

CHAPTER 1: INTRODUCTION

1.1 Background

All moneys the government receives from taxes, imposts, rates, duties and other revenues (such as royalties) are paid into the Consolidated Fund. Each year, the government introduces appropriation bills into Parliament, so authority can be given to spend money from the Consolidated Fund.

On 1 May 2007, the government introduced two appropriation bills: the *Appropriation (2007/08) Bill* and the *Appropriation (Parliament 2007/08) Bill*, into Parliament. These bills, when passed, will enable the government and the Parliament respectively to deliver planned services and embark on new asset investments during 2007-08.

The appropriation bills seek parliamentary authority to draw an amount of \$28,522.1 million from the Consolidated Fund in 2007-08 for government purposes and \$92.1 million for the funding of Parliament's activities.

1.1.1 Budget estimates

Section 40 of the *Financial Management Act 1994* requires the government to submit to Parliament, along with the appropriation bills, the budget estimates for the forthcoming financial year. The budget estimates include, for the relevant financial year, particulars of:

- goods and services each government department will provide or produce;
- amounts available, or to be available, to each department;
- the estimated amount of the receipts and receivables for each department; and
- the expected financial requirements of Parliament.

The budget estimates also deal with the application of funds that do not require annual parliamentary authority such as special appropriations, \$1,842.6 million; where there is continuing authority derived from specific legislation, agency revenue credited to appropriations, \$2,237.4 million; and prior year appropriations, \$535.1 million, carried over to the budget year.

The 2007-08 Budget Estimates identify that the government expects total income from transactions of around \$34,269.2 million and total expenditure from transactions of \$33,944.9 million. In addition, new net annual infrastructure investments are expected to average \$3,300 million over each of the four years to 2010-11.

1.2 Process followed by the Public Accounts and Estimates Committee for its review of the 2007-08 Budget Estimates

The Public Accounts and Estimates Committee is responsible for undertaking a review of the budget estimates including revenues contained in the budget papers. This review assists Parliament to more effectively scrutinise the activities of government.

Following the tabling of the *Report on the 2007-08 Budget Estimates – Part One*, part two of the report now itemises responses received from departments to the Committee's 2007-08 Budget Estimates questionnaire where further information was sought by the Committee and, for each of the remaining 20 hearings held between 14 May 2007 and 31 May 2007, summarises key matters raised

and responded to by Ministers; questions taken on notice by Ministers for a later written response; questions unasked by members of the Committee and also referred to Ministers for a subsequent written response; and a list of documents presented by Ministers.

Part Three of the report will contain information relating to responses received to questions taken on notice and unasked questions emanating from the hearings; outstanding material from the Committee's inquiries to date; and analysis, key findings and recommendations relating to the 2007-08 Budget Estimates.

The principal intention of the Committee, in presenting early reports to Parliament on the 2007-08 Budget Estimates, is to assist Members of Parliament in their consideration of the appropriation bills and, in turn, to enrich the Parliament's debate on the bills.

1.2.1 Departmental budget estimates questionnaire

Prior to the budget estimates hearings, the Committee sends a questionnaire to each department and the parliamentary departments to obtain information on the likely impact of the budget on their operations and future strategic directions. For the 2007-08 Budget Estimates questionnaire, the Committee focused on the following issues:

- output responsibilities and initiatives;
- staffing matters;
- departmental financial statements (operating statement, administered items statement and balance sheet) and budget development assumptions;
- carry over funding from 2006-07;
- performance measures;
- departmental savings;
- departmental asset investments;
- communications, advertising and promotion; and
- implications arising from the National Reform Agenda.

Responses received from departments in relation to those areas that in the Committee's view required further information are itemised in each section of this report.

1.2.2 Acknowledgment

The Committee is grateful to the Ministers and their accompanying staff for their assistance at the remaining budget estimates hearings held between 14 May 2007 and 31 May 2007.

CHAPTER 2: PARLIAMENTARY DEPARTMENTS

Departmental review

2.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the parliamentary departments' response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.2 Factors impacting on the formulation of the budget and associated outcomes

2.2.1 Key assumptions

A description of the key assumptions used to develop the parliamentary departments' budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.2.2 Changes to major government objectives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

2.2.3 National Reform Agenda

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

2.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Initial information provided by the parliamentary departments on output initiatives and an asset initiative was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Further information has been requested from the parliamentary departments relating primarily to staffing implications and expected outputs for these initiatives.

The Committee regards this lack of response as inadequate, and is seeking a further response detailing the requested information for inclusion in the Committee's Report on the 2007-08 Budget Estimates – Part Three.

2.4 Departmental asset investment

Initial information provided by the parliamentary departments on departmental asset investment was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Further information has been requested from the parliamentary departments relating to the envisaged annual expenditure amounts relating to each asset investment project.

The Committee again regards this lack of response from the parliamentary departments as unsatisfactory, and is seeking a further response detailing the requested information for inclusion in the Committee's Report on the 2007-08 Budget Estimates – Part Three.

2.5 Financial information

2.5.1 Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

2.5.2 Revenue and expenditure

Information on revenue and expenditure for the controlled and administered operating statements for the parliamentary departments was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.5.3 Assets, liabilities and equity

Information on the financial position for the controlled and administered items for the parliamentary departments was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.5.4 Carry over funding

Details of the parliamentary departments' estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

2.5.5 Revenue raising initiatives

Information on the parliamentary departments' revenue raising initiatives for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.5.6 Departmental savings

Information on the parliamentary departments' savings for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.6 Communication, advertising and promotion

Information provided by the parliamentary departments on the communication, advertising and promotional budgets for 2007-08 and expenditure for the previous two financial years was included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.7 Departmental workforce

Full details of the parliamentary departments' workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

2.8 Performance measures – changes

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

2.9 Parliamentary departments hearing

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

CHAPTER 3: DEPARTMENT OF EDUCATION

Departmental review

3.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.2 Factors impacting on the formulation of the budget and associated outcomes

3.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.2.2 Changes to major government objectives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

3.2.3 National Reform Agenda

Initial information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department relating to the implications of the National Reform Agenda for departmental services is set out below.

The actions the Victorian Government has committed to in Victoria's Plan to Improve Literacy and Numeracy outcomes will be rolled out progressively by the Department of Education.

The Committee is disappointed with the breadth of the material provided by the department in this instance. Responses of a general nature such as this are of limited value to the Committee and the Parliament in terms of inquiring into the budget estimates and enhancing accountability.

3.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.5 Financial information

3.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

An explanation of how the Australian equivalents to the International Financial Reporting Standards (A-IFRS) have impacted on the preparation of the department's budget for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.5.2 *Revenue and expenditure*

Initial information provided by the department on revenue and expenditure for the controlled items operating statement for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information from the department relating to revenue and expenditure for the administered items operating statement is included in table 3.1 below:

**Table 3.1: Department of Education
Operating statement**

Administered items	Column 1	Column 2	Column (2-1)/1
	2006-07 Estimated Actual (a) (\$ million)	2007-08 Budget (\$ million)	Variation (%)
Income from transactions			
Sale of goods and services	1.5	1.5	0.0
Commonwealth grants	2,145.0	2,175.4	1.4
Revenue from other parties and other income	19.9	9.9	-50.3
Total	2,166.4	2,186.8	0.9
Expenses from transactions			
Grants and other payments	1,482.5	1,541.3	4.0
Payments into the consolidated fund	683.8	645.4	-5.6
Total	2,166.3	2,186.7	0.9
Net result from transactions	0.1	0.1	0.0
Income/expenses from other economic flows	0.0	0.0	0.0
Net result from other economic flows	0.0	0.0	0.0
Net result	0.1	0.1	0.0

Note: (a) the 2006-07 estimated actual includes half year figures for the programs managed by the Office of Training and Further Education (OTFE) which have been transferred to the Department of Innovation, Industry and Regional Development and the Department for Victorian Communities under the machinery of government changes

3.5.3 Assets, liabilities and equity

Initial information provided by the department on the assets, liabilities and equity for the controlled items balance sheet for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information provided by the department on the financial position for the administered items of the department is included in table 3.2 below:

**Table 3.2: Department of Education
Balance sheet**

Administered items	Column 1	Column 2	Column (2-1)/1
	2006-07 Estimated Actual (\$ million)	2007-08 Budget (\$ million)	Variation (%)
Assets			
Cash assets	1.2	1.2	0.0
Receivables	17.5	17.5	0.0
Other financial assets	1.5	1.5	0.0
Prepayments	3.3	3.3	0.0
Property, plant and equipment	11.3	11.3	0.0
Total assets	34.7	34.8	0.3
Liabilities			
Other	4.4	4.4	0.0
Total liabilities	4.4	4.4	0.0
Net assets	30.3	30.3	0.0

3.5.4 Carry over funding

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

3.5.5 Revenue raising initiatives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

3.5.6 Departmental savings

Initial information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department on the breakdown of savings expected from the Efficient Government policy is included in table 3.3:

**Table 3.3: Department of Education
Efficient Government policy savings**

Efficient Government policy savings (as per Labor's Financial Statement 2006)	2007-08 Savings amount (\$ million)
<i>Buying Smarter, Buying Less</i>	7.4
Shared Services	0.6
Best Practice Grants Administration	0.1
Fleet Management	0.1
Advertising and Consultancies	0.2
Total	8.4

3.6 Communication, advertising and promotion

Initial information provided by the department on the communication, advertising and promotional budget for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

In quantifying its budget, the department advised the Committee that at this stage it is not possible to provide more information on estimated expenditure on communications for 2007-08.

The Committee regards this response as inadequate and is seeking a further response detailing proposed expenditure, as well as details of expenditure in 2005-06 and estimated expenditure in 2006-07. When received, this information will be included in the Committee's Report on the 2007-08 Budget Estimates – Part Three.

3.7 Departmental workforce

Full details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.8 Performance measures – changes

Changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

3.9 Education portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

3.10 Education Services portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

CHAPTER 4: DEPARTMENT OF HUMAN SERVICES

Departmental review

4.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.2 Factors impacting on the formulation of the budget and associated outcomes

4.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.2.2 Changes to major government objectives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

4.2.3 National Reform Agenda

Information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.4 Departmental asset investment

A listing of the department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Estimated expenditure on each of these capital projects for 2007-08 is detailed in table 4.1.

**Table 4.1: Department of Human Services
Asset investment expenditure – 2007-08**

Asset investment program, with forecast expenditure budgeted to occur during the 2007-08 financial year	Estimated Expenditure 2007-08 (\$000)
Alfred Hospital Intensive Care Unit Redevelopment	8,650
Alfred Hospital Psychiatric Intensive Care Unit	789
Austin Mental Health Services Redevelopment – Stage 2 Secure Extended Care Unit	220
Bairnsdale Regional Health Service, Redevelopment Emergency Department	580
Barwon Health, Geelong Hospital Emergency Department Redevelopment	13,000
Beaufort & Skipton Health Service, Skipton Campus, Redevelopment	637
Box Hill Hospital – Outpatients & Dialysis Centre And Associated Works	20,600
Brunswick Human Services Precinct – The Bouverie Centre	1,500
Casey Residential Aged Care	17,500
Caulfield General Medical Centre Logistics Building And Associated Works	15,800
Colac Area Health, Polwarth Nursing Home – Residential Aged Care Services	1,118
Community Facility Redevelopment Initiative	4,000
Community Health & Mental Health Redevelopment, Warragul Stage 2	1,194
Disability Services Strategic Replacement & Refurbishment Program for Shared Supported Accommodation	10,960
Eastern Health Mental Health Redevelopment Stage One	11,400
Eastern Health, Central East Community Care Unit	4,268
Environmental Sustainability Action Statement – Public Hospitals & Aged Care	1,500
Fire Risk Management Strategy	130
Grace McKellar Centre Redevelopment Stage 2	3,054
Health Information And Communication Technology (ICT) Strategy	30,000
Heidelberg Repatriation Hospital Mental Health Stage 1	3,000
Hospitals Electronic prescribing	8,000
John Pickford House Nursing Home Redevelopment, Ararat	130
Kew Residential Services Redevelopment	8,629
Kingston Centre Kitchen Upgrade And Associated Works	14,000
Koori Youth Alcohol And Drug Healing Service	2,100
Latrobe Regional Hospital, Cancer Treatment Centre, Traralgon	77
Maroondah Hospital Redevelopment – Stage 2A	1,055
McKellar Centre Aged Care Facility – Grovedale	12,000
Mental Health Services For Kids & Youth (Mh-Sky) Stage 2 – Adjustment	403
Metropolitan Food Services Redevelopment Stage 1	2,800
Monash Medical Centre, Moorabbin Campus – Expansion Of Radiotherapy Services	1,317
Mornington Centre Promoting Health Independence: Stage 1A	1,542
Mount Alexander Hospital, Castlemaine, Redevelopment Residential Aged Care	999
North Richmond Community Health Centre	9,500
Northeast Health Wangaratta, Nursing Home Redevelopment	6,100
Portland District Health – Aged Care Redevelopment & Second Stage Recovery Suite	1,708

**Table 4.1: Department of Human Services
Asset investment expenditure – 2007-08 (continued)**

Asset investment program, with forecast expenditure budgeted to occur during the 2007-08 financial year	Estimated Expenditure 2007-08 (\$000)
RAV – Ambulance Services Expansion	500
Rochester Theatre & Hospital Redevelopment	9,000
Royal Children's Hospital Redevelopment	133,400
Royal Children's Hospital Redevelopment Stage 1	7,617
Royal Melbourne Hospital Emergency Department Redevelopment	19,800
Shepparton Mental Health – Ambermere	3,900
Super Clinics	15,266
The Knox Development	14,036
The Northern Hospital Redevelopment Stage 2A	2,650
Victorian Respiratory Support Service	1,878
Yarrawonga District Health Service Redevelopment – Nursing Home & Acute Services	214

4.5 Financial information

4.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

An explanation of how the Australian equivalents to the International Financial Reporting Standards (A-IFRS) have impacted on the preparation of the department's budget for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.5.3 *Assets, liabilities and equity*

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.5.4 *Carry over funding*

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

4.5.5 Revenue raising initiatives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

4.5.6 Departmental savings

Initial information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information supplied by the department in response to the Committee’s request for an estimate of the breakdown of the savings target according to the areas of particular focus for increased efficiency and savings is shown in table 4.2.

**Table 4.2: Department of Human Services
Efficient Government savings – 2007-08**

	2007-08 (\$ million)
<i>Buying Smarter, Buying Less</i>	7.4
Shared services	4.2
Fleet management	0.9
Best practice grant administration	0.2
Advertising and consultancies	1.1
Efficient Government savings	13.8
Head office efficiencies	2.4
Grants efficiencies	0.6
Total savings	16.9

4.6 Communication, advertising and promotion

Given that according to the department, budgets had not been allocated for 2007-08, the Committee subsequently requested that details pertaining to budgets and expenditure be provided to the Committee. When received, this information will be included in the Report on the 2007-08 Budget Estimates – Part Three.

4.7 Departmental workforce

Initial details of the department’s workforce were included in the Committee’s *Report on the 2007-08 Budget Estimates – Part One*.

As earmarked in the Committee’s first report, an explanation was sought about the reasons behind the department not estimating staffing levels as at 30 June of the following year, a situation that had been commented on in previous Committee reports on the budget estimates. The department’s explanation and additional information are set out below.

In line with government policy, the department adjusts its staffing levels as required to meet service delivery targets and associated program support requirements. The total number of staff directly employed by the department (in management or administrative functions, or direct service delivery in relation to child protection, disability or housing services) is an input to the delivery of outputs and outcomes for government. It is not in itself a performance indicator or a target, unlike other government functions such as teaching where forward projections of staff numbers would be required to calculate expected staff student ratios.

The department does not therefore produce forward estimates of its total directly employed staff, in terms of aggregates of program administration, corporate and direct care staff. However, individual programs with direct care staff do estimate the staffing impact of particular budget proposals as part of their costing and implementation planning for those proposals. The department also monitors and manages movements in head office and regional administration staffing levels, in order to meet efficiency and savings targets required by government of all departments under the Department Funding Model and in the context of the Efficient Government policy.

However, in response to the Committee's request, it is possible to calculate simple trend estimates of aggregate directly employed staffing levels, based on the pattern of previous actual levels of directly employed staff. A trend increase has been calculated on this basis in the table below for regional directly employed staff, but no growth is anticipated in Head Office staff in the context of further efficiencies to be sought under the Efficient Government savings initiative (see table 4.3). Data for June 2007 is estimated to be as per equivalent full-time (EFT) levels current at the end of March 2007. The distribution of classifications is assumed to be as per the March 2007 data previously provided to the Committee.

**Table 4.3: Department of Human Services
Directly employed staffing levels – June 2003 to June 2008**

	June 2003 (EFT)	June 2004 (EFT)	June 2005 (EFT)	June 2006 (EFT)	June 2007 (estimated) (EFT)	June 2008 (estimated) (EFT)
Head office	2,553.0	2,551.0	2,603.0	2,621.0	2,669.0	2,669.0
Regions	8,451.0	8,522.0	8,511.0	8,723.0	8,860.0	8,972.0
Total	11,004.0	11,073.0	11,114.0	11,344.0	11,529.0	11,641.0

With respect to funded agencies, of which there are over 2,200 funded under individual service agreements, the department provides funding on an output, rather than an input basis, and agencies adjust their staffing levels in line with service needs to deliver the output targets defined in service agreements. Since the department does not directly employ agency staff, it does not generally require these agencies to submit EFT information. The department acknowledges the constraints that agencies face in balancing resource allocations between administrative and service delivery functions, and has sought to ensure that the burden of reporting is not unnecessarily onerous for agencies, but is appropriate to governance need.

The exception to this reporting policy are outer budget sector agencies, such as public hospitals and residential aged care services, where the department is a party to negotiations on enterprise agreements with their staff, and EFT numbers and classifications are essential inputs to the calculation of Enterprise Bargaining Agreement (EBA) costs.

In respect of these major funded agencies, the department has established a Health Services Payroll and Workforce Minimum Dataset, which will enable the collection of a wider range of staffing profiles in respect of the 92 hospitals that will comprise the dataset.

Complete data for all hospitals is not yet available from this dataset to support detailed estimation of future staffing levels in major funded agencies. However, as with the departmentally employed workforce data, simple trend estimates can be provided to the Committee based on previous years' actuals. Estimates of staffing levels for the major occupational categories, based on linear trends since June 2003, are provided in table 4.4.

**Table 4.4: Department of Human Services
Public hospitals
Staffing levels for major occupational categories – June 2003 to June 2008**

	June 2003	June 2004	June 2005	June 2006	June 2007 (estimated)	June 2008 (estimated)
Doctors	5,046	5,328	5,558	5,769	5,958	6,152
Nursing	25,841	26,920	27,720	28,418	29,347	30,307
Medical support and ancillary staff	10,550	10,978	11,584	12,014	12,407	12,812
Other	16,377	16,838	17,419	18,003	18,591	19,199
Total	57,814	60,064	62,281	64,204	66,303	68,470

4.8 Performance measures – changes

Changes made to the department's output structure for 2007-08 were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

4.9 Children portfolio

4.9.1 Introduction

The Committee received evidence from Ms L Neville, Minister for Children, on 14 May 2007. The Minister provided an overview of her portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 45 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

4.9.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 4.9.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 4.9.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

4.9.3 **Key matters raised at the budget estimates hearing**

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- government planning and funding to upgrade and better equip not-for-profit kindergartens and childcare centres and where related family services can be co-located (pp.3–4);
- intended utilisation of additional funds over the next 4 years for maternal and child health services (pp.4–5);
- funding for training staff in maternal and child health centres, and nurses, to deal with children with allergies and anaphylactic conditions (pp.5–6);
- training methods to be adopted to train a multitude of staff (child care workers, kindergarten and school teachers) to treat children with life threatening allergies, with minimal per capita funding (pp.5–6);
- the extent of provision of EpiPens to kindergartens and childcare centres throughout the state (pp.5–6);
- initiatives under the government's 'Continuing Family Violence Reform' program to protect women and children, and sometimes men, from family violence (p.7);
- government's position on encouraging increased cooperation between kindergartens and primary schools in terms of co-location and administrative support (p.8);
- government's preparedness to review the funding formula to ensure that parents of children attending smaller rural kindergartens do not have to engage in strenuous fundraising efforts to meet basic operating costs and capital works expenditure (p.8);
- arguments for the retention of kindergartens within the Department of Human Services as distinct from moving them to the Department of Education (p.9); and
- whether steps have been taken to identify and cost the options for safeguarding the long service leave and sick leave entitlements of preschool centre staff, or whether a central leave provision fund would be created (pp.9–10).

4.9.4 **Questions taken on notice at the budget estimates hearing**

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- whether the department will be funding the provision of EpiPens to childcare centres and kindergartens (pp.6–7); and
- expected impact of the budget, particularly new initiatives, on productivity in the portfolio (p.4 in Mental Health portfolio transcript).

A written response by the Minister to the Committee on these questions is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

4.9.5 **Unasked questions**

All questions of the Committee were raised at the budget estimates hearing.

4.9.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

4.10 Community Services portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.11 Health portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

4.12 Housing portfolio

4.12.1 Introduction

The Committee received evidence from Mr R Wynne, Minister for Housing, on 17 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

4.12.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 4.12.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 4.12.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

4.12.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- impact of new initiatives and portfolio spending on productivity in Victoria (pp.4–5);
- tendering process of maintenance and gardening contracts for public housing in Melbourne (pp.5–6);
- progress of the Carlton public housing redevelopment project (pp.6–7);
- commitment to public housing in country Victoria and the provision for appropriate support services (pp.7–8);
- details of the \$510 million investment in social housing (pp.8–10);

- details of the public housing rental increase in proportion to tenant's family tax benefits and the amount of rent collected returned to the Treasurer (pp.10–11);
- water saving and energy efficiency initiatives in the social housing area (pp.11–12);
- how the increase in housing stock of 2,350 will be achieved – demolition and rebuild, renovation, new purchases and disposals (pp.12–13); and
- eligibility and tenant mix of long term housing assistance (p.13).

4.12.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- in broad groups, a breakdown of the differing amounts of family tax benefits that tenants can receive and the rent increase for each of these groups (pp.10–11).

A written response by the Minister to the Committee on this question is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

4.12.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

4.12.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

4.13 Mental Health portfolio

4.13.1 Introduction

The Committee received evidence from Ms L Neville, Minister for Mental Health, on 14 May 2007. The Minister provided an overview of her portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 45 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

4.13.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 4.13.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 4.13.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

4.13.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- expected impact of budget, particularly new initiatives, on productivity in the portfolio (pp.3–4);
- reason for low level of funding in budget for government’s announced election commitments in mental health, and the absence of funding for the major commitment of provision of 73 mental health beds at the Dandenong Hospital (pp.4–5);
- strategies planned to address the emerging threat of amphetamines and, in particular, the threat relating to the use of ice (pp.5–6);
- explanation on the rationale underpinning the allocation of funding for mental health between the city and the country, and how the 2007-08 budget will help to address mental health issues in country Victoria (pp.6–7);
- outline of services available to people experiencing both drug and mental health problems (pp.5–6);
- explanation for what was alleged to be a real decrease in funding in the budget for Psychiatric Disability Rehabilitation and Support Services (pp.8–9);
- initiatives planned by the government to better manage mental health presentations at hospital emergency departments (p.9); and
- against a background of a lowering of the qualitative target for ‘*pre-admission community care*’ from 65 per cent to 60 per cent under the Clinical Care output, due to ongoing demand growth, the nature of strategies in place to ensure all six new prevention and recovery care services committed to by the government will, after receiving funding, proceed within acceptable time frames (pp.9–11).

4.13.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the budget estimates hearing (page reference refers to the transcript in Appendix 1):

- clarification of composition of provision of \$26.6 million in capital works for new and improved mental health facilities as mentioned by the Minister at the hearing (p.11).

A written response by the Minister to the Committee on this question is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

4.13.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

4.13.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The slides are available on the Committee’s website.

CHAPTER 5: DEPARTMENT OF INFRASTRUCTURE

Departmental review

5.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.2 Factors impacting on the formulation of the budget and associated outcomes

5.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.2.2 Changes to major government objectives

Changes to the department's major government objectives were included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.2.3 National Reform Agenda

Information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information requested by the Committee on the staffing implications for each of the department's output initiatives is set out below.

A Fare Go for Public Transport Users

There are no departmental staffing implications for this initiative.

Boating Fund Grants

The Boating Fund Grants initiative is a continuation of an existing program and will be delivered within current departmental staffing resources.

Caulfield – Dandenong Rail Corridor Stage 1 – Cranbourne Stabling and Station Upgrade

There are no departmental staffing implications. Additional maintenance staff may be recruited by Connex.

Continuation of Metropolitan Bus Services Upgrade

There are no departmental staffing implications.

Continuation of SmartBus Red Line Circle Route Initiative

There are no departmental staffing implications.

Metropolitan Premium Stations Upgrades

There are no departmental staffing implications. Additional station staff are expected as a result of this initiative.

Metropolitan Train Services

There are no departmental staffing implications. The initiative includes the recruitment of approximately 22 additional train drivers by Connex.

Motor Registration Discount for Hybrid Cars

There are no staffing implications for this initiative.

Regional Coach/Bus Growth and Remote Area Service Improvements

The initiative will be delivered using existing departmental staffing resources.

Registration and Licensing Information System Development Funding

There are no additional staffing implications for this initiative.

Walking and Cycling Infrastructure Program

The program will be delivered within the existing staffing resources of the department and VicRoads.

5.4 Departmental asset investment

A listing of the department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Table 5.1 shows the 2007-08 budgeted expenditure for the department's major capital projects.

**Table 5.1: Department of Infrastructure and VicRoads
Major asset investment budgeted expenditure – 2007-08**

Department of Infrastructure – Asset Investment Program	2007-08 Budget (\$ million)
Accessible Public Transport in Victoria - DDA Compliance for Train, Tram & Bus	39.0
Clifton Hill to Westgarth Track Duplication	19.0
Country Rail Network Maintenance - Passenger Initiative	31.0
Dynon Port Rail Link	41.0
Linking the Suburbs - Craigieburn Rail Project	23.0
Metropolitan Train Control Reliability Systems Upgrade (METROL)	22.0
Metropolitan Train Procurement	38.0
Metropolitan Train Safety Communications System	10.0
Mildura Rail Corridor - Freight Upgrade	31.0
New Ticketing Solution	99.0
North Melbourne Station Interchange Upgrade	18.0
Partnership Agreement Works	23.0
Princes Pier Restoration	11.0
Regional Rollingstock	26.0
SmartBus Projects	29.0
Vigilance Control and Event Recording System (VICERS) on Metro Trains	21.0
Whole of government: Transit Cities - Revitalising Central Dandenong	22.0
Other Departmental Projects	160.0
Sub Total – Department of Infrastructure	663.0
VicRoads Capital Program	
Calder Highway Sec 2 - Faraday to Ravenswood	80.0
Calder Highway Upgrade - Kyneton to Faraday	49.0
Congestion Improvements Program	10.0
Geelong Ring Road - Sections 1 to 4	132.0
Goulburn Valley Highway Upgrading	11.0
Hume Highway - Donnybrook Road grade separation	17.0
Pakenham Bypass	41.0
Road Safety Infrastructure Programs 2 and 3	47.0
Somerton Road Duplication and Grade Separation (Somerton)	10.0
Taylor's Road Bypass	21.0
Tullamarine - Calder Freeway Interchange	18.0
Wellington Road Widening - Huntingdale Station to Stud Rd (Metro Various)	12.0
Western Highway: Deer Park Bypass and Leakes Rd Interchange Upgrade (Deer Park)	97.0
Western Port Hwy Duplication - Cranbourne Frankston Road to North Road	10.0
West Gate Monash Freeways Improvement Project	177.0
Other VicRoads Projects	148.0
Sub Total – VicRoads	880.0
Total department	1,543.0

5.5 Financial information

5.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*

5.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.5.3 *Assets, liabilities and equity*

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.5.4 *Carry over funding*

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were outlined in the *Report on the 2007-08 Budget Estimates – Part One*.

5.5.5 *Revenue raising initiatives*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

5.5.6 *Departmental savings*

Information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information supplied by the department in response to the Committee's request for an estimate of the breakdown of the budget according to savings is shown in table 5.2:

**Table 5.2: Department of Infrastructure
Efficient Government policy savings**

	2007-08 \$ million
Implementation of 'Buying Smarter, Buying Less' policy	5.60
Shared services arrangements	0.20
General head office including grant administration, fleet management and advertising and consultancies	2.00
Total	7.80

5.6 Communication, advertising and promotion

Information provided by the department on the communication, advertising and promotional budget for 2007-08 and expenditure for the previous two financial years was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.7 Departmental workforce

Full details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.8 Performance measures – changes

Changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

5.9 Major Projects portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.10 Public Transport portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

5.11 Roads and Ports portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

CHAPTER 6: DEPARTMENT OF INNOVATION, INDUSTRY AND REGIONAL DEVELOPMENT

Departmental review

6.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.2 Factors impacting on the formulation of the budget and associated outcomes

6.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.2.2 Changes to major government objectives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

6.2.3 National Reform Agenda

Information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's new output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

The National ICT Australia (NICTA) Victorian Research Laboratory was initially included in the Committee's *Report on the 2007-08 Budget Estimates – Part One* (table 6.1) as part of the asset investments for which capital expenditure would occur in 2007-08. However this has now been removed from the table as the department has subsequently advised the Committee that this is grant initiative and not an asset. Table 6.1, which provides information on the department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08, has been revised accordingly.

Table 6.1: Department of Innovation, Industry and Regional Development Asset investment projects

Asset investment project	2007-08 Budget (\$ million)
South West Institute of TAFE – Warrnambool Stage 3	7.7
Swinburne University – Wantirna Sustainability and Land Management	5.0
Kangan Batman TAFE – Docklands Stage 2	2.0
Nursing Centre of Excellence – Box Hill	0.5
Wodonga TAFE – Transport and Logistics Centre	0.5
Other	0.2
Total	15.9

6.5 Financial information

6.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

6.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.5.3 *Assets, liabilities and equity*

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.5.4 *Carry over funding*

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

6.5.5 Revenue raising initiatives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

6.5.6 Departmental savings

Information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.6 Communication, advertising and promotion

Initial information provided by the department on the communication, advertising and promotional budget for 2007-08 and expenditure for the previous two financial years was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Revised information provided by the department in response to the Committee's request for expenditure involved in communication, advertising and promotion to include costs of professional services and consultants as well as expenditure incurred by Tourism Victoria is set out below.

In 2007-08, the department's communications, advertising and promotion budget is expected to be in the order of \$7.7 million.

In 2006-07, total communications, advertising and promotion expenditure to 31 March 2007 is \$8.7 million.

In 2005-06, total communications, advertising and promotion expenditure was \$9 million. Multimedia Victoria and Office of Training and Tertiary Education were not part of the department during that year.

Expenditure incurred by Tourism Victoria on advertising, marketing, promotion and public relations is shown in table 6.2.

**Table 6.2: Tourism Victoria
Advertising, marketing, promotion and public relations spending
1 July 2005 to 30 April 2007**

	2005-06 (\$ million)	2006-07 (to 30 April 2007) (\$ million)
Advertising	8.3	6.5
Marketing, Promotion and Public Relations	3.2	3.0
Total	11.5	9.5

The expected Advertising and Promotion costs for 2007-08 are expected to be in the vicinity of \$11 million.

6.7 Departmental workforce

Initial details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

In response to the Committee seeking further information from the department on its estimated staffing projections, the department informed the Committee that the estimated overall staff numbers as at June 2008 is 958.4 full-time equivalent (FTE) and include Office of Tertiary and Training Education and Multi Media Victoria staff, transferred to the department as a result of machinery of government changes following the 2006 election.

6.8 Performance measures – changes

Changes made to the department's output structure for 2007-08 were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

6.9 Industrial Relations portfolio

6.9.1 Introduction

The Committee received evidence from the Hon. R Hulls, Minister for Industrial Relations, on 30 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

6.9.2 General comments

At the budget estimates hearing the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 6.9.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 6.9.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

6.9.3 Key matters raised at the budget estimates hearing

Key matters raised included the following (page references refer to the transcript in Appendix 1):

Role of the Workplace Rights Advocate

- action to investigate allegations against WorkDirections Australia re: unfair and illegal practices under the *Workplace Rights Advocate Act 2005* (pp.3–5); and
- role of the Workplace Rights Advocate with regard to investigating WorkDirections Australia (re: the welfare and fairness for workers in Victoria) (pp.7–8).

WorkChoices Legislation

- whether the department has examined the issue of which government instrumentalities represent constitutional corporations under the WorkChoices Act (pp.9–10);
- consideration given to the creation of a labour hire firm, owned by government, that is not a constitutional corporation, in order to avoid applicability of WorkChoices legislation to some government employees (pp.9–10);
- outline of how outworkers (people working predominantly from home) are protected from the unfair hardships of WorkChoices legislation (pp.10–11); and
- envisaged timetable for the commencement and conclusion of the government's media program directed at the federal government's workplace legislation (pp.11–13).

Other

- ways in which the government's industrial relations election commitments funded in this year's budget will assist workers and employers in balancing work and family responsibilities – including country Victorians – and how they will provide added protection for vulnerable and traditionally low paid workers (p.5);
- whether the department will examine the detail and the potential impact of the 'fairness test', whether the test falls short of providing fairness to Victorian workers and whether there is a need for a workplace relations ministers' council (pp.5–7);
- the party that requested an investigation be undertaken of '*Bruck Textiles*' (p.8);
- level of assistance provided in recent years and proposed in the budget estimates period for owner-drivers (pp.8–9); and
- explanation of the forward estimates dealing with wages policy, together with an outline of the government's public sector wages policy (p.13).

6.9.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the estimates hearing (page reference refers to the transcript in Appendix 1):

- a list of which government instrumentalities comprise constitutional corporations under the provisions of the WorkChoices Act and the number of employees of each instrumentality (pp.9–10).

A written response by the Minister to the Committee on this question is due by 2 July 2007 and will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

6.9.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

6.9.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

6.10 Industry and State Development portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.11 Information and Communication Technology portfolio

6.11.1 Introduction

The Committee received evidence from the Hon. T Holding, Minister for Information and Communication Technology, on 31 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 30 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

6.11.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 6.11.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 6.11.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

6.11.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- impact of new initiatives and portfolio spending on productivity in Victoria (pp.4–5 of the transcript for the Finance, WorkCover and Transport Accident Commission portfolio);
- explanation of the components and benefits of Project Rosetta (pp.2–3);
- new information and communication technology (ICT) initiatives for 2007-08 (pp.2–5);
- programs in place to help attract and develop the skills of young Victorians in the ICT sector (pp.5–6);

- initiatives to attract a greater share of national ICT jobs and investment to Victoria and how those skills will be used to increase exports and revenue (pp.6–7); and
- achievements of the new \$61 million education Utranet compared with the achievements of many private schools that use password-protected, web-based intranets (pp.7–8).

6.11.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the estimates hearing (page reference refers to the transcript in Appendix 1):

- inclusion of Parliament in the Rosetta directory (p.5).

A written response by the Minister to the Committee on this question is due by 2 July 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

6.11.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

6.11.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

6.12 Innovation portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.13 Regional and Rural Development portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.14 Skills portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.15 Small Business portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

6.16 Tourism portfolio

6.16.1 Introduction

The Committee received evidence from the Hon. T Holding, Minister for Tourism, on 31 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 30 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

6.16.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 6.16.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 6.16.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

6.16.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- impact of new initiatives and portfolio spending on productivity in Victoria (pp.4–5 of the transcript for the Finance, WorkCover and Transport Accident Commission portfolio);
- explanation of the 'excellence in service standards' initiative (pp.2–3);
- details of the proposal for a grand prix night race including parties with whom discussions have been held, investigation into safety, estimated cost of running a night race and the associated funding arrangements (pp.3–4, 5–6);
- relationship between the increase in funding for the tourism output and the anticipation of the cost of a night grand prix (pp.5–6);
- details of initiatives to 'open up our skies' and attract international visitors to Victoria (pp.4–5); and
- information on marketing activities undertaken online and the expected benefit to the Victorian tourism industry (pp.6–7).

6.16.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the estimates hearing (page reference refers to the transcript in Appendix 1):

- a detailed breakdown of the tourism output funding for 2007-08 (p.7).

A written response by the Minister to the Committee on this question is due by 2 July 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

6.16.5 *Unasked questions*

All questions of the Committee were raised at the budget estimates hearing.

6.16.6 *Documents tabled at the budget estimates hearing*

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

CHAPTER 7: DEPARTMENT OF JUSTICE

Departmental review

7.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.2 Factors impacting on the formulation of the budget and associated outcomes

7.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.2.2 Changes to major government objectives

Changes to the department's major government objectives were included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.2.3 National Reform Agenda

Information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.5 Financial information

7.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

7.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.5.3 *Assets, liabilities and equity*

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.5.4 *Carry over funding*

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

7.5.5 *Revenue raising initiatives*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

7.5.6 *Departmental savings*

Information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.6 Communication, advertising and promotion

Information regarding the department's communication, advertising and promotional budget and associated spending was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.7 Departmental workforce

Details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.8 Performance measures – changes

Changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

7.9 Attorney-General's portfolio

7.9.1 Introduction

The Committee received evidence from the Hon. R Hulls, Attorney-General, on 30 May 2007. The Attorney-General provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour. The Committee thanks the Attorney-General and accompanying officers for their attendance and assistance.

7.9.2 General comments

At the budget estimates hearing the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 7.9.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 7.9.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

7.9.3 Key matters raised at the budget estimates hearing

Key matters raised included the following (page references refer to the transcript in Appendix 1):

Productivity and efficiency of the courts system

- impact of the portfolio spend on productivity, particularly new initiatives in the coming budget (p.3);
- reasons why the target number of court matters to be disposed of in the forward estimates year are going to be lower than the target and actual numbers of recent years, despite a significant financial commitment (p.4);
- whether, in relation to committal hearings, government is considering them as part of its review in terms of making the higher courts more efficient (p.5);
- exploration and future expectations of government in its consideration to move to a single criminal list for indictable matters for all courts, rather than separate lists for different courts (pp.6–7);
- action by government to ensure that enough funding is provided in the forward estimates to improve court administration and record keeping and to change the law to ensure that 'bail shopping' by violent criminals does not continue (pp.9–10);

- suggestions held that appointing inexperienced people to the bench, as part of a political agenda to increase the cultural gender and social diversity of the judiciary may, in turn, work against the clearance rate and the reduction in the hearings backlog (pp.11–12); and
- appropriateness of the mechanism used of appointing full-time or part-time retired judges to be on hand to provide advice, training and counselling to new appointees (pp.12–13).

Legal Services Commissioner

- positioning of the Legal Services Commissioner within the portfolio's output structure;
- concerns held by the Law Institute and the Bar Council about the way the Legal Services Commissioner is working in that disciplinary matters are investigated and reported to the Commissioner without independent and objective follow-up, whether the government shares those concerns and proposed action to remedy the situation (p.7); and
- whether the Legal Services Commissioner publishes any statistics on the number of matters it disposes of, how many matters it receives from the profession and how they are disposed of, and whether it produces an annual report (p.8).

Other

- whether the Legal Policy, Advice and Law Reform output includes the Gunditjmarra settlement, how the Department of Justice achieved the settlement and the key aspects of the agreement with reference to the estimates period and moving forward (pp.5–6);
- whether the department planned to implement the recommendations of the Drugs and Crime Prevention Committee inquiry into public drunkenness (pp.5–6);
- recent statistics relating to the appointment of women to the courts, the key positions within the justice system and how this has supported a process of quality appointments (pp.8–9);
- initiatives to increase compensation payments to victims of crime, the amounts of the increases, whether the increases are part of a broader strategy to support victims of crime and whether that is consistent with the victims charter that came into effect during 2006-07 (p.10);
- progress on initiatives relating to sexual assault reforms (p.11); and
- time frame for the completion of the Moorabbin court complex (p.13).

7.9.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Attorney-General at the estimates hearing (page references refer to the transcript in Appendix 1):

- a reconciliation of the number of court matters disposed of (316,500 in Budget Paper 3, page 162) and the Minister's statement at the estimates hearing of over a million matters disposed of (pp.4–5);
- whether the Legal Services Commissioner publishes any statistics on the number of matters it disposes of, how many matters it receives from the profession and how they are disposed of, whether it produces an annual report, and whether such report is tabled in Parliament (p.8);
- time frame for the completion of the Moorabbin court complex (p.13); and
- question that was transferred from the women's affairs portfolio for response by the Attorney General's portfolio relating to the extent of support provided by the government for women who wish to leave the sex industry (p.13).

A written response by the Attorney-General to the Committee on these questions is due by 2 July 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

7.9.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

7.9.6 Documents tabled at the budget estimates hearing

The Attorney-General provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

7.10 Consumer Affairs portfolio

7.10.1 Introduction

The Committee received evidence from Mr D Andrews, Minister for Consumer Affairs, on 30 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 45 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

7.10.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 7.10.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 7.10.4) and unasked questions (see 7.10.5) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

7.10.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- impact of the portfolio spend on productivity, particularly new budget initiatives (pp.3–5);
- reasons for the reduction in performance measures in correlation to an increase in funding and the value for money to consumers of Victoria for the output 'protecting consumers, promoting and protecting consumer interests' (pp.5–6);
- activities undertaken by Consumer Affairs Victoria (CAV) to regulate the practice of underquoting house prices for auctions (pp.6–7);

- quantum of auctions covered and visits made since the introduction of new laws in 2004 as part of the output ‘inspections, compliance monitoring and enforcement activities’; reasons for the low number of prosecutions; and the forward program for enforcement in 2007-08 (pp.8–9);
- explanation of initiatives for 2007-08 for the ‘residential accommodation output’, in particular, caravan parks (p.9); and
- explanation of the association between the rise in written matters dealt with by CAV with regard to complaints and the static target for the level of compliance, enforcement activities and prosecutions undertaken by CAV (pp.10–11).

7.10.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- will the update of expected output figures for ‘protecting consumers, promoting and protecting consumer issues’ be available before the end of the financial year? (p.6);
- quantification of the statement, Consumer Affairs have ‘*regularly* conducted compliance work ... and had a number of blitzes in terms of inspectors going out *en masse* to supervise auctions’ since legislative changes come into place in 2004 (p.8); and
- further information on the financial counselling program and how low-income Victorians who experience this will be assisted (p.11).

A written response by the Minister to the Committee on these questions is due by 2 July 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

7.10.5 Unasked questions

The following questions were unasked by the Committee at the budget estimates hearing and have been referred to the Minister for a written response by 2 July 2007:

- increased government funding for financial counsellors and whether there is increased funding to the financial counselling program in 2006-07 over the forward estimates period;
- fees on fringe loans;
 - information for low income lenders to challenge fees on fringe loans;
 - funding for CAV for consumer credit case complaints;
 - the number of consumer credit court cases taken in the past year;
 - funding for CAV to meet the proposed ‘unreasonableness’ law; and
- protection of tenants from certain practices of Real Estate Agents, particularly from rental bidding.

The Minister’s written responses to the Committee will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

7.10.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

7.11 Corrections portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.12 Gaming portfolio

7.12.1 Introduction

The Committee received evidence from Mr D Andrews, Minister for Gaming, on 30 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

7.12.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 7.12.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 7.12.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

7.12.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- expected impact of budget, particularly new initiatives, on productivity in the portfolio (pp.3–5 of transcript for the Consumer Affairs portfolio);
- outline of steps underway by the government to ensure that clubs are appropriately and transparently accounting for their tax exemption through their community benefit contributions (pp.4–5);
- clarification sought on timing of recently announced appointments to the gaming review panel, the process followed for the appointments, how often the panel has met and the budget allocated for the panel's secretariat staff (pp.5–7);
- explanation on how funding for problem gambling, including funds from the Community Support Fund, will be used to tackle the issue in the future (pp.7–8);

- assessment, in quantitative terms, of the expected demand for the Gamblers Help Service and the impact of that demand in meeting the new performance target of 90 per cent of clients to receive a service within five days of referral (pp.8–9);
- in the light of findings reached by an academic on the government’s forward estimates relating to future levels of problem gambling, explanation sought of the quantum of funding allocated in 2007-08 to gambling related research aimed at determining the true level of problem gambling in Victoria (pp.9–11);
- with regard to the Gamblers Help Service, outline of the recovery assistance program, the distribution of funding, how the program provides practical assistance to those affected by problem gambling and planned developments for the program (pp.11–12);
- further elaboration on a range of issues associated with the gaming review panel, its funding allocation, staffing needs, separation from resources involved with the conduct of licence reviews and likely sequence and timing of tasks (pp.12–14);
- explanation of action taken by the government to address problem gambling in the most disadvantaged areas, particularly those from a culturally and linguistically diverse background and indigenous Victorians, and of future initiatives planned in the coming estimates period (pp.14–15); and
- request for clarification on whether the five day timing target, for 90 per cent of Gamblers Help Service clients to receive help from time of referral, was tight enough for clients who need urgent assistance (p.15).

7.12.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the budget estimates hearing (page references refer to the transcript in Appendix 1):

- provision of a copy of the issues paper and draft ministerial order relating to the government’s proposed reform of the community benefits statements system (pp.4–5);
- clarification of the composition of the budget allocated to the gaming review panel (pp.6–7);
- breakdown of individual funding of the 17 services provided under the Gamblers Help Service facility (p.8); and
- level of resources the department anticipates providing to support the Committee in 2007-08 based on experience over the last two years (p.15).

A written response by the Minister to the Committee on these questions is due by 2 July 2007 and will be considered for inclusion in the Committee’s *Report on the 2007-08 Budget Estimates – Part Three*.

7.12.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

7.12.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The slides are available on the Committee’s website.

7.13 Police and Emergency Services portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

7.14 Racing portfolio

7.14.1 Introduction

The Committee received evidence from the Hon. R Hulls, Minister for Racing, on 30 May 2007. The Minister provided an overview of the Racing portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 30 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

7.14.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 7.14.6) are available on the Committee's website.

7.14.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- the review into the thoroughbred racing industry (pp.2–3);
- treatment of greyhounds after they have finished racing and retired (pp.3–4);
- wagering commission rate adjustment – effect of the removal of the maximum commission rate of 16 per cent of wagering turnover (pp.4–5); and
- jockey safety and wellbeing (p.5).

7.14.4 Questions taken on notice at the budget estimates hearing

No questions were taken on notice by the Minister for Racing at the budget estimates hearing.

7.14.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

7.14.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The slides are available on the Committee's website.

CHAPTER 8: DEPARTMENT OF PREMIER AND CABINET

Departmental review

8.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.2 Factors impacting on the formulation of the budget and associated outcomes

8.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.2.2 Changes to major government objectives

Changes to the department's major government objectives were included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.2.3 National Reform Agenda

Information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.5 Financial information

8.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

An explanation of how the Australian equivalents to the International Financial Reporting Standards (A-IFRS) have impacted on the preparation of the department's budget for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*

8.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.5.3 *Assets, liabilities and equity*

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.5.4 *Carry over funding*

The Committee in its *Report on the 2007-08 Budget Estimates – Part One* expressed its surprise that, unlike most other departments, the Department of Premier and Cabinet was not in a position to furnish an estimate of its 2006-07 carry over or the factors expected to give rise to that estimate.

8.5.5 *Revenue raising initiatives*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

8.5.6 *Departmental savings*

Information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.6 Communication, advertising and promotion

Initial information provided by the department on the communication, advertising and promotional budget for 2007-08 and expenditure for the previous two financial years was included in the *Report on the 2007-08 Budget Estimates – Part One*.

The Committee has sought further information on specific departmental budgets for communication, advertising and promotion and related comparative spending details.

Given that at the date of preparing this report no further information had been forthcoming from the department, the Committee considers this situation to be unsatisfactory and further information will be sought for inclusion in the Committee's Report on the 2007-08 Budget Estimates – Part Three.

8.7 Departmental workforce

Full details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.8 Performance measures – changes

Changes made to the department's outputs and performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

8.9 Arts portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

8.10 Premier's portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

CHAPTER 9: DEPARTMENT OF PRIMARY INDUSTRIES

Departmental review

9.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.2 Factors impacting on the formulation of the budget and associated outcomes

9.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.2.2 Changes to major government objectives

Changes to the department's major government objectives were included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.2.3 National Reform Agenda

Initial information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department on how it is responding to the National Reform Agenda is set out below.

The department is participating in the competition stream of the National Reform Agenda by assisting in developing and implementing the Council of Australian Government (COAG) energy market reforms.

COAG has directed the Ministerial Council on Energy to implement the agreed reform program. The program includes establishing a National Energy Market Operator, an enhanced national planning function for the power transmission system, the development of national legislation and Rules for regulating the distribution and retailing of electricity and gas (apart from price regulation), and oversight and funding of the national energy market institutions, the Australian Energy Market Commission and the Australian Energy Regulator.

The department is leading the development of the national framework for distribution and retailing, and contributes substantially to the implementation working groups for the other components of the national energy market reform program.

The Department of Sustainability and Environment (DSE) is the lead agency in relation to the state and national reforms on water. While the department is working closely with DSE, any changes to legislation/regulations is the responsibility of the Minister for Water and DSE and therefore not the direct responsibility of the department.

9.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Information on each of the department's output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.5 Financial information

9.5.1 Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

9.5.2 Revenue and expenditure

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.5.3 Assets, liabilities and equity

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.5.4 Carry over funding

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

9.5.5 Revenue raising initiatives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

9.5.6 Departmental savings

Initial information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department on the breakdown of savings expected from the Efficient Government policy is included in table 9.1:

**Table 9.1: Department of Primary Industries
Efficient Government policy savings**

Initiative	2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)	Total (\$ million)
<i>Buying Smarter, Buying Less</i>	3.89	5.09	6.07	7.40	22.45
Shared services	0.59	0.87	1.39	1.72	4.58
Best practice grant administration	0.01	0.02	0.02	0.02	0.09
Fleet management	0.50	0.50	0.50	0.50	1.99
Advertising and consultancy	0.28	0.28	0.28	0.28	1.12
Other efficiencies	0.46	0.87	1.30	1.77	4.39
Total department savings	5.73	7.63	9.56	11.69	34.6

Additional information received from the department on how it expects to achieve these cost savings is detailed below.

The department is reviewing a number of options that will result in greater efficiencies and resultant cost savings. These include, but are not limited to, the following:

- reviewing all current procurement contracts and policies to ensure that the maximum value is obtained by participating in more whole of government contracts, with savings to follow from economies of scale;
- improving fleet management practices ranging from purchasing vehicles with lower running costs to implementing revised management arrangements that will achieve better use of corporately pooled vehicles;
- obtaining reductions in advertising spend mainly in the print media; and
- fully participating in the broadening of shared services arrangements to other areas of corporate activity in order to ensure that the required savings targets are achieved.

9.6 Communication, advertising and promotion

Initial information provided by the department on the communication, advertising and promotional budgets for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

The Committee is seeking a further response detailing proposed expenditure for 2007-08. When received, this information will be included in the Committee's Report on the 2007-08 Budget Estimates – Part Three.

9.7 Departmental workforce

Full details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

9.8 Performance measures – changes

Changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

9.9 Agriculture portfolio

9.9.1 Introduction

The Committee received evidence from Mr J Helper, Minister for Agriculture, on 17 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately two hours. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

9.9.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 9.9.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 9.9.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

9.9.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

Drought relief

- support provided to farmers through direct cash grants and budget measures for drought support (pp.6–7);
- additional drought relief measures that the government intends to implement and the timetable for their implementation (p.7);
- timeliness with which government responded to providing advice on how to stretch fodder reserves, related extension information and the effectiveness of the related communication effort (p.8); and

- budget allocation to fund anomalies that may occur in the administration of rebate schemes or assistance measures and the time taken to resolve the anomalies (pp.18–19).

Fishing

- rationale for making the significant effort to improve recreational fishing facilities in Victoria (pp.8–9) with no, or with limited benefit, accruing to primary producers such as assistance to fund the buyback of commercial fishing licences (p.16);
- whether it is time to acknowledge the need for a new quota system, to replace the existing system, and introduce new pot limits for lobsters (pp.9–10); and
- the possible provision of compensation to lobster farmers for the reduction of fishing areas through the establishment of marine parks or any reduction of quotas (pp.9–10).

Genetic modification and the Biosecurity Centre

- outline of the role that the national biosciences centre, to be located at Latrobe University in Bundoora, will play (pp.10–11);
- potential impact that the National Biosecurity Centre's assistance into genetic research will have on the state's moratorium on genetically modified crops (pp.12–13);
- level of proposed consultation with consumers and farmers about Genetically Modified crops (pp.13–14);
- impact of the Biosecurity Centre on regional staff and consequently, on biosecurity response capability (p.21); and
- level of funding currently provided in the 2007-08 budget for facilities in regional Victoria to make direct on-the-ground responses (p.21).

Forestry

- cost-benefit analyses associated with the new '*BOMweb*' in setting up the new auction system; and the potential loss of jobs in rural towns across Victoria due to the introduction of the new auction system (pp.14–15);
- proposed government review of the timber industry strategy (p.15); and
- overall progress of the timber industry with particular emphasis on export potential (p.15).

Melbourne Showgrounds

- progress with the redevelopment of the showgrounds (pp.16–17); and
- use of the showgrounds once the 25 year period of the joint venture expires (pp.17–18).

Other

- how the portfolio spend, in the coming financial year, will contribute to an increase in productivity in Victoria, particularly through the new portfolio initiatives (pp.4–5);
- means by which targeted exports, from \$7.2 billion to \$12 billion over the next three years, will be achieved, given that it has taken five years to achieve an increase of \$1 billion (pp.5–6);
- time frame for the expenditure on the portfolio's output initiatives over the four year estimates period (p.12);

- amount and detail of the total spend in the agriculture portfolio (p.12);
- means by which government intends to deliver major outputs under the ‘sustainable practice change’ and other related initiatives in terms of extending and promoting business skills and sustainable systems for farmers into the future (pp.15–16);
- envisaged additional achievements that will be made from extra funding provided for the ‘responsible pet ownership program’ (p.19);
- whether the government intends to bring the pig code of practice into subordinate legislation, and whether it will prepare its own regulatory impact statement, or rely on the Commonwealth regulatory impact statement (pp.19–20); and
- impact of the Federal Government’s exceptional circumstances interest rate funding on Victoria’s future budgets (pp.20–21).

9.9.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- amount of the total spend in the agriculture portfolio (p.12);
- overall charts depicting how the timber industry is progressing (p.15); and
- level of resources the portfolio’s department expects to spend, both in terms of staffing and finances, in regards to servicing the Committee next year, having regard to experience over the last few years (p.21).

A written response by the Minister to the Committee on these questions is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

9.9.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

9.9.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee’s website.

9.10 Energy and Resources portfolio

9.10.1 Introduction

The Committee received evidence from the Hon. P Batchelor, Minister for Energy and Resources, on 16 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour 15 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

9.10.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 9.10.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 9.10.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

9.10.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

Energy

- concerns about the increases in wholesale electricity prices and the need for the government to commission an independent investigation, factors causing the increase in wholesale electricity prices and planned changes to retail price regulation (pp.3–5);
- the current level of investment attracted to Victoria compared with the total expected investment of \$2 billion for the 'Victorian renewable energy target' project (pp.5–6);
- expected impact on the uptake of solar power after the reintroduction of the full subsidy on solar panels by the federal budget (pp.6–7);
- initiatives to protect vulnerable consumers battling to meet energy costs, particularly bottled gas and wood prices (pp.7–8);
- examples of uses of brown coal for things other than electricity generation (p.8); and
- details of the establishment of a Victorian energy efficient target scheme and how it will encourage energy efficiency (pp.9–10).

Resources

- the carbon capture storage trial in the Otway Basin and the planned regulatory regime to manage these types of arrangements (pp.8–9); and
- implementation of the Rediscover Victoria Program to encourage mineral exploration (pp.11–12).

Other

- involvement by the energy and resources section of the Department of Primary Industries in the Ross Garnaut climate change review and staffing allocations made available by the department to this review (pp.10–11); and
- funding arrangements for the Energy Technology Innovation Strategy (ETIS) projects over the next five years (pp.12–13).

9.10.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- information on the ‘code of conduct for supply’ in place for LPG suppliers (p.7);
- the impact of new initiatives and portfolio spending on productivity in Victoria (p.13); and
- the level of resources, funding and staffing costs the department expects to apply to servicing the Public Accounts and Estimates Committee in 2007-08, based on experience over the past few years (p.13).

A written response by the Minister to the Committee on these questions is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

9.10.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

9.10.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee’s website.

CHAPTER 10: DEPARTMENT OF SUSTAINABILITY AND ENVIRONMENT

Departmental review

10.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.2 Factors impacting on the formulation of the budget and associated outcomes

10.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.2.2 Changes to major government objectives

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

10.2.3 National Reform Agenda

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

10.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Initial information provided by the department on financial information relating to its output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department relating to staffing implications for its output initiatives is set out below in table 10.1:

**Table 10.1: Department of Sustainability and Environment
Staffing implications for each output initiative**

Initiative	Staffing Impacts
Altona Industrial Recycling Project – Stage 1	Initiative undertaken external to the department – no anticipated staffing impact.
Bushfire Recovery Initiatives	One off initiative funding, no anticipated ongoing staff impact. Major road and bridge work will be carried out by contractors.
CarbonDown	External Grant Initiative – Initiative is in partnership with VECCI, no anticipated ongoing staff impact.
Energy and Water Task Force	Continuation of existing program – no anticipated ongoing staff impact.
Expert Planning Teams	External Grant Initiative – no anticipated ongoing staff impact.
Four Wheel Driving Initiatives	Initiative funding, no anticipated ongoing staff impact with major works carried out by contractors.
Frankston Community/Sports Facilities Project	Initiative undertaken external to the department – no anticipated ongoing staff impact.
Government Purchase Of Green Power	Initiative undertaken across government departments – no anticipated ongoing staff impact.
Grants for Wildlife Shelters	External Grant Program – no anticipated ongoing staff impact.
Green Wedge Management Plans	External Grant Initiative undertaken by Councils – no anticipated ongoing staff impact.
Greensborough Redevelopment	Initiative undertaken external to the department – no anticipated ongoing staff impact.
Gundijtmara Native Title	External Payment – no anticipated ongoing staff impact.
Informing the government's Climate Change Forward Agenda	Co-ordinating Role in conjunction with Office of Climate Change, no anticipated ongoing staff impact.
Landcare Recruitment Drive	Complements existing Grant Program – no anticipated ongoing staff impact.
Leongatha Water Recycling	External Grant Payment – no anticipated ongoing staff impact.
Maritime Heritage Study	External Grant Payment – no anticipated ongoing staff impact.
Melbourne 2030 Five Year Audit	It is anticipated that this initiative will fund approximately 6 positions in the 2007-08 financial year.
Northern Grid – Promoting Interconnections	Initiative undertaken external to the department – no anticipated ongoing staff impact.
Onsite Recycling Projects at Australian Vinyls And Qenos	External Grant Payment – no anticipated ongoing staff impact.
Otways Transition	External Grant Payment – no anticipated ongoing staff impact.
Park Rangers	Continued employment of approximately 50 Park Ranger positions and establishment of approximately 15 new Ranger positions.
Rebates for Being Green	External Grant Program – no anticipated ongoing staff impact.
Regional Town Development Plans	Funding for internal costs other than staff – no anticipated ongoing staff impact.
Rural Zones – Support For Councils	External Funding Initiative to councils – no anticipated ongoing staff impact.

**Table 10.1: Department of Sustainability and Environment
Staffing implications for each output initiative (*continued*)**

Initiative	Staffing Impacts
Shotgun Safety Education	Funding for internal costs other than staff – no anticipated ongoing staff impact.
Small Towns Water Quality Fund	External Grant Program – no anticipated ongoing staff impact.
Somers Treatment Plant/Bluescope Westernport Plant Upgrade	Initiative undertaken external to the department – no anticipated ongoing staff impact.
Stormwater and Urban Recycling	External Grant Program – no anticipated ongoing staff impact.
Support for East Gippsland Industry	Predominately External Grant Program – no anticipated ongoing staff impact.
Top 1500 Industry Program	External Grant Program – no anticipated ongoing staff impact.
Footscray Transit City	The Transit City Initiatives (Footscray, Geelong and Ringwood) will provide the continued employment of approximately 6 positions. Major works carried out by contractors.
Geelong Transit City	Refer Above comment.
Ringwood Transit City	Refer Above Comment.
Urban Parks and Paths	No anticipated ongoing staff impact with major works carried out by contractors and grants to metropolitan councils.
Water Industry Saving Package	External Funding Initiative – no anticipated ongoing staff impact.
Water Rebate Scheme (including Tanks)	External Funding Initiative – no anticipated ongoing staff impact.
Water Smart Farms Initiative	Continuation of existing external funding initiative – no anticipated ongoing staff impact

10.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.5 Financial information

10.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

10.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.5.3 Assets, liabilities and equity

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.5.4 Carry over funding

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

10.5.5 Revenue raising initiatives

Information on the department's revenue raising initiatives for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.5.6 Departmental savings

Information on the department's savings for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.6 Communication, advertising and promotion

Information provided by the department on the communication, advertising and promotional budgets for 2007-08 and expenditure for the previous two financial years was included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.7 Departmental workforce

Details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

10.8 Performance measures – changes

All changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

10.9 Planning portfolio

10.9.1 Introduction

The Committee received evidence from the Hon. J Madden, Minister for Planning, on 29 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately two hours. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

10.9.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 10.9.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 10.9.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

10.9.3 Key matters raised at the budget estimates hearing

Key matters raised included the following (page references refer to the transcript in Appendix 1):

Productivity

- impact of new initiatives and portfolio spending on productivity in Victoria (p.4); and
- planning of 'Melbourne 2030' to help productivity across the state (p.4).

Funding arrangements

- reason for the reduction in funding for planning, urban design and housing affordability (pp.5–6);
- allocation split between councils of \$500,000 to aid with zoning issues, resulting from the translation from old to new zones, and a request for additional funding and planners to complete the translation process (pp.7–8);
- details of funding for transit cities in 2007-08 and the benefit of this funding to Victorians now and in the future (pp.10–11);
- expenditure to date and in the future for establishing the electronic conveyancing system and information on trials currently running (pp.11–13);
- rationale for the reduction in funding for heritage planning protection (pp.18–19); and
- reason for the reduction in funding for land administration and property information (pp.24–25).

Budget initiatives

- projects undertaken to date and future plans of the Growth Areas Authority (pp.6–7);
- explanation of the urban development program and its benefit for forward planning in growth areas (pp.8–9);
- outcomes expected from the Footscray transit cities program (pp.13–14);
- implementation of the Expert Planning Teams initiative and its reporting structure (pp.17–18);
- strategies implemented in coastal areas to help councils manage development and growth (p.20); and
- information on regional town development plans and how they will assist regional councils plan for future growth (pp.21–22).

Melbourne 2030 Audit

- analysis of funding of \$1 million provided for the audit of Melbourne 2030; methodology to be used for the audit; and the specific objective of development around activity centres to be examined by the audit (pp.9–10);
- features of the audit of Melbourne 2030 (pp.14–17):
 - allocation of the \$1 million provided in funding for expenses like staff, facilities, reports and printing;
 - number of staff to work directly on the audit;
 - final reporting date;
 - public availability of the results;
 - parties responsible for overseeing the audit;
 - engagement of external consultants and employment arrangements of these consultants; and
 - consultation with stakeholders and the community.

Reducing red tape

- status of completion of the assessment of council fees for planning applications in an effort to minimise red tape and the expected results of this assessment on current council fees (pp.22–23);
- whether sufficient data has been collected on council fees to enable the start of a regulatory impact process (pp.22–23); and
- effect on planning scheme amendments and planning permit activity numbers following the implementation of initiatives from the *Cutting Red Tape in Planning* report (pp.23–24).

Other

- protocols in place to assess alternative proposals from the community on planning decisions, for example the proposal to decommission Lake Mokoan and funding implications of the Future Land Use Committee's request to underwrite this proposal (pp.20–21).

10.9.4 Questions taken on notice at the budget estimates hearing

The following questions on notice were taken by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- clarification of the inconsistency between information contained in the budget papers and the department's response to the Committee's questionnaire for administered Commonwealth specific purpose grants (p.4);
- a more comprehensive response to the budget estimates questionnaire in terms of changes to performance measures (p.9);
- further details of all initiatives that have been affected by the redistribution of overhead costs and the reason the redistribution has occurred (pp.18–19, 24–25);
- protocols in place to assess alternative proposals from the community on planning decisions, for example the proposal to decommission Lake Mokoan and funding implications of the Future Land Use Committee's request to underwrite this proposal (pp.20–21);
- details of which councils have been provided funding assistance to complete green wedge management plans as per table A.17, Budget Paper No. 3, p.327 (p.25); and
- level of resources and staffing costs anticipated by the department to apply to servicing the Committee's activities in 2007-08, based on experience over the past few years (p.26).

A written response by the Minister to the Committee on these questions is due by 2 July 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

10.9.5 Unasked questions at the budget estimates hearing

All questions of the Committee were raised at the budget estimates hearing.

10.9.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

10.10 Water, Environment and Climate Change portfolio

10.10.1 Introduction

The Committee received evidence from the Hon. J Thwaites, Minister for Water, Environment and Climate Change, on 15 May 2007. The Minister provided an overview of the Water, Environment and Climate Change portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately two hours. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

10.10.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 10.10.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 10.10.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

10.10.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

Water Infrastructure projects

- feasibility and cost efficiency of constructing a new dam as opposed to major water infrastructure options currently being considered (pp.5–6, 7);
- time lapse expected to occur between selection by government of the major water infrastructure project to be undertaken, of the 4 projects being considered, and its completion (pp.11–13);
- impact on the Murray Darling Basin if a new dam is constructed (p.7);
- potential wealth transfer, from the Murray-Darling Basin to Melbourne, that will be generated by the north-south pipeline (p.22);
- necessity for water trading (p.7);
- apparent reduction in the allocation of funding for water projects and infrastructure over the past 2 years (pp.13–14); and
- level of dividends to be paid by water authorities, over the forward estimates period, and whether those dividends will be allocated to major water infrastructure projects or placed into consolidated revenue (p.21).

Moderating water usage

- contingency plans in place if rain does not eventuate (pp.5–6);
- identification and extent of budgetary measures that will result in a permanent reduction in water use, particularly indoor water use, and the volume of water savings these measures are expected to achieve (pp.9–11);
- activities to reduce the level of water usage by industry (pp.6–7);
- the time lapse between allocation of funding for industry to develop a water savings plan and the completion of the plans (p.15);
- potential for the reconnection of dams (p.6);
- details of the water recycling project at Australian Vinyls' Laverton plant (*Qenos*) (p.17);
- level of advertising about water recycling compared with actual recycling projects undertaken (pp.19–20);
- outcomes of the Werribee irrigation recycling scheme (pp.20–21);

- budget provisions for the government to pay water charges for those who will not receive their full water allocation next season, if the drought continues (p.8); and
- budget provision to extend the \$1,000 tank rebate that currently applies to reticulated water to households that do not have reticulated water supplies (p.8).

Reducing the impact of climate change

- the amount and purpose of funding in the budget for strategic and economic research into the impact of climate change (pp.14–15);
- budget initiatives aimed at assisting low income families to tackle climate change (pp.15–16);
- action taken by government to increase incentives for the purchase of energy efficient hybrid cars (p.11);
- details of government initiatives for the installation of solar panels in schools (p.21); and
- budget initiatives to support the development of clean coal technology in the future (p.22).

Other

- impact on productivity of the portfolio spend, particularly any new initiatives (p.4);
- key budgetary measures to support the regeneration of beaches and foreshores (p.9);
- general guidance, policies and budget allocations for the maintenance of government imposed permanent fire containment lines (pp.16–17);
- write-downs of commercial native forests on the Department of Sustainability and Environment's accounts from \$258 million in 2003 to \$78 million in 2007 and the potential for further devaluations and reductions to sustainable yields to occur in the near future (pp.17–18); and
- strategies to increase tourism in Victoria's national parks (pp.18–19).

10.10.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- the level of resources, in terms of staffing and funding, the department expects to spend in 2007-08 servicing the Committee and its inquiries, based on past experience (p.22); and
- the progress that the Committee can expect, in the next financial year, in regard to the native vegetation permit tracking project –stage 2 (p.22).

A written response by the Minister to the Committee on these questions is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

10.10.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

10.10.6 Documents tabled at the budget estimates hearing

- The Minister provided an introductory slide presentation at the estimates hearing; and
- Mr G Barber tabled a chart depicting comparative per capita water consumption between Melbourne and other capital cities.

The slides and chart are available on the Committee's website.

CHAPTER 11: DEPARTMENT OF TREASURY AND FINANCE

Departmental review

11.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.2 Factors impacting on the formulation of the budget and associated outcomes

11.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.2.2 Changes to major government objectives

Changes to the department's major government objectives were included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.2.3 National Reform Agenda

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

11.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Initial information provided by the department on output initiatives was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department relating to the First Home Bonus and the Removal of Petroleum Subsidies output initiatives is set out below:

First Home Bonus

Funding has been provided to extend the government's \$3,000 First Home Bonus until June 2009 and increase the bonus to \$5,000 from 1 January 2007, where the property is a newly constructed home. DTF administers this item on behalf of the state and has no staffing implications.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
100.0	119.0	11.0	0.0

Removal of Petroleum Subsidies

This initiative is the reduction of the effective duty rate to 2.5 per cent on passenger vehicles valued between \$35,000 and \$57,009. This is in line with the rate currently charged for new passenger vehicles valued up to \$35,000. For details refer to page 346 Budget paper No.3. DTF administers this item on behalf of the state and has no staffing implications.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
-38.5	-39.2	-40.0	-40.0

11.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.5 Financial information

11.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

This area was covered in the *Report on the 2007-08 Budget Estimates – Part One*.

11.5.2 *Revenue and expenditure*

Information on revenue and expenditure for the controlled and administered operating statements for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.5.3 *Assets, liabilities and equity*

Information on the financial position for the controlled and administered items for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.5.4 Carry over funding

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

11.5.5 Revenue raising initiatives

Initial information on the department's revenue raising initiatives for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department relating to revenue raising initiatives is set out below:

The revenue initiatives can be found in the Budget Paper No.3, Appendix A (pp.345–347).

11.5.6 Departmental savings

Information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.6 Communication, advertising and promotion

Information provided by the department on the communication, advertising and promotional budgets for 2007-08 and expenditure for the previous two financial years was included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.7 Departmental workforce

Full details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

11.8 Performance measures – changes

All changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

11.9 Finance, WorkCover and Transport Accident Commission portfolio

11.9.1 Introduction

The Committee received evidence from the Hon. T Holding, Minister for Finance, (including WorkCover and Transport Accident Commission), on 31 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour and 15 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

11.9.2 General comments

At the budget estimates hearing the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 11.9.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 11.9.4) should be submitted to the Committee by 2 July 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

11.9.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

Role and future of Office of the Chief Information Officer

- current role of the Office given that there is no Chief Information Officer (CIO) occupying that position (pp.5–6);
- intention of government regarding the likely appointment of a new CIO (pp.5–6);
- future of the Office given the changes due to the prior occupant's departure (pp.5–6); and
- current allocation and spread of information communication technology (ICT) functions within the Government Services Group and the Department of Treasury and Finance (p.6).

Occupational Health and Safety Initiatives

- the data that departments have been collecting on discrimination (pp.7–8); and
- methodology for the future collection of the data and whether the data will be published (pp.7–8).

Return to Work Inspectorate

- nature of operations of the inspectorate (pp.7–8);
- number of workplaces the inspectorate monitored for the return to work plans (pp.7–8);
- inspectorate staffing levels (pp.7–8); and
- number of cases of non-compliance with return to work obligations uncovered and prosecuted (pp.7–8).

WorkCover and Comcare schemes

- outline of the differences between the WorkCover scheme and the Commonwealth's Comcare schemes in terms of benefits paid, premiums paid and the inspectorial regimes (pp.8–9);
- reasons employers are leaving the Victorian system and joining the Comcare scheme (pp.9–10);
- potential impact of the Comcare scheme on the Victorian WorkCover Authority (VWA) scheme (pp.10–11); and
- VWA's worst case scenario assessment of the impact that a shift to Comcare would have on premium revenue for VWA (pp.10–11).

Promotion of emerging vehicle safety technologies

- action by the Transport Accident Commission to promote emerging vehicle safety technologies, which have the potential to significantly reduce the social and economic impact of road trauma on the Victorian community (pp.11–12); and
- consideration to introducing the requirement for the interlock alcohol detection system to be installed by motor vehicle manufacturers (p.12).

Central Business District consolidation for the public service

- benefits resulting from the eastern central business district consolidation for the public service, particularly the Southern Cross and Urban Workshops developments (pp.12–13);
- first year recurrent savings achieved for both developments in terms of lease and operating expenses (pp.12–13);
- the level of outgoings expected to be reduced through this project (pp.12–13); and
- residual level of leased but unoccupied space that has resulted as a consequence of the consolidation and that has not yet been disposed of either through sub-leases or leases exited (pp.12–13).

Victorian Government Purchasing Board

- exemptions given by the Board from public tender and three-quote requirements (pp.16–17);
- acceptability of the significant increase in exemptions (pp.16–17);
- practices adopted at a ministerial level to address breaches of policy (pp.16–17);
- appropriateness for the Board to grant retrospective exemptions against policy when breaches are identified (pp.16–17); and
- action taken by the Minister in response to notifications of the granting of exemptions (p.17).

Other

- predicted impact that the portfolio spend and policies will have on productivity, particularly new policy initiatives (pp.4–5);
- management of the state’s unfunded superannuation liability and, as it reduces, the resultant benefits to the state (pp.6–7);
- steps taken by the government to improve risk management across government (pp.13–14); and
- implementation of Australian equivalents to International Financial Reporting Standards (A-IFRS) in Victoria (pp.15–16).

11.9.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- residual level of leased but unoccupied space that has resulted as a consequence of the consolidation of the accommodation for the public service (and which has not yet been disposed of either through sub-leases or leases exited) as well as future expectations (pp.12–13);
- details of efficiency gains such as lower water and energy consumption resulting from the consolidation for the public service (p.13);
- advice on the reasons for the increasing trend in exemptions to purchasers from going through the Victorian Government Purchasing Board (p.17); and
- appropriateness of the practice of giving retrospective exemptions in response to breaches of policy (p.17).

A written response by the Minister to the Committee on these questions is due by 2 July 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

11.9.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

11.9.6 Documents tabled at the budget estimates hearing

The following documents were tabled at the budget estimates hearing:

- The Minister provided an introductory slide presentation at the estimates hearing; and
- The Minister tabled a letter from the United Kingdom Treasury indicating the UK intends to introduce IFRS for 2008-09. The letter illustrates that Victoria is well ahead of overseas countries in the implementation of IFRS (pp.17–18).

The Committee agreed to incorporate the letter into the transcript. The slides are available on the Committee’s website.

11.10 Treasury portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

CHAPTER 12: DEPARTMENT FOR VICTORIAN COMMUNITIES

Departmental review

12.1 Timeliness and quality of the departmental response

Comment regarding the timeliness and quality of the departmental response to the Committee's questionnaire was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.2 Factors impacting on the formulation of the budget and associated outcomes

12.2.1 Key assumptions

A description of the key assumptions used to develop the department's budget projections was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.2.2 Changes to major government objectives

Changes to the department's major government objectives were included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.2.3 National Reform Agenda

Initial information provided by the department on the National Reform Agenda was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department on how it is responding to the National Reform Agenda is set out below.

To focus effort on the Human Capital National Reform Agenda, the Council of Australian Governments (COAG) has agreed to 11 indicative outcomes from the reforms. A number of these outcomes explicitly seek to increase workforce participation. These include to:

- reduce the number of the working-age population not participating and/or under participating in paid employment due to illness, injury or disability;
- increase the proportion of young people making a smooth transition from school to work or further study;
- increase the proportion of adults who have the skills and qualifications needed to enjoy active and productive working lives;
- improve overall workforce participation, with a particular focus on target groups, in a manner consistent with the long term interests of the individual and the economy, giving due regard to productivity; and

- increase the provision of flexible working arrangements within the workforce, in a manner consistent with the long term interests of the individual and the economy.

The department, through Employment Programs, is leading the development of a whole of government Workforce Participation Strategy that will be based on the findings of Victoria's Workforce Participation Taskforce.

The Strategy will link closely with broader Victorian Government responses to skills needs (for example, the Maintaining the Advantage initiatives, COAG VET Reform work), seeking to increase the access of people with lower skills attainment to education, training and employment pathways.

The Strategy will focus on assisting specific groups that face barriers to employment back into the workforce. These target groups include women, mature age people, people with disabilities, Indigenous people and people from culturally and linguistically diverse backgrounds. The Strategy will build on the Workforce Participation Partnerships program, the new Experience Counts program, the new Disability Trainee Scheme, and the continuation of Victoria's Skilled Migration Strategy.

12.3 Output initiatives – content, estimated cost (including out-years), staffing implications and expected outputs

Advance Program

This initiative will extend the existing Advance grants program for another four years, providing more young Victorians with opportunities to get involved in volunteering and increase the number of schools involved in the program with grants up to \$9,725 per annum to become available to all Victorian government secondary school campuses.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.5	1.5	1.5	1.5

Advocacy Body Support

Funding is provided to strengthen several mechanisms for youth advocacy and participation through increased funding for the Youth Affairs Council Victoria (YACVic), Centre for Multicultural Youth Issues (CMYI) and SYN FM.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.3	0.3	0.3	0.3

Better Pools Program and Community Sports Grants

This proposal seeks to continue the Community Facility Funding Program which contributes to community sport and recreation projects comprising the Aquatic Access/Better Pools program and the Community Sports Grants components. Funding for both programs was announced as part of *the Go for your life – the next step in the fight against diabetes policy statement*.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
16.0	20.0	20.0	20.0

Building Capacity of Indigenous Victorians (Government wide initiatives)

Funding will continue the investment in a range of leadership and capacity building initiatives such as Governance Training and the Shepparton COAG Trial Planning Unit as well as streamlining administrative arrangements between Indigenous organisations and government.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.4	1.5	1.1	1.1

Centenary of Women's Suffrage

The initiative will provide a series of events and activities such as public lectures, a billboard campaign, developing school curriculum materials, digital stories, and a community grants program for local women's groups and community organisations to promote and celebrate the Centenary of Women's Suffrage in Victoria in 2008.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.7	0.0	0.0	0.0

Community Enterprise

The Community Enterprise program will build on an existing program which supports community-owned non profit business and increases opportunities for people who are disadvantaged to obtain employment, build vocational skills and increase social connections.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.8	0.8	0.8	0.8

Community Harmony

Funding is provided to support community harmony initiatives including supporting mentoring programs to strengthen culturally and linguistically diverse (CALD) women's leadership capacity, establish a Multifaith Multicultural Youth Network and provide funding for a community education program campaign.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.5	1.5	0.0	0.0

Community Renewal

Funding is provided for expansion of the Community Renewal program to a further two sites (Rosebud West and Chelsea) bringing the total number of sites to eight. The Community Renewal program aims to engage residents, businesses, government and local organisations to identify local issues and develop and implement Action Plans to address these priorities through ongoing participation in decision making.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.0	1.0	1.0	1.0

Community Support Grants and Community Centres

Funding has been provided to continue the existing Victorian Community Support Grants program funded through the Community Support Fund which provides grants to community organisations and local government.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
9.7	16.7	17.4	17.4

Connectus

This funding extends the education, training and employment opportunities for young people experiencing difficulties.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.5	0.0	0.0	0.0

Equipment Grants for Adult Community Education Providers

Funding will be provided to improve the quality of teaching and learning resources of Adult Community Education providers and Adult Education Institutions by providing equipment grants of up to \$5,000 to purchase teaching and learning resources such as communication and computer equipment.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
2.0	2.0	0.0	0.0

Ethnic Communities Council Victoria

Additional funding is provided to the Ethnic Communities Council Victoria to enable the Council to undertake core advocacy functions more effectively and better respond to the growth and diversity amongst the CALD communities.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.1	0.1	0.1	0.1

Ethnic Precinct Development

Funding is provided to refurbish three major cultural precincts (Lygon, Lonsdale and Little Bourke Streets) in partnership with the City of Melbourne through establishment of a Cultural Precincts Enhancement Fund. The Fund will enable restoration of key laneways, street beautification as well as enabling communities to showcase their culture and heritage including key festivals.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.0	3.0	4.0	0.0

Experience Counts

Funding has been provided to retain or skill up retired workers in industries with skills shortages. This will be achieved through grants of up to \$5,000 to allow retirees to undertake training. This initiative will be delivered in partnership with industry and/or union bodies and other service providers.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.0	1.0	1.1	1.1

Extending Commemorative Grants

This proposal provides funding to support veterans' commemoration and education by extending the existing Community War Memorials Grants Program and commemorative and education related initiatives.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.5	0.5	0.5	0.5

Financial Literacy

This initiative provides \$1 million over four years to conduct up to 150 workshops for over 2,000 women aimed at increasing women’s financial literacy. The program is based on recent research indicating that women would significantly increase their financial security across their lifespan by commencing financial planning earlier. The workshops will be supplemented by a self directed learning online website tool.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.3	0.3	0.3	0.3

Future of Local Government Project

The Future of Local Government project will reduce the impost of regulations by local governments on business and communities and increase resource sharing and service innovation between local governments. This initiative will be delivered in part through a grant program to local councils.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
2.0	2.1	0.0	0.0

Improved Employment Opportunities (Disability Trainee Scheme)

The Disability Trainee Scheme will identify suitable training placements for graduates with a disability in the public or community sector. Targeted jobseekers will be those people with a disability who have graduated from post secondary education or training.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.4	0.4	0.4	0.4

Libraries (Living Libraries)

This initiative extends the current Living Libraries program through an additional \$15 million over four years. The Living Libraries program provides funding on a contributed basis, usually to local government, for upgrades to existing libraries and contributions to new or mobile libraries.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
3.0	4.0	4.0	4.0

Libraries (The Premier's Reading Challenge Book Fund)

This proposal provides \$6 million for schools and public libraries to purchase books that are endorsed as part of the Victorian Premier's Reading Challenge.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
3.0	1.0	1.0	1.0

Local Governments Procurement Strategy

Funding is provided to develop strategic procurement for local government. The project will work to reduce councils' costs and improve service delivery.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.6	0.0	0.0	0.0

Men's Sheds

Funding has been provided to establish a grant program to fund communities to construct Men's Shed facilities and improve older men's health.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.3	0.5	0.6	0.6

Multicultural Community Grants

Additional funding is provided for the Victorian Multicultural Commission's Multicultural Community Grants program with a focus on supporting Senior Citizen's groups and women's and youth community groups, particularly those from new and emerging communities.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.0	1.0	1.0	1.0

Neighbourhood Houses

This initiative provides a \$5 million grants program for improving the infrastructure supporting the Neighbourhood House program. The program operates from a variety of premises and the initiative will improve facilities and access to services including physical upgrades such as ramps, modernising information and communication technology (ICT) services, training and providing incentive funding for co-location of Neighbourhood Houses with other community services.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.3	1.3	1.3	1.3

Reinvest the Commonwealth Games Surplus

This proposal provides funding from the Melbourne 2006 Commonwealth Games Budget savings for Victorian sporting initiatives, increasing sport and recreation participation, expanding the capacity of community sport and recreation facilities and promoting healthy lifestyles, particularly for disadvantaged communities.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
11.5	4.7	0.0	0.0

Safer Families Training Program (part of the government wide initiative Continuing Family Violence Reform)

The Safer Families Training program will ensure a common approach to the assessment of risk of family violence across all key front line agencies such as police, courts, family violence and key mainstream services.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.0	1.0	0.0	0.0

Skilled Migration Strategy

Funding has been provided to increase skilled and business migration to Victoria, attract and retain migrants to rural and regional Victoria by establishing two overseas offices, improving the website and undertaking other promotional activity.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
2.0	2.1	2.1	2.2

Victoria Rocks – Big Break (government wide initiative)

Funding has been provided to facilitate the growth and viability of the local music industry through the continuation of the statewide FReeZA Central program.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.9	0.9	0.9	0.9

Volunteering Grants

Funding has been provided to extend and broaden the scope of the existing Victorian Volunteer Small Grants program and recommence the Community Buses program to help people get involved in their local communities.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
1.5	1.5	1.5	1.5

Workforce Participation Partnerships

Funding has been provided to continue the Workforce Participation Partnerships program for one year to help unemployed or underemployed Victorians into sustainable employment in industries facing skills shortages.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
2.5	0.0	0.0	0.0

Koori Business Network

Funding is provided to continue the Koori Business program which addresses barriers to Indigenous people entering small business.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	2010-11 (\$ million)
0.9	0.9	0.0	0.0

Electronic Document and Records Management System

This asset initiative provides asset investment funding to acquire an Electronic Document and Records Management System that will implement an integrated system for the capture, storage, sharing, protection, leverage and management of document record formats and information.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	TEI (\$ million)
1.7	1.8	0.6	4.0

Rectangular Sports Stadium

Additional asset funding is provided to expand the rectangular stadium in the Olympic Park precinct to accommodate a variety of sports including football, rugby league and rugby union.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	TEI (\$ million)
-21.0	64.0	14.0	57.0

Shrine of Remembrance

Asset funding is provided to improve the public address system.

2007-08 (\$ million)	2008-09 (\$ million)	2009-10 (\$ million)	TEI (\$ million)
0.1	0.1	0.1	0.2

Implementation plans for the above initiatives are yet to be finalised. Based on preliminary planning, the staffing impact for 2007-08 would be in the order of an additional eight staff.

12.4 Departmental asset investment

The department's asset investment projects for which capital expenditure is budgeted to occur in 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.5 Financial information

12.5.1 *Impact of the adoption of the Australian equivalents to the International Financial Reporting Standards*

An explanation of how the Australian equivalents to the International Financial Reporting Standards (A-IFRS) have impacted on the preparation of the department's budget for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*

12.5.2 *Revenue and expenditure*

Initial information provided by the department on revenue and expenditure for the controlled items operating statement for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information from the department relating to revenue and expenditure for the administered items operating statement is included in table 12.1 below:

**Table 12.1: Department for Victorian Communities
Operating statement**

Administered items	Column 1	Column 2	Column (2-1)/1
	2006-07 Estimated Actual (\$ million)	2007-08 Budget (\$ million)	Variation (%)
Income from transactions			
Appropriations – Payments made on behalf of the state	0.4	0.4	0.0
Sale of goods and services	14.6	1.9	-87.0
Commonwealth grants	395.1	408.8	3.5
Fees	3.9	0.0	-100.0
Revenue from other parties and other income	2.4	0.0	-100.0
Total	416.5	411.1	-1.3
Expenses from transactions			
Grants and other payments	395.5	409.2	3.5
Payments into the consolidated fund	21.0	1.9	-91.0
Total	416.5	411.1	-1.3
Net result from transactions	0.0	0.0	0.0
Income/expenses from other economic flows	0.0	0.0	0.0
Net result from other economic flows	0.0	0.0	0.0
Net result	0.0	0.0	0.0

12.5.3 Assets, liabilities and equity

Initial information provided by the department on the assets, liabilities and equity for the controlled items balance sheet for the department was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information from the department relating to assets and liabilities for the administered items balance sheet is included in table 12.2 below:

**Table 12.2: Department for Victorian Communities
Balance sheet**

Administered items	Column 1	Column 2	Column (2-1)/1
	2006-07 Estimated Actual (\$ million)	2007-08 Budget (\$ million)	Variation (%)
Assets			
Receivables	2.6	2.6	0.0
Inventories	4.9	4.9	0.0
Total assets	7.5	7.5	0.0
Liabilities			
Other	0.3	0.3	0.0
Total liabilities	0.3	0.3	0.0
Net assets	7.2	7.2	0.0

12.5.4 Carry over funding

Details of the department's estimated carry forward funding from 2006-07 to 2007-08 were covered in the *Report on the 2007-08 Budget Estimates – Part One*.

12.5.5 Revenue raising initiatives

Information on the department's revenue raising initiatives for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.5.6 Departmental savings

Initial information provided by the department on departmental savings was included in the *Report on the 2007-08 Budget Estimates – Part One*.

Supplementary information received from the department on the breakdown of savings expected from the Efficient Government policy is included in table 12.3:

**Table 12.3: Department for Victorian Communities
Efficient Government policy savings**

Efficient Government policy savings	2007-08 Savings Amount (\$ million)
<i>Buying Smarter, Buying Less</i>	1.3
Shared Services	0.2
Grants Administration	1.6
Fleet Management	0.0
Advertising and Consultancies	0.6
Integrated ICT	0.5
Other	5.0
Total	9.2

Additional information received from the department on how it expects to achieve these savings is detailed below.

In relation to the request for additional information on the specific measures it needs to be noted that in relation to *Buying Smarter, Buying Less* and the Shared Services these initiatives involve the implementation of steps by the Department of Treasury and Finance (DTF). As well as each department reviewing its cost base, DTF is reviewing purchasing across government to drive costs down and establish whole of government contracts. In relation to shared services, this will require the identification of services that can be shared, reviewing current shared services, and then working through the issues with the other department which provides or will provide the services. DTF is also examining the overall framework in which the initiative will be progressed.

In relation to the other initiatives, the overall policy has been set and the review process, outlined in the Committee's *Report on the 2007-08 Budget Estimates – Part One*, is the process by which the department will achieve the savings. Each area within the department will review its cost base for 2006-07 and the 2007-08 budget for expenditures outlined in the policy. Change projects and re-engineering options will then be implemented to deliver the savings in line with the required timetable.

12.6 Communication, advertising and promotion

Initial information provided by the department on the communication, advertising and promotional budgets for 2007-08 was included in the *Report on the 2007-08 Budget Estimates – Part One*.

In quantifying its 2007-08 budget and providing comparative information, the department advised the Committee that the additional information requested in relation to this question is currently being compiled and will be provided at a later date.

The Committee looks forward to receiving the department's response in a timely manner. When received, this information will be included in the Committee's Report on the 2007-08 Budget Estimates – Part Three.

12.7 Departmental workforce

Details of the department's workforce were included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.8 Performance measures – changes

All changes made to the department's performance measures were included in the *Report on the 2007-08 Budget Estimates – Part One*.

Review of portfolios

12.9 Aboriginal Affairs portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.10 Aged Care portfolio

12.10.1 Introduction

The Committee received evidence from Ms L Neville, Minister for Aged Care, on 14 May 2007. The Minister provided an overview of the Aged Care portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 45 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

12.10.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 12.10.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 12.10.4) should be submitted to the Committee by Monday 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.10.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

Breadth of Minister's responsibility

- total budget responsibility of the Minister for Aged Care (p.3); and
- areas of the aged care and home care outputs and seniors and veterans outputs that fall within the responsibility of the Minister for Aged Care (pp.3–4).

Protection of the elderly from abuse

- funds spent on elder abuse in 2006-07 and reasons why funding appears to be declining (p.6);
- number of cases of elder abuse reported in 2006 (p.6);
- envisaged date the *community education and older persons' legal service* will commence operation (pp.6–7); and
- time lapse expected until people will be able to report cases of elder abuse (p.7).

Facilitation of travelling by seniors

- the number of seats made available to aged country Victorians to attend seniors' activities (p.8);
- need to ensure that, for seniors who reside some distance from Melbourne, concessions consistently apply the day before and the day after seniors events are held (p.8);
- impact on the ability of country Victorians to take advantage of off-peak travel concessions due to existing train schedules and frequency (p.8); and
- need to include the lack of availability of public transport in country Victoria as a criterion for the frail and elderly to be able to access the multi purpose taxi program (p.8).

Other

- purpose of Men's sheds (purpose-built, male friendly environments where men can meet, participate in events and support each other) and how they support older men (p.3);
- initiatives and projects covered by the positive ageing program and the senior grants program (pp.4–5);
- role of the Ministerial Advisory Council of Senior Victorians and expectations from this body over the next few years (pp.5–6); and
- envisaged benefits and achievements of the Victorian Seniors Card program over the forward estimates period (pp.7–8).

12.10.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- the Minister undertook to provide details of the expenditure associated with addressing elder abuse during 2006-07 (p.7);
- a reconciliation of information contained in table 2.10.1 in Budget Paper No.4 (page 122) regarding output appropriations with the output summary (page 235) in Budget Paper No.3 (p.9);

- expected impact of the budget, particularly new initiatives, on productivity in the portfolio (p.4 in Mental Health portfolio transcript);
- with regards to public transport services available to senior Victorians, the Minister to detail the:
 - number of senior Victorians that have applied for a Seniors Sunday Pass since it commenced on Sunday 27 August 2006;
 - expected cost for 2006-07;
 - total output cost of this measure in the 2007-08 budget (p.9); and
- the level of services the portfolio expects to provide, both in terms of resources and funding, in servicing the Committee next year, bearing in mind its experience over the last few years (p.9).

A written response by the Minister to the Committee on these questions is due by Monday 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.10.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

12.10.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website.

12.11 Employment portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.12 Local Government portfolio

12.12.1 Introduction

The Committee received evidence from Mr R Wynne, Minister for Local Government, on 17 May 2007. The Minister provided an overview of the Local Government portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

12.12.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec Documents provided at the hearings of the budget estimates (see 12.12.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see

12.12.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.12.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

Neighbourhood Houses program

- future developments of the neighbourhood houses program (p.4);
- prospects for building new neighbourhood houses in new residential areas (pp.4–5);
- funding in the forward estimates for neighbourhood houses (p.4);
- impact on neighbourhood houses of the level of Commonwealth Government funding for local government (p.7); and
- number of neighbourhood houses that are partially funded for each week, those houses that in the previous year had applied for extra funding and the extent of the gap between the hours funded and the hours applied for (p.10).

Impacts on Local Government income

- proposed action by government to cushion the negative impact on local government income emanating from the government decision to unbundle water rights from properties (p.8); and
- consideration given by government to funding the proposed increase in remuneration of councils from consolidated funds as opposed to such funding being expected to be provided by ratepayers (pp.12–13).

Public Libraries

- details on the funding to be provided to Victorian public library services in 2007 and 2008 (p.9); and
- government's position on whether libraries built by local government should be joint-use facilities (pp.9–10).

Other

- breakdown between drought relief and bushfire relief and the expected level of this relief over the forward estimates period (p.6); and
- nature of state assistance provided to support local government develop community planning as a strategic approach to building stronger communities (pp.11–12).

12.12.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the budget estimates hearing (page reference refers to the transcript in Appendix 1):

- the Minister undertook to provide further details on those neighbourhood houses that are partially funded by the government and on those houses that are fully funded by local councils (p.11).

A written response by the Minister to the Committee on this question is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.12.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing

12.12.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The slides are available on the Committee's website.

12.13 Multicultural Affairs portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.14 Sport and Recreation portfolio

12.14.1 Introduction

The Committee received evidence from Mr J Merlino, Minister for Sport and Recreation, on 15 May 2007. The Minister provided an overview of the Sport and Recreation portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 45 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

12.14.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 12.14.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 12.14.4) should be submitted to the Committee by Monday 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.14.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

FINA Championships

- overall expenditure on attracting and holding the FINA championships in Melbourne, total crowd attendances including interstate and international visitors, and the number of free tickets issued during the championships (pp.4–5);

- overall funding provided for the purchase of demountable swimming pools, the local communities that have been earmarked to benefit from the demountable pools program and its expected outcomes (pp.5–6); and
- amount of expenditure that would be incurred by local communities if they decided to install demountable pools from scratch (pp.5–6).

Formula 1 Grand Prix

- value to the community from the government subsidy provided to the grand prix (p.9);
- value of sponsorship of the grand prix provided by all government agencies (p.9);
- number and value of free tickets to the grand prix and the identity of the particular parties to whom free tickets have been provided (p.9); and
- method by which attendance is measured as opposed to ticket sales (p.9).

Other

- impact of the portfolio spend on productivity, particularly the impact of any new initiatives (pp.3–4);
- government proposals for encouragement of volunteers in sport through the removal of discouragements, provision of incentives and easier access to grants (pp.6–7);
- explanation and expansion on the characteristics of the *Better Pools Program and Community Sports Grants* output initiative (pp.7–8);
- clarification on the ownership of the Princes Park and Arden Street football grounds (pp.7–8);
- utilisation of the Commonwealth Games surplus and the expected progress of the benefiting projects over the estimates period (p.10); and
- base level funding provided for the Victorian Institute of Sport in the 2007-08 budget and whether any supplementary funding has been provided for preparation for the Beijing Olympics (pp.10–11).

12.14.4 Questions taken on notice at the budget estimates hearing

The following question was taken on notice by the Minister at the estimates hearing (page reference refers to the transcript in Appendix 1):

- the number of police checks that have been undertaken under working with children legislation and whether adequate reward for effort has been achieved (p.7).

A written response by the Minister to the Committee on this question is due by Monday 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.14.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

12.14.6 Documents tabled at the budget estimates hearing

- the Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee's website;
- a map of Victoria showing statewide allocation of funds under the better pools initiative;
- a map showing metropolitan Melbourne allocation of funds under the better pools initiative; and
- a graph showing investment in community facilities.

12.15 Veterans' Affairs portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.16 Victorian Communities portfolio

12.16.1 Introduction

The Committee received evidence from the Hon. P Batchelor, Minister for Victorian Communities, on 16 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately one hour 15 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

12.16.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 12.16.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 12.16.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.16.3 Key matters raised at the budget estimates hearing

Key matters raised included the following (page references refer to the transcript in Appendix 1):

- impact of new initiatives and portfolio spending on productivity in Victoria (p.4);
- reason for the reduction of quantity performance measure targets for volunteering grants and changes in the method of ensuring community groups are made aware of and take-up funding for volunteering grants (pp.4–5);
- ways the department is meeting its mission statement – the sustainability of Victorian communities through investing in strategies aimed at creating active, confident and resilient communities (pp.6–7);

- initiatives to help disadvantaged places in country Victoria, in particular, neighbourhood houses; the community building initiative; and the transport connections program (pp.7–9);
- details of the \$1.6 billion investment into ‘*A Fairer Victoria*’ to create new solutions and opportunities for disadvantaged people, families and communities (pp.9–10);
- analysis of the Community Support Fund including the current balance, end of financial year balance, expected inflow and dollar turnover of applications (pp.10–11);
- particulars of ‘a Computer for Every Child’ project as an example of the Citizen Engagement and Information Services output (pp.11–12);
- funding arrangements for community centres (p.12);
- purpose and method of operation of the ‘*No Interest Loan Scheme*’ (pp.12–13); and
- community enterprise funding for disadvantaged individuals trying to enter the job market (p.14).

12.16.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the estimates hearing (page references refer to the transcript in Appendix 1):

- further response from the Department for Victorian Communities to the Committee’s budget estimates questionnaire in respect to question 9 on ‘communications, advertising and promotion spending’, including information on schemes such as the volunteering grants scheme (pp.4–6);
- total number of funding applications made to the Community Support Fund in 2006-07 and the proportion of those funded or ruled ineligible (pp.10–11); and
- a list of organisations that provide ‘*No Interest Loans*’ (pp.12–13).

A written response by the Minister to the Committee on these questions is due by 18 June 2007 and will be considered for publication in its *Report on the 2007-08 Budget Estimates – Part Three*.

12.16.5 Unasked questions at the budget estimates hearing

All questions of the Committee were raised at the budget estimates hearing.

12.16.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the estimates hearing. The slides are available on the Committee’s website.

12.17 Women’s Affairs portfolio

The report of the hearing on this portfolio was included in the *Report on the 2007-08 Budget Estimates – Part One*.

12.18 Youth Affairs portfolio

12.18.1 Introduction

The Committee received evidence from Mr J Merlino, Minister for Youth Affairs, on 15 May 2007. The Minister provided an overview of his portfolio at the start of the hearing. The duration of the budget estimates hearing was approximately 45 minutes. The Committee thanks the Minister and accompanying officers for their attendance and assistance.

12.18.2 General comments

At the budget estimates hearing, the Committee raised various matters concerning the budget estimates for 2007-08 (see Appendix 1 for transcript of proceedings). Transcripts of the estimates proceedings are also accessible on the Committee's website at www.parliament.vic.gov.au/paec. Documents provided at the hearings of the budget estimates (see 12.18.6) are available on the Committee's website. The Committee has agreed that written answers to questions on notice (see 12.18.4) should be submitted to the Committee by 18 June 2007. These answers will be considered by the Committee for inclusion in a further report.

12.18.3 Key matters raised at the budget estimates hearing

Key matters raised at the budget estimates hearing included the following (page references refer to the transcript in Appendix 1):

- details of the advocacy bodies to receive funding for advocacy body support under the government's commitment to *'Connect: New Ideas for Young Victorians'* and their future plans to add value for young Victorians (p.3);
- number of staff under 25 years of age employed in the Office for Youth and reasons for the decrease of about 3.2 per cent in the estimated 2007-08 output cost for the Youth Affairs output (pp.3-4);
- elaboration of the nature and value to young people of the Youthcentral website referred to in the quantity target *'Youthcentral website total page impressions'* under the Youth Affairs output (p.5);
- outline of the Advance program, how schools participate in it and reason for the increase in the targeted number of participating schools for 2007-08 (pp.6-7);
- recognition of the importance of sound coordination of programs to effective delivery of services to youth and identification of any initiatives beyond Youthcentral that exhibit this key characteristic; (pp.7-8);
- explanation of the difference between the FReeZA program and the FReeZACentral program (pp.8-9);
- the recommendation of the Youth Affairs Council of Victoria that a generalist early intervention youth service be established and the continuing focus on targeted crisis-type services for youth in the forward estimates period (p.9);
- explanation on how the Office for Youth develops and coordinates whole of government reporting and the future impact of this reporting on the youth affairs portfolio (pp.9-10); and

- clarification requested on whether any of the funding of \$2.1 million over the next four years under the positive body image strategy will be used to educate youth on the dangers of body piercing and on whether the government has any plans to introduce legislation to make it illegal for a youth under 16 to undergo body piercing without parental consent (pp.10–11).

12.18.4 Questions taken on notice at the budget estimates hearing

The following questions were taken on notice by the Minister at the budget estimates hearing (page references refer to the transcript in Appendix 1):

- breakdown into new and existing funding of the \$14 million referred in the Minister's budget day press release as funding provided for youth programs (p.6); and
- provision of an estimate of the number of schools likely to participate in the Advance program in the 2008 calendar year (p.7).

A written response by the Minister to the Committee on these questions is due by 18 June 2007 and will be considered for publication in a further report.

12.18.5 Unasked questions

All questions of the Committee were raised at the budget estimates hearing.

12.18.6 Documents tabled at the budget estimates hearing

The Minister provided an introductory slide presentation at the budget estimates hearing. The Minister also provided the following documents at the hearing:

- an information card outlining details of the Youthcentral website;
- a CD entitled *enroute* containing a selection of music recorded under the FReeZACentral program; and
- an information sheet describing the government's Positive Body Image Strategy 2006-2010.

The slides and other documents are available on the Committee's website.

This report was adopted by the Public Accounts and Estimates Committee at its meeting held on Monday, 4 June 2007 in Meeting Room 4 at Parliament House, Melbourne.