

# TRANSCRIPT

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into Budget Estimates 2018–19

Melbourne — 14 June 2018

#### Members

Mr Danny Pearson — Chair

Ms Sue Pennicuik

Mr David Morris — Deputy Chair

Ms Harriet Shing

Mr Steve Dimopoulos

Mr Tim Smith

Mr Danny O'Brien

Ms Vicki Ward

Ms Fiona Patten

#### Witnesses

Mr Gavin Jennings, Special Minister of State;

Mr Chris Eccles, Secretary, and

Mr Jeremi Moule, Acting Deputy Secretary, Governance Policy and Coordination, Department of Premier and Cabinet; and

Ms Sue Clifford, Chief Executive Officer, Family Safety Victoria, Department of Health and Human Services.

**The CHAIR** — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2018–19 budget estimates.

All mobile telephones should now be turned to silent.

I would like to welcome the Special Minister of State, the Honourable Gavin Jennings, MLC; Mr Chris Eccles, Secretary of the Department of Premier and Cabinet, Ms Sue Clifford, Chief Executive Officer, Family Safety Victoria; and Mr Jeremi Moule, Acting Deputy Secretary, Governance Police And Coordination.

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, any PowerPoint presentations and handouts will be placed on the committee's website as soon as possible.

Witness advisers 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 must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing.

I 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.

### **Visual presentation.**

**Mr JENNINGS** — Thank you, Chair. It sounds as if you have done that before and probably rely on some residual knowledge or memory in the crowd in the gallery.

I just want to go very, very quickly through a slide presentation that I understand you have a copy of before you. You can probably study it now or into the future, if you so choose, but I just want to go through and set the scene in relation to the first page, which talks about the size of the public sector in Victoria and what is embedded in the investment profile, both in terms of infrastructure spending and of recurrent expenditure and output funding that is in the most recent budget. I remind the committee that one of the extraordinary things about this term of government is the growth both in infrastructure spend — the average infrastructure spend in the forward estimates is twice what the previous average had been in the decade leading up to the arrival of this government — and indeed in terms of output funding. There is significant growth in output funding commensurate with our commitments to a reform agenda and to rebuild services.

What that looks like in terms of the people who work on behalf of Victorian citizens is there has been a significant steady increase in the number of public servants, those in the public sector. I just want to draw attention to that growth because sometimes that is subject to adverse commentary, but when you think that there have been nearly 3000 people added to work in our public health system — so 2873 full-time equivalent has been added during the course of this term, seeing more than 1200 nurses, 680 ancillary and medical staff and 410 administration and clerical staff being added to the public health system — we have actually seen that there has been an improved performance in public health, whether that be measured through elective surgery or whether that be seen through waiting times at EDs.

We have actually seen over 1400 full-time equivalent added to government schools, again consistent with our agenda to rebuild public education and to invest in quality teaching. We have also added significantly. We have committed as a government to increasing by more than 3000 police and emergency services workers, and at the moment there have been more than 950 full-time equivalent added into police and emergency services. We have seen, to support our efforts in relation to our reform agenda — whether it be family violence, the

community corrections system, other health and social welfare issues as well as the huge infrastructure expenditure of the government — over 3500 people having been added to the Victorian public service, acquitting those expectations that the government set and the people have actually set for our staff.

Beyond that — just the snapshot — I just want to draw attention to the fact that we have a high proportion of public sector employees that work within the regions, compared to what is the overall work participation within the Victorian labour force. So 22 per cent of Victorians are employed outside of the metropolitan area, but in public services, the public sector, 30 per cent of our employees are outside metropolitan Melbourne. We see that the majority of our staff work full-time and the majority of our staff across the public sector are women. In fact two-thirds of those who work in the public sector are women. Indeed there is some way to go in relation to the profile of women within the executive service, and that is something we call out here and something that we have committed to doing something about. This dashboard provides you with an opportunity to have a look at what is the profile across various areas of public policy where we see FTEs by industry, in which you will see public health care comprises about one-third of all employees who work within the Victorian public sector.

We are trying to make sure that we are not complacent. We are trying to drive a reform agenda by making sure that we are IT savvy. We are driving a data reform agenda. We want to collaborate and innovate in relation to the way in which we partner across the public sector, inside and outside of government, to have best practice, whether that be through digital platforms or whether that be applications that our citizens may use. We are trying to use better data analytics to enable a better appreciation of what our policies do now and what might be able to have an effect in the future, and we want to collectively build a capability framework.

We want to make particular emphasis to make sure that we are more inclusive in terms of our profile of the public sector, whether that be through a specific reform agenda to increase the number of Aboriginal people who are participating in the workforce, or other forms of inclusion, whether that be cultural diversity through the Recruit Smarter initiative. And as I have already indicated to you, whilst two-thirds of the workforce are women, we still recognise there are further, in relation to career profile, opportunities for women as part of our ongoing agenda. We have provided support to the public sector commission to assist in some of that work, and we actually know that we have been subjected to cyber threats so we are increasing cyber security. As I have already indicated, data analytics is a big part of the government's agenda. Was that it?

**The CHAIR** — No.

**Mr JENNINGS** — No, okay. I thought I was working so fast I could not possibly have done 5 minutes yet, but I must be close.

In relation to Service Victoria, which has been a feature of Public Accounts and Estimates Committee considerations up until now, we went live last October. I know members of the committee have been waiting and champing at the bit for that opportunity. We have delivered on that opportunity. It is a project that has been delivered ahead of time because we did not commit to doing it until about now. We went live last October and we have underspent the original budget allocation that was allocated in the 2015–16 budget. It has increased a number of capabilities across a number of digital platforms. It has integrated with legacy systems. It has provided an opportunity for secure payments to be made and for online identity, which has already received over 41 000 customers, and just on 90 per cent of those are very satisfied, in terms of the top two quadrants of their satisfaction with that experience. Indeed there is significant uplift on the transactions that have taken place previously by other online or other accounting processes within government.

The last issue that I want to draw attention to is that the government has been associated with an integrity and accountability reform agenda. There have been a number of pieces of legislation over the term that have added to our suite of accountability frameworks: the Auditor-General's follow-the-dollar powers; the relationship between this committee and the Auditor-General has been strengthened; other forms of accountability; and better delivery of responsive government, by creating the Office of the Victorian Information Commissioner, for instance. We have driven more information that is available through the IT strategy, the digital dashboard, to actually give us an indication of how we are rolling out a reform agenda. We have created opportunities, too, for the Ombudsman's office to be appropriately funded into the future, and we have allowed for the Ombudsman's office budget to be independent in the future. We have allowed for an independent remuneration tribunal to be established, and we have also provided other support to institutions within government to make sure that they are on a secure financial footing. That is the presentation.

**The CHAIR** — Lovely. Thank you, Minister. We will have government questions until 2.18 p.m. I am very excited about the Centre for Data Insights, and I will come to that in a moment, Minister, but firstly I will hand over to Ms Ward.

**Ms WARD** — Minister, if I can please get you to have a conversation with us about the Victorian Ombudsman, in budget paper 3, page 102, there is reference to funding for the Ombudsman's office. Can you please talk to us about this funding and how initiatives through it can strengthen the independence of the Ombudsman and the accountability of the Ombudsman to the Parliament, and to indeed PAEC?

**Mr JENNINGS** — Excellent. Thank you. It is a very appropriate question for two reasons. One is that you have had a look in the budget paper at the reference that you have drawn attention to where there has been funding provided for the sustainability and the acquittal of the Ombudsman's responsibilities in the forward estimates, but with a very important backdrop of a piece of legislation being in the Parliament currently to increase the independence of the Ombudsman and to allow the Ombudsman's budget to come through the Parliament appropriation and subject to consideration of a new committee, which is effectively the amalgamation of the IBAC committee and the accountability committee, to have one central clearing place for consideration of the Parliament and then a clear line of a work program in terms of establishing what might be the operating budgets and the needs of various statutory offices that would then be incorporated within the Parliament budget. There has been a particular allocation that has been made in this year's budget to the Ombudsman to assist her office in establishing an internal financial capability. Previously her officers relied on the accounting practices and the financial support of the Department of Premier and Cabinet. We recognise that they need some additional support to gear themselves up in terms of their business model, their procedures, to be able to act independently and have a direct line, relationship, with the Parliament.

That is a very important agenda. It is a model that will be consistent with the current funding arrangements for the Auditor-General or the recently created Parliamentary Budget Office, so they are models that were already pre-existing. We are also providing for that opportunity in this legislation for the Victorian Inspectorate and indeed IBACC to actually have a similar direct relationship with the Parliament, as probably the community might expect these statutory offices to have an independent relationship with the Parliament.

**The CHAIR** — Minister, the budget paper reference is budget paper 3, pages 102 and 103, and I note in your presentation there is mention of additional funding for the Victorian Centre for Data Insights. As the secretary well knows, I have been quite fascinated by data and all the potential that it holds. Can you talk in a little bit more detail, for the benefit of the committee, how this investment will look at trying to develop public sector capabilities to address public policy challenges or issues or problems, or more broadly to look at increasing the operational efficiency and effectiveness of the public sector?

**Mr JENNINGS** — That is a fantastic question. One of the greatest challenges of all governments everywhere around the world, if they are concerned with supporting their citizens and driving improvements in terms of their responsiveness and indeed their ability to drive positive outcomes both at a community level and at an economic level, is we need to have a deeper appreciation of what is the effect of what is currently operating across the public sector, what do we know about the needs of our citizens, what do we need to know about the needs of industry, of economic opportunity, what is in fact the huge reservoir of data that government agencies hold? The history of that huge data has been quite often kept within departments and they are isolated from one another, and there has never been a collation and appropriate cross-referencing of the effectiveness of services. That affects us in Victoria, it affects Australia, it affects other western democracies in relation to that.

A feature of all of those forward-looking jurisdictions is to actually try to drill down in how we can support greater data analytics. This budget, where there is \$40 million in relation to the centre for data insights in the next two years, will support the work that basically has been facilitated by the data sharing act of 2017. So there is a legislative framework by which we can actually start sharing appropriately information, and again, there always have to be considerations of privacy and some restrictions on the free flow of information that might be confidential. But within the information that is able to be shared, we want to drive a greater and broader depth of analysis. What does that mean? The centre that we have actually already established is currently working on a data reform strategy to embed all of the principles that I have just described. It obviously works with the creation of the Office of the Victorian Information Commissioner, which was established by —

**The CHAIR** — 1 minute.

**Mr JENNINGS** — Pardon?

**The CHAIR** — Just 1 minute. We will come back to it in the second bracket, but continue, please.

**Mr JENNINGS** — 1 minute — okay.

**The CHAIR** — Love data. Love big data — it is very exciting.

**Mr JENNINGS** — The thing about it is that whilst we have created this centre, we have recruited and we have actually got somebody who heads the office of information commissioner who understands the appropriate balance between privacy protection of information but the release of information and the utility of information and the deeper dive into analytics. We have got that opportunity now ahead of us. We have created a chief data officer within the centre for data insights, who operates across the broader public sector. We have already started to drive some collaborations across agencies where their datasets have never spoken to one another. Whether that be in DHHS, whether it be in Corrections, whether it be in the court system, whether it be police, there is an opportunity for us to start sharing information and to understand —

**The CHAIR** — Order! Minister, we will come back to that in a little while.

**Mr T. SMITH** — Welcome, Minister and Secretary. I am referring to the matter referred from the Legislative Council on 25 November 2015 to the Ombudsman, and I want to know how much of taxpayers money was spent by the Ombudsman in legal fees against your government in the Supreme Court, the Court of Appeal and the High Court of Australia?

**Mr JENNINGS** — Well, the simple answer to your question — it does not relate to the budget papers, but the simple answer to your question is zero, because in fact the Ombudsman was not against the government at any point in time. The Ombudsman sought clarification from the court in relation to the status of the referral, and so not \$1 was spent against the government.

**Mr T. SMITH** — Not \$1, okay. We can play around with words all day, Minister, and you are gifted in the artifice that has been referred to. How much did the Ombudsman pay in legal fees?

**Mr JENNINGS** — The legal fees —

**Members interjecting.**

**Mr T. SMITH** — I am clarifying.

**Mr JENNINGS** — You are now revising your question —

**Mr T. SMITH** — I am, Minister, because —

**Members interjecting.**

**Mr JENNINGS** — in relation to the —

**Mr T. SMITH** — you took issue with my former words with regards to ‘against your government’. We have already had this out with the Attorney-General. I am not going to engage in a dispute with you about the nature of those legal proceedings. I want to know the cost.

**Members interjecting.**

**Mr JENNINGS** — Excellent. The answer to your question is — I think you might have actually been told this before — I have not been informed by the Ombudsman of what she considers to be the cost of her inquiries that came from the reference that relates to the court proceedings.

**Mr T. SMITH** — I have been locked in this room for a month —

**Members interjecting.**

**The CHAIR** — Order! Government members will come to order!

**Mr T. SMITH** — and my patience is at an end. I have asked the secretary of your department; I have asked your mate, the Premier; I think we asked the Treasurer; we asked the Presiding Officers. I want to know: how much did the Ombudsman spend in legal fees before she began her investigation into Labor's red shirt rorts?

**Ms SHING** — But that is a different question now again.

**Ms WARD** — A completely different question, and we are really straying from the budget papers, I think.

**Mr JENNINGS** — Well, we are. I am sorry for your patience quotient being reached, Mr Smith. I can act on the information that has come to me, and the information that has come to me — because the Ombudsman does operate independently of me in terms of acquitting her responsibilities, which include both the financial management internally within her budget and the reporting mechanism to the Parliament — ultimately the only place that I believe it will be in, if the Ombudsman chooses to report in the form of the question that you have asked, will be in her report to the Parliament.

**Mr T. SMITH** — Can you please take this on notice and come back to the committee?

**Mr JENNINGS** — Well, I can take it on notice —

**Mr T. SMITH** — But you are not going to answer the question; is that what you are telling me?

**Mr JENNINGS** — I have answered the question.

**Mr T. SMITH** — But you haven't, because I want the number.

#### **Members interjecting.**

**The CHAIR** — Order, Ms Shing. Order, Ms Ward.

**Mr JENNINGS** — Ultimately it is the relationship between the Ombudsman and the Parliament that will actually deliver this answer to this question, if the Ombudsman chooses to.

**Mr T. SMITH** — You are responsible for the appropriation for the Ombudsman's office, is that correct?

**Mr JENNINGS** — At the moment.

**Mr T. SMITH** — Yes, that is correct. Therefore my line of questioning, Minister, is not incorrect, because you are responsible to this committee and indeed the Parliament for the Ombudsman's office. I am not disputing the independence of the Ombudsman by any stretch.

**Ms SHING** — You are.

**Mr T. SMITH** — No, Ms Shing, I am not. I am asking the Special Minister of State about an appropriation to the Ombudsman's office, and particularly with recent happenings — and this is an estimates hearing for the budget — I would like to know how much the Ombudsman spent on certain legal proceedings, and I am finding it troubling as to why you cannot answer that question.

**Ms WARD** — No, he has. He has answered it three times, Mr Smith.

**The CHAIR** — Order! Ms Ward.

**Mr JENNINGS** — I do not feel that I am having trouble answering the question. It is just that I am answering it —

**Mr T. SMITH** — I know you do not. I am just not getting any answers, so we are sort of missing each other.

**Mr JENNINGS** — You are not getting the answer that you want. Ultimately the Ombudsman was given an opportunity in relation to the appropriation that her office had been provided with to come to the department and ask for budget supplementation, as required, to deal with the reference which ultimately created her investigation, and there has been no reporting to me — and I believe not to the department either — of the internal allocation that was derived in terms of legal costs or investigative reporting or how much was actually

spent on the consideration that led to the Ombudsman's report. There has not been an internal reconciliation of the funding envelope that was provided to the Ombudsman.

**Mr T. SMITH** — Have you apologised for your role in Labor's red shirts roting scandal?

**The CHAIR** — Again I am not quite sure how this relates to the budget estimates, Mr Smith.

**Mr JENNINGS** — It probably does not, but Mr Smith, I would encourage you to read the *Hansard* of the Legislative Council, and you will probably find that there has been nobody who has answered more questions in relation to this — fulsomely — than I have in relation to the Legislative Council *Hansard*, the public record.

**Mr T. SMITH** — I do not doubt your genuine desire to shed light on these very murky happenings, Minister, and I am just seeking an apology from you to this Parliament and to the people of Victoria for being a fairly senior player in Labor's campaign committee in 2014, and you ought to apologise for your role in this.

**Ms SHING** — I now feel that we have stretched the bounds of relevance in the context of the budget process. Mr Smith has embarked upon a series of labyrinthine questions around a process that he is now seeking answers to from within squarely political arenas that do not relate to the period, do not relate to the budget and do not relate to the subject matter at hand. So on that basis, Mr Smith may want to, for the nth time, rephrase his question so that it is relevant or otherwise move on.

**Mr MORRIS** — On the point of order, Chair, I think it is entirely reasonable that the question be asked. The matter relates to and arises from the Ombudsman's report, which indicated the extent of the minister's involvement in the scheme, and he is after all, and is appearing before this committee in his capacity as, the minister in charge of the integrity agencies, including the Ombudsman, so I think it is entirely reasonable to ask him to.

**Ms SHING** — Further to the point of order, the question is related in the first instance to the appropriation of assets, and there is no issue in relation to relevance with the budget paper in that regard. They then related to the line of inquiry and accountability between the Ombudsman and the Parliament — again no issue in that regard. That is not inconsistent with the lines of questioning that Mr Smith has raised all week. However, to now be moving on to seeking an apology for something which is in fact not within the relevant period and has been canvassed extensively and dealt with in other fora appears to me to be, if nothing more, a pretty colossal waste of the opportunities afforded to the opposition to pursue the budget interrogation process.

**Mr MORRIS** — We will decide what questions we ask. It is up to the minister whether he answers.

**The CHAIR** — In relation to when these matters were raised, the Deputy Chair raises a good point: that the Ombudsman's report was handed down in the current reporting period, but the events that Mr Smith is referring to relate to the 57th Parliament and are outside the scope of these hearings.

**Mr T. SMITH** — On the point of order, Chair, the Australian Labor Party paid back \$388 000 to this Parliament within the reporting period, and I am simply giving the minister an opportunity to apologise for his role in a \$388 000 rort on the people of Victoria and this Parliament. If the record wants to be reflective of the fact that this minister refused to apologise, then I am happy for that to stand on the public record.

**Ms SHING** — Further to the point of order, again this is territory that we have traversed at length in the course of these hearings, and the apparent lack of understanding of the distinction between the activities of a political party on the one hand and the functions of government as they relate to the budget on the other appears not to actually be connected to the grounds —

**Mr MORRIS** — So it is not the Special Minister of State, it is Gavin Jennings; is that what you are saying?

**Ms SHING** — No, I would refer to what Mr Smith just said then about an action undertaken by a political party as the basis upon which Mr Smith is now seeking to pursue this line of questioning.

**Mr T. SMITH** — I have great confidence that this minister has every ability to answer this question, and I would submit to you, Chair, that he would be more than happy to do so.

**The CHAIR** — As I was indicating previously, I do not think that this question falls within the boundaries of the estimates period in question. I think it is a question that could be asked certainly in question time in the other place if that was wished to be asked, but I do not see how it relates to the estimates.

**Mr T. SMITH** — In the 30 seconds that I have left: I believe that Mr Tarlamis received an Order of Australia Medal in the Queen's Birthday honours. Were any government resources expended in supporting his application or his nomination for Mr Tarlamis's medal?

**Mr JENNINGS** — No.

**Mr T. SMITH** — Thank you very much.

**Ms PATTEN** — Good afternoon, Minister, and secretaries. I would like to turn to the electoral reforms that we will be debating next week.

**Mr JENNINGS** — Let us hope so.

**Ms SHING** — Without breaking the anticipation.

**Ms PATTEN** — Without breaking the anticipation, that's right — it is on the list. I was looking at and I have been appreciative that Premier and Cabinet did provide me with an extra staff member when I was elected and when we started in 2015, and it has been of great assistance, and I note that that is now being extended so all MPs will get that extra staff member. So if the 2018 election returned the same result as the 2014 one did, that would be 30 new staff members for the Labor Party and 26 new staff members for the Liberal Party funded within the Parliament, and I just cannot —

**Mr JENNINGS** — I hope not. I hope that is not the result at the election, because Labor would not get any of them —

**Ms SHING** — It's unfortunate the Liberals have all left the table here; they are not in a position to hear the response.

**Mr JENNINGS** — because those advisers are provided to non-government members.

**Ms PATTEN** — Non-government, great. So you would get none — the government of the day would receive none —

**Mr JENNINGS** — The government of the day would receive none, yes.

**Ms PATTEN** — but we would see 26 new staff for the opposition.

**Mr JENNINGS** — No, it is not 26 new, because in fact some of those positions — in fact the majority of those positions — already exist at the goodwill of the government of the day. We are trying to actually move from a system where there have been advisers that have been provided on the basis of goodwill without necessarily any long-term convention that is attached with that resource or anything that creates a formula or a guarantee that that resource is provided for. What we are doing in the legislation is moving to a situation where it will be clear that in fact there will be an appropriation made for that purpose, not subject to the goodwill. It will actually be a feature of the legislation.

**Ms PATTEN** — Right. Hence it is not in the budget now.

**Mr JENNINGS** — That is right, yes.

**Ms PATTEN** — Also going forward, looking at the change in funding under the new rules — and I concede that that will not be until 2022 — it will be substantial budget amounts. We are talking sort of 7 million, \$7.5 million. Again looking at 2014 figures, 7.5 million for the ALP and for the Liberals about the same. Is there any transitioning in the budget for this new model? I have not been able to see it. I was not able to find anything, that there were any plans for it.

**Mr JENNINGS** — I just want you to clarify, are we talking about the advisers positions, or are we talking about —

**Ms PATTEN** — No. I have moved on from the advisers because I accept your position there.

**Mr JENNINGS** — Okay. We are now talking about the way in which public funding for electoral outcomes is provided?

**Ms PATTEN** — Yes.

**Mr JENNINGS** — Okay. The bill is constructed in a way that will allow, at the end of 2018, that election, for there to be for the last time an allocation that is provided by the electoral commission on receipt of the amount of money that has been paid by parties that secure 4 per cent of the vote or more, \$1.79 per vote. Then in the new system, the new system which is in the bill, is predicated on \$6 per vote in the same circumstances, for parties that secure the vote in the Legislative Assembly, and \$3 a vote for the upper house.

**Ms PATTEN** — The Legislative Council, yes.

**Mr JENNINGS** — That will be paid in instalments. How the transition works: the result of 2018 will be seen as the benchmark that will then make the assumption that those parties will achieve similar results in the 2022 election, and they will be subject to forward payments over the four years — and the proportion of that is specified within the bill — on the assumption that that would be the deemed vote to apply in 2022. At the end of 2022, if any party has received more money than they were entitled to because their vote went down or they did not spend that much on political expenditure, then the party would have to repay that money or they would actually have a reduction in their future payments going forward.

**Ms PATTEN** — But none of those anticipated extra costs are accounted for within this budget?

**Mr JENNINGS** — They are not accounted for in a line, but they are accounted for in relation to contingencies that would be embedded within the budget.

**The CHAIR** — We might pick up where we left off, Minister. I do want to note Ms Shing's earlier interjection, 'Big data, small data — all data is good data'.

**Ms SHING** — Zeros and 1s have so much to offer.

**The CHAIR** — I do not want to discriminate against big data versus small data. Can you perhaps outline to the committee some of the strategic projects that the VCDI will be working on?

**Mr JENNINGS** — In fact I reckon that is where I might have just almost got up to. I was about to outline that one of the key projects has been working across those agencies that I referred to, right across government, to actually look at the way in which we can share information to derive better outcomes for our citizens. I will give you an example. One of them relates to what the government has established and is working with local communities in metropolitan Melbourne and across the regions in, regional partnerships, and we have used that data analytical capability to let the partnerships know what are the existing needs or the potential expected demand needs of those communities into the future in terms of what is their demographic profile, what is their economic activity and what in fact we know about what are emerging challenges or opportunities that those partnerships may want to seize. We have provided that data to the partnerships to be able to orientate them in relation to their priorities.

We have also assisted very important work in relation to the cladding taskforce. After the Grenfell disaster and after adverse outcomes down in the Docklands it was evident that a number of buildings in Victoria potentially had fire-risk exposure. There was an initial pass through and an estimate made that there could be up to 200 000 buildings in Victoria that may pose a risk, so we have used the capacity within Data Insights to actually try to sort the wheat from the chaff in relation to how many buildings were a priority risk. We narrowed that 200 000 first passed into 1369, from memory, of which then subsequently we made prioritisation about which buildings should be inspected as a matter of urgency. That is an extraordinary timesaving and financial saving in relation to our analytical capability — it would have otherwise taken, if you had physically inspected all these buildings, it could have taken a year — and something we do on the benchtop in a matter of weeks. That is an important piece of work.

We have also undertaken good work in relation to reforms in relation to information sharing through the behavioural insights unit, which runs in parallel with the data insights work, to have a look at the ways in which

we can find out what is the culture and what is the existing practice of people who work in the field. The example that I am drawing attention to crosses over social work professions — people who work in corrections, the corrections system or the courts system, those who work within family violence specialist services and those who work within human services — to understand what is the driver of the way in which they collate information currently.

Quite often these data sources do not speak to one another, and that is because the template has actually been created for a different purpose; it was never meant to join up. So they operate in silos. We have used that ability to be able to drive a reform practice, in terms of the way in which information is collated in the first instance, but most importantly in how it is applied to wraparound services at a time when they are most appropriately needed.

We have done other important works in relation to building on that to actually have a look at how we can drive that thought process that I have actually just outlined further and broader throughout the public sector.

**The CHAIR** — Excellent. I look forward to keeping abreast of these developments. I think it is fantastic — really interesting work.

**Mr DIMOPOULOS** — Good afternoon, Minister and officers. Minister, if I could take you to Infrastructure Victoria — it has been in operation for a couple of years — budget paper 3, page 304, speaks to the performance measures, and it looks like a good story to tell in terms of the workload of that organisation. Most people, I think, would probably instinctively assume it is just the 30-year infrastructure strategy, but it is far broader than that. Can you give us a sense of some of the other publications and contributions to public debate that Infrastructure Victoria has provided?

**Mr JENNINGS** — Thank you for your question. You are quite right. Infrastructure bodies have barely scratched the surface of their effectiveness and their recognition across this community here and across the nation in relation to what sort of advice that they provide.

You have drawn attention to the 30-year strategy that looks over the horizon in relation to what our infrastructure needs may be. It is incumbent upon the government to respond to that. We have embarked upon initial responses — and I will tease that out in a second — but we have also given other references to Infrastructure Victoria to look at what the future might be of automated vehicles and what that might change in terms of traffic patterns, human behaviour patterns and changes that may occur into the future.

We have asked them to model future scenarios in relation to what that might mean for the transport system, what that might mean for human behaviour or what that might mean for industry in relation to the industry drivers — whether it be through the fuel stock and the variety of fuel stock, which could range from electric vehicles through to hydrogen, or what it might be in terms of the potential for manufacture, because in this nation already there is a jurisdiction that is very bullish about their ability to have car manufacture restored to that state. Without necessarily getting too far ahead of that agenda or being fanciful in any way, there has to be advanced manufacturing capability, whether it be in terms of the infrastructure that is required or the vehicles themselves, but the fuel stock in the future — that is a very important piece of work that they have undertaken.

Infrastructure Victoria has provided us with advice on all of those matters. Of course, as you would remember, they had also previously given us a report on ports and port capacity and the future of ports in the state. They have already started to establish, I hope, what will be recognised across the party lines and across the Parliament as an appreciation of the breadth of infrastructure needs now and into the future, and are not blinking at looking at some of the big picture issues.

**Mr DIMOPOULOS** — Thanks, Minister. You were going to tell us about the government's response to the 30-year infrastructure strategy. Could you give us a sense of whether that initial response has changed, given this budget that we see before us?

**Mr JENNINGS** — There are a couple of things. Again, part of the, perhaps, community scepticism about infrastructure bodies, particularly at the early stages, is whether in fact they are just instruments of government making recommendations that government absolutely predetermines and that suit a political agenda. That is actually something that our friends on this side of table will be making an assessment of over time, about how independent it may be and how useful the analysis is, but in the first instance I can assure you that, whilst the

government's response was very sympathetic to the priorities that were identified in Infrastructure Victoria, it was not a complete alignment in relation to either the time frame or the consideration. Whilst there is a healthy correlation, about a third of all the recommendations were supported, about 20 per cent of them were partially supported and the rest of them were supported in principle, with the exception of a couple of key differences.

One is in relation to a recommendation that talked about mandating electricity tariffs. The government did not accept that recommendation. Another recommendation was in relation to transport network pricing. They are issues that obviously our citizens should be concerned about now and into the future, but we recognise that in terms of mandating electricity tariffs in an environment where there is a national market, there are national reforms, there are challenges in that marketplace and the involvement of different jurisdictions, we got too far ahead of ourselves in that national framing of the energy market to mandate it in a way that may have had adverse outcomes in relation to the national reform agenda.

In relation to transport network pricing, ours is a government that made commitments not to introduce new fees and charges on existing road structures, and that continues —

**The CHAIR** — Order! The Deputy Chair until 2.55 p.m.

**Mr MORRIS** — Minister, firstly a question in the context of your responsibilities for IBAC. I think you know there is an investigation currently into Mr Khalil Eideh's cash for stacks printing scandal. I am not going to ask you about the investigation — that, of course, would not be appropriate — but can I ask you in the event of IBAC finding against Mr Eideh will the Labor Party be covering Mr Eideh's rorted funds or will Mr Eideh be required to pay them back himself?

**Mr DIMOPOULOS** — On a point of order, Chair, it is a hypothetical. I would not have thought that would be an appropriate question for budget hearings.

**Ms SHING** — Further to the point of order, Mr Morris has asked a question again about the Australian Labor Party. I am not sure how that relates to the matters that are addressed —

**Mr MORRIS** — I asked a question about IBAC, actually.

**Ms SHING** — No, you asked a question about what the Labor Party may or may not do — again, to pick up Mr Dimopoulos's point of order — in a hypothetical situation, and you also referred that back to the activities or actions of a political party. Again you are asking for an answer as it relates to the political activities of a party and not to the activities and functions of the government or of the Special Minister of State, as he appears here this afternoon.

**Mr MORRIS** — This is moneys due to the taxpayer. It is a current investigation, and it is moneys due to the taxpayer.

**Mr JENNINGS** — Can I just actually say that our friends here from the opposition have the disadvantage of not being mindful of what has happened in the Legislative Council. I reckon, Mr Smith, go back and have a look at *Hansard* in relation to your question. Mr Morris, go and have a look at the *Hansard* extract from the President of the Legislative Council, who has made it clear to the Legislative Council that that inquiry is not as you have described it — the President has.

**Mr MORRIS** — Are you saying it is not an ongoing investigation?

**Mr JENNINGS** — The investigation is not as you have described it, and the President has made it clear to the Legislative Council that it is not.

**Mr MORRIS** — This is not the Legislative Council. What the President has made clear to the Legislative Council —

**Mr JENNINGS** — That is what I am saying. You have a disadvantage of not being mindful of what has happened in the Council.

**Mr MORRIS** — That is why I am asking you. That is why in this context I am asking the question of you.

**Mr JENNINGS** — I encourage you to read *Hansard*.

**Mr MORRIS** — So you are declining to respond.

**Mr JENNINGS** — I am encouraging you to read *Hansard*, Mr Morris.

**Mr MORRIS** — The role of the committee is not to go and find references to past, so I assume you are declining to respond. Can I ask you —

**The CHAIR** — Order! The minister has answered your question, Mr Morris.

**Mr MORRIS** — No, he has not, actually. He has declined to respond.

**The CHAIR** — I heard the minister provide a response to your question.

**Mr JENNINGS** — I do not think so. I have encouraged you to fix your question.

**Mr MORRIS** — You have uttered some words. You have not in any way answered the question, so let us not suggest that you have. Do not waste my time, the committee's time or your time by pretending you have answered the question, because you have not.

**The CHAIR** — Is there a question?

**Mr MORRIS** — Minister you are also the minister responsible for the Electoral Act, or the bulk of it, in any case, and in that context, oversight of the Victorian Electoral Commission. There is currently an inquiry into the entitlement of the members for Tarneit and Melton to actually be on the electoral roll at their apparently enrolled addresses and therefore their entitlement to sit in the Legislative Assembly. I am wondering if you can provide the committee with an update on the status of that investigation.

**Ms SHING** — As it relates to the budget, the reporting period and the functions of your office, Minister.

**Mr JENNINGS** — I can understand the disappointment that Mr Morris and Mr Smith have in asking me questions about agencies that I do have a statutory responsibility for in terms of the laws in which they operate, their financial budget allocations and indeed their acquittal of their statutory obligations. That is the limit of my engagement with these agencies. In relation to how they investigate, how they report and how they comment on features of public administration or political life, that is their determination, and they do not share with me their deliberations in relation to anything relating to how they acquit their statutory responsibilities. So in relation to your question, Mr Morris, I cannot confirm or deny that they are undertaking any investigation in accordance with the nature of your question.

**Mr MORRIS** — Thank you for the non-update. Can I ask you across the back of —

**Ms SHING** — You are not having a great day over there, are you?

**Ms WARD** — No, they are not — a 25-per-center, really.

**Mr MORRIS** — I am not running the protection racket. Following on from Mr Dimopoulos's earlier questions about Infrastructure Victoria, what is the total funding for Infrastructure Victoria to date — since its establishment — and to the current year and then to 2019–20 and then the out years?

**Mr JENNINGS** — The establishment of Infrastructure Victoria in a simple sense, although there has been a minor variation to it, was that it was a \$10 million allocation that was announced in the 2015 budget. In this financial year that allocation is \$9.9 million. There might be some small fluctuation, but effectively it is about a \$10 million-a-year operation.

**Mr MORRIS** — Over the life of the organisation so far, and with the assistance of KPMG, it has produced six publications which, given that you confirmed my figures, is a cost of roughly \$20 100 a page. But despite some of the earlier commentary, I think it is fair to say that not one of those publications has really focused on the major infrastructure needs of Victorians in terms of reducing congestion, fixing overcrowding on public transport or addressing the stressors that massive population growth is placing on our community. Are we getting value for that \$10 million a year, or are we just getting a pile of expensive doorstops?

**Mr JENNINGS** — Mr Morris, I indicated to you earlier on that I think you have the disadvantage of not spending enough time reading the *Hansard* in the Legislative Council. I am not quite sure that you have actually spent enough time —

**Mr MORRIS** — It is not the top of my priority list, I have got to say.

**Ms SHING** — You are missing out, Mr Morris. You are really missing out.

**Mr MORRIS** — I can assure you, I am not.

**Mr JENNINGS** — I think you are. We are the content chamber, have no doubt about that. Beyond that, I would encourage you to go back and have a look at the extensive reports that Infrastructure Victoria has provided. Your page count will be miles off in relation to the volume of material that has actually been presented by Infrastructure Victoria. Your assertion about it looking to address those needs, as you described it, is exactly what it has been doing. I just think it means that you probably have not had a look at their reports or spent sufficient time with them.

**Mr MORRIS** — I have.

**Ms SHING** — If you want a briefing, just sing out, Mr Morris.

**Mr MORRIS** — I do not need a briefing. I can read, and I certainly have. Minister, it does appear that you will perhaps struggle to find useful things for IV to do from now on. I understand that you, as minister, can request research and investigation from IV, but you have only in fact, I believe, requested one piece of advice from IV this year. Why are you not making better use of what are, by any measures, substantial resources?

**Mr JENNINGS** — Interestingly enough, Mr Morris, whilst you do not seem to have taken any notice of what IV has prepared, around the world —

**Mr MORRIS** — It is not a matter of taking notice; it is a matter of considering its value.

**Mr JENNINGS** — Well, Mr Morris, you are not in the good company of a number of agencies and governments around the world who have actually relied on Infrastructure Victoria's reports.

**Mr MORRIS** — Considering the way you have stacked the board with secretaries, I am not surprised. It is hardly independent.

**Mr JENNINGS** — The OECD cites Infrastructure Victoria's *The Road Ahead* in an economic survey earlier this year. The New Zealand Productivity Commission cites two reports in its *Better Urban Planning* report. The transport for —

**Mr MORRIS** — Minister, we have had the staggering advice from IV that crime rates affect property prices.

**Mr JENNINGS** — Do you want an answer or not, Mr Morris?

**Mr MORRIS** — I mean, this is not serious research. This is high school level — secondary college level at best — research that we are getting out of this organisation for \$10 million a year.

**Ms SHING** — Wow, I am glad you put that on the record, Mr Morris. Your contempt is palpable.

**Mr MORRIS** — Crime rates affect property prices. Newsflash. Come on, \$10 million for that!

**Mr JENNINGS** — The Greater London Authority cites the reports —

**The CHAIR** — Order! Ms Shing to read some questions on behalf of Ms Pennicuik.

**Ms SHING** — Thank you very much, Minister. I am going to ask a couple of questions on behalf of Ms Pennicuik, because I think Mr Dimopoulos probably was not up to the task earlier today. Budget paper 3, page 304, is the reference there, and it relates to Service Victoria. The questions are in relation to 'Digital government and communications'. Ms Pennicuik would like you to answer the following: what is the 'variety

of content' in the first note in the table referring to; do the monthly visit figures include visits from .gov domains; and what is the unique number of visits per month for this period? I assume that that means for the period in the table that features on that page. If they could be provided in writing to the committee, Ms Pennicuik can have the benefit of getting answers without needing to be here at the hearings, a situation which we all may from time to time wish we could also enjoy.

**Mr JENNINGS** — Yes, well, I would have preferred to have been able to answer Ms Pennicuik's questions, but not surprisingly the level of detail that she has required would demand either a lengthy committee stage or that it be done in writing.

**The CHAIR** — Thank you, Minister. I would like to thank the witnesses for their attendance: the Special Minister of State, the Honourable Gavin Jennings, MLC; Mr Eccles; Ms Clifford; and Mr Moule. The committee will follow up on any questions taken on notice in writing. A written response should be provided within 10 business days of that request.

**Committee adjourned.**