate Action and First Peoples,

Chris Hardman, Chief Fire Officer,

Kate Gavens, Chief Conservation Regulator,

Tony Circelli, Head, Recycling Victoria, and

Sally Fensling, Deputy Secretary, Corporate services, Department of Energy, Environment and Climate Action;

Lee Miezis, Chief Executive Officer, Parks Victoria, and

Joss Crawford, Interim Chief Executive Officer, Environment Protection Authority Victoria,

**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 it is 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 that anything you say may be picked up and captioned, even if you say it very quietly.

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

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

I welcome the Minister for the Environment Steve Dimopoulos as well as officials from DEECA. Minister, I invite you to make an opening statement or presentation of no more than 5 minutes, after which time committee members will ask you questions. Your time starts now.

**Steve DIMOPOULOS:** Thank you, Chair, Deputy Chair and committee members. I would also like to begin by acknowledging the traditional owners of the land upon which we meet, the Wurundjeri people, and pay my respects to their elders past and present.

**Visual presentation.**

**Steve DIMOPOULOS:** Over the past 12 months we have seen a lot of positive outcomes in the environment space. Just a few weeks ago in Melbourne's west we celebrated the opening of the new \$88 million elephant enclosure at Werribee Open Range Zoo, in the Member for Point Cook's electorate. We have seen great strides in our CDS – container deposit scheme – program which has returned over 1.8 billion containers since November 2023. I was able to visit a few depots this year to see the CDS in action, including one in the Member for Mildura's electorate, and in the south-eastern suburbs we have seen the completion of

upgrades to great local parks like Karkarook Park in the Member for Clarinda's electorate. But while we have achieved all this – and I was looking for a Ringwood example; I will come back to it – our landscape has also had plenty of challenges. From fires to drought to storms, we know just how precious our environment is and why it needs to be kept healthy now and into the future.

**Nick McGOWAN:** I have a turtle in need of care, Minister – no legs, no head, little arms.

**Steve DIMOPOULOS:** I will make it up to you. That is why the 2025–26 budget includes an additional investment of \$336 million and sees total investment of \$5.1 billion since 2015–16. I look forward to seeing these investments continue to support Victorians and the natural environment we love to experience and recreate in.

The 2025–26 budget invests \$111 million for bushfire recovery and to reduce the risk of bushfires in the state. I would like to also take this opportunity to thank our Forest Fire Management Victoria, FFMVic, staff who tirelessly worked this year to keep Victorians safe and protect our environment during the devastating Grampians and Little Desert fires. This budget will be investing \$29.7 million for additional firefighting aviation resources to support the state's firefighting capacity after the recent bushfire season, \$23.5 million to complete additional planned burns and other fuel management activities across autumn 2025 and \$48.3 million to address recovery needs from the western Victoria bushfires.

An additional \$40 million has been allocated for more free and low-cost ways for families to get out and explore our great outdoors, including \$15.3 million to continue the Zoos Victoria Kids Visit Free program. \$10.5 million is provided for half-price camping to keep the outdoors affordable for families, individuals and underrepresented communities. We have invested \$6 million to support nature-based tourism and the environment along the Great Ocean Road. \$8.4 million is allocated to continue the implementation of joint management of Barmah National Park, which has always delivered environmental, social and cultural benefits, including the employment of the Yorta Yorta joint management rangers.

An additional \$15.9 million has been provided in this budget for wildlife and conservation. \$9.2 million is allocated for the vertebrate species management program to manage the increasing spread of foxes, feral pigs, goats and rabbits. \$3.8 million will be invested over two years to continue establishment of the Liwik Barring reserve, home to the last remaining wild population of the critically endangered helmeted honeyeater and the only lowland population of the critically endangered Leadbeater's possum. There is also \$2.1 million for a package of initiatives to protect Victorian wildlife, including continuing the wildlife hotline to respond to reports of sick, injured and orphaned wildlife across the state.

We are investing \$128 million in this budget to strengthen our regulators and protect environmental health, which we know is critically important to all Victorians. \$124.9 million is being invested in the EPA so it can continue to protect Victorians and our environment from the harms of pollution and waste. We are investing \$1.9 million for investigative management and remedial works to various contaminated parks and public land sites. The government is also investing \$1.9 million to enable efficient assessment for energy projects, facilitating the timely renewable energy transition and biodiversity protection. Funding of over \$40 million has been allocated to support our community to recover from recent weather events and care for their local environment. We are investing \$17.4 million in safer and improved access along the Victorian coastline, helping families get out and explore the state's most iconic beaches. We are investing \$17.3 million to continue the Landcare and Coastcare Victoria programs so communities can get out into the great outdoors, strengthen connections across their communities and help address biodiversity loss. Thank you, Chair, and I look forward to hearing the committee's questions.

**The CHAIR:** Thank you very much, Minister. The first 7 minutes are going to the Deputy Chair.

**Nick McGOWAN:** Thank you, Minister. Minister, does Victoria have a koala overpopulation problem?

**Steve DIMOPOULOS:** Thank you, Mr McGowan. My instinctive response is no, and I will get some advice from the Deputy Secretary. Our estimation is we have a healthy population, and so does South Australia, which is quite different to the rest of the states. But we do have overpopulation in some parts – for example, Budj Bim National Park – and that therefore caused a challenge for those koalas when the bushfire ravaged an already stressed population. Our koala population is some 300,000, from memory, but I will get the department to come back to you. But my answer is no, Mr McGowan.

**Nick McGOWAN:** Perhaps I can ask the Secretary that question, then. When will the full veterinary reports and operational data from that aerial koala cull be released for independent scrutiny?

**John BRADLEY:** Thank you very much for the question. During the Budj Bim National Park wildlife emergency response, there was a very rigorous process for assessing 2219 koalas, with both ground and aerial teams in that process. As part of that process, which involved the individual assessment of every koala prior to determining a humane practice in accordance with our wildlife procedures and veterinarian advice, we undertook the animal welfare treatment of those koalas, with approximately 48 per cent being identified as fire impacted. There was an updated veterinarian assessment of koalas across that fire-impacted landscape, which concluded that the operation had been successful in humanely euthanising fire-impacted koalas, in areas of the park that were not safely or readily accessible by foot, that would otherwise have been left to suffer unnecessarily.

**Nick McGOWAN:** So you did them a favour?

**John BRADLEY:** I am sorry, what was that?

**Nick McGOWAN:** You did them a favour? I mean, just do not ever do me a favour, will you?

**John BRADLEY:** Absolutely, in relation to the humane treatment of those suffering animals –

**Nick McGOWAN:** So they were shot from a helicopter – correct?

**John BRADLEY:** There were suffering animals, of which we saw 2219 assessed through that operation.

**Nick McGOWAN:** From the sky or from the ground? Because you said there were both ground and sky components.

**John BRADLEY:** It was involving some on-ground assessment and also aerial assessments during the course of that.

**Nick McGOWAN:** So why was it decided that they would be shot from the sky?

**John BRADLEY:** In accordance with the procedure that had been determined by the wildlife veterinarian and our wildlife assessors and a peer review of multiple independent experts, it was determined that the most effective way of identifying the state of the koala and the need for treatment and also undertaking that treatment was for it to be undertaken from an aerial platform. So that was undertaken in accordance with all air safety procedures and also with wildlife assessment procedures. As I said –

**Nick McGOWAN:** Mr Bradley, I have to be frank with you: it does sound like gobbledegook, and what is more, it sounds medieval. How anyone with a shotgun from a helicopter can make these kinds of split-second assessments in killing and in culling koalas seems to me somewhat barbaric. When will the data, the operational data, and the full veterinary reports that you are referring to be released?

**John BRADLEY:** We maintained operational data during the course of the operation, and that material was provided and the subject of an independent review, as I said, by that wildlife veterinarian, which concluded –

**Nick McGOWAN:** Yes, but when will that be released? I appreciate all that. When will it be released to the public so we can see what you see?

**John BRADLEY:** I may have to ask the Deputy Secretary if she is in a position –

**Nick McGOWAN:** Perhaps while the Deputy Secretary is looking at that, why weren't the koalas simply removed and taken elsewhere – relocated?

**John BRADLEY:** Thank you. It is a really important question. If we had had the ability to safely and humanely remove the koalas and treat them and restore them to good health, that would naturally have been the preferred course of action for everybody. The koalas that were assessed by the veterinarian experts, where there was a conclusion that they required humane treatment, received humane treatment. Because of the accessibility challenges onsite, the aerial assessment and treatment of koalas in those circumstances –

**Nick McGOWAN:** So there was no assessment made on the ground. Is that correct?

**John BRADLEY:** No, there was some on-ground assessment where it was possible to do so.

**Nick McGOWAN:** How many koalas were assessed on the ground?

**John BRADLEY:** But it was predominantly found – the overwhelming majority of koalas were more effectively assessed from the air through that aerial operation than we would have been able to access –

**Nick McGOWAN:** So how many koalas were assessed on the ground?

**Steve DIMOPOULOS:** Mr McGowan, if I can quickly add, just for the benefit of the line of questioning until the Secretary finds that information: only 13 per cent of the national park was accessible by foot because of the topography but also because of the bushfire and the risk of trees falling on assessors. I had similar questions, Mr McGowan. If you could just give me 30 seconds and then we can go back to the Secretary, if you do not mind.

**Nick McGOWAN:** I appreciate that, Minister, but it is not Mount Everest we are talking about here.

**Steve DIMOPOULOS:** No, fair point. But what was interesting about this: the people who briefed me in the department over multiple meetings told me it sounds interesting to a layperson, but it is true that you could get a better view of a koala from the helicopter because you are at the top of the tree than you could at the bottom on the undulating ground looking up at the at the tree canopy. So it was all done in the interests of actually assessing koalas better. And while it sounds interesting, the helicopter was flying very, very low to the canopy, and doing the assessment that way was more effective.

**John BRADLEY:** Mr McGowan, I can supplement that figure in relation to those assessed on the ground. Of the 2219 koalas assessed, 1091 were assessed from the ground and 1128 were assessed aurally.

**Nick McGOWAN:** How many were culled altogether?

**John BRADLEY:** In total there were 1061.

**Steve DIMOPOULOS:** Forty-eight per cent.

**Nick McGOWAN:** How many of those were recovered and disposed of?

**John BRADLEY:** In accordance with our procedure, where it was possible to recover and undertake autopsies, where they were accessible from the ground, then that occurred.

**Nick McGOWAN:** So how many were recovered?

**John BRADLEY:** But where it was not possible, they were left in situ.

**Nick McGOWAN:** I understand that. How many were recovered?

**John BRADLEY:** I do not know if we have a figure for it. The Deputy Secretary may be able to assist.

**Carolyn JACKSON:** Yes, I can. There were six that that were recovered early on in the operation, and then I believe it was a further eight.

**Nick McGOWAN:** Sorry, 600 or –

**Carolyn JACKSON:** Six. And then a further eight.

**Nick McGOWAN:** Fourteen in total?

**Carolyn JACKSON:** From the aerial operations, yes.

**The CHAIR:** Thank you, Mr McGowan. We are going to go to Ms Kathage.

**Lauren KATHAGE:** Thank you, Chair, Minister and officials. Budget paper 3, page 29, lists the initiative ‘Zoos Victoria kids go free’. We know that there is a real benefit around conservation with our zoos but also around education and community outcomes as well. So this initiative here – how is that helping families to visit Zoos Victoria sites?

**Steve DIMOPOULOS:** Thank you, Ms Kathage. Can you give me 15 seconds to respond, only because it is important for the committee. The number was 460,000 for the population of koalas, Mr McGowan. I made a mistake when I said around 300,000; it is 460,000. And the issue of the overpopulation in Budj Bim had added to the stress and the malnourishment of that koala population, and then all they needed, the poor creatures, was for a bushfire to come through. It added stress onto stress. But I will leave that there.

Ms Kathage, I am a big rap, as are you and the Member for Point Cook and most of us, in relation to the zoos. When you are a big rap, you try and get everybody you care about to see what you love, and that is why Kids Go Free is fundamentally important. It really has just shot up the numbers in terms of people coming to see those four beautiful zoos, and we have added a fourth one, Kyabram Fauna Park, in our term of government.

**Mathew HILAKARI:** You have got your favourite, though.

**Steve DIMOPOULOS:** I have got my favourite. I should not, but I do. It is the same as yours, Mr Hilakari. But we have seen that the numbers will end up this financial year at about 2.8 million visitations, and a huge amount of that, as you can imagine, would be on weekends, school holidays and public holidays, which is when Kids Go Free takes effect. But the other interesting thing about Kids Go Free is it is unlikely that a parent will let their children go free without a guardian or a supervisor; sometimes they would go in school groups. I say to all parents: take out a zoo membership. It is just extraordinary. It is one of the best value-for-money things you will do. It is \$159 for an adult to be a member. When you are a member, it is almost like when Fitness First started – you could be a member of one Fitness First gym and you would become a member of 60. It has been a while since I have gone to Fitness First, but similarly with the zoos, you become a member and you become a member of all four; you have four opportunities with the same membership to go, and you can go every day of the year. You accompany your child, and if a child lives with you in the same house and you have got a membership, they go free all year round. If you are not a member, then children go free on those public holidays, school holidays and weekends. But it is an amazing success story, and we love it. That is why this budget allocates \$15.3 million to continue it.

**Lauren KATHAGE:** Thank you, Minister. How is that helping though? I mean, you have talked a bit about the community outcomes there, but what about the conservation outcomes – that measure. How does that contribute there?

**Steve DIMOPOULOS:** Yes, absolutely. I think conservation outcomes also, not always but in some respects, provide a compelling visitation outcome. Mr Hilakari and I and the Chair were at the new elephant enclosure at Werribee. That has just as much a conservation outcome, because the elephants are in a context which is so much like the context they would be in the wild – far more than they were at Melbourne, for example. But it is also a compelling attractor, because you walk in there and you are awed by the experience because you are in their world and you are a visitor, and clearly you are the visitor in their world. They have the run of the place, and it is enormous. I do not even like the term ‘enclosure’; the size of the elephant home at Werribee is the size of the entire Melbourne campus of the zoo. That is one example where you can observe and you can provide a better habitat. The other one is the way Australian wildlife are allowed to exist and prosper at Healesville Sanctuary. You have the conservation elements, because they live like they would in the wild, in a very wildlife-like setting, but you get the experience as a visitor where you are up close and personal, again, in their space.

We have got a range of examples, and something I think many people do not know about the zoo, because the front-facing part of the zoo is these exotic and incredible creatures or these beautiful Australian creatures, is that it does enormous, important work. One example you may have heard of, Ms Kathage, is the Victorian grassland earless dragon, VGED. It is a tiny lizard, about that big. The zoo partnered with DEECA, the federal government and, interestingly, a philanthropic organisation overseas to try and repopulate it. This was a species thought to be extinct for 50 years until it was discovered, fundamentally, in metro Melbourne, in the outskirts of Melbourne. What the zoos have done is they have got some assistance with two beautiful dogs called Daisy and Kip, who are trained to sniff out where the VGED is. They are breeding them at Melbourne Zoo, and at last

count there were over 90 hatchlings, probably in excess of 100 now. It is really important conservation work to bring back effectively what we thought was an extinct species and much, much more. I have got to say while I am on this, we are lucky to have Dr Jenny Gray. Clearly, Mr Hilakari, you have met her, and others have met her. She has been literally given awards and honours globally for her work. She is a zoologist of extraordinary talent, and we have her here in Victoria leading our four zoos.

**Lauren KATHAGE:** Fantastic. I will have to get out to Kyabram. That is only one I have not been to yet.

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

**Jade BENHAM:** Thank you. Minister, going by the last three budgets, \$604.2 million was the average fire and emergency management output of those financial years. Of that, your government spends about 6 per cent on fuel reduction and firebreaks, according to DEECA annual reports. Referring to budget paper 3, page 112, the fire and emergency management budget this year is only \$400.6 million, so what is the direct budget for fuel reduction and firebreaks this year?

**Steve DIMOPOULOS:** Before I get to the firebreaks budget can I just caution the committee. While it is \$400 million in the budget papers today, if you look at the last few years of the budget, we always exceed by some measure the expected estimated budget because of the lumpiness of how we do this work. Chris Hardman can speak further to this, but fundamentally from time to time you will have better periods, because of climate change and the variations of the climate, and better times of the year to do fuel management, whether it be creating strategic fuel breaks and maintaining them, access roads or planned burns. What happens is normally FFM Victoria, through me, asks the Treasurer for a Treasurer's advance. You will see, Ms Benham, that in the last few years the budget that we started off with was invariably far higher. I think we ended up with \$480 million last year; it will end up a lot more than \$400 million this year because of the lumpiness of the preparedness work and then also the actual emergencies. You will find in those years where there have been storm events, like the Mirboo North or Grampians bushfires – twice in 12 months – you have an uplift and FFM Vic in fact gets the money it asks for to deal with those things. So the \$400 million is effectively the starting point, and then we end up with an amount higher. The other bit of the lumpiness, just the last bit of the lumpiness, is there was a big project worth \$130 million-odd – the Dep Sec will correct me. But it was basically a five-year project turning the analogue radio system into digital. Now that is concluded, that work has been done, so we will end up with a figure far higher than \$400 million.

**Jade BENHAM:** So why not just budget for more than that rather than have to access Treasurer's advances?

**Steve DIMOPOULOS:** Because we do not know. That is the reality. The \$400 million is about the midpoint between what we may need and what we have traditionally had.

**Jade BENHAM:** But if more than 6 per cent was going into fuel reduction, because we know that that has been increasing, particularly over the last 10 years – the fuel reduction really needs special attention, and the Grampians bushfires were a perfect example of that – if more of that budget was allocated to fuel reduction, surely you would be able to get a more accurate view of what the budget should be.

**Steve DIMOPOULOS:** I might throw to Chris Hardman, the Chief Fire Officer. But as I do, Ms Benham, have you seen the result of this year, though? We are going to end up with a 64 per cent risk rating as opposed to 70. The lower it is, the better it is. So obviously what we are doing is working because the fuel reduction –

**Jade BENHAM:** Seventy-four per cent, isn't it? Or is that 2023–24?

**Steve DIMOPOULOS:** No, 64. Chris.

**Chris HARDMAN:** I think what is really important is: we actually do not know what we will spend – it is based on the seasonal outlook – so we budget for a base level, so what we would expect for an average year, and that is around \$15 million. It is primarily the autumn seasonal outlook. Once we receive the autumn seasonal outlook from the Bureau of Meteorology and the Australian fire authorities council, then we can start to evaluate the likelihood of us being able to do more planned burning. Last year, for instance, we felt we could deliver an additional \$14.5 million. This year we felt we could do more, so we sought an additional

\$23.5 million. And again we will evaluate that on an annual basis based on the climate seasonal outlook, and we try and maximise the number of burns we do at any given time.

**Jade BENHAM:** Given that we know that there are the weather patterns and things, you would expect, though, that – and the Grampians has been burnt now anyway – the seasonal outlook is going to get worse and worse each year.

**Chris HARDMAN:** If I can: not necessarily. So in the last three years, for instance, we had a La Niña event, which meant that we had a wetter-than-average season, then these years are drier than average. So it is variable. But I have to say planned burning does not stop bushfires.

**Jade BENHAM:** Of course.

**Chris HARDMAN:** The Grampians have had a really significant fire history that we have applied in the landscape, and it had lots of benefits. Halls Gap was saved because of a planned burn that the fire ran into.

**Jade BENHAM:** Okay. Thank you. Speaking of the Grampians, it burned 135,000 hectares, four homes, 41 buildings and 540 kilometres of fencing, and there were massive livestock deaths and severe impacts on local businesses because people could not visit, or felt like they could not visit. Do you accept that the Safer Together policy, Minister, has failed the Grampians and put lives and livelihoods at risk?

**Steve DIMOPOULOS:** I would say the exact opposite.

**Jade BENHAM:** The exact opposite?

**Steve DIMOPOULOS:** Yes, Ms Benham, and I mean this sincerely. I have met many of the business owners and the residents in the Grampians. I have been to the Grampians I think 14 times in the last 12 months, and I speak with some authority. These people have done it extraordinarily tough over two fires in 12 months, but I think they also acknowledge that the preparatory work by Chris Hardman's team and FFMVic – the actual emergency response by FFMVic, the CFA and the SES has been unparalleled. We are talking about moderate, small property loss; it could have been far worse. And I think Chris Hardman the Chief Fire Officer's point about the planned burns, the preparation work we have done previously – I mean, it is hard to prove the counterfactual, but it genuinely stopped what could have been a much bigger fire – I think is true and resonates here. And can I tell you, just a measure of that is that the shifts worked by FFMVic in the 2024–25 financial year were only 15 per cent lower than the shifts worked in the Black Saturday bushfires. That is how much support and funding FFMVic have received. In fact, even more than that, the aviation hours flown by FFMVic for this last financial year we are in is on par, comparable to Black Saturday. So FFMVic receive all the funding they require every time they ask for it.

**The CHAIR:** Thank you, Minister. Mr Galea.

**Michael GALEA:** Thank you, Chair. Good afternoon, Minister, Secretary and officials. Minister, I would like to refer you to the 'Department Performance Statement' for DEECA, page 30, specifically in relation to the container deposit scheme. I know that there is a new performance measure included in this budget, with a target of more than 600 million containers per year, which is quite an extraordinary figure. That is not a typo, I assume; that is a quite a large figure. Minister, as this is a new performance measure, can you please talk to me about the trends that you have seen so far and any statistics that you have on the existing use of the container deposit scheme, noting, of course, that every deposit made into this scheme is one that is not going into landfill, that is not going into the waterways? Whether in broad or specific terms, if you can talk to me about the success so far of this project and what this new performance measure will set out to achieve as well.

**Steve DIMOPOULOS:** Yes. I am really proud of the work the team has done. It was a project that Minister Stitt got off the ground; I just happened to be the minister on launch date about a month after I got the job. But it is extraordinary. And Recycling Victoria, VicReturn, the scheme operator and the – sorry, not the scheme operator. The terminology of –

**Carolyn JACKSON:** The network operator.

**Steve DIMOPOULOS:** The network operator. The scheme operator and the three network operators have done an amazing job. That sounds like I am just bragging, but I will give you a proof point of that, given the

performance measure you just talked about. Compare what we have here in Victoria in, what, 18 months or less of operation: 640 sites. For comparison, New South Wales has 668 sites after more than seven years of operation, so literally another 28-odd sites. The rollout has been excellent. We achieved what we were required to do and more. Of course, we are still running the scheme. It is operational. It is never going to be set and forget, so we will add more sites as required and some sites will change, again as required. The cleaning schedule has adapted now more and more to the customer demand profile of each return site. It has just been extraordinary. It is something that the Victorian community has really lapped up. The numbers are amazing. And you are right, if we think of the concept of those 1.8 billion containers in that period of time, many of them – I would say the overwhelming majority of them – would have been resting or laying in gutters and waterways and footpaths and parks. Some would have made their way, of course, through kerbside recycling to landfill.

The Pact Group have a site in Altona, with co-investment by the Victorian government and the Commonwealth Albanese Labor government in getting this site running. It has the capacity to process an extraordinary amount of PET containers, more than what we have collected so far. I cannot remember the exact number, but it has an enormous capacity to process not just Victoria's container returns but other states'. They love the fact that they have what is effectively quite a pure raw material, as in recycled raw material, for their next bottle, and they produce pellets that then go into the next Coke, Sprite or whatever bottle. It is an interesting concept, because the beverage companies actually run that recycling facility, so the stewardship of the scheme is funded by the beverage companies and obviously all of us who purchase drinks. A really great way of doing vertical integration – it is also run by the beverage companies because it is in their interests. I think the scheme serves such a great purpose, and I have not even touched on all the other benefits of charity and –

**Michael GALEA:** Indeed. I know every time I go past the one in Rowville at Wellington Village outside the Ritchies there, whether I am driving past or at the shops, I see people using it pretty much all the time, and many others around my region too, so it is great to see the take-up of it. You mentioned charities there; I would like to drill into that a bit. But also for people that really take up the scheme in big numbers and how they can get some value back from it, whether for themselves or for worthy local causes, can you elaborate on that a bit?

**Steve DIMOPOULOS:** Yes, absolutely. We have I think over 5000 charity partners in the scheme. In fact when I formally opened the scheme in Oakleigh I had the pleasure of donating my return to the Oakleigh Scouts, so they are on it. There are over 5000 charity partners, so it is effectively \$180 million returned to either charity partners or the pockets of Victorians. It is a game changer for many. In fact I have met some people who have supplemented their income consistently. They have made it a part-time job, effectively, and they do have partnerships with their sports clubs and others. There is an entire fraternity of partners who support the charity aspect of the returns. But what is really interesting is that it is not just money provided through, say, a trivia night; it is money provided through an act which by its very nature reminds young kids in sports clubs or anywhere else that the circular economy matters – we should reuse resources, not just throw them away. So it is that kind of action, or behaviour, and that kind of augmentation. We will have a whole generation of young Victorians that grow up in the next 20 years for whom it is automatic and natural. They are incentivised by good values, but they are also incentivised by raising money for themselves or for a sports club. So the charity partner bit has been extraordinary, and we have had some big charity partners be part of it. And it is multifaceted, Mr Galea; some of the charities actually run the depots, so they actually create employment opportunities for people. They get paid to run a depot, and then they also receive the 10-cent refund – well, if the customer decides to give it to them. It is the customer's choice about who receives it. So the charity partnership works on two fronts. I have got to say, Mildura is top of the pops in regional Victoria – 36 million returned.

**The CHAIR:** Thank you, Minister. We are going to Mr Welch.

**Richard WELCH:** Thank you, Chair. Thank you, Minister. This being PAEC, we are going to go a little bit forensically into some of the transactions. There has been over \$1 million put through on government credit cards within the department. We have not got time to go through all the interesting transactions – just a couple I would like to ask you about and you can take on notice if necessary. We have, for instance, a period where there were 12 different payments to locksmiths in the quarter across 2024, each for a fairly small amount, but there were a number of them. Do you know what the purpose was of needing so many different locksmith appointments?

**Steve DIMOPOULOS:** I will throw to the Secretary. I would be disappointed if the Secretary had that level of knowledge, because he provides me with advice on very strategic and big issues. But can I just tell you one little example. We have hundreds of sites across Victoria where DEECA, Parks Victoria and FFMVic operate. I would be surprised if a lock or two did not need to be changed.

**Richard WELCH:** That is a lot of keys to lose.

**Steve DIMOPOULOS:** There are hundreds of sites across Victoria where the Chief Fire Officer's team does work, DEECA officers do work, Parks Victoria –

**Richard WELCH:** Can you provide that, on notice?

**Steve DIMOPOULOS:** What was your exact question?

**Richard WELCH:** What was the nature of the reason for 12 different locksmiths? Is it so –

**Steve DIMOPOULOS:** Sure. We will try and provide that information.

**Richard WELCH:** Another one that stood out is a purchase at Maria's Bridal Studio. Were you aware of that?

**Steve DIMOPOULOS:** No, but I am sure there is a sound reason for it.

**John BRADLEY:** Sorry, I cannot answer the question either. I would have to take it on notice to explain it.

**Richard WELCH:** Thank you. There were also a number of payments at bars and restaurants. Out of many of them, there were three that were at golf clubs. One was for over \$1000 at Rosebud Country Club.

**John BRADLEY:** What I can say in relation to this space is that our expenditure occurs in accordance with the department's financial policies, and there are explicit requirements on our staff in terms of how they charge expenditure to the department, including through the corporate credit card system. Where there are venues that are being used that may be supporting departmental activity, then that may explain those charges that you are referring to, but that should all be occurring in accordance with the department's financial procedures and making sure that we have got good governance around that. There are multiple checks and balances to make sure that there is prudent use of funds by the department where we are making those expenditures.

**Richard WELCH:** I believe there was one also from the previous CEO at a place called – I will probably get this wrong – Kisakallio Saati, a \$233 purchase there. But this was at a time when we understood that the CEO was in Finland.

**Steve DIMOPOULOS:** Which CEO?

**Richard WELCH:** I am not sure.

**John BRADLEY:** I am just not sure which CEO you are referring to.

**Richard WELCH:** This was on 4 July 2024.

**Steve DIMOPOULOS:** Do you know the CEO of what organisation or –

**Richard WELCH:** I do not know who the previous one was, no.

**Steve DIMOPOULOS:** Where is that from, Mr Welch?

**Richard WELCH:** This is from the freedom of information –

**Steve DIMOPOULOS:** No, from what document, sorry?

**Richard WELCH:** From the freedom-of-information documents released of the credit card payments.

**Steve DIMOPOULOS:** Credit cards of –

**Richard WELCH:** Parks Victoria.

**Steve DIMOPOULOS:** Oh, Parks Victoria. Apologies. So sorry, I thought you were talking about DEECA. Right. Parks Victoria. Yes. I will have to come back to you on that.

**Richard WELCH:** Lastly, in this vein, there are also quite a number of transactions through PayPal. Some of those have vendor names but a number do not. How have you reconciled those transactions if there is no vendor reference?

**Michael GALEA:** Point of order.

**Steve DIMOPOULOS:** Just for clarity: this is still Parks Victoria? Can I just –

**Richard WELCH:** Yes.

**The CHAIR:** Excuse me, Minister. Mr Galea has raised a point of order.

**Steve DIMOPOULOS:** So sorry.

**Michael GALEA:** Apologies for interrupting, Mr Welch, but is there a budget paper reference for this in relation to the estimates for the following financial year, which we are actually looking at in these hearings –

**Richard WELCH:** Yes, there is.

**Michael GALEA:** or is it an outcomes question? Is it an outcomes question or an estimates question?

**Richard WELCH:** Budget paper 3, page 112 – this is the financial outputs. There is a lack of detail in there. These are transactions that relate to those figures, so asking for a little bit of detail within them is appropriate.

**The CHAIR:** On the point of order, Mr Welch, please proceed.

**Richard WELCH:** Thank you.

**Steve DIMOPOULOS:** Mr Welch, can I just –

**Richard WELCH:** No, I am okay.

**Steve DIMOPOULOS:** I appreciate it, but I just wanted to just clarify: for half of that conversation I thought you were talking about DEECA. Now that I know it is Parks Victoria, can I just say Parks Victoria has a board that reports to me, not DEECA. So I will take it up with the board of Parks Victoria.

**Richard WELCH:** Great. Thank you. Could I ask a couple of questions on the West Gate Tunnel ventilation? Why did the EPA decide not to recommend including filters on the West Gate Tunnel ventilation stacks despite considerable health concerns from residents and medical experts?

**Steve DIMOPOULOS:** The science of the EPA is well trusted and well tried, particularly with major projects in Victoria. You could imagine that the EPA considered filters on the ventilation stacks as part of the EES process. It was a long and thorough EES run by the Minister for Planning. The EPA's assessment of the works approved application for tunnel construction. It undertook community engagement and detailed technical assessments of the tunnel design and the emissions dispersion model using local conditions, and it concluded that filtration was not required. For these reasons, the design and the height of the ventilation stacks – and you would have seen them driving down the road – include a high-speed extraction system to push emissions high into the atmosphere, which would adequately disperse tunnel emissions and minimise any ground-level impacts. But as a precautionary measure, Mr Welch, EPA issued the permission with conditions that require continuous monitoring of ventilation stack emissions during operation, independent analysis to verify that ground-level emissions remain within safe limits and that the final design of the system includes capacity to retrofit ventilation filtration if required out of an abundance of caution.

**Richard WELCH:** Minister, sorry, I am just going to duck back to the transactions – forgive me for jumping around. Are you confident that all those payments will be appropriate and in order?

**The CHAIR:** Apologies, Mr Welch. We are going to go to Mr Tak.

**Meng Heang TAK:** Thank you, Chair. Minister, I refer to budget paper 3, page 29. This budget provides \$94.8 million investment in funding for the Environment Protection Authority. Minister, can you please explain how this funding supports a clean and healthy environment for Victorians to enjoy?

**Steve DIMOPOULOS:** Yes. Thank you. I might take the opportunity, Mr Tak, if you do not mind, I do not think I have publicly thanked the outgoing CEO of the EPA, Lee Miezis, for the extraordinary job he has done in leading that organisation and his team and also the entire EPA taking on a huge amount of work because of our government. We have brought in the general environmental duty, which is fundamental, which effectively means that everybody has an obligation to care for and look after the environment and not to cause harm. Just in that legislative move that our government made, the number of licences that the EPA is now responsible for has gone up I think eightfold or something of that order. I want to thank Lee Miezis, and I want to acknowledge the acting CEO Joss Crawford for taking the helm. Thank you for allowing that on your time, Mr Tak, but I did give you some content in that that was useful, I think, to your question.

That is why the funding is important to the EPA – because the work they do is absolutely fundamental. It is what the community expect: not to cause harm to the environment or to human health – that is the primary function of the EPA – and to reduce harm from pollution and waste. It is important to have the capacity to live in a healthy community where we take the health of our surroundings and the water around us as a given, but it is not a given because it requires a tough cop on the beat, a regulator like the EPA. That funding will go towards 110 frontline and specialist staff to deliver an expanded permissioning framework, as I talked about with the general environmental duty; more environmental protection guidance to industry; statutory functions like remediation of contaminated land and tracking waste movements across the state, which is fundamental; enforcement of Victoria's general environmental duty, as I said, and third-party rights legislation; and the EPA scientific capability; of course also contractors to come in and assist on particular occasions; and service costs to support the digital platforms to create efficiencies for both the EPA and the businesses that it regulates, including particularly tracking waste. Whether it be asbestos or any other priority waste, it is fundamental to be able to track it to be able to manage it.

**Meng Heang TAK:** Thank you, Minister. On that protection from causing harm, I refer to the 'Department Performance Statement', page 28, which states that one of the department's objective indicators is 'Environment Protection Authority prosecutions result in a finding of guilt or a clarification of the law'. Minister, can you explain how this indicator demonstrates the work of the EPA in reducing the harm of pollution and waste in Victoria?

**Steve DIMOPOULOS:** Yes. Thank you, Mr Tak. This is an important element. A regulator needs to be able to be seen, frankly, to be taking action, and also people need to fear it. There are two parts to it. There is education of the industry, and the EPA does that really, really well. The best outcome is when industry or should I say potential polluters engage the EPA in conversations about their business and the licences thereafter so that it is all on the table and there is an educative outcome from those conversations. But when people and businesses behave badly, they need to be taken to task on behalf of the Victorian community, and the EPA has all the powers in order to do that and prosecute them. This is an important tool for any regulator, whether it be the EPA or Safe Transport Victoria.

I can share with you, Mr Tak, a recent example from Cherry Creek of a successful prosecution by the EPA through the Director of Public Prosecutions. This was a completely avoidable environmental pollution event which led to the death of tonnes of fish, the pollution of Cherry Creek – you may have heard of it – and Cherry Lake and the loss of the community's use of the waterway for several weeks until the clean-up happened. The original fine for the action was \$8000, which was manifestly inadequate, but it was successfully appealed by the EPA and the Director of Public Prosecutions, and a fine of \$120,000 was ultimately issued by the court. Things like that send an important message to other would-be polluters and also serve as an educative instrument in themselves, because people pay attention to a story about someone in the same industry or a headline in the newspaper. That is really important work for the EPA.

Under our government we have really bolstered, both legislatively and also in terms of capacity, the EPA over the last few years. I think it is important people expect that of any modern, civilised society – that their amenity is protected and is protected by a strong regulator from harm to them and to the environment.

**Meng Heang TAK:** Thank you, Minister. Given the remaining time, can the minister please explain how the EPA is contributing to broader government goals to unlock land for housing and other significant projects?

**Steve DIMOPOULOS:** Just in a quick nutshell, part of why I applauded the outgoing CEO, who is now the CEO of Parks Victoria, is because he understood the government's need to build housing and provided a function within the EPA to expedite housing approvals, keeping the environment safe but having a front door for expedited housing approvals. That is one way.

**Meng Heang TAK:** Thank you, Minister.

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

**Aiv PUGLIELLI:** Thank you. Good afternoon. Looking at budget paper 3, page 28, Landcare Victoria and Coastcare received funding in this year's budget of \$8.7 million for 2025–26 and about the same for 2026–27. I am told, though, that Landcare are struggling to get information from the department on exactly how much they will be given. Do you expect Landcare to get around \$7.7 million per year for two years with the rest going to Coastcare, or is it something different?

**Steve DIMOPOULOS:** I might get the department to answer. Coastcare is normally around \$1 million per annum. I will ask Deputy Secretary Jackson to respond in a moment, but just quickly can I say, Mr Puglielli, I am really pleased that we have now extended the life of the Landcare coordinators until 2028. That is probably the longest time for some time that they have had in terms of knowledge of their funding. And they are doing an amazing job.

**Carolyn JACKSON:** That is correct. Of the funding that is in the budget papers, \$1 million per annum is for Coastcare, and the remainder is for Landcare.

**Aiv PUGLIELLI:** Okay. Thank you. Now, I understand Landcare put in a budget proposal for \$12 million a year and that they actually need an increase in their core funding just to keep the current facilitator program alive. Can I ask: did DEECA recommend an increase in funding in its submission to Treasury, or did DEECA recommend more of a business-as-usual funding approach?

**Steve DIMOPOULOS:** Mr Puglielli, this is not unusual. DEECA briefs me on a bunch of different things every day and I can throw to them, but it is not unusual that there is an ask from anyone in civil society or outside of government and that ask is not met in its entirety. I mean, that is probably reasonable when you are putting a budget together. But what I am really proud of is that we have continued the Landcare coordinator funding for effectively three years, until 2028. Given these are all conversations that come within budget purview and the budget is a cabinet document, signed off by cabinet, if I can get you any information on that, I will, but it is probably covered by executive privilege.

**Aiv PUGLIELLI:** Okay. Thank you. If you can, though, it would be excellent. I understand facilitators are working a lot of unpaid hours. They are saying they are not seeing real wage growth. Landcare tells us that to retain the 80 facilitators they would need around \$8.6 million this year and then around \$8.9 million next year, otherwise jobs or wages could have to be cut. Is there anywhere else that Landcare in this budget could get that extra million a year to keep the program running?

**Steve DIMOPOULOS:** Thank you. It is a very good question. The Deputy Secretary is reminding me that in the conversations with Landcare, as you have rightly pointed out, cost of employment was raised. In response we are providing an increase in funding for each facilitator position, including an increase in salary to help meet cost-of-living pressures, so facilitator funding will be more than it was previously in this budget. On your broader question, there are a range of programs that I will be looking to to perhaps do more for Landcare generally, including facilitators, in time. This government has invested a huge amount in biodiversity protection. The Bush Bank program – the biggest ever program that is effectively predominantly on public land – has long-term funding of \$77 million. We have got the \$110 million Better Forests program over four years.

There will be plenty of opportunities for Landcare to have a bit more of a role. I think Landcare is extraordinary. I think they are an amazing organisation. I am proud that their founders were a Labor Premier and the head of the farmers federation, and I want to continue to look after them because they do an amazing job and they leverage such extraordinary amounts both in volunteer labour but also in financial leverage in

funding from other sources for the amount the state gives them. And if I can do more with them, I will, Mr Puglielli.

**Aiv PUGLIELLI:** Thank you. I appreciate those comments. Just moving on to page 112 of the same budget paper, can we get a breakdown of Parks Victoria's total expected funding for this year as opposed to last year, including how much it is expected to get from the parks and reserves trust or any other grants?

**Steve DIMOPOULOS:** Just to clarify your question, the total expenses or revenue?

**Aiv PUGLIELLI:** Expected funding revenue.

**Steve DIMOPOULOS:** Sorry. So expected revenue for Parks Vic for 2024–25 compared to 2025–26?

**Aiv PUGLIELLI:** Yes.

**Steve DIMOPOULOS:** Yes. From memory it has gone up. It is going up by about \$6 million, or it is a small increase, from memory.

**Aiv PUGLIELLI:** How much from the parks and reserves trust, if you can tell me?

**Steve DIMOPOULOS:** Right. Give me a second, Mr Puglielli, if that is okay. For 2024–25 Parks Victoria received \$94.9 million from the Parks and Reserves Trust. And you want to know how much it will receive in 2025–26?

**Aiv PUGLIELLI:** Yes, and the total expected funding if you can. But it can be on notice if that is required.

**Steve DIMOPOULOS:** I will come back to you on that. If I can just illuminate something quickly: Parks Victoria – some of the lumpy funding is because of infrastructure delivery. When they deliver and they pay out a milestone payment, then there is a – the tourism portfolio is one example. It will fund Parks Victoria X million to do a trail walk funded under the tourism portfolio. They will hold that money and they will pay it out in milestone payments. That might give you some clarity around some of the lumpiness in the budget. But I will give you the figures when I have them for 2025–26 from the Parks and Reserves Trust and overall revenue.

**Aiv PUGLIELLI:** Thank you. Just on another matter, can I confirm annual funding for Trust for Nature will return to \$1.325 million this year after falling to \$1 million last year?

**Steve DIMOPOULOS:** Yes.

**Aiv PUGLIELLI:** Thank you.

**The CHAIR:** You got that in, Mr Puglielli. We will go to Mr Hilakari.

**Mathew HILAKARI:** Thank you. Thank you, Minister and departmental staff, for your attendance today. It is much appreciated. Minister, I am going to get to Cooler, Greener West in a moment, but I have got to be fair and ask about somewhere else in the state first so I am not just focused entirely on the western suburbs. I am hoping I can take you to budget paper 3, page 34, around Preston and Reservoir and some of the tree programs that we have to increase canopy. You might also want to touch on what it means to have increased canopy across suburban areas across Victoria.

**Steve DIMOPOULOS:** Thank you, Mr Hilakari. Yes, this is such an important program, and it just shows that governments can make a difference over time if they set their minds to it. Touch wood we are, but we may not be – you will be, because you are younger – walking this earth when those trees we have planted under this program have become full canopy trees that the community will enjoy, and it is really important. This is not a political decision; this is a policy decision for the public interest. You intimated in terms of the importance of this, it is important to understand the urban heat island effect. Effectively, our built environment – our buildings, our roads and our infrastructure, and this government has done a lot of infrastructure – contributes to trapping and emitting heat, and the only thing you can really do to mitigate that is tree canopy cover or greenery. Some studies show there is a 4 degrees Celsius hotter temperature when you have the urban heat island effect. Some of the statistics – and you know them well because you are an advocate for More Trees for a Cooler, Greener West – are just really, really incredible. Melbourne's west has just 5 per cent tree canopy,

compared to 26 per cent for Melbourne's east. Now, the lived experience is completely different, as you know. It is extraordinary in terms of how people perceive the amenity of their local area, sometimes the property values and a whole range of other things that you would not ordinarily think about. We do not think that is acceptable. Our government does not think that is acceptable, and that is why we started this really important program, and I want to find opportunities to increase it, as we did in this budget with Preston with the sky rail, effectively, in that part of the world. The program is to plant 500,000 trees. But you specifically asked me about Preston – I am sorry, Mr Hilakari, I got caught up there.

**Mathew HILAKARI:** I have got to give a sense of some other suburban areas beyond the west before I just focus entirely on the western suburbs.

**Steve DIMOPOULOS:** I was just at Preston station two weeks ago with the local member, and we walked down – I might get the directions wrong – the north end of a particular road. The team might be able to help me; I cannot remember.

*Members interjecting.*

**Steve DIMOPOULOS:** I cannot remember. I am not the roads minister, Ms Kathage. But literally, the sky rail station is here. We walked south, off memory. It was planted by a previous decision, and it looked incredible already just in the short time – the sky rail and this beautiful new station.

**Mathew HILAKARI:** It is only a couple of years in, and plants are shooting up.

**Steve DIMOPOULOS:** The difference is just stark. You walk north, and you could not have sought a better example, hence the advocacy by the local member and the investment in this budget – it is so stark and barren. We have an opportunity to really do something special here. That is why there was a commitment to plant thousands more trees for that particular major project, effectively, greening Preston station and the surrounds. But we want to do more. We have got 500,000 trees –

**Mathew HILAKARI:** Those communities had been separated previously by the rail line travelling through their suburbs. We heard that evidence earlier in PAEC. But it is not just lifting the train tracks or putting the train tracks down.

**Steve DIMOPOULOS:** It is providing amenity underneath, absolutely. I remember, Mr Hilakari, some naysayers in my electorate said, 'You could never have a picnic under sky rail. What a disgraceful idea.' Well, it took about three years, but I saw people having a picnic under sky rail last year. Tree canopy is fundamentally important. You cannot have tree canopy when you have got a ditch.

**Mathew HILAKARI:** A great big rail line.

**Steve DIMOPOULOS:** Yes, spot on. So the 500,000 trees for a cooler, greener west is fundamental. We are at the last stage of that. We have done 419,000 trees, as you would know. We have just signed off earlier this year on the last portion of that to get to 500,000. The response has been incredible. I want to do a bit more of this, like the Preston example – not just, as meaningful as this is, in big public parks. I want to do it around infrastructure like in Preston, where people see it every single day when they get off a train and feel a sense of relief, of wellbeing. It is extraordinary. The beauty about doing more trees in parklands is you provide a better biodiversity outcome for the flora and the fauna. But people matter as well, and I think trees –

**Mathew HILAKARI:** Pride and connectedness with their own community

**Steve DIMOPOULOS:** pride and a sense of a cooler climate matter. This is on top of our \$315 million suburban parks program. We have created an extra 6500 hectares of new and upgraded green spaces for the community. One of my favourites – and I think it is every Minister for Environment's favourite – is specific dog parks. It sounds trivial until you experience it, if you have a pet, and about half of Victorians do.

**Mathew HILAKARI:** Great for building community.

**Steve DIMOPOULOS:** That is right. To be able to take that pet to a dog-friendly park is a relief both for you and the pet. For many people their pet, particularly dogs –

**Mathew Hilakari** interjected.

**Steve DIMOPOULOS:** Yes, a family member. This is all part of creating more spaces for people to recreate in, which clearly is better for the environment but also better for mental health and social connection. You cannot connect on the footpath in a barren environment; you can connect in a luscious, canopy-rich environment.

**Mathew HILAKARI:** Thank you.

**The CHAIR:** Thank you, Minister. As someone who takes their dog to the dog park every weekend, it provides me with immeasurable enjoyment and satisfaction to see my second son have such a good time.

Minister and officials, thank you so much for taking the time to appear before the committee 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 going to take a short break before beginning its consideration of the portfolio for children at 6:25 pm. I declare this hearing adjourned.

**Witnesses withdrew.**