

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2015–16

Melbourne — 22 May 2015

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Mr Richard Bolt, Secretary,

Ms Sue Eddy, Lead Deputy Secretary, Financial Management and Technology Services Group,

Mr Luke Wilson, Lead Deputy Secretary, Agriculture, Energy and Resources Group, and

Ms Kylie White, Deputy Secretary, Energy and Earth Resources, Agriculture, Energy and Resources Group, Department of Economic Development, Jobs, Transport and Resources.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2015–16 budget estimates. All mobile telephones should now be turned to silent.

I would like to welcome the Minister for Energy and Resources, the Honourable Lily D’Ambrosio, MP; Mr Richard Bolt, Secretary of the Department of Economic Development, Jobs, Transport and Resources; Ms Sue Eddy, Lead Deputy Secretary, Financial Management and Technology Services Group; Mr Luke Wilson, Lead Deputy Secretary, Agriculture, Energy and Resources Group; and Ms Kylie White, Deputy Secretary, Energy and Earth Resources, Agriculture, Energy and Resources Group.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege. The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard. You will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, PowerPoint presentations and handouts will be placed on the committee’s website as soon as possible.

Departmental officers may approach the table during the hearing to provide information to the witnesses if requested, by leave of myself. However, written communication to witnesses can only be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee’s proceedings in any way.

Members of the media are to observe the following guidelines: cameras must remain focused only on the persons speaking; operators must not pan the public gallery, the committee or witnesses; and filming and recording must cease immediately at the completion of the hearing.

I now invite the witness to make a very brief opening statement of no more than 5 minutes. This will be followed by questions from the committee. Minister.

Ms D’AMBROSIO — Thank you very much, and thank you for the opportunity to present today.

Visual presentation.

Ms D’AMBROSIO — I want to commence by outlining the government’s budget with respect to energy and resources and how that reflects on our commitments in broad terms, and then I am interested to take you through some of the more salient features of our government’s agenda.

In terms of energy and resources certainly our broad commitments and objectives are to ensure that we have a safe, reliable and competitive energy sector. Victoria certainly has been renowned for having such a competitive energy sector now for some time. Reliability has always been a key feature, and we have, I believe, been quite a leader nationally in terms of reliability of supply for consumers. Safety, of course, is a matter that has come to the fore, if you like, through recent events with Hazelwood et cetera, in terms of our natural resources and the management of those, and I will go through some of the details of that later.

We are certainly a strong supporter of the development of renewable energy and increasing our share of energy from renewable sources, and we certainly have a very clear agenda to grow that and the benefits that are derived from that, that go towards matters to do with the environment but also the economics of it and the fact that there are significant investment opportunities and jobs — and highly skilled jobs — that can be derived from a very strong agenda on renewable energy, which this government is committed to do.

Energy efficiency and improvements to that and energy productivity outcomes for households and businesses is a clear focus for our government, as is strengthening consumer energy protections, particularly for vulnerable consumers. We certainly have seen a sharp increase of vulnerability and households and vulnerable consumers in particular being disconnected from what is essentially an essential service, and we have a very clear agenda to try to address the worst aspects of such trends that we have seen in recent years.

We are very keen, of course, to facilitate new investment opportunities across not just energy but also resources. Victoria certainly has an abundance of natural resources where we can certainly grow opportunities, and that certainly will assist in jobs in regional Victoria, of course, but also be to the benefit of the broader Victorian economy.

Efficient and effective regulatory services to industry is also an important element of our focus, and sustainably growing the resources sector and engaging and consulting with communities. Of course our land mass in Victoria is such that it is quite small, and that means we have a lot of communities that live in very close proximity to where our natural resources lie. That means that there is a greater focus, more often than not, on how our natural resources are managed in production terms. We could certainly benefit — that is, industry and communities — from a greater focus on how we can improve dialogue and consultation and transparency, if you like, in the way that we manage our natural resources. That is all towards increasing our prosperity generally, in terms of the value that we can derive from our natural resources and of a community that has the confidence that they are being managed in a way that can sustain them in terms of their local economies but also in a way that preserves healthy and safe communities.

I will go to the next slide, which is touching on some of the major achievements since the beginning of this year that our government has clocked up, if you like. In terms of community renewable energy grants, our support and our credentials on renewable energy have been demonstrated in the very early days of our government, in the first 100 days. We have provided a grant of \$200 000 that was announced for the Newstead community back on 19 February. The Newstead community have been doing a lot of work for the last three or four years, wanting to get to a point of achieving being a 100 per cent renewable energy town. They have a very clear and solid view about how to get there. This grant will assist them to do some of the deeper analytical work about how they can actually achieve that. So we were very keen make that available to them, given that they have done a considerable amount of work thus far. We will support Newstead to transition to 100 per cent renewable energy, and we are certainly continuing to work closely with the community — my department is certainly doing that — to look at regulatory issues and how we may be able to facilitate them getting to their ultimate goal in a way that, as I said, facilitates, and certainly working with the distribution business also.

We have also, on 28 February, made available to the Woodend community \$100 000 which will actually get them to install a community solar farm at the Black Forest timber mill. Again, they have a very broad vision of using renewable energy in a way that will grow the investment opportunities and tourism potential that the Woodend community actually has for its natural beauty, but combined with that of course the opportunity of growing tourism through a renewable energy model of how energy can be manufactured or produced and sold at that timber mill site. That will help boost business opportunities at that site, so that can certainly contribute to the ecotourism broader vision that that community has.

With the Victorian energy efficiency scheme, we as a government were very committed to ensuring that the jobs that go with that scheme — a scheme that is a national leader and indeed a world leader in demonstrably producing reduced energy consumption amongst consumers and certainly has grown significant numbers of jobs — are protected. The previous government had a commitment to axe the scheme, cutting effectively 2000 jobs, Victorian jobs, that support the scheme. But again, the scheme has been proven to help Victorians reduce their energy consumption and put downward pressure on energy bills. So we have been very keen to do that. We have acted very quickly, and we have a 2015 target of 5.4 million tonnes of emissions abatement through the scheme, and we are currently doing a review into the scheme and what it should look like for 2016 and beyond. We believe this is a very important tool in our broader energy efficiency and energy productivity framework and policy direction. It is an important tool, it is a tool that has been successful, and we want to continue to take that scheme from success to success in helping consumers, large and small, to be able to reduce their energy consumption.

I turn to safety in the Latrobe Valley coalmines. We have announced, with the Premier, on 23 January some improvements in new requirements on coalmine operators to improve the safety of those mines, and I am happy to go into some of the detail later. Some of those of course go to initial risk assessment and fire management plans. We are also announcing the re-establishment of the Hazelwood mine fire inquiry to look at some of the critical issues that arose out of the previous inquiry, and also subsequent to that, and some questions that were not able to be tackled by the original inquiry. Some of those go to the possible long-term health impacts, with some initial evidence that came to light last year, but also issues to do with the ongoing rehabilitation of all of the coalmines in Victoria.

Energy affordability is an important one. We have got the Essential Services Commission doing an inquiry into the financial hardship policies and practices of energy retailers, because we can see from evidence that has mounted over recent years that more and more Victorians are being disconnected from energy supply and more and more Victorians are finding it more difficult to actually be able to pay their energy bills, so we need to get to the bottom of that. We have had a number of years where the government eye has been taken off the ball, and we need to get to a point where we can actually do something positive to assist families in particular to better manage their energy bills.

The next slide refers to energy efficiency and productivity in the budget. In terms of outputs, we have put aside \$1.9 million to commence the very significant work that we will be doing in terms of energy efficiency and productivity. Because time is getting a little bit tight now, I will just jump to a couple of items on there that go to what that means. I have mentioned already the review into the VEET scheme, and we will also be presenting shortly and publicly a residential efficiency scorecard, which will deliver an energy rating tool.

There is \$1 million for improved engagement with the mining sector and communities, and that speaks to my earlier comments. Because of the proximity of communities with our natural resources, all would benefit from best practice, if you like, engagement between the mining sector and communities, fostering greater confidence and that means certainly that we will be able to grow the opportunities that come from our natural resources and utilising them in a way that generates economic benefits and jobs.

The CHAIR — The minister to conclude her presentation.

Ms D'AMBROSIO — Yes, certainly. Just quickly, there is \$20 million for our Future Industries Fund, new energy jobs and certainly the Hazelwood coalmine fire inquiry, which is \$6.4 million in the energy and resources space to boost our capabilities of regulating mine fire safety. Certainly, that means better inspections — no gaps in our inspections regime — and that is something that is screaming that the community absolutely needs. So we are very committed to improving that safety.

The CHAIR — Thank you, Minister. I will lead off with the first question. In the context of your role as Minister for Energy and Resources, can you advise the committee how this budget acquits *Labor's Financial Statement*?

Ms D'AMBROSIO — Yes, the budget certainly is a sustainable one. We are delivering a significant budget surplus, reducing our state's net debt, and that is certainly an important one. It is very much a pro-business budget. Certainly, there are some key highlights that come out of the budget that will certainly assist the energy and resources sector. That includes \$500 million from the Premier's jobs and investment fund and \$200 million from the Future Industries Fund.

Importantly from that, if I may just look at that as a particular reference to resources and energy, that fund contains \$20 million for new energy jobs. And there is great growth potential for our energy and resources sector, understanding that there is a very dynamic space that Victoria needs to align itself with to take advantage of the investment potential that comes from new energy technologies and the benefits that can be derived from energy and resources, knowing that as each day goes by we hear more and more that how we manage, how we produce our energy, how we relate to our natural resources can actually produce fantastic economic benefits and investment for our state and grow the high-skill jobs that will be the underpinning of Victoria's future economy. That is something that we as a government are very proud of, because we have been leaders in the past in terms of our understanding energy and resources as natural benefits for us that can grow for our economy and the jobs that come with it.

Certainly of course the \$6.5 million for our coalmine regulation is very important. We need to ensure that communities have the confidence that we are managing our natural resources in a way that produces greater safety outcomes, and when you have greater confidence within our community, greater certainty comes out of that for our energy and resources sector, so that that can actually provide that social licence to grow investment opportunities, and that is something that we are very committed to doing as a state.

I have already indicated, of course, there are significant funds already for some community renewable energy projects and for growing the Victorian energy and efficiency target scheme, and also importantly from there of course is what we aim to do with producing a renewable energy action plan for later in the year, but also of course an energy efficiency and productivity strategy also for later in the year. Those things, combined with our

significant investment dollars that are available through the funds that I have already identified, will ensure that Victoria is able to take full advantage of the opportunities that are available to us and do it in a way that will leverage investment dollars and grow the jobs of the future, and do all of that within a framework of great confidence and certainty within the community and within the sector so that we can ensure that we are able to maximise economic benefits and the job benefits that come from that.

Mr T. SMITH — Minister, I refer you to budget paper 3, pages 145 and 146, regarding renewable energy indicators. The budget paper states that the total output cost for energy and resources in the 2015–16 budget is \$154.1 million. Can the minister specify exactly how much funding within the energy and resources output has been allocated towards its plans for a go-it-alone state-based renewable energy target and what modelling has been done on the implementation of such a scheme in Victoria? I think that is rather important given the recent decision in Canberra.

Ms D'AMBROSIO — Yes, sure. The member will probably know, and if not I am happy to provide the information that the renewable energy target scheme federally is one that is managed through a collection of revenues that are spread across consumers, so it is nothing that you will necessarily need to find or that would naturally appear in the budget papers, so that is the start. Nevertheless I am happy to talk about the Victorian government's commitment to a strong and viable renewable energy target federally. Unfortunately we have had a federal government that has sunk — —

Mr T. SMITH — No, I am talking about the Victorian scheme.

Ms D'AMBROSIO — Well, if you would like to listen, I can explain that. I have already pointed out to you something that you were not aware of, and that is that they are not in the budget papers, for obvious reasons. But I am happy to answer the question as to the fact that the federal government has denied Victoria and consumers a wealth — billions of dollars — of investment into renewable energy projects in this state and has denied Victorians thousands of jobs.

We have got 19 wheat farms with planning approval right here in Victoria, courtesy of the previous state Labor government, and we have got \$5 billion worth of investment that could flow if we had a decent and robust federal renewable energy target. While we do not have that we have forgone \$5 billion of investment for projects that are ready to go — that are shovel-ready to go — and with that, 2638 jobs during the construction and operation stages alone. This is what we have been denied here in this state, courtesy of the federal government, and I would certainly hope that the — —

Mr T. SMITH — Which your federal colleagues have supported.

Ms SHING — On a point of order, I know we are in feisty Friday and it is the last day of a two-week hearing, but Mr Smith, the minister is in the process of answering the question. She started by indicating that you would not find what you were looking for in the budget papers and was giving context for that, which is not only reasonable but appropriate.

Members interjecting.

The CHAIR — Order! Mr Smith, points of order, as you know, are to be heard in silence. Ms Shing to continue.

Members interjecting.

The CHAIR — Do you want to lose your supplementary? You have been warned, Mr Smith. Ms Shing to continue.

Ms SHING — There are two tranches to the question which you have asked the minister. She is in the process of answering the first tranche to that question, and in order for the rest of us to be out of here before it is dark this evening you might be advised to allow her to continue so that she can then move on to the second tranche of the question that you have asked.

Mr T. SMITH — Thank you for your advice, Ms Shing.

Ms WARD — I hope you take it on board, Mr Smith.

The CHAIR — The minister to continue without interruption, please.

Ms D'AMBROSIO — Thank you very much. We have called on Tony Abbott to get out of Victoria's way and allow us to introduce a Victorian renewable energy target as a top-up scheme to the federal scheme so that we can actually get the investment, the \$5 billion of investment, flowing to this state asap, and the thousands of jobs that come with that.

We are a government that was elected on a commitment to grow jobs. We are intent on growing jobs, and this is a commitment that we want to happen right now. Rather than being tied up with the ideology of what Tony Abbott is doing, we would call on the Victorian opposition to join with us in seeking Tony Abbott to get rid of section 7C from the federal legislation which at the moment prohibits states from introducing their own top-up schemes. We have got the Victorian legislative architecture that is ready to go.

In terms of the second part of your question to do with costs and the like, our scheme would essentially model the federal scheme, which all analyses have demonstrated produces lower wholesale prices and the consumers actually get a net benefit in their electricity prices, and that is something that the VRET would model.

Mr T. SMITH — On a point of order, Chair, the second part of my question that Ms Shing referred to was, 'What modelling has been done on the implementation of such a scheme in Victoria?'. That has not been answered.

Ms SHING — On the point of order, it has not been answered to your satisfaction, Mr Smith.

Mr T. SMITH — It was not answered, Ms Shing. It was simply not answered.

The CHAIR — Order!

Ms WARD — Are you sure you are listening, Mr Smith?

The CHAIR — Order! Ms Shing, to continue.

Ms SHING — Thanks, Chair. I believe I have made my point.

The CHAIR — The minister has answered the question. She has provided background and context in terms of the scheme and how it would interface with the federal scheme; Mr Smith, on a supplementary question.

Mr T. SMITH — Minister, have you consulted with your federal colleagues about a duplicate state-based renewable energy target, especially when your position seems at odds with those of your federal colleagues, who have now formally reached agreement with the federal coalition on a national target figure?

The CHAIR — Mr Smith, when you referred to colleagues, are you referring to the minister's federal Labor colleagues?

Mr T. SMITH — Federal Labor colleagues.

The CHAIR — Okay, so can you insert 'federal Labor colleagues'?

Mr T. SMITH — Have you consulted with your federal Labor colleagues about a duplicate state-based renewable energy target, especially when your position seems at odds with those of your federal Labor colleagues, who have now formally reached agreement with the federal coalition government on a national target figure?

Ms SHING — Not that you are seeking to express an opinion in asking that supplementary, Mr Smith.

The CHAIR — I will let the minister answer the question, but the purpose of these hearings is to talk about the budget estimates and line items in the budget. What conversations the minister may or may not have had with the federal Leader of the Opposition and/or the federal shadow minister for energy and resources is a somewhat tenuous link, in relation what is before us, but I will let the minister answer the question as she sees fit.

Ms D'AMBROSIO — Thank you very much. I have certainly had many conversations, and can I say to you what is important to understand here is that federal Labor is committed to returning some level of certainty to the industry so we can actually get investment flowing to this country again, including Victoria, and jobs created. Federal Labor has made it very clear that Tony Abbott's target is deficient, but they have reluctantly — —

Mr T. SMITH — But they are supporting it.

Ms D'AMBROSIO — I am answering your question. And they have reluctantly agreed to a much lower target, a target, by the way, that was bipartisan up until Tony Abbott decided to change his mind —

Ms WARD — It happens regularly. He is Mr Backflip.

The CHAIR — Order, Ms Ward!

Ms D'AMBROSIO — and cast many renewable energy businesses to the wall. That is what they have done. We have had great uncertainty. We have had sovereign risk issues that have come into this.

Mr T. SMITH — Don't you lecture us about sovereign risk issues — —

Members interjecting.

The CHAIR — Order!

Ms SHING — On a point of order, again, Mr Smith, it is a question of this process being related, firstly, to the budget papers, but then not being a platform for you to argue with the answers that the minister has given.

Ms WARD — It is not all about you, Mr Smith.

Ms SHING — Under standing orders, the minister has a discretion to answer the question as she sees fit, which is — —

Mr T. SMITH — I will not be lectured.

The CHAIR — Order! Through the Chair.

Members interjecting.

The CHAIR — Order! I have made it clear that points of order are to be heard in silence. All members of the committee have a right to raise a point of order and for it to be heard in silence.

Ms SHING — And further to that, through the Chair, if you disagree with the answer then there are other forums and avenues for you to pursue that disagreement — —

Mr T. Smith interjected.

The CHAIR — Order, Mr Smith!

Ms SHING — But, again, here it is about actually hearing the minister's answer in relation to the supplementary. It is unfortunate that you do not like it, but your avenues are limited to the scope of the budget papers themselves.

Mr D. O'BRIEN — What is the point of order?

Ms SHING — The point of order is that the member is actually arguing with the minister in relation to her answer — —

Mr T. SMITH — That is my job.

Ms WARD — No, it is not, Mr Smith.

Ms SHING — He is, again, limiting the minister's capacity under standing orders to answer the question within her own discretion. Do you want me to go to standing order 57 again, because I can.

Mr D. O'BRIEN — Chair, I seek your guidance. We have had two weeks of this now. Every time opposition members make an interjection, which we are entitled to do, and the ministers are entitled to join in or ignore it at their leisure, we get a point of order from Ms Shing or government members. Government members have interjected, and we have allowed it to go on. Why do we have to have a point of order every time there is an interjection?

Ms SHING —

... A member asking the question must not:

... offer argument or an opinion on the matter; or

... give facts or names of persons ...

... All questions must be direct, succinct and seek factual information.

Standing order 58 — —

Members interjecting.

The CHAIR — Order! I will rule on this. The session is not a particularly long session and we are going to waste all the time having an argy-bargy.

Ms SHING — Chair, can I just finish my point of order, which I was making. Standing order 58 says:

Subject to —

the preceding paragraph of 58 —

... a minister will have discretion to determine the content of any answer.

As long as she is answering that question truthfully and in accordance with the requirements of the way that this committee is constituted, then you have no basis upon which to argue.

The CHAIR — The reason why Ms Shing took a point of order was the fact that Mr Smith was interrupting a minister answering his own question, which seemed to me, I must say, a fair point of order to raise. This is the last day. It has been a long journey we have all gone on and I have grown very fond of all members around this table. It has been a wonderful experience. But it would be helpful and useful on this last day if ministers could be allowed to answer questions asked by members of the opposition. The minister was in the process of answering that question. I will direct the minister to conclude her answer and then we are going to move on to a question from Ms Pennicuik who was unfortunately absent yesterday, so I am looking forward to hearing from Ms Pennicuik.

Ms D'AMBROSIO — Our government is committed to the way that we have already indicated with regard to the VRET and we would urge the federal government to make an amendment to the federal legislation to remove section 7C so that we can immediately get the renewable energy sector kick-started again in this state. Billions of dollars that need to come in, and can come in, are affected by one barrier that is in the way right now in terms of the federal target scheme, and that is Tony Abbott, and the Victorian state opposition ought to actually put it to Tony Abbott to get out of the way and let Victoria grow the jobs and infrastructure — —

Members interjecting.

The CHAIR — Order! The minister has concluded her answer.

Ms PENNICUIK — Good morning, Minister and representatives of the department, some of whom have been here several times in the last two weeks. I am sure you have been enjoying yourselves.

If I could go to your slide presentation, Minister. On page 4, under 'Energy efficiency and productivity', you have the dot point 'Reduce greenhouse emissions'. If you look at energy, 1.9 million there, 300 000 for

Woodend and Newstead. That is 2.1 million, and perhaps the New Energy Jobs Fund of 20 million, so about 22 million. Can you tell the committee what the target is for reducing greenhouse gas emissions from these projects and any other information with regard to plans or strategies?

Ms D'AMBROSIO — Thank you for the question. Our government has a very clear agenda, as we said earlier, to grow our renewable energy mix in Victoria and also to improve our energy efficiency in the state. What we are doing is not prejudging what those levels should be but we will go through, a very concerted and broad public consultation at some critical points, and I will just describe what those points are.

In March this year I had two community stakeholder engagement processes. One was for the renewable energy action plan. A consultation occurred to tease out some of the key issues that government was keen to consider and that stakeholders could suggest to government that needed to be considered as ways to grow our share of renewable energy in the state. What I will be doing very shortly, in the next few weeks, is releasing a renewable energy roadmap for public consultation. That will canvass a whole range of ways, or policy options, that we are wishing to engage with the community, the sector and stakeholders broadly. That will feed into a final renewable energy action plan to be released later in the year. That action plan will identify the actions that we as a government will commit to to grow our share of renewable energy in the state. There are many ways that we can do that, and all options will be considered and also what a renewable energy action target or targets can look like. So that is that.

With the energy efficiency and productivity policy framework, similarly in March I held a round table, and very soon I will be releasing an energy efficiency and productivity statement. Again, that will act as a discussion paper for broad consultation. That will be released in coming weeks followed by a high-level energy efficiency and productivity summit in August. That will bring together all key stakeholders, very high-level, global-focused expertise, to do with how we can actually improve our energy efficiency and our energy productivity.

The important element of this, too, if I may just focus on that a little bit, is that energy productivity is going to be such an important element of Victoria's improved economic performance into the future. I say that because we need to better understand what the cost to businesses is of increased energy costs as an input cost and how by virtue of trying to reduce the consumption of energy that can release vital capital that can be reinvested back into a business to grow the productivity and therefore grow jobs.

That is something that is important for us to consider when we talk about energy efficiency. It is absolutely important to do that for environmental reasons, for consumers large and small, but also for businesses not being lost in terms of improving the capacity of our state to become more productive and to compete on a global stage when effectively our opportunity to compete on price alone in terms of what we produce as an economy is very difficult. We need to add value to what we produce so that we can focus on how we can increase our global markets and investment to grow our industries and our jobs that come with that. The summit will have a look at a whole range of issues that traditionally are associated with energy efficiency but also look at global best practice and novel, creative and innovative ideas that we as a state can consider that will be contained in our final energy efficiency and productivity strategy that will be available later in this year.

I am hoping that answers your question, Sue, but again we are very much committed to doing all we can as a state to tackle climate change of course, tackling the fact that we have increasing energy bills for small and large consumers, and understanding that through energy efficiency and productivity strategy we can also identify investment opportunities in the new technologies that can improve our economic output and grow productivity and grow jobs. I am not embarrassed to say that we are looking at all of that mix, because frankly we need to do that to better position our economy as a state, understanding there is great scope there for improved productivity, improved jobs and skilled jobs that come with these new technologies whether they are in renewable energy or whether they are in energy efficiency and productivity.

Ms PENNICUIK — Thank you for outlining those projects or plans, Minister. My question really was does the government, in putting that dot point there 'Reduce greenhouse emissions', have any idea by how much these programs will reduce greenhouse emissions? You mentioned in your answer how important energy efficiency is, and of course it is. A lot more could have been done over the decades previously, so it is good to see something being done. The question is about by how much greenhouse gas emissions will fall.

You also mentioned power bills going up et cetera and the need to tackle climate change. We do not need to go into the evidence for that; we know that is mounting. Minister, earlier this month the latest Cedex report found that carbon emissions are again on the rise in Australia, particularly as a result of the burning of brown coal, which is on the increase and at the highest it has been in three years, now accounting for 24 per cent of electricity generation in the national market, and of course it is basically burnt only in Victoria. So my question is: what plans, if any, does the government have to reduce greenhouse emissions from the burning of brown coal in Victoria?

Ms D'AMBROSIO — If I perhaps can just point to the review of the VEET scheme at the moment as a tangible example of our commitment and our acceptance of the need to reduce emissions — that has never been in doubt. For the VEET review at the moment, there is a discussion and consultation paper that is out. That basically poses some options for what future emissions reduction targets could look like into the future post-2015. Some of those options for targets are being canvassed, and certainly we are seeking stakeholder input and views on those particular targets that have been modelled and put out there. Of course stakeholders are very free through that process, which is an open and transparent one, to suggest their own views about what a target should be for a revised VEET into the future. We are very open to that.

If I may just indicate that my ministerial colleague Minister Neville, who is responsible for climate change, has indicated that she is doing a review into emissions reduction in Victoria. Certainly she will work through that diligently, as will I with my responsibilities in the energy and energy efficiency space. We are very committed to reducing emissions, and we will do that in a very concerted way that encapsulates tangible solutions and policy options to achieve that. Through the strategies that have been identified — the energy efficiency and productivity strategy and that whole process — there will be many opportunities available for us to engage on what targets may apply into the future.

I am not going to be able to, and I will not, disclose what I think an emissions target should look like in terms of what emanates from our brown coal resources, but certainly it is one that we have given, and will give, great consideration to. There will be opportunities for us to flesh out what that needs to look like during the course of this year.

The CHAIR — The fabulous Ms Shing.

Ms SHING — I am not sure whether fabulous is an appropriate — —

Members interjecting.

Ms SHING — I prefer the Gippsland-based, but that is all right. Thank you, Chair. Good morning, Minister. Good morning, departmental officials, a number of whom have had the pleasure of appearing before this committee at least a couple of times in the last two weeks. Minister, I would like to take you to budget paper 3, pages 12 through 15 inclusive, and in particular noting that they deal with the Hazelwood mine fire inquiry, which is a whole-of-government issue and something which you canvassed in your presentation and which obviously has overlap to other portfolio areas. This is an issue of especial importance to myself and also to Mr O'Brien on the other side of the table insofar as it affected communities in Gippsland in terms of health, wellbeing, welfare, production of energy and the safety of the community both during the fire itself and in the clean-up period that followed.

Minister, the inquiry has been set up and has examined the causes and factors involved in the emergency, what the response was and what work needs to be done to prevent risk and minimise issues of this nature arising again in the future. I would like to hear from you as to how the inquiry itself, to the extent that it falls within your portfolio responsibilities, will assist the people in the Latrobe Valley and more broadly in Gippsland as far as production of energy is concerned and what is being done through these budget initiatives to make sure that, to the best extent possible, nothing like this ever happens again.

Ms D'AMBROSIO — I could not agree with you more. What happened at Hazelwood should never, ever have occurred, and certainly our government is very committed to ensuring, to the extent that we can, that it never occurs. In terms of the Hazelwood mine fire inquiry and the reopening of that, the budget certainly indicates that there is \$30 million in funding to implement all of the recommendations of last year's board of inquiry. Certainly we as a government are committed to ensuring that every recommendation is implemented — every single recommendation. Certainly the people of the valley deserve nothing less than that. We have seen

great anxiety within the community, and we need to ensure that we are open, transparent and fulsome in the way that we respond to what were very difficult issues and challenges that were identified by the original inquiry. Around \$24 million is allocated to implement the recommendations of the Hazelwood mine fire board of inquiry of last year. That includes funding for long-term health studies, as you identified earlier, in the valley and increasing the regulator's capacity to assess and monitor mine planning for fire prevention, mitigation and suppression.

As you asked, if I can focus on that aspect that is within my portfolio in terms of coalmine regulation, there is \$6.5 million from that broad sum that will go to improved regulation of coalmines in Victoria. This funding will be used to acquire mine fire safety specialists and inspectors to increase oversight of coalmines. This is for all the coalmines operating in Victoria, so it is not about just Hazelwood. This will mean an increase in the quality of inspections and audits. One thing that came out of the inquiry was that it was quite clear that there was a gap. There were a number of gaps but certainly the need for a greater quality of inspection, a greater depth of understanding of the particular features of fires that arise in and around coalmines was a gap that had to be filled. This money will provide a significant boost to ensure that we actually have specialist inspectors who are able to and have the capability to ensure that when inspections and audits are conducted we get the best forensic examination of circumstances of coalmines into the future and that we are able to then respond through our regulatory framework to ensure that the mines are maintained at the highest level possible.

It will also provide capacity for the department to organise joint audits and inspections with WorkSafe and the EPA. This is what I referred to earlier, where some very clear gaps between the agencies were identified by the audit inquiry last year. This amount of money will certainly fill in those gaps, if you like, to ensure that the agencies talk to each other and work as one — in their discrete areas but as one response, if you like, to issues that may arise in terms of the stability of coalmines into the future.

We are also delivering on our commitment to recommence the inquiry, and that will get to the bottom of concerns about the spike in deaths following the fire, as well as mine rehabilitation. Importantly, what came through loud and clear during that terrible period around the fire and subsequent to that — and is continuing to be talked about by people of the valley — is: what confidence can they have that the coalmine operators are actually conducting progressive rehabilitation of their mines, of the assets, in a way that ultimately has the highest safety and fire-risk mitigations at the forefront of those progressive rehabilitations.

The inquiry will certainly look into whether the mines are being rehabilitated progressively as they move from a used element of the mine to new parts of the mine, how are they managing that, are they actually doing it to the point where there is complete security or are there features of disused sections of mines that are exposed unnecessarily to fire risk. Those are issues that we need to understand better, and the reopened inquiry will go to that.

What will be naturally linked to that is whether the rehabilitation bonds that are currently in place for each of the coalmines are sufficient to cover the cost of rehabilitation in the event of a mine operator potentially not being able to fulfil their legal liability in terms of complete and final rehabilitation of the mine. That is an important element, and the department, I will say, has already started to do a lot of work in assessing the rehabilitation bonds that have been in place now for a number of years — whether they are adequate and whether they are sufficient. Some very deep analysis and independent work are being done to assess whether they are adequate for the level of rehabilitation that is required for each of the mines, whether they are adequate or whether there is a gap and how we can then respond to that.

There will be more said. We have not waited for the reopening of an inquiry. The department is doing a lot of work to actually make that assessment. Certainly the progressive rehabilitation questions that the inquiry will look into will be married with the work that the department already has underway in terms of adequacy of existing mine rehabilitation bonds for each of those. Can I say, though, importantly with Alcoa, that they have bonds in place that on the face of it are fairly well aligned with what the rehabilitation costs will be in the unfortunate closure of their power station and the mine, and I say that because of the jobs that are going very soon with that.

The CHAIR — The minister, to conclude her answer.

Ms D'AMBROSIO — On the surface of it, it looks as though the bond money that is already available there is sufficient to cover. Having said that, Alcoa have indicated quite clearly — and they are a very good and strong corporate citizen — that they will ensure that the mine and power station at Anglesea will be fully rehabilitated, and they will meet all of the costs of that. The power station itself will be dismantled, and they will seek to return the site as close as they possibly can to a natural environment.

Ms SHING — It is good to see that operators are fully cooperating. Thanks, Minister.

Mr D. O'BRIEN — Minister, my budget reference is budget paper 3, page 146, the total output cost for energy and resources. Minister, have you been proactive and established any initiatives to work with energy retailers and Victoria Police to assist police to identify power-hungry meth labs in Victoria?

Ms D'AMBROSIO — Meth labs?

Mr DIMOPOULOS — Can you repeat the question — sorry, through the Chair.

Mr D. O'BRIEN — Budget paper 3, 146, is the total output cost for the portfolio. The question is: has the minister been proactive and established any initiatives — —

Ms WARD — You are talking about the 154.1 million that your colleague asked about?

Mr D. O'BRIEN — Just the budget paper reference. I am just asking whether there has been anything proactive to work with energy retailers and police to identify power-hungry meth labs, to assist with the — —

Ms WARD — It is a question for the Minister for Police.

The CHAIR — I think it is important to — —

Mr DIMOPOULOS — It is the wrong portfolio.

Mr D. O'BRIEN — It is not the wrong portfolio.

The CHAIR — Order! I think it is important to put a couple of things in context. One is that we do not have the SECV anymore, so these are stand-alone, independent businesses. The minister has responsibility for the regulatory framework in which those businesses operate. Mr O'Brien, if I try to distil your question down, you are effectively saying: what conversations has the minister had in relation to these private enterprises in terms of their reviewing their customer base for high-energy usage in order then to liaise with the Minister for Police, who might then pass that information on to Victoria Police.

I will allow a degree of latitude in these hearings, as I have shown over the last couple of weeks. I will let the question be asked, but I do want it known or recorded that this is not like 1985, when the minister could basically have that information readily at hand in her capacity as a minister. So I will let it stand, but it is a very, very tenuous link, Mr O'Brien.

Ms WARD — Is this Saturday's *Herald Sun* headline?

Mr D. O'BRIEN — Just to clarify that, this is not an attempted gotcha question; this is a genuine question. I understand that it is within the minister's powers within her portfolio to ask for this sort of information, so that is what — —

The CHAIR — Again, I am taking the question on face value and I am relaxed about it being asked. I am just trying to put a bit of context around this to basically say that I am not quite sure how much information the minister could provide. I would also be conscious that the minister may be constrained with what she can or cannot say about this, because it could prejudice a current Victoria Police operation. But I will let the question be asked — —

Members interjecting.

Mr D. O'BRIEN — The question was: has she established any initiatives to work with energy retailers and Victoria Police?

Ms D'AMBROSIO — I am happy to answer the question. If I may just begin at the beginning, which was in the mid-1990s, when all of our energy assets and retail arms were sold to the private sector. That meant effectively that there is no energy retailer that is owned by government. They are very much private entities, private businesses like any other — like the fish and chip shop that is located at the end of my street — and certainly I think that is an important thing to consider. I do find the question a little bit peculiar. I am just curious as to whether the same question was asked of the Minister for Police in earlier hearings, because it seems appropriate that it would have been better to have been asked there.

Mr D. O'BRIEN — No, the question is about electricity consumption. That is where it is coming from.

Ms D'AMBROSIO — That is fine, but like I said, these are private businesses, and I would imagine that if the police had any concerns in this regard that they would have made direct communications, and they may already be doing that. That is a matter between the police and individual energy retailers, which are after all private businesses. Can I just say that our smart meter infrastructure could probably be a very helpful tool for the police and energy retailers to be able to identify abnormal rates of consumption amongst particular consumers. That is the answer.

Mr D. O'BRIEN — I think the supplementary may have been answered, but my question in follow-up is: has the minister received any advice or requests for assistance from the police or the police minister on this particular issue?

Ms D'AMBROSIO — To my knowledge there has been no request made at all for any assistance with energy retailers. I would find that request, if one were to occur, a little bit strange given that the police have got absolute authority to go directly to energy retailers, and there is probably nothing that we could add as a government that would somehow facilitate the cooperation of energy retailers, which ultimately would be required to be full and frank with any police inquiry, as any citizen and as any other business in this state would need to be when it came to police inquiries.

Ms PENNICUIK — Again on page 4, just for brevity, is the future energies fund, the \$20 million New Energy Jobs Fund. I am wondering, Minister, if you could provide two things: what is the definition of 'new energy' and what types of projects does the minister and the department envisage that will be supported by this fund?

Ms D'AMBROSIO — Thank you for that. The New Energy Jobs Fund and indeed the new energy technologies strategy that I am overseeing at the moment have a very clear focus on the identification of technologies as they relate to renewable energy, so that is that. We are very committed, as I said in my earlier comments, and with this significant amount of money to be made available we can see that there is significant potential to grow the new energy technologies industry or sector in a way that will present fantastic opportunities for investment in this state — potentially manufacturing investment but also the new skills that will be required to fill the thousands of jobs that can come out of an increase or growth in new energy technologies. Wind energy certainly is a renewable energy matter, but also of course we know and we understand as a government that battery storage — —

The CHAIR — Order! Sorry, Ms D' Ambrosio, I am just wondering whether you might be able to push the microphone closer to your mouth. People at the back of the room are having trouble hearing you, that is all.

Ms D'AMBROSIO — Sorry. Yes, thank you. We have heard a lot in recent times about the significance of battery storage technology coupled with renewable energy, which can actually transform the way that we relate to energy, the way we can produce it, the way we receive it, the way we access it and the way we can be flexible in producing, storing and using it at a time that is most advantageous to consumers, whether they are families or businesses. We understand that as Victorian Labor. We as a government are committed to facilitating opportunities to see this sector grow, and that is why we are putting aside \$20 million, at least, from the Future Industries Fund, which is a \$200 million fund, to grow this sector.

We have heard a lot in recent times and even last night, I think, on ABC TV there was a terrific report on battery storage technologies coupled with renewable energies as something that is real and tangible now and has the great potential to really change the way that we make our energy and use it, and in a way that really empowers communities and businesses and again leads us to not just clean energy but more affordable energy.

These are the things that are really important. But the industries that can be driven by this and, as I said, the investment dollars and the jobs that can come out of this are quite limitless.

Our commitment to developing, in concert with the fact that we have a \$20 million New Energy Jobs Fund together with a broader \$200 million Future Industries Fund, a strategy in new energy technologies by later this year speaks volumes about our government's commitment to growing our share of renewable energy, and taking advantage strategically of the other investment opportunities that will come out of that through the technologies that are evolving day by day.

I was very pleased last week to open Tesla Motors' new office, the first in Melbourne, in Richmond. We know that Elon Musk is a world-renowned champion in growing renewable energies and developing electric vehicles for climate change purposes, and the technologies that go into that are just a marvel. The excitement in the room last week when I was there speaks volumes about what this technology can do for us in this state.

We want to be a leader in this. State Labor used to lead the country when it was last in government. We used to lead the country in renewable energy, in tackling climate change, and in looking into the technologies, including electric vehicles, and we aim to reclaim that mantle very, very soon.

Ms PENNICUIK — Thank you for your answer, Minister. You mentioned that the investment of \$20 million plus the other two is significant. I would not describe it as significant; personally I would describe it as quite small. Given the growth in emissions from brown coal that I mentioned in my previous question, CEDEX also found that reductions in demand management or energy efficiencies basically flattened out over the last couple of years, so a small investment in that is not necessarily going to be enough to address that and the growing omissions from brown coal in Victoria are likely to swamp out any gains made in your projects here. My question is, just following on from my earlier question: will the minister rule out any possibility of such technologies as so-called clean coal or other brown coal research programs being included in this New Energy Jobs Fund?

Ms D'AMBROSIO — I think I have already answered that question quite thoroughly. As I said, it is about new energy technologies coupled with renewable energy that will be the focus of that, so I repeat that. In terms of the broader issue of increases in emissions, we know that the federal government has a significant role to play in a high-level strategic approach when it comes to reducing carbon emissions. Unfortunately we have gone from a federal Labor government that had a very clear plan and objective and program in place to one that is, frankly, a global embarrassment.

Mr T. SMITH — A great big new tax on everything. That went well for you, didn't it?

Ms D'AMBROSIO — A global investment — —

The CHAIR — Order! Mr Smith!

Mr T. SMITH — It really worked well for you, didn't it? It was a great idea, wasn't it?

Members interjecting.

Ms SHING — On a point of order, Chair, is it already Mr Smith's turn to ask a question, because I do not recall him being called.

Mr T. SMITH — No, I was interjecting.

Ms SHING — No. You were just interjecting.

Ms WARD — You were rudely interjecting, Mr Smith. You were rudely and noisily interjecting. If you could keep — —

The CHAIR — Order!

Mr Morris interjected.

The CHAIR — I think we can all agree on that. Very good, Deputy Chair.

Ms SHING — I hope Hansard got that one. Mr Smith, the minister was heard in silence in relation to the answers to your questions, save for your own interjections, so perhaps you could afford Ms Pennicuk the same courtesy.

Mr T. SMITH — I would appreciate it if the minister did not run a commentary on the federal government.

Ms SHING — I am sure you appreciate a lot of things, Mr Smith.

Members interjecting.

The CHAIR — Order, Ms Ward! We have 10 minutes to go. The minister is in the process of concluding a question from Ms Pennicuk. If we can be orderly, I am sure the opposition will have the opportunity for one final question after Mr Dimopoulos, who is next. But if you want to be rowdy, I suspect that the opposition will lose their last question. The minister to conclude her answer to Ms Pennicuk.

Ms D'AMBROSIO — Yes, as I said, we believe the investment of the state and our financial resources as a state are not limitless. I am very intent, as the minister responsible in this space, to ensure that we use funds that we can make available in very strategic ways to deliver what our policy objectives are — that is, to increase our share of renewable energy and to couple that with the technologies that will leverage further investment opportunities, potentially from other agencies or private funds, that will also lead to skilled jobs so that it is certainly a win for everyone.

Mr DIMOPOULOS — Minister, my question is in relation to the renewable energy grants for the Newstead and Woodend communities. In asking the question I just wanted to commend you on rejecting the imputation that the Victorian government should step into line with Canberra on this policy area or in fact on any other. I think that would be a retrograde step, and I think, as you have rightly said in these hearings but also as the Premier has said on numerous occasions, the Premier wants this government to play a leadership role in national debates on a whole range of policy areas. There is no more fitting one than this one. So well done on rejecting that call.

Just in relation to the Newstead and Woodend energy grants, I saw the media announcement. It is obviously on page 20 of BP3. You touched on it in your presentation, but I just want to get a sense more specifically from you about what this will deliver for those communities and how it aligns with the government's goals for renewable energy.

Ms D'AMBROSIO — Thank you very much, and I could not agree with you more, Mr Dimopoulos. Can I say to you that over recent years in many of my travels across regional Victoria one thing that stands out absolutely clearly is how much regional communities have embraced renewable energy for its own sake but beyond that for the economic potential, the ecotourism potential and the feeling of empowerment that it can bring to them as communities. In tough times — and there have been many tough times that regional communities have been faced with in recent years — the opportunities that it has opened up to them are quite exceptional. Newstead and Woodend are no exception.

I am very pleased that when we were last in government we had significant moneys allocated for community renewable projects. I was very keen in very early days of our government to really put our money where our mouth was and to go to those communities and say, 'Yep, we're going to stand with you. If this is an objective and if this is the goal that you are committed to as a whole community, then we're not going to stand in the way — in fact we are going to actually help you; we're going to facilitate what your dreams are'. They are dreams that are actually very tangible and very well thought through.

I am very proud that we have got a community in Newstead championed by the great local member there, Maree Edwards, and a community in Woodend championed by another great local member, Mary-Anne Thomas, who understand the value of moving to renewable energy, the empowerment that comes with that and importantly the way that the community comes together — schools, local businesses, households, and local governments — understanding the great potential for this.

Think about it in this way: how many Newsteads and how many Woodends could our government support to get to a point where we have got a new industry that develops that ecotourism base where we would have a fantastic visitor program potentially. I am going a little bit into Mr Eren's space, but frankly the potential for this

is fantastic. So \$200 000 or \$100 000 I suppose in broad government terms is not a hell of a lot of money, but it has potential, and a number of those types of small investments can produce so much and have that multiplier effect so these communities are able to grow the economic potential in ways that we could only imagine.

I know that the \$100 000 investment in Woodend, for example, which will install a community solar farm on the roof of an old timber mill, is part of a broader vision and part of a broader business case to develop that whole precinct into a hospitality arm in terms of accommodation and in terms of other small businesses coming in there that recycle timber into products that they can sell. The visitor profile of that dream is quite phenomenal. If we can assist that, I think that is the hallmark of a good government that listens to people, listens to communities and helps to facilitate what are very tangible and sensible projects.

Newstead is another example. Newstead has had a tough time for a long time, but they have been at it.

The CHAIR — The minister to conclude her answer.

Ms D'AMBROSIO — They have committed to working up a project that has had significant community engagement and buy-in, and they have come up with an idea that has got broad community support. They want to make it happen. They do not expect governments to put in millions and millions of dollars to make this dream a reality. What they want is for government to assist and to facilitate, and that is what we are prepared to do. They actually want to be able to draw funds and find investment opportunities from within their own community to take Newstead to 100 per cent renewable. We are very pleased, and I am really proud to be able to play a small role in that.

Mr T. SMITH — I refer the minister to budget paper 3, pages 19 and 28, which list the output initiatives of energy efficiency and productivity — a \$1.9 million allocation. The program includes a review of the Victorian energy efficiency target, and my question is: has your department been made aware during your time as minister of any businesses or companies engaging in deceptive practices or high-pressure sales tactics as part of the VEET scheme?

Ms D'AMBROSIO — I am not aware of any. Certainly none have been brought to my attention. Just on the question of the VEET and the budget line that you refer to, we believe the VEET scheme is important for Victoria's future in terms of reducing energy consumption. We are a government that understands not just that you have actually got to deal with the supply side in terms of increasing our mix of clean, affordable energy, but that we have also got to look at the demand side. Those things together are important in terms of getting a solution or a set of solutions to climate change. They are solutions that will — let us be clear — drive great investment, great economic development, jobs and industry development. We are not ashamed of that, and we say that quite proudly. Our job is to deliver on our commitments. We have made our commitments. We will deliver on our commitments — every single one of them — and this is certainly one of those.

If you would like to provide further information on your question, I would be very happy to consider that further, but on the surface as it has been put certainly no issues have been put to me by my department.

Ms SHING — You could ask the minister for consumer affairs, which you did not do.

The CHAIR — I was going to make that observation as well. It may be that some of those complaints may have already been directed to CAV rather than to the minister's department.

Ms SHING — Or the ombudsman.

The CHAIR — Or the ombudsman.

Mr T. SMITH — My supplementary, Minister, is: how much is the government spending on yet another review of the VEET program when you have already decided to go ahead with this scheme?

Ms D'AMBROSIO — The budget item is quite clearly there, as you have referred to yourself in your original question, so I do not — —

Mr T. SMITH — The 1.9 million — is that just for the review alone?

Ms D'AMBROSIO — That includes the review and other measures, including the scorecard that I referred to in my original presentation. In terms of the question about another review, can I just say to you that we have committed to continuing the VEET scheme — —

Mr T. SMITH — How much is it? What is the costing?

Ms D'AMBROSIO — I have said to you that it is included in there. If you would like — —

Members interjecting.

Mr MORRIS — On a point of order, Chair, the question related directly to that particular component, not to the total cost, but the minister's response is, 'Oh, it's in there'. The question related to the specific amount.

The CHAIR — The minister to continue.

Mr MORRIS — You are ruling that you are not prepared to require the minister to respond?

The CHAIR — The minister has indicated to me across the table that she is happy to respond. If you want me to delay time and have an argy-bargy — —

Mr MORRIS — I am looking at you when I talk.

The CHAIR — That is fair enough. I looked at the minister, and the minister indicated that she was happy to continue. I am saying that if the minister is happy to continue, I am happy for the minister to continue.

Ms D'AMBROSIO — Thank you. Of that budget line item, it is 1.17 million. As I said, what we intend to do with the VEET scheme, through an open and transparent — and I stress that word 'transparent' — process, is to strengthen the scheme and ensure that it remains strong and viable. It has been the best-run energy efficiency scheme in the country, and as I said earlier in my presentation, it is world renowned. It is one that has delivered multiple benefits to all consumers.

The review is essentially about what the scheme could look like, and how we may be able to improve it and add value to it so that it continues to deliver more and more benefits for consumers. We are very committed to that, and we are prepared, unlike the previous government, to do it in a very open and transparent way. We have put out some information through a discussion paper that is quite transparent and is not designed to present a dodgy case for a scheme that has been proven time and again to deliver net benefits to consumers. So we are committed to that. We are committed to saving and growing the 2000 jobs that rely on the VEET scheme, but we know that there is a win for everyone in this space: consumers and the many people who are employed by the VEET scheme.

I refer you to the consultation paper that is already out there. If you have a look at it, you will understand why the review is there. It is not about whether VEET should continue to exist or not. It is about how we can actually make it better, how we can strengthen it and how we can make sure that it remains a dynamic scheme that will grow opportunity for new jobs and the technologies that go with it. You can see that there is a theme here. We have got a very clear vision as a government that when we say that we want to improve energy efficiency and productivity, when we say we want to grow renewable energy and when we say we want to develop a new energy technology strategy, it is because we have a very clear vision of what the energy mix should look like — the supply side, the demand side and frankly the benefits that the Victorian economy will derive from that as we transition to new types of economic activities. We have got a responsibility to ensure that this state is as well primed and as efficient as it can be, with an eye to dynamic opportunities that will be the underpinnings of our economy into the future. I make no apologies for that whatsoever.

Mr D. O'BRIEN — Sorry, I did not quite hear — was it 1.17?

Ms D'AMBROSIO — 1.17 million.

Mr D. O'BRIEN — Yes, for the cost of the review.

Ms D'AMBROSIO — Yes, for the review of the VEET and to strengthen it.

The CHAIR — That concludes the energy and resources component this morning. I would like to thank Mr Wilson and Ms White, and we will immediately move to the industry portfolio.

Witnesses withdrew.