

2015-16 Budget Estimates Hearing

Environment, Climate Change and Water Portfolio

Public Accounts and Estimates Committee



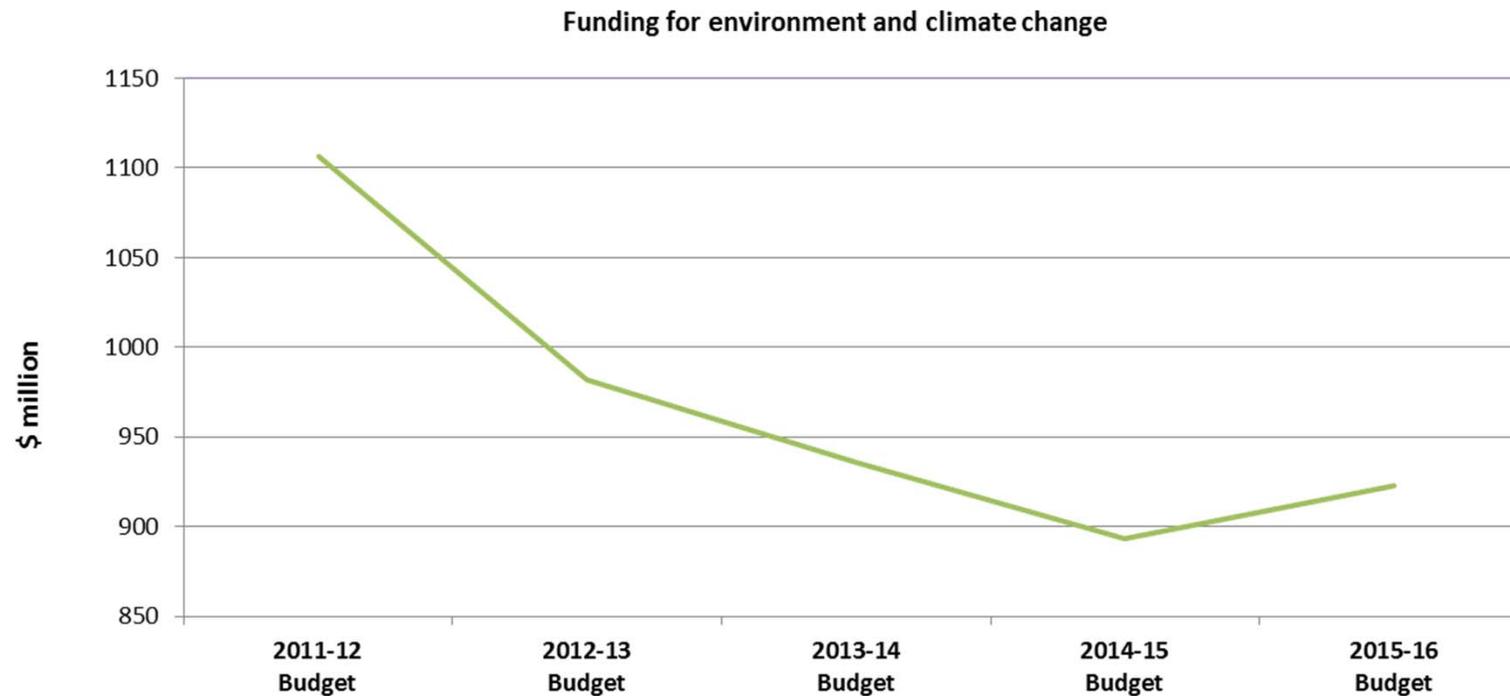
- Source: Yarra Ranges and Nankeen night heron and Edithvale wetlands

Revitalising our built and natural environment

- The Department of Environment, Land, Water and Planning (DELWP) was established on 1 January 2015.
- The creation of DELWP demonstrates that the Victorian Government is committed to ensuring that our environment and natural resources are properly protected and managed.
- We are now in a better position to deliver outcomes that are in the best interests of our environment, natural and built heritage and neighbourhoods.
- Provides opportunities to:
 - partner with all levels of government to **respond to climate change** through risk mitigation and adaptation strategies
 - work to accommodate **population growth** while maintaining world class **liveability** and protecting our heritage for future generations
 - assist local governments to support **people, communities** and **growth** at the **local level**



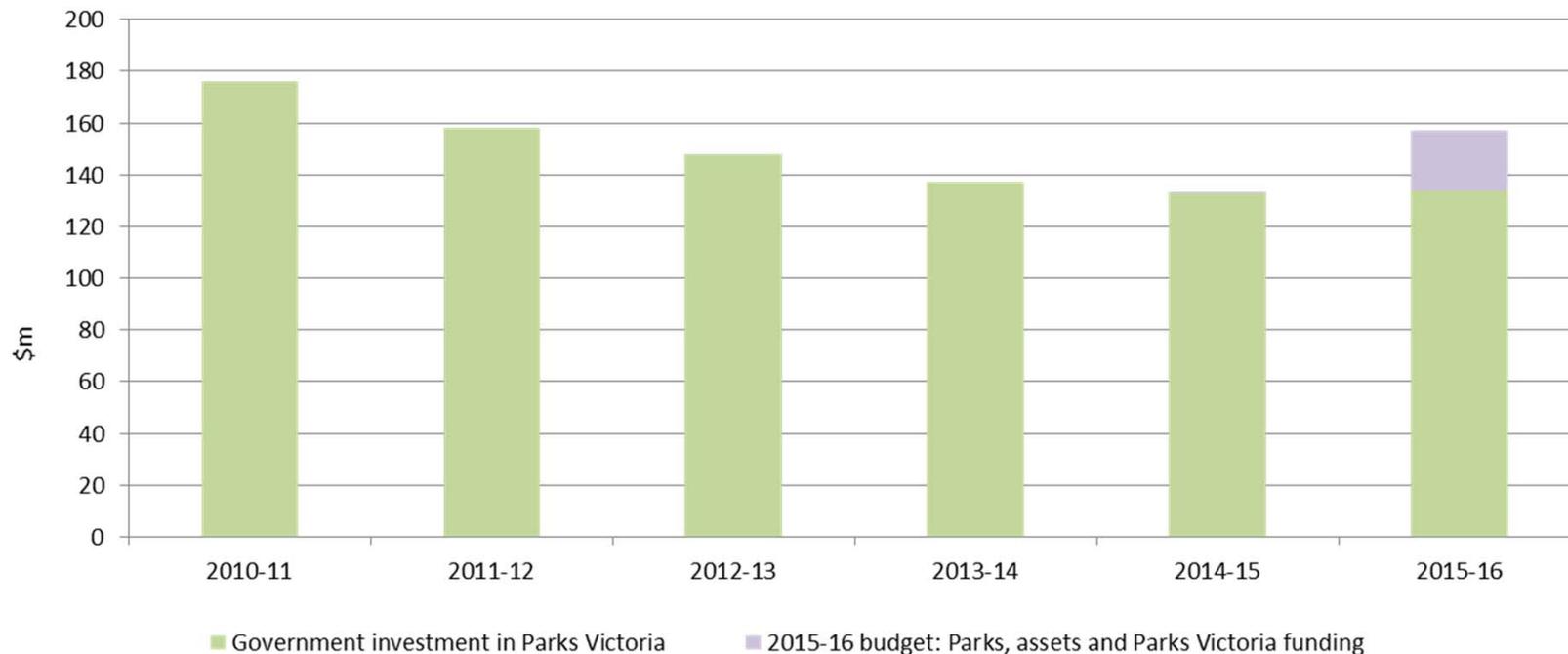
Inherited challenges – investment in the environment



- Between the period 2011-12 to 2014-15:
 - Overall investment in the environment portfolio decreased by more than 19%.
 - 11% reduction in staff.
 - No new funding provided for climate change in the budget.

Inherited challenges – investment in parks

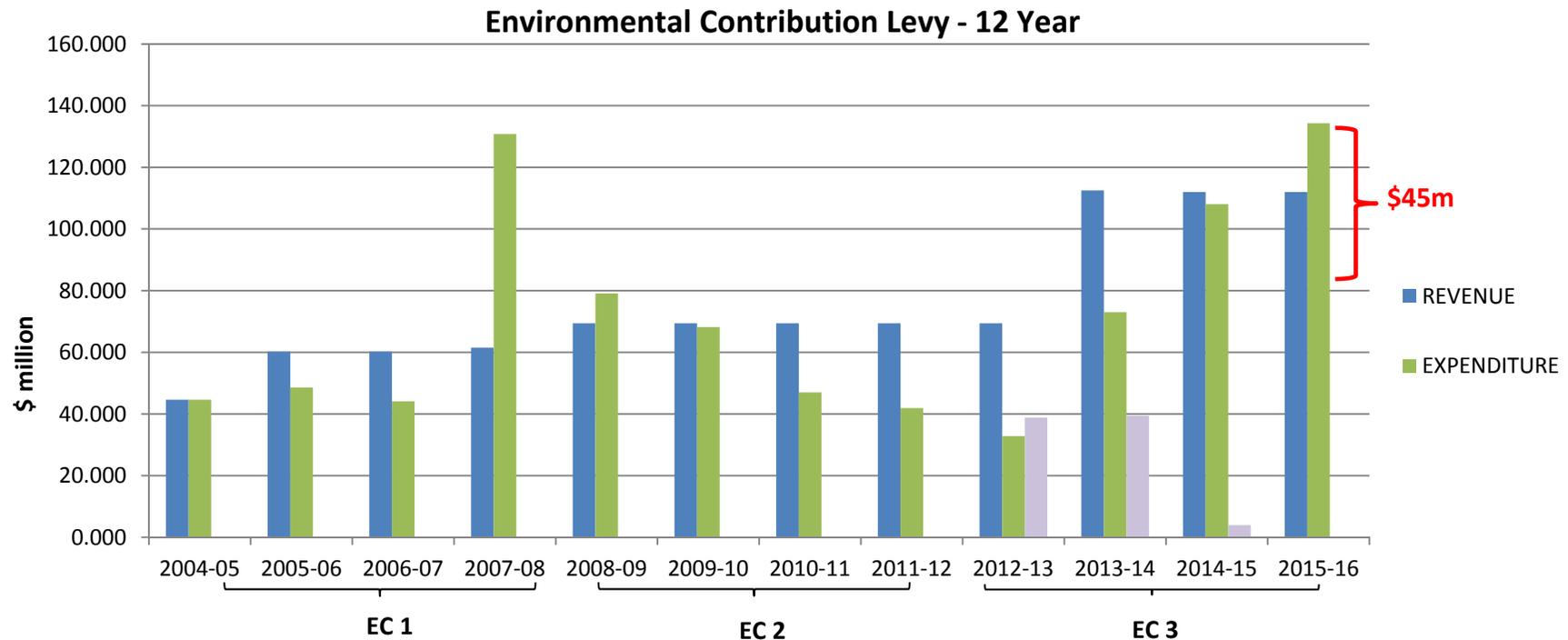
Parks Victoria government investment



- Between the period 2011-12 to 2014-15:
 - significant funding cuts impacting the delivery of parks services.
 - reduction in annual funding provided for asset maintenance, renewal and upgrade.
 - 18% reduction in staff.

Inherited challenges – unallocated Environmental Contributions

- EC tranche 3 commenced in 2012-13 and is expected to generate \$405 million over four years.
- Approximately \$301 million was allocated to initiatives between 2012-13 and 2014-15 leaving an unallocated balance of approximately \$105 million in EC3.



Under EC1 and EC2 approx. **\$505 million** in revenue was collected and **\$506 million** allocated in expenditure through Budget approved initiatives.

Under EC 3 **\$405 million** in revenue is forecast to be collected. Only **\$301 million** had been allocated in expenditure prior to the 2015-16 Budget. Leaving an unallocated revenue balance of **\$105 million**

2015-16 Budget: Climate change is back on the agenda

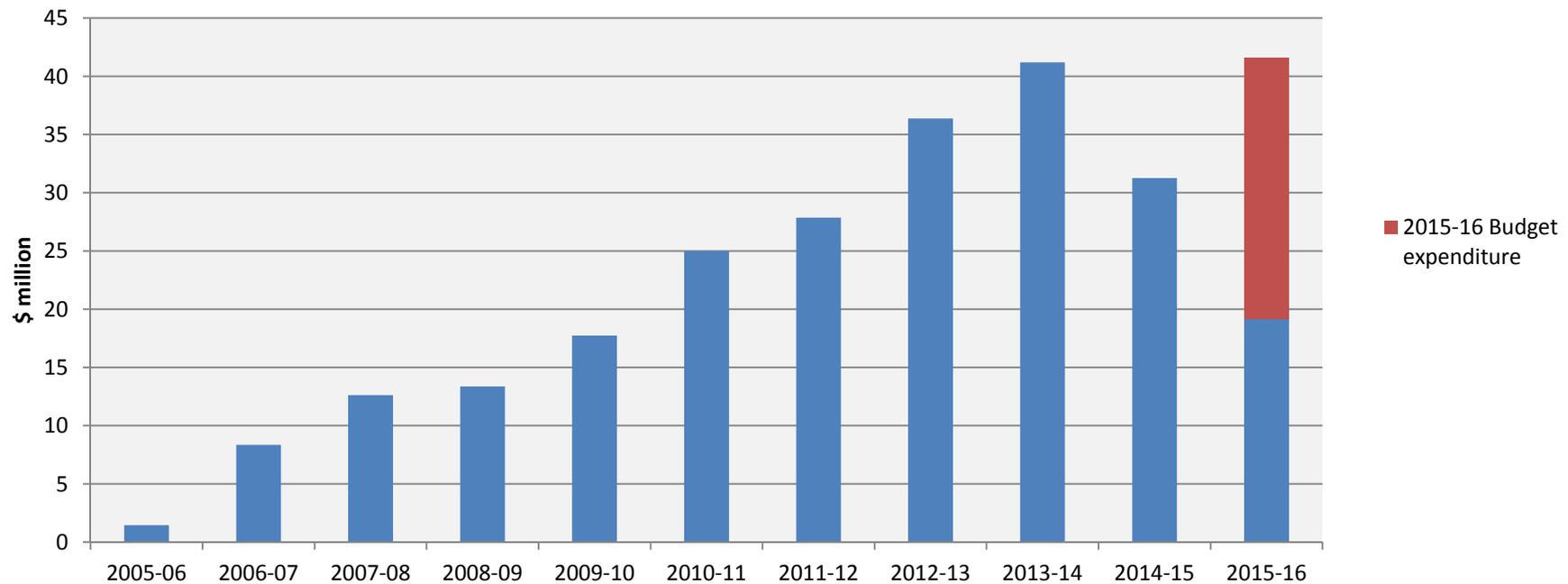
The 2015-16 Budget supports Victorian communities and businesses to respond to climate change:

- \$12.1 million has been allocated in 2015-16 for a Climate Change Action Package to enable immediate action on climate change and ensure Victoria is prepared for drought.
- \$2 million has been allocated for a Waste Reduction Program to support local government and industry better manage waste and recycling to support a growing Victoria.
- \$1.9 million in 2015-16 for a range of energy efficiency and productivity programs that will lower the pressure on household energy bills, support jobs and reduce greenhouse gas emissions.
- New Energy Jobs Fund as part of the \$200 million Future Industries Fund.

Sustainability Fund

- This investment in climate change builds on existing allocations from the Sustainability Fund and has resulted in the largest ever single year of expenditure from the fund to date.

Sustainability Fund Expenditure (actual and forecast)



2015-16 Budget: Reinvesting in the environment

Threatened species

- \$6 million in the 2015-16 budget for protection of threatened species and their habitats.

Palais Theatre restoration

- \$13.4 million over two years provided as the Government contribution to the restoration and refurbishment of the iconic Palais Theatre to ensure it continues to operate as a live performance venue.



2015-16 Budget: Reinvesting in Victoria's parks

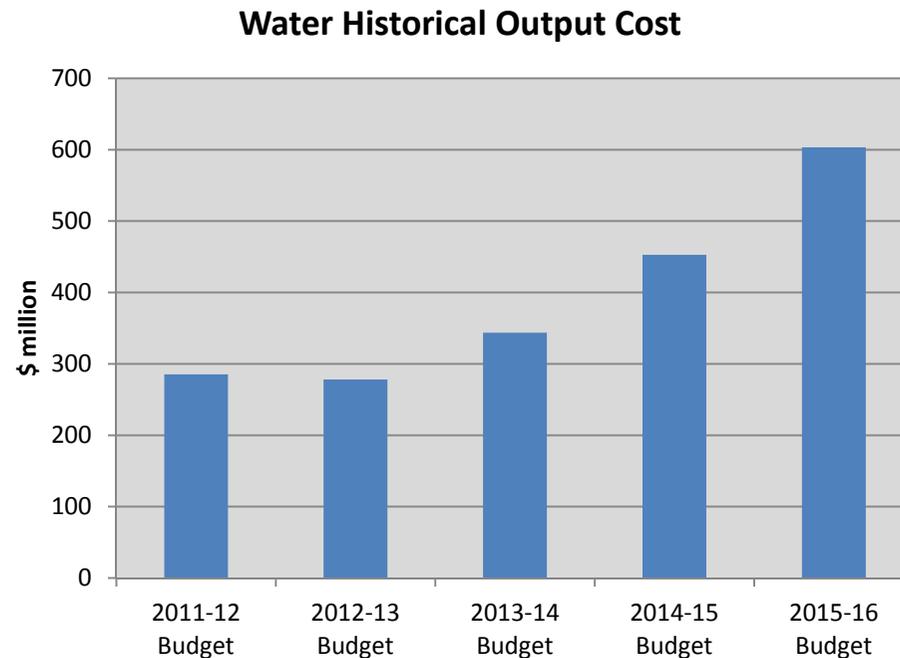
Parks Victoria - \$56.5 million funding package:

- \$5.7 million for Parks Victoria critical infrastructure
- \$5.3 million for new facilities for parks and reserves
- \$10 million allocation in 2015-16 to meet immediate demand pressures
- \$13.5 million in asset funding to enable the construction of a boating and recreation precinct including berthing facilities and breakwater at Portarlington.
- \$19 million for Grampians Peak Trail
- \$1 million for Harcourt Mountain Bike Trail
- \$2 million over four years for the establishment of a new Canadian State Park on former plantation land and state forest in Ballarat.



2015-16 Budget: Managing our water resources for the future

- \$45 million has been allocated in the 2015-16 budget to fast track key sustainable water management priorities including:
 - \$10 million for riparian land
 - \$8.0 million for healthy waterways
 - \$6.8 million for managing water risk
- \$89 million in existing Environmental Contribution initiatives
- \$252 million for the GMW connections project
- \$32.8 million for the Victorian Farm Modernisation project



Note the Water output cost includes funding for Environmental Contributions initiatives as well as infrastructure projects such as G-MW Connections and Victorian Farm Modernisation.

2015-16 Budget: Reducing bushfire risk for communities

Planned burning and fuel management

- \$50 million over two years is provided in the 2015-16 budget to minimise the risk of bushfires to communities.



Managing safety risks posed by fire damaged trees

- \$7.0 million over two years provided in the 2015-16 budget to manage the safety risks posed by trees damaged by bushfires.



2015-16 Budget: Helping families enjoy Victoria's iconic zoos

Zoos Victoria - free entry for kids

- \$5.8 million over two years provided in the 2015-16 budget to enable children to have free access to Melbourne Zoo, Healesville Sanctuary and Werribee Open Range Zoo on weekends, public holidays and during school holidays.

Zoos Victoria – Predator Prey Precinct

- \$9 million over two years provided in the 2015-16 budget to enable outdated wire cages for the Big Cat Row precinct at Melbourne Zoo to be replaced with modern, expansive exhibits.

