

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2022-23 Budget Estimates

Melbourne—Friday, 13 May 2022

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Danny O'Brien—Deputy Chair

Mr Rodney Barton

Mr Sam Hibbins

Mr Gary Maas

Mrs Beverley McArthur

Mr James Newbury

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

WITNESSES

Mr Daniel Andrews MP, Premier,

Mr Jeremi Moule, Secretary,

Ms Kate Houghton, Deputy Secretary, Social Policy and Intergovernmental Relations,

Mr Tim Ada, Deputy Secretary, Economic Policy and State Productivity, and

Mr Toby Hemming, Deputy Secretary and General Counsel, Legal, Legislation and Governance, Department of Premier and Cabinet.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

I ask that mobile telephones please be turned to silent.

I begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting. We pay our respects to them, their elders past, present and emerging as well as elders from other communities who may be with us today.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2022–23 Budget Estimates. The committee's aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside this hearing may not be protected by this privilege.

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

We welcome the Premier and officers from your department. Thank you for joining us today. We invite you to make an opening statement of 10 minutes, and this will be followed by questions from the committee.

Visual presentation.

Mr ANDREWS: Thank you very much, Chair, and thank you, Deputy Chair and members, for the opportunity to be here to talk about this year's budget and its estimates. I have got a presentation which has a lot in it on the basis that the budget is a pretty comprehensive plan to repair the damage that this COVID-19 pandemic has done. But I will try and move through it pretty quickly.

Obviously economic recovery, pandemic repair, decent and secure jobs, a world-class education system, the Commonwealth Games coming to our regions, transport and the strength of communities are key features of this budget.

In terms of the budget fundamentals from a fiscal point of view, we are forecasting a surplus in the 2025–26 year. We have a very clear four-step fiscal strategy. As you can see there, three of those steps we have been able to achieve, and we are very close to the fourth. The Treasurer I am sure took you through much of this this morning. Growth is forecast, and indeed our most recent performance has been very strong by national comparisons. That speaks to the underlying strength of the economy prior to the pandemic event and the fact that we have provided the stimulus and the support to families, to businesses, to individuals right across these last couple of years. So the aggregates, if you like, trying to consolidate, trying to recover all of those numbers, are strong, and indeed it is a significantly stronger performance than was forecast as recently as the budget update.

The key feature within the budget obviously is trying to repair the damage that COVID-19 has done to our health and hospital system. That is why there is a \$12 billion boost for pandemic recovery. There are a number of key elements to that, and I am sure we will talk about that today: \$1.5 billion for more surgical activity but with a legacy, not just blitzes that come and go but changing and growing the capacity of the system; additional health workers, some 7000 of those, both nurses as well as others across the system; additional ambos;

additional support for public sector aged care, particularly in regional Victoria; big capital works investment, whether it is Melton, Barwon, Women's, Children's or many other smaller projects; and of course making sure that we support our call takers and dispatchers at a time of great challenge.

Employment: we know that we have got unemployment at record low levels. I never speak in terms of full employment; we have always got to fight hard every day for the next job and the one after that. But the employment turnaround from the darkest days of the pandemic right through to where we find ourselves now is quite remarkable and a credit to business, a credit to everybody working together and being united in the most difficult of times. The budget goes a bit further, though. It is not just about quantum, it is about quality as well, and it is about trying to support those who do not have a lot of power in our market, so whether it is wage theft or the very successful and I think much-needed sick pay guarantee, that two-year pilot program, so those who got the least secure work have got the backup and the sense of security that comes from entitlements that many of us would simply take for granted.

In terms of education, I think committee members know that we have invested like no other government in school capital works, in equity funding, in programs and in additional one-on-one attention. This budget simply continues that on: 13 new schools, 65 schools being upgraded, including, I am very proud to say, the balance of special schools across the state. Thirty-six were left to be done of the 82; they are all funded. Those kids are worth it, their families are worth it, and hopefully I will get chance to talk about that a little bit more later on today. Excellence as well as individual support—it works both ways, and it is really, really important. So there is the Head Start apprenticeships program, there are the traineeship programs—much more clearly defined pathways for our young people into the workforce. And of course we are continuing to invest in early childhood education, because we know how important that is in terms of life opportunities for each of our smallest Victorians.

Buying local as much as you can and supporting local industry through the power of the government's purchase—the government's order book, if you like: there are very significant rolling stock investments and very significant investments in skills, because you cannot make things if you do not train your workforce and give them the skills they need for the job they want and the job that you need them to do. And there is of course support for industry—even further support for industry—with a \$120 million industry fund. This very much builds on a big priority and a lot of investment right across the state, right across different sectors, over our entire time in office.

The Commonwealth Games—this is very exciting, and a Commonwealth Games like no other. All but the opening ceremony in regional Victoria. Geelong, Bendigo, Ballarat and Gippsland as hubs. Other parts of regional Victoria sharing in that whether it be through the cultural program, the activation programs that will go along with this, training, other precompetition elements of the games. This is a massive economic boost, a showcase to the world of the most beautiful part of regional Australia, regional Victoria. Jobs—I am very, very confident this will be a massive return on investment. It is a significant investment, but the legacy benefits will be long-lasting and really very, very important, and I think there is a real sense of excitement across regional Victoria as we really get stuck into delivering this in 2026.

Transport has always been a priority for us. I think everyone on the committee knows and understands that, whether it is regional roads, metro roads, road maintenance, as well as building new roads. Everything from record support for regional road maintenance all the way through to Mickleham Road, a relatively short section—significant investment, but a real choke point in those northern suburbs. I am sure we will have an opportunity to talk a little bit more about that later today. There are also further investments in a better public transport system as well, and I have to make the point: 12 new VLocity trains made here by Victorians for Victorians. That was not always the case. Our rolling stock industry is very strong today, and they got very close to not really being there anymore because of a lack of priority and a lack of orders over a very long period of time.

Now, in terms of equality, tackling disadvantage, making sure our state is not just stronger but a fairer place as well, there is a very significant further investment in terms of Aboriginal Victorians for the treaty process, some \$151 million. Homelessness support—there was a lot being done during the pandemic, and there is further work that has to be done, and there is a big boost to make sure that people have got the security and safety and certainty of having a roof over their heads, and all the other challenges that they might face, wrapping around them an appropriate response. That is not a cost, that is a really profound investment in a much fairer state.

Again, we know whether it is in early childhood education or things like the Navigator program, really intense engagement with seriously disengaged young people is turning their lives around. That is setting them up for the future, so we are very pleased to be able to provide a big boost to that program, amongst others that are all about getting to people early and making a profound change in their life.

Furthermore, you can see there is further support for vulnerable children, vulnerable families. Family violence, which has always been a priority since 2014 for us—royal commission recommendations, very significant progress. Big boosts in funding and continued funding as we need to further expand that service system. Refuges are a real focus of that additional investment.

Fairer and stronger—it is very important that we invest right across every part of the state and in every way we possibly can. So whether it is through supporting better community sport facilities, better parks and gardens, that outdoor environment amenity, giving people space just to spend time with their families is very important. For those with special needs, those in the disability community, there are further supports to roll out the state disability plan. Emergency response—Victoria Police have had the strongest support in the history of our state from our government, and we are delighted to provide a further 502 police officers and 50 protective services officers. That is a very significant investment in fighting crime and keeping us safe. And of course we need to protect our natural environment, not just enhance it, and there is a number of projects there, particularly in water around efficiency. They are very important as well.

As you can see here, this is just one way to represent—not all the investments, but many of them—every part of Victoria with very strong investment. It is a budget for every single Victorian and a budget that tries to take advantage of some of the opportunities out of these last couple of years, but also to deal with the trauma and the pain and the damage that this one-in-100-year event has done, health being the real signature item of this budget—a \$12 billion boost. But you can see there right across the state and indeed the number of projects, the number of initiatives that will be funded will only grow given that there are a number of funds. There will be application processes and there will be further announcements made in due course.

The final slide I think takes us to regional Victoria. We are very proud, in both output and asset. That is the four years before we came to government; that is our record in government. That is a massive, massive boost to every family, every community, every business right across regional Victoria. They all share in profitability and prosperity when the government makes regional Victoria a priority. We have done that, and we will always do that. It makes a profound difference. Thanks very much, Chair.

The CHAIR: Thank you, Premier. Deputy Chair.

Mr D O'BRIEN: Thank you, Chair. Good afternoon, Premier and officials. Premier, can I begin on health, and can I ask you to go to budget paper 3, page 220, which is the output summary by the health department. If you go to the bottom line, literally the bottom line, the total spend on health in this budget, you will see the 2021–22 revised figure is \$27 billion, and the budget is forecasting to spend \$25 billion. When we have got a health crisis, when we have got people dying because they cannot get an ambulance, when we have got elective surgery lists blowing out even further, why is there at \$2 billion cut to the health budget?

Mr ANDREWS: There is no cut to the health budget, Deputy Chair. That is a quite ridiculous suggestion.

Mr D O'BRIEN: With respect, I just gave you—

Mr ANDREWS: Your capacity for self-reflection is very clear. It is not our side of government that cuts health funding—never. There are, however—

Mr D O'BRIEN: Sorry, I just gave you—

Mr ANDREWS: There are—

Mr D O'BRIEN: You have got the paper in front of you. It says \$27 billion this year, \$25 billion next year.

Mr ANDREWS: And do you think, Deputy Chair, that there might not be a number of one-off items that were absolutely related to the pandemic—

Mr D O'BRIEN: Right, so we do not need that money anymore?

Mr ANDREWS: Sorry, the pandemic when we were not vaccinated, for instance. Would you like us to keep spending on vaccines? Would you like us to keep spending on testing sites? Would you like us to keep buying RATs at levels that are no longer appropriate? This budget delivers a profound boost to health and hospitals right across the state—more nurses, more doctors, more ambos, more patients treated, elective surgery catch-up and a boost. Your suggestion is completely and utterly wrong. It may have been the record of others when they were in government. It is not our record, and therefore it is not reflected in any interpretation or misinterpretation of the budget.

Mr D O'BRIEN: It is not an interpretation, Premier. It is there in black and white. There is \$2 billion less in the budget papers to be spent on health this year. Now, I will take you up on your point as to things like rapid antigen tests and the like. You are claiming that this budget is putting patients first. You are claiming a \$12 billion additional spend going forward. Yet if you go to pages 54 and 55 of budget paper 3 and look at the actual output initiatives, you will see there in the first column, 2021–22, there are a number of items, including things like \$1 billion for rapid antigen tests, including \$1.3 billion for supporting the community health system through the COVID-19 pandemic. Premier, that is money that has already been spent. If you add up all those figures in that 2021–22 year, it is \$3.5 billion, so how can you be claiming that you are spending \$12 billion additional when you have already spent \$3.5 billion—and half of that comes from the Commonwealth?

Mr ANDREWS: Well, if you want to be here today, Deputy Chair, to sing the praises of the commonwealth government, who are about the cut health funding in just a few months time—

Mr D O'BRIEN: We have just demonstrated that you have.

Mr ANDREWS: I will leave that to you, because I will not be doing that. There is a \$12 billion boost to hospital funding. To suggest otherwise is simply wrong.

Mr D O'BRIEN: So are you telling me that there is not \$3.5 billion in spending that has already been spent in the 2021–22 year.

Mr ANDREWS: We are claiming that because it is accurate and true. The budget put before you and the estimates are not for the 2021–22 year. This is a budget for 2022–23 and beyond—

Mr D O'BRIEN: Exactly, Premier.

Mr ANDREWS: I am not quite sure what point you are making.

Mr D O'BRIEN: You seem to be missing the point, Premier. Look at those pages, page 54 and page 55, 2021–22; it is in the budget papers, the very first column. You should know after nearly 20 years in Parliament how to read a budget paper. That first column shows \$3.5 billion already spent, and you are claiming that you are spending \$12 billion when \$3.5 billion was already spent last year, and half of it came from the commonwealth.

Mr ANDREWS: I am not quite sure what the point of the question is. Are you wanting me to—

Mr D O'BRIEN: I am getting to the point of spin.

Mr ANDREWS: Well, it is not a point very well made, because it is not accurate.

Mr D O'BRIEN: It is your budget paper.

Mr ANDREWS: Deputy Chair, if you are wanting me to apologise to you or anybody else for investing in hospitals every single day of a one-in-100-year event and setting out a budget that continues that investment, well, that will not happen.

Mr D O'BRIEN: In the answer to my first question, you just tried to tell me, 'It's ridiculous to suggest there has been a cut, because of course we spent more last year on rapid antigen tests and on vaccinations', and now you are completely ignoring it and claiming exactly that money as part of your boost.

Mr ANDREWS: That is not accurate at all. There is a \$12 billion boost to our health system. If you want to argue with that, then that is your position. It is not accurate.

Mr D O'BRIEN: Let us go to the asset initiatives, then, in the health department, which are included in your \$12 billion. Go to page 66 of budget paper 3 and I would invite you to read the top item: Barwon Women's and Children's Hospital. Could you tell me, across the top five years there what does 'tbc' stand for?

Mr ANDREWS: No. Well, okay, we will do this dance if you want to—'to be confirmed'.

Mr D O'BRIEN: Correct. So for the entirety of this year and all the out years for both the Barwon Women's and Children's Hospital and the supposed new Melton hospital, otherwise known as an empty paddock, there is no funding in this budget.

Mr ANDREWS: That is not correct.

Mr D O'BRIEN: Well, again, you are claiming \$12 billion and yet there is \$1.5 billion in capital that you have not actually put in the budget papers.

Mr ANDREWS: You mentioned Melton hospital. If you look at footnotes relevant to that table, you will see there is a range of funding provided, which is something that had occurred on the very rare occasions that the previous government actually funded health capital, where there is a procurement process, a tender process to be gone through, and the exact number cannot be determined yet—so, for instance, '\$900 million to \$1 billion' because we have not run that important procurement process yet. We cannot be certain whether it will cost \$900 million or \$1 billion. Those matters, once they are confirmed, will not be 'tbc'. The money is there. These are just political games. The money is there.

Mr D O'BRIEN: But it is not. 'TEI', Premier, tells me that it has been announced in a press release. It is there in a footnote, but it is actually not in the budget papers.

Mr ANDREWS: What it tells you and the reality may be very, very different; in fact I would suggest to you they are. The TEI—how it is flowed—will be determined once the procurement process has been run and won by the relevant person, relevant business, relevant company or relevant consortium who will deliver the project.

Mr D O'BRIEN: So, Premier, going back to your previous commentary, and I want to go back to the table on page 220 about the overall health outputs, you are saying that was all just one-off COVID spending and it has naturally come down. Well, it should not naturally come down, because we still have a health crisis. But, for example, admitted services is going from nearly \$15.2 billion down to \$14.1 billion—that is hospitals, that is our EDs. How is it that you are cutting those services? And I can go through them—there is a whole table there—non-admitted services, small area rural health, health protection. There is a \$100 million cut in health protection—that is breast screening and the like.

Mr ANDREWS: No, it most certainly is not.

Mr D O'BRIEN: It absolutely is, Premier.

Mr ANDREWS: No, it most certainly is not.

Mr D O'BRIEN: It is not true just because you assert it. It is here in black and white.

Mr ANDREWS: I am not sure; perhaps you cannot hear yourself when you say these things—the notion of them being true because they are asserted. The health protection output includes a whole range of different, very much COVID-specific, measures—expenditure that is not relevant today at the levels previously indicated. If you would like me to take money out of elective surgery, for instance, so we can buy RATs that we do not need or PPE that we do not need or vaccinations that have already been administered—why would anybody do that?

Mr D O'BRIEN: Premier, you are saying black is white. Look at health protection in that column.

Mr ANDREWS: No, that is not correct at all.

Mr D O'BRIEN: Look at health protection in that column. The 2021–22 revised figure was \$1.5 billion, but even the budget last year was \$555 million, and now, Premier, what is the budget figure for 2022–23? \$446 million. It is a \$100 million cut even on last year's budget.

Mr ANDREWS: When you move through a 1-in-100-year event, there are costs associated with that event that are once only or are funded at a level that is higher at a point in time and therefore comes down once you have achieved your aim, once you have done the thing that you had provided funding for. I am not sure—do you want us to go and vaccinate everybody again?

Mr D O'BRIEN: Premier, we have been through this.

Mr ANDREWS: It does not make any sense.

Mr D O'BRIEN: You are obfuscating.

Mr ANDREWS: No, you are putting to me something you know to be untrue.

Mr D O'BRIEN: It is not untrue. It is there in your budget paper.

Mr ANDREWS: It is completely and utterly untrue. New funding in this budget is outlined very clearly. The notion that there have been reductions in funding is simply wrong.

Mr D O'BRIEN: Premier, you talk about preparing for the one-in-100-year pandemic—and we all know the pandemic has had an impact, no question—but this budget is supposedly to help us get through it. Can I refer you back to your media release of 1 April 2020, where you and the former health minister announced:

... \$1.3 billion ...to quickly establish an extra 4,000 ICU beds—
and that was to:

... secure the ICU equipment, staff and space we need ...

I am quoting from your press release:

This is a massive task, but we are preparing Victoria's healthcare system to rise to the challenge.

That is more than two years ago, Premier. Why didn't you prepare our health system? Because we are now seeing a crisis, and you are now saying, 'We're going to fix it; we've got \$12 billion', which we have just demonstrated is not even true.

Mr ANDREWS: That is simply not right. New funding, funding that has not previously been brought to book, that has not previously been allocated, is all here for you to see—\$12 billion in additional funding. That is a boost, and to suggest otherwise is simply wrong. On the issue of intensive care beds—

Mr D O'BRIEN: No, Premier—

Mr ANDREWS: That is what you asked me about.

Mr D O'BRIEN: I asked you—

Mr ANDREWS: No, I am sorry. You took me to a press release, and if you are going to quote from the press release, then I will speak directly to the matter that you have put to me—if that is okay with you, Chair. You raised the issue of intensive care beds. I am very pleased that we did not need to have 4000 people in intensive care.

Mr D O'BRIEN: We all are, Premier.

Mr ANDREWS: Well, are you? Because you keep criticising us for not having 4000 beds open.

Mr D O'BRIEN: The point I am making is you said you would prepare the health system, and you clearly have not.

The CHAIR: Mr O'Brien, you are out of order. You asked a question, and the Premier is entitled to answer it.

Mr ANDREWS: You have quoted from a press release. I have given you the context of the press release. It is not a measure of success to have thousands of people in intensive care; I do not think any Victorian would think that that was an outcome that you would want. We have made some very, very difficult—

Mr D O'BRIEN:

... we are preparing Victoria's healthcare system to rise to the challenge.

Mr ANDREWS: Well, you have just read out the issue in relation to intensive care. The two things are linked; you cannot have it both ways. Most days of the week you are out there criticising us for not having had 4000 intensive care beds filled with patients, and now apparently that is a good thing—or a bad thing. You need to work out what your criticism is: that we did not have 4000 people on a machine to breathe or that we did.

Mr D O'BRIEN: You said you would prepare the health system to cope with the pandemic, and you have not done it, because you are now having to try and catch up.

Mrs McArthur interjected.

The CHAIR: Mrs McArthur, you do not have the call.

Mr D O'BRIEN: Can I go to another issue, Premier? That same issue—

Mr ANDREWS: Well, that one is not going so well for you, so we can stay on that if you want.

Mr D O'BRIEN: Well, thank you for your advice. That same issue on page 220 of the departmental outputs shows a—

Mr ANDREWS: Sorry, Deputy Chair, I did not hear which page.

Mr D O'BRIEN: 220, the same table. Or if you prefer, you can go to page—

Mr ANDREWS: No, 220 is fine.

Mr D O'BRIEN: Page 239 has more detail on dental services. There is in black and white, under 'Dental services', a \$24 million cut. And indeed if you go to page 239, the very thing at the top of the performance measures, 'Persons treated', there are 44 000 less people going to get dental treatment under this budget, under your own budget papers. How is it that Victorians have to put up with 44 000 Victorians losing dental care?

Mr ANDREWS: Mr O'Brien, health funding is based on the number of patients you treat. So if, for instance, through a COVID pandemic, you have lockdowns where you have, for instance, a school dental program but schools closed, then that will have an absolute impact on how many people have been treated. That means you have got catch-up to do. That means that that will impact and reflect upon on how many people you can treat next year and the year after. Catching up is quite a challenge.

Mr D O'BRIEN: Absolutely. I agree entirely. So tell me why it is a lesser figure.

Mr ANDREWS: Hang on. You have asked your question.

Mr D O'BRIEN: You are going exactly to my point.

Mr ANDREWS: That is fine. Who has got the call, Chair? You can interject all you want, or I can try and answer your question.

Mr D O'BRIEN: You have just made my point for me.

The CHAIR: Mr O'Brien, you have asked a question. You need to allow the Premier the opportunity to answer it.

Mr D O'BRIEN: I have asked the Premier why—

The CHAIR: Mr O'Brien, I think the Premier knows the question you have asked him. He is attempting to answer it.

Mr D O'BRIEN: No, he is seeking clarity. There are 44 000 less people going to get general dental care because of the cuts in this year's budget.

Mr ANDREWS: No, that is absolutely incorrect.

Mr D O'BRIEN: It is there in black and white—page 239.

Mr ANDREWS: You continue—

The CHAIR: Mr O'Brien, rather than arguing, could you please allow the Premier the opportunity to answer? Thank you, Premier.

Mr ANDREWS: You continue to assert—

Mr D O'BRIEN: Have a look at the budget paper. You guys never do. It is there in black and white.

The CHAIR: Mr O'Brien, could you please refrain from speaking over the top of people? You ask the questions, and you need to give people an opportunity to answer them.

Mr ANDREWS: That would be a little bit like saying—in this fantasy land—that we had cut elective surgery funding last year. Of course that did not occur. Elective surgery did not occur for months at a time. You do not fund things that you do not offer. You do not fund things that you cannot deliver. Do you really propose that we ought to have gone and run the Smile Squad school dental program door-to-door while kids were at home remote learning?

Mr D O'BRIEN: Premier, you are not even looking at the paper. I am talking about the forecast for next year.

Mr ANDREWS: No. You are talking about dental, and I am making a point.

Mr D O'BRIEN: The forecast for next year is 44 000 less people getting dental care.

Mr ANDREWS: And catching up takes time.

The CHAIR: Mr O'Brien, you are not allowing the Premier the opportunity to answer.

Mr D O'BRIEN: The Premier is just making it up.

Mr ANDREWS: The fact is that you do not understand that catching up on things that did not occur last year and the year before takes time, and you are trying to assert spuriously that there are cutbacks. It is absolute nonsense and a reflection on you, not this budget that puts patients first.

Mr D O'BRIEN: How do you catch up, Premier, if there were 376 000 treated and this year you are planning to treat 332 000? That is 44 000 less people. That is not catching up, that is leaving people without dental care.

Mr ANDREWS: Goodness me. If you want a history lesson on dental programs, I am more than happy to give it to you.

Mr D O'BRIEN: No, I do not want a history lesson. I am asking about this year's budget.

Mr ANDREWS: We will go right back to 1996 when your mates in Canberra cut the commonwealth dental program.

Mr D O'BRIEN: Yes, that would be relevant now, wouldn't it? That would be really relevant now.

Mr ANDREWS: Well, it would be.

The CHAIR: Mr O'Brien, your time has expired, and I will pass the call to Mr Maas.

Mr MAAS: Thank you, Chair. Thank you, Premier, for your attendance this afternoon; and thank you to department officials for your time this afternoon as well. I too, like the Deputy Chair, am very keen to speak about the government's investment in health, and like Mr O'Brien I will take you to budget paper 3, pages 54 and 55. They are the output initiatives. I think that we have already heard, again from Mr O'Brien, that the

pandemic has had an impact on our health system, and I think it is fair to say that we are still feeling this today. Premier, what is the plan to restore the health system and its performance to what it was like prior to the pandemic?

Mr ANDREWS: Thanks, Mr Maas. It is a very important question, and if you look at not the politics of these things but the facts, we had on every available measure a very high performance—never enough; we are always looking to do more and do better—prior to this one-in-100-year event. There has been enormous damage done: enormous impacts on patients, on staff and on hospital system performance. That is regrettable. That is a big challenge for us, a very big challenge, and that is why we are investing, in unprecedented terms, some \$12 billion in additional funding. That is all part of the 2022–23 budget. That pandemic repair plan is all about more staff and properly supporting our staff to do the work that has to be done. They are highly skilled, they are highly trained and they are absolutely committed to that work.

But they need the support of the government: some 7000 additional health workers, 5000 of those will be nurses, 1125 graduate positions next year, 1125 graduate positions the year after; additional paramedics, some 90 of those, a massive boost over our entire period in government to our ambulance services, and the results were there, pre pandemic, the very best ambulance response times that have been recorded since that data was first collected; some \$2.9 billion funded in the budget to build new hospitals; to redevelop emergency departments, some \$236 million there, Casey, Werribee; additional mental health beds, additional mental health services and additional support in metropolitan Melbourne and in regional Victoria; Melton we have talked about, \$900 million, maybe more—we will have to wait and see what the tender process delivers; \$500 million for a new women's and children's hospital in Geelong; and of course there is the \$1.5 billion elective surgery and other deferred care COVID catch-up, a comprehensive plan to make sure that we can return, not just to prepandemic performance levels and activity levels but do even better than that, and that is by growing our total elective surgery capacity, just as one example, from around 200 000 procedures a year to some 240 000 procedures a year and then locking that in as permanent additional capacity, so not a boom-and-bust, blitz-type approach but one that grows the capacity of the system for the future.

There is also the Better at Home program, a program I know well, one that is very, very important in making sure people can be close to home and close to the people that they love, getting the best care possible, freeing up hospital beds for those who cannot be treated at home, and then of course many, many other investments large and small; city, country and suburbs. It is absolutely a budget that is proud and clear in tackling the number one challenge, and that is of course the damage that this pandemic has done to our health system.

Mr MAAS: Thanks, Premier. Our healthcare workers in particular through this period have been extraordinary and really borne the brunt of the pandemic, just looking after many sick and ill people through this tough time, and they are exhausted. So, Premier, what is the government doing to ensure that they are supported during this recovery period?

Mr ANDREWS: Thanks, Mr Maas. I know that you have got significant hospitals in your local community and you visit many hospitals, as I do. And in the course of your work as an MP, as I do in my work both as a local member and as the Premier, you meet many health professionals and you cannot help but be in awe of their commitment and their compassion but also their skill. They are highly trained, highly dedicated and highly focused on the task at hand, and that is why they say to me consistently, 'Yes, there's pressure. Yes, there's been significant damage done. This is not an easy time'—in fact there is never an easy time to work in the system—'but what we need most is an extra pair of hands'. That is why there are 7000 additional staff. Five thousand of those are nurses—as I said, more paramedics as well, a big boost in mental health staff as well. 000, which is an integral part of the health system beyond the hospital setting—there are additional call takers and dispatchers there in unprecedented terms too.

Those undergraduate positions I spoke about before—you have got people that are coming to the end of their university training. They now know that there will be those places, those jobs, once they graduate next year and the year after. That sense of security is very important. We do not want people being lost to the profession because they have got the skills, they have got their ticket, as it were, but they cannot find a job. And with no disrespect to the private system, we want those nurses in the public hospitals, so giving people that sort of security is very important.

We know that right here today there are some 546 patients in our hospitals at the moment because of COVID. That may to some seem not a very significant number, but it does put enormous pressure on the system. It is a wildly contagious virus. It changes the way wards work. It changes the way that the whole system works. And even though for many the pandemic is over—not for all, but for many in terms of the way we are living our daily lives—our nurses, midwives and the whole team across the hospital system are under very significant stress still. So extra staff, extra funding, COVID catch-up as a priority, investing in skills and training, upskilling—it is all of those things. And it is a relatively modest investment, but Safer Care Victoria runs the healthcare worker wellbeing centre, which is all about making sure that we look after the people who are looking after us—their mental health, their physical health. It is a very demanding and very challenging job—it is really a vocation—but we have got to take care of the people who take care of us as well, so there is a boost there. I have had the privilege of meeting many of the staff who work at that centre, and they do a great job in taking care of the carers. This is a very big budget for the health workforce. You can only recruit more health staff if you add funding, if you boost funding. No cuts—cuts do not help anybody. This is a budget that invests in unprecedented terms because we have an unprecedented challenge.

Mr MAAS: Thanks, Premier. Our emergency departments within hospitals are obviously key and a central part of the broader healthcare system. Could I take you to budget paper 3, pages 66 and 67, which detail the asset initiatives. Emergency departments have struggled a lot with the impacts of COVID with cumbersome but necessary infection prevention and control protocols. As we do recover from the impacts of the pandemic, what is the government doing to ensure that the emergency departments are ready to treat the most critical of patients?

Mr ANDREWS: It is a very good question. I think every single emergency department is a very challenging place, COVID or no COVID. There are no easy days when you are working in emergency departments. Nurses, doctors, ward clerks, orderlies—ambos of course are there—and the whole team do an amazing job. But when you add in to an already high-pressure environment, an already very challenging environment, the notion of having to don and doff PPE, those incredibly challenging and quite physically demanding infection prevention and control measures, it takes a high-stress environment to a whole new level. That is why we had a surge allowance. That is why we supported very clearly all of those staff and tried to make their job a little easier with additional staff but also recognising the extra mile, the extra work they were doing—the doubles, the pressure sores from wearing not one but two masks, all of these sorts of things. That is all through the pandemic. That obviously continues. And despite some now playing cheap politics trying to turn massive investments into something else, it is very clear that there is more funding so we can treat more patients and provide the very best care.

Mr D O'Brien interjected.

Mr ANDREWS: The facts of these matters—as I hear an interjection—are that some cut every chance they get and Labor governments invest. I am very pleased to be able to say to you, given your local community, at Labor's Casey Hospital, built by Labor and expanded numerous times, there is an upgrade for that emergency department. That is the other way that we provide support to our emergency department clinicians, and through them our emergency department patients. Additional points of care, upgraded equipment, the best space—that is where you provide the safest and best care. But it is not easy, and it is not one day or something you can fund for a short period of time and then move onto something else. You have got to have consistent investment. You have got to have a real sense of urgency, not just in that clinical environment but from the government. The government has to be committed to these things, and we are. We are in unprecedented terms. This is an opportunity to thank those staff, and not just those that are at the front door. Everyone across the system has done an amazing job in unprecedented circumstances, and they are still facing significant pressure. That is why extra boosts, very big boosts, as outlined by the Treasurer last week, are so, so important.

Mr MAAS: Thank you. I think I can safely speak for the Member for Cranbourne as well in saying that Casey Hospital just do an extraordinary job under very, very difficult circumstances, particularly at the moment, and that this expansion in the emergency department really will be welcomed.

I would just like to go to a point that Mr O'Brien, I think, was trying to make to you before about the hospital in Melton and, I do not know, somehow questioning that the government is committed to building it, to building this world-class facility in Melton. I was just wondering what you had to say about that.

Mr ANDREWS: Just before I go to that, Mr Maas, I would be very keen to put on record, just in case anyone tries to persuade anybody in the community that these are not real, \$126.8 million for a redeveloped and upgraded emergency department for Casey Hospital and \$109.6 million for a redeveloped and upgraded emergency department at Werribee Mercy, because our partnership with the denominational health sector is also very important to us. For Narre Warren South, for Cranbourne, for Werribee, for the west, all of these things are incredibly important additions.

It is not just about money, though. Sometimes those numbers can seem large or not mean very much, but if you think about it another way, Casey goes from 45 to 90 points of care, so doubling the size, the number of points of care for patients. That will mean they will be able to support almost 120 000 presentations per year, which is an additional 52 000 presentations per year from the 2018–19 level. So we have seen growth, we anticipate further growth. Given the equipment, the facilities and the staff that they need, they will be able to get that job done. It will never be easy. There are no easy days in emergency departments, but that is just one example of how you can take the system forward.

If you speak about Melton, you cannot speak about Melton without me first getting in Werribee Mercy—67 points of care up from 34, so again another significant boost to that already busy emergency department. That means they have got capacity for almost 70 000 presentations a year. That is about 25 000 extra again based on 2018–19 levels. They are really important boosts in the outer south-east and in the west, and indeed they are only just some of the investments we are making.

In terms of Melton, let us be clear about this. You have got to buy land, you have got to do planning, you have got to connect services. Then you have got to do a tender, then who have got to do early works. You start in the ground, and you build up. That is how you do these things. I say that as somebody who is proud to lead a team and proud to have been a member of a team over my time in public life that has built plenty of hospitals, and we have got plans to build plenty more. So there is a real choice, I think, for people in the west—indeed right across the state. There are some who talk about these projects and there are others who get on and build them. Now, we have gone from a situation where according to some there is no money in the budget, then there is too much money in the budget. It was happening, it is not happening, it is all over the place, it is all over the shop—

Mr D O'Brien interjected.

The CHAIR: Mr O'Brien, could you please not interject.

Mr ANDREWS: While other play politics, we are getting on and delivering the Melton hospital, and it is an incredibly important investment in that community. It will be one of the biggest suburban health projects, not just in our state's history but indeed of national significance as well. A 24/7 emergency department, medical and surgical beds, an intensive care unit, maternity and neonatal services, mental health services as well, so the full suite of surgical and medical services—and of course 24/7. It is a growing community and a growing catchment. Getting your service planning done properly is very important; otherwise you will not meet the needs of the people that you are trying to serve. Some 710 direct jobs during the construction phase, and it is going to be one of the biggest employers in the region as well once it opens. Close to 4000 people will work at the hospital, because it is massive. I heard mention of a paddock before. Well, I well remember going to Casey, and that was a paddock; it is not a paddock now. I well remember going to Footscray Hospital. That used to be a car park. That is now a massive construction site, and there are cranes in the sky and literally hundreds of workers down there doing the best of work. This is really important investment—really important investment—that will mean more patients get treated faster in their local community. It is not something you do in a week or a month or a year or even two years; it takes time. It takes time, and to be lectured by people who built nothing when they had the chance—well, really?

Mr D O'Brien: Bendigo Hospital.

The CHAIR: Mr O'Brien, the call is not with you.

Mr MAAS: We are out of time. Thanks, Premier.

The CHAIR: Thank you, Premier. Mr Hibbins—Mr Barton, sorry.

Mr ANDREWS: Mr Barton.

Mr BARTON: Afternoon, Premier.

Mr ANDREWS: Afternoon.

Mr BARTON: Premier, I refer to page 344 of budget paper 3. We all know too well the pandemic had a really severe impact on taxidriviers. That work was so important getting people where they needed to go, whether it was for health appointments or travelling to provide care for family, as the rules permitted. I have concerns about the future of the taxi industry. Can you explain what support struggling taxidriviers in need can expect as we move forward?

Mr ANDREWS: Mr Barton, thanks for your question, and I do not think anybody doubts that you have significant concerns for the industry's future. You and I have had an opportunity to talk about this on several occasions, and the door is always open to continue that. We need to talk about business support a little bit more broadly first. There was some \$13 billion in business support for businesses large and small throughout the pandemic event. Some of that continues—not in every instance, because some of that was very much about a point in time. That is a massive, massive investment to try and save jobs, to try and give people the necessary cash flow and other supports to get through absolutely unprecedented times.

The taxi industry—and the commercial passenger vehicle industry, but particularly the taxi industry—comes to this pandemic event with some significant challenges, obviously, with very big disruptors, big changes in the market, all those things that you and I have talked about and the things that you have passionately campaigned on for a long time. We provided, as I understand it, very substantial support. So in July 2020—and I stand to be corrected—as I understand it we provided some \$22 million in a package of initiatives to support the industry more broadly so that the multipurpose taxi program could remain available so that we could continue to support those in the taxi industry in what were very difficult times. Clearly there was not the amount of trade, there was not the amount of travel, it was a very different time—really, I would think, absolutely unique; no-one out there in this industry would have experienced anything like it. That significant investment—we have also paused a number of fees that would have been collected, so it was about trying to provide some cash flow support. Those fees remain at those 2020 levels.

I suppose beyond that, I am always happy to sit with you, Mr Barton, and talk about other ways—I know Minister Carroll is—in which we can provide targeted support and assistance. This pandemic event has been very significant for the taxi industry. The five years before it were pretty significant too—massive changes, and I know that there are mixed views and very mixed experiences out of that, and I fully acknowledge that. I would think that you and I would always have things to talk about because you always want me to do more—and that is fine, that is absolutely fine, and I would welcome that. But that money is not insignificant; that is a significant support. But there may well need to be more that we have to do beyond that.

Mr BARTON: Thank you, Premier. Keeping to the same reference, I would like to dig a bit deeper into the Multi Purpose Taxi Program.

Mr ANDREWS: Sure.

Mr BARTON: You would be aware of the work of the Multi Purpose Taxi Program inquiry that I was pleased to be able to work on and present a report to the government with a number of important recommendations. I also note that the government has yet to reply to those recommendations. One of my concerns is to make sure that we maintain a wheelchair fleet. One of those recommendations, Premier, is a recommendation—are you in favour of increasing the lifting fee currently provided for wheelchair-accessible vehicles?

Mr ANDREWS: Again, thank you for the question. Can I acknowledge not just the conversations that we have had but the work through the parliamentary committee. It does you great credit, Mr Barton, to push so hard for those who are very vulnerable in our community and whose mobility is absolutely tied to this. There is no way they are going to be able to get to their appointments and different activities, and they are not going to have those fundamental rights and that freedom of movement, without a strong Multi Purpose Taxi Program. There are significant challenges in that sector, so I thank you for that work. I am sure Minister Carroll would echo my sentiments that we perhaps have a better understanding of this issue than we have ever had because of the advocacy that you have brought to it. I know and have met with my own local community. In my own street there is someone who drives a multipurpose taxi, and it is very, very important work. This program—as I think

you obviously know, but for the benefit of other committee members—is all about paying half the cost of each trip up to a total of some \$60, and it is about making sure that those who have got a disability, particularly those in wheelchairs, have got access to all of those things I talked about before.

I did anticipate that you might ask me this question, because we had quite a discussion about this some time ago, and I do concede that the government has not yet provided a response to the parliamentary committee's report. That will happen soon, as I understand it. I am sure that you will interrogate Minister Carroll when he is before you, but having anticipated your interest in this matter, I did inquire with the minister today, and I can tell you that we will be increasing the lifting fee by \$5, which is very important, I think. Some may want more than that, but it is a significant increase, and it is all about trying to maintain the sustainability of this sector and this part of our taxi system. If we do not, then—whereas you might argue that Uber and other rideshare services have filled a gap and we do not need taxis, we can use one of their services—there is, to my knowledge, no commercial passenger vehicle alternative. There is no disruptor alternative to multipurpose taxis, and we need to make sure that we support them. This seems a modest thing, but that is, each and every lift, \$5 more. Hopefully that goes directly to making this a more viable industry, so that more and more people who rely on this industry so much can have what they need.

Mr BARTON: That is about a 20 per cent increase, so that is a significant increase. Thank you, Premier.

Mr ANDREWS: It is not often that \$5 is significant in the context of one of these hearings, but it makes a big, big difference.

Mr BARTON: If you are doing four a day—

Mr ANDREWS: Exactly.

Mr BARTON: six days a week—

Mr ANDREWS: Exactly.

Mr BARTON: Premier, if we can keep to the same budget reference for one more moment, I would like to ask about some work of the agencies and the regulators. I have been very public about my views on Commercial Passenger Vehicles Victoria. Taxi drivers and owners need a regulator that protects their rights and their working conditions and ensures the industry is commercially sustainable. Why hasn't the CPVV done that?

Mr ANDREWS: After our moment of agreement in answering the last question, I understand—because you have told me yourself; this is not the first time we have had this discussion—that many in the industry do not believe that the regulator has done as good a job as they should have. I think we need to respectfully disagree, at least in part. We are always open, as I know the CPVV are, to doing better. I would say that whenever you have an industry that fundamentally changes, grows as rapidly as this industry did and has so many new players, then the regulatory environment is very challenging. Perhaps the best way for me to answer the question though is to say that on behalf of the government, both as the leader of the government and on behalf of the minister—I am sure you will have this discussion with him when he is before the committee—if there are further practical, specific and detailed things you think the regulator could be doing, because we have discussed some of these previously, then we will do more than give you a fair hearing; we will actually try and improve the system.

So many of the issues that you and I talk about are about sustainability. They are about safety. It is about drivers, no matter what platform they work for and in, doing the right thing, passengers having a safe, value-for-money experience—all of those discussions. They do not all relate to the regulator, but some of them do, and I suppose it is a long way of me saying the door is open. We are happy to hear any further suggestions, to take them seriously and to try and deliver some further reform. There are some strongly held views on this. All I am saying is I am not certain that they are as bad as some might say, but if there is room for improvement we are always happy to try and work toward that.

Mr BARTON: Well, you will not be surprised that I have a different view to you.

Mr ANDREWS: Of course. Yes, indeed.

Mr BARTON: Premier, if we can just go to another transport project, which is cutting through my electorate in fact, that will ease some of the congestion—because I do have a friend living on Rosanna Road—for drivers in communities of Bulleen, Rosanna, Viewbank and Watsonia North. It is the North East Link. Now, I am on record supporting the project, and I do so because it is desperately needed to support the communities I mentioned earlier. But with reference to budget paper 4, page 13, I was disappointed to see that it has now been pushed out further again. Can you explain why it has now been pushed out to 2028?

Mr ANDREWS: Sure. First of all can I thank you and acknowledge it is a matter of record that you have been supportive of the project. Some people have not been. It is a critically important project. It is one that we have well and truly underway. We will acknowledge that there is a modest contribution, but a welcome one, from the commonwealth government, but the lion's share of this project has been delivered by Victorian taxpayers through the program of works that is set out not so much in this budget but in previous budgets. This is the biggest road project in our state's history. It has been a line on a map in the *Melway* for decades. We are probably the only great city of the world that has got a ring road that has got a gap in it. It does not make any sense at all. It is thousands and thousands of trucks—and cars, but the trucks are probably the biggest challenge—pushed through, squeezed through, residential streets that are just not made for that sort of traffic volume or indeed that kind of traffic. It is not safe, not efficient, not good for air quality let alone good for road safety, productivity. It is really something that should have been done a long, long time ago. But we are pushing on and getting it done. Part of a project that big is you do works in stages. So there is a massive transformation of the Eastern Freeway—extra kilometres and kilometres worth of lanes. There is the busway going into the city with its own dedicated lane. Then of course there are the twin tunnels and M80 roadworks as well.

The answer to your question, very clearly, is the scope of this project is much different than what it started out as, and that is because we have listened to the community. So for instance the tunnels are much longer because the community said, 'Look, we want this not at grade. We want it under because we think we'll get a much better benefit if we do it that way'. So we have listened to the community and fundamentally changed the nature of the project and made it, I think, a better project for the process of engagement. That means it takes a little bit longer, but it is well and truly underway.

I was out there recently, and there are many, many workers out there doing very important work. It is huge in size and scale. And, yes, there have been some disruptions and, yes, there have been impacts that are unavoidable impacts on businesses and local residents. We try and deal with each of those on a case-by-case basis as respectfully as we can. The cost of this project is very significant; the cost of not building it is far greater. And it is going to take a little longer because we have changed the project while listening to the community that is going to benefit from it most, although I would say the whole city and state benefits from a project as big as this.

Mr BARTON: Thank you, Premier. I am nearly out of time. I will just try a little quick question there. Another thing that I have been very privileged to do is some of the work we have done around homelessness and the things going forward. But, Premier, this is important to me, and in my local community. I refer to your budget paper 3, page 47. There is a reference there to the Holmesglen Education First Youth Foyer in Glen Waverley, which is in my electorate of Eastern Metro. What is the government doing to support the work of this facility to assist young people in particular experiencing homelessness?

Mr ANDREWS: That is a great question, and I will try and be very quick. The budget provides additional funding. There is some \$75 million in a broader sense around supporting these types of services in the 2022–23 budget. That is all about trying to give people who are at risk of homelessness the wraparound supports, the broad support, that they need to be secure and to build much different and much better life opportunities because of that. For this particular service—and it is in your electorate and not very far away from mine—there is some \$5.18 million over two years for Launch Housing's program at Holmesglen. We thank Launch, we thank the Brotherhood as well, who have had some involvement in this model also, and we thank all of those who provide that work, particularly the team at Holmesglen, who have never received more support than they get from our government. But we want to do more again. They are changing and saving lives with this program. It is a really, really valuable one and we are absolutely delighted to be able to support it, and we thank you for your support.

The CHAIR: Thank you, Mr Barton. Ms Richards.

Ms RICHARDS: Thank you, Premier and officials, for your time this afternoon. I would like to explore regional health care and perhaps move on a little bit from some of the discussion you had with Mr Maas earlier, when you were discussing the Melton hospital and Casey as examples. I would like to look more specifically at budget paper 3, page 66. Now, I am a metropolitan MP, and it is really important and great to see that we are investing in Melbourne's world-class health system, but I am wanting to explore on behalf of the committee what investment there is for regional Victorians.

Mr ANDREWS: Thank you very much, Ms Richards. Yes, you are a metropolitan MP, but we all benefit when regional Victoria is supported strongly, no matter where we live. You would have seen, I think, the second-to-last slide I had up on the screen before just detailing a number of different investments that we have made across regional Victoria. That is in all policy areas but particularly in health. If you think about the \$500 million investment in the Geelong or Barwon hospital for women and children, that is about maternity services and it is about a whole range of women's health services—providing the highest possible level of care in a growing community like Geelong. That will in effect have a catchment that is much broader than just Geelong, although that would be a big enough catchment alone. That is essentially a brand new hospital. So if you think about the Joan Kirner hospital for women and children out in the west, out at Sunshine, this is bigger again on top of that. And if you have had an opportunity to visit that facility, it is just wonderful. So that is all about Geelong and all those communities that look to Geelong for the care and support that they need, not just for cancer services or surgical services or trauma services but now maternity services as well as women's health.

There is a massive boost of \$300 million to the Regional Health Infrastructure Fund. These numbers in the scheme of things sometimes seem a little bit small, but this takes I think to the best part of \$800 million that overall fund. There have been 490 projects funded out of that over the course of its life. It is a big policy change—common sense, though. There was nowhere in effect for smaller hospitals to go to receive smaller but significant funding—funding they could never raise in their own local community and funding that they should not have to raise in their own local community, funding that might be a few hundred thousand dollars all the way up to millions of dollars. And whether it is in my old home town of Wangaratta in the north-east, which has received funding out of this, all the way through to funding that we barely even list, because it might only be a couple of hundred thousand dollars for new carpet or air conditioning or something like that, these nearly 500 projects make a big difference. They are safer workplaces; they are safer care spaces. It is about dealing with changes in profiles of services, changes in terms of aging—all of those things. It is just one example among many of making sure that regional health is strongly supported.

Just finally on this point, arguably nowhere is it more important to train and have additional staff than in regional Victoria. If you talk about any health issue for long enough, it becomes a workforce issue: have you got the right staff in the right place? So when you go and give people the security that there is a job—a good, strong long-term job—in our health system, that benefits everybody. And I think the further away from where we are sitting now you are, the more meaningful those investments are, because that is where workforce shortages really do have a big impact.

There are many other investments: mental health in regional Victoria, residential aged care, public aged care. We are the only state in Australia to remain in that sector, and we are very proud to do it. So there are large and small projects, but there are big boosts right across regional Victoria—output as well as capital. Specialist appointments and elective surgery catch-up are shared right throughout regional Victoria as well. Every patient, no matter their postcode, needs support, particularly after this pandemic, and that is exactly what the budget does.

Ms RICHARDS: Thank you, Premier. You just alluded to regional aged care then, just at the end of your answer, and I would like to refer to the presentation from earlier. You spoke about the upgrades to regional aged care. I am interested in having you elaborate for the committee's benefit on what the government is doing to improve facilities in regional public aged care services.

Mr ANDREWS: It is very good question. As I said, there is a very significant presence in terms of private aged care in our state. That is the vast majority of services. That is where residents live and are cared for, but we have retained our investment. There were plans, of course. We all know who those plans would have been advanced by. There were more than plans; there was an absolute determination to sell off all of our residential aged care to the highest bidder, and I do not think any resident, any staff member, any community, particularly

regional communities, would have been in any way better off as a result of that. So we have not only retained our presence—we are about 10 per cent of the market—in the market, but we have sought to expand and enhance the quality of those facilities in metropolitan Melbourne and of course in regional Victoria as well.

I can point you to a couple of examples. For instance, there are 36 beds at the Camperdown Hospital that will be residential aged care beds. That is part of a \$146 million—there are a number of investments, but under that \$146 million line item is refurbishment and new beds at public sector residential aged care services. So 36 beds at Camperdown, 72 beds at Mansfield, 38 beds at Orbost—so literally in all corners of regional Victoria. They are really important, because often—not always, but often—if there were not the public sector aged care beds in some of these regional communities it is questionable whether a for-profit company would ever think it viable to go and put an aged care facility in very small regional communities a long way from Melbourne. Therefore there would not be an aged care offering in that local community, so people would have to spend those precious moments in their senior years when they needed care away from the community that they had helped to build, and we would not want that.

We have a network of these facilities right across the state. They do stretch right into regional communities and are often in very small regional communities. I think if it was not for a public sector offering there would not be an offering, so investing in this is really important. It also helps with just the balance of staff and the profile of services we can run. All too often these are hospitals, so the aged care part supports the acute part, the acute part supports the aged care part. It just makes for a much stronger and a much more resilient health system in regional Victoria. The other thing, too—well, they have not had tenders done yet so I cannot guarantee what the outcome will be, but within the supply chain of each of these projects will be a whole lot of subcontractors and small firms in local communities, or certainly within regions, that will get a really healthy share of this funding as well, so it is good for jobs too.

Ms RICHARDS: Great. I would like us to move on to the investments in mental health and explore that a little bit more. I am going to refer you, Premier, to budget paper 3, page 55, and that does set out the total investment of \$1.3 billion for mental health in the budget. Also obviously for context, it is important to note the royal commission into mental health's 65 recommendations and the government's \$3.8 billion investment in mental health in last year's budget, so that is contextually important. I believe Victoria was the first and so far only state to announce this royal commission, and from this government obviously there has been a lot of honesty and clarity with Victorians about the commitment to implementing every single one of these recommendations. With all that context, could you explain how this investment this year builds on the investment that was so significant last year and the plan to deliver on the royal commission's 65 recommendations?

Mr ANDREWS: Thank you. That is a very important question. I do not think any family anywhere in the state is not touched by this issue, not just because of the pandemic—and we do know that there have been significant mental health challenges and real impacts because of that unprecedented event, and they do not go away quickly. They remain challenges for us to address, and that is why part of that \$12 billion boost to our health system includes a boost to mental health, as you rightly point out.

Long before the pandemic, though—and this is the key point—as significant as that event was, we had big problems in this sector. So back in 2018 we committed to have a royal commission, to implement all of its findings, to build a new system—or in many respects to build a system for the first time. We have a number of disparate services; they are not very well connected. This is no criticism of the people who work in them—they do their very best—but often the system, as it is described, makes the worst of circumstances worse still. It does not provide people with the care that they need when they need it, and people in the sector talk about 'the missing middle'. So there is good primary intervention often but not always. There is perhaps a tertiary service if you need it but, again, not always. So you have really got to be in absolute crisis or just at the very beginning of your journey before you get the care that you need. The care should be keeping you well, not just treating those who are unwell—if that makes sense.

So all those recommendations are about more staff, better facilities and making sure the consumer voice is part of this. For far too long we have done this without listening to those who know these issues best. It is about skills and it is about research, best practice reform, that missing middle, if you like, and more home-style environments but also some more acute care beds, growing that important part of the system.

So yes, you are right, there was the best part of \$4 billion last year. There is another \$1.3 billion this year. We are making really good progress on 90 per cent of the 65 recommendations. We are going to do all of them, but some of them do take a little bit of time. But we made very good progress, and my friend and colleague the Deputy Premier and Minister for Mental Health has updated not just this committee but updated the community workforce strategy—the full delivery of the interim report, which called for investments in the north and west of Melbourne and in the Barwon region, all the way through to a whole range of capital projects.

I will give you a couple of examples. There is very significant investment in additional staff, those 7000 staff that I talked about. There are significant additional mental health staff that are required to treat the growth in patients, clients, as well. So there is \$372 million for more than 1500 mental health workers, including more than 400 mental health nurses, 100 psychiatrists and 300 psychologists. So that is a big boost and one that is desperately needed. That is how you get better treatment faster.

There are also investments in additional acute beds—15 more acute beds in Shepparton and land acquisition for 49 beds in Ballarat as well as in Wang. There is a \$21 million package of support for suicide prevention initiatives, including after-care services, and a whole range of—in dollar terms—smaller investments, but they are part of a big and comprehensive plan to make sure that people get the care they need when they need it to be kept well and to be kept out of those most acute environments unless they absolutely need to be there; that is why there is a boost for those acute environments as well.

Ms THOMAS: And just in the very short amount of time that we have got left I will just take you a little bit further into acute care. Referring you to budget paper 3, page 63, noting that within this year's \$1.3 billion investment in mental health the government intends to spend \$490 million for acute care, can you please perhaps explain the role that acute care plays in our mental health system and what that intention is behind that investment?

Mr ANDREWS: For some clients in our mental health system their illness is of such severity that for their safety, for the safety of others, for their clinical outcomes, for the best outcome for them, a community- or home-based model of care does not work. They need to spend a period of time getting intensive care. That is almost always inpatient. It is sometimes voluntary. It is sometimes involuntary, under the provisions of the Act.

They are very challenging environments for people to nurse in. They are very challenging environments for people to provide support and care in, but they are for a percentage of Victorians very, very important. We have to make sure that they are safe and inclusive and respectful environments where people's human rights are absolutely observed but also where care and treatment can be provided. It is a very challenging part of our health system—not for all but for some—so whenever we talk about these things we should always thank the staff for the work that they do in those environments.

There is \$490 million, as you point out—a very significant boost—for hospital-based acute care. It is all about cutting waiting times and being able to provide that very targeted, tailored, intensive clinical support to those clients. This also opens up an extra 82 mental health beds in key growth areas in that Northern Hospital catchment and the Sunshine Hospital catchment—the north and the west that I spoke about before; those beds that were recommended as part of the initial report, the interim report. Those two services, those 82 beds alone, mean an additional 1600 Victorians who need that inpatient care will be able to get it faster and closer to home than would previously be the case. That is very, very important for them and their families.

Ms RICHARDS: Thank you, Premier.

The CHAIR: Thank you, Ms Richards. Mr Newbury.

Mr NEWBURY: Thank you, Chair. Premier, Budget Overview, page 1, explains part of the reason for funding in health is:

So that every Victorian has ... confidence that an ambulance will arrive in their hour of need ...

Since October last year a 47-year-old man died in October; a 14-year-old girl died in October; a 23-month-old girl died in November; a 43-year-old man died in November; a 49-year-old man died in November; a little boy died in November; a 51-year-old man died in December; a man, 39, died in January; a 21-year-old man died in January; a 61-year-old man died in January; a 51-year-old man died in January; a baby died in January; a 42-year-old woman died in January; a 74-year-old man died in January; an 82-year-old man died in January; an

84-year-old man died in March; an Orbost man died in March; and a 14-year-old girl died in April—and there will be other cases in April. Premier, what do you say to the families when you call them?

Mr ANDREWS: Mr Newbury, the death of any patient, the death of any Victorian, is a great tragedy, and it diminishes all of us. To think of people at their greatest moment of need reaching out for the care that they or a loved one need and to think that there is such enormous pressure on the system—so overwhelmed was the system by the sheer number of cases, the sheer number of call-outs, the sheer number of Victorians who needed help at that moment—is a terrible thing to have to contemplate. It is the work that each and every one of our ambos and the people who work to support them do every hour of every shift. They are working as hard as they possibly can to provide the best care and the best treatment to every patient who needs it. But just by way of example, if you would normally receive on any given night 1500 or 2000 requests for an ambulance and suddenly you are receiving 5000 requests for an ambulance, that is incredibly difficult—incredibly difficult—for those ambulance paramedics and those who support them.

My message to each and every Victorian family is that our paramedics do their level best. They are highly skilled. There are more of them than there have ever been. We will continue to support them with resources, with equipment, with new stations and with everything we can possibly do so that everybody gets the care that they need. But nothing anybody at this committee says can take away the pain of a family who has lost a loved one in those circumstances, in broader COVID circumstances or in any circumstance. What we can do, though, is we can invest and we can act, and that is exactly what we have done.

We had a situation where ambulance response times were not at an acceptable level. We worked in partnership with our workforce and we were able pre pandemic, Mr Newbury, to achieve our best ever response times since records were kept. Then the pandemic has come and done enormous damage to that system. We are determined, as are our workforce—every one of them—to repair that damage, to strengthen the system and to respond to everybody who needs that care.

Mr NEWBURY: Thank you. Premier, this is 14-year-old Lydia. The last words she said to her father were, ‘Dad, I love you’. Have you called her family to say sorry?

Mr ANDREWS: I have not spoken to that family, no.

Mr NEWBURY: Thank you.

Mr ANDREWS: But I would take the opportunity, as I know the Minister for Health has taken the opportunity when these matters have been raised, to send not only my thoughts and prayers and best wishes and sincere condolences to that family but also my commitment that just as this budget boosts resources for our ambulance system—our ambos and others—every budget that we deliver will do that. That is our record. And we will allow coronial processes and other processes to run their course, but of course I extend my deepest sympathies to that family and to any family who have lost a loved one in those circumstances or in any circumstance where systems were completely overwhelmed. That is not acceptable to me, and that is why we are working as hard as we possibly can to get back to those best ever response time performance numbers that we had achieved—when I say ‘we’, not the government, our ambulance workforce, our ambos, our paramedics, had been able to achieve—just a few months before COVID-19 hit us.

Mr NEWBURY: Have you called Alisha’s family—14-year-old Alisha who passed? I cannot read out the transcript of her last words. Have you called her family?

Mr ANDREWS: No, Mr Newbury, I have not made contact with that family. I am sure that Ambulance Victoria, who have all the tapes, all the background and the information—as I understand it, it is custom and practice for them to speak to the family, certainly where the family wants that. That is not always something that a family might want. But it is my understanding that Ambulance Victoria, who know and understand the details of a case like that or any case where there is either a sentinel or an adverse event, would routinely speak with the family and offer them any support that they need, give them a sense to try to better understand what occurred in terms of their loved one. Also the ambulance paramedics that are involved in any event like that will be offered counselling and support, because it is incredibly difficult whenever a patient dies, whether it is related to this period or at any period. Paramedic welfare is very important as well. So across the board Ambulance Victoria I know take these matters very, very seriously.

I have in the course of my role spoken to families of people who have died. It is not easy, but it is an important thing to do—

Mr NEWBURY: In relation to the cases that I raised or previously?

Mr ANDREWS: I just indicated in my role. For instance, whilst I have not spoken to that family, I have spoken to other people at different times in my time as Premier, in different circumstances, to on behalf of all Victorians extend our condolences. In these matters I am confident that Ambulance Victoria will have engaged with those families. Any of those families who wanted to speak with me, of course I would make myself available, but there are—

Mr NEWBURY: So they should ring you?

Mr ANDREWS: Mr Newbury, I am attempting to answer a very serious matter.

Mr NEWBURY: I am raising a very serious matter.

Mr ANDREWS: The answer to your question is I have not had a conversation with those families, but I am trying to give you some context.

Mr NEWBURY: Okay, thank you.

Mr ANDREWS: I would be confident—and I am more than happy to take on notice and provide you with any relevant information—that Ambulance Victoria would have engaged and will be as we speak engaged with those families.

Mr NEWBURY: Premier, the Stewart family, who you may be aware of, when their father died, received a letter from an administrative officer—and I am not having a go at the officer in any way—and they did not even get the father's name right in their correspondence with the family.

Mr ANDREWS: It seems to me, Mr Newbury, you are having a go at the administrative officer.

Mr NEWBURY: Not at all.

Mr ANDREWS: I am sure that that person did not intend to make that error. That is a clerical error, and if that has caused any offence or made a very, very difficult and challenging and tragic set of circumstances any harder, then I personally apologise on behalf of Ambulance Victoria and the government and all Victorians. No-one wants to make those circumstances harder.

To your earlier point, I have, when I was health minister, when I had the great honour of doing that very challenging but rewarding job, I did have occasion to speak to families who had lost loved ones—just so you are clear—but no, I have not spoken with those families. I would think that anyone—anyone working in Ambulance Victoria or the department or whomever wrote that letter—would not want to make that situation worse. They would have been trying to do their very best, and if that has fallen short in terms of causing offence, then of course I apologise on their behalf.

Mr NEWBURY: Ms Houghton, when these deaths were occurring, when did you first advise the Premier there was a problem?

Ms HOUGHTON: Thank you. The government had done a number of things across not this budget but through last year as well in terms of getting further ESTA call takers to increase call takers, particularly on ambulance call takers—

Mr NEWBURY: My question was in relation to October onward.

Ms HOUGHTON: Yes. So October last year there was a budget submission to increase call takers for ESTA. In March 2022 there was a further budget submission to increase call takers for ESTA, specifically, both ambulance and also police. And in this budget there was a further increase—\$333 million—to increase support for ESTA as a system, both IT capability and governance, as well as more call takers on the ground.

Mr NEWBURY: Did you provide advice at any time, considering almost all of those deaths occurred before the budget submission, between October and March, to bring forward that money?

Ms HOUGHTON: From October to March there were two submissions to increase the funding—

Mr NEWBURY: I am not asking about budget submissions. I am saying, if people are dying, did the government consider bringing forward money to stop people from dying?

Mr ANDREWS: Well, that is not a question to the Deputy Secretary. I am the Leader of the Government. If you want to ask what the government—

Mr NEWBURY: I asked—

Mr ANDREWS: With the greatest of respect, the Deputy Secretary is not in a position to speak for the government, so if the question is about what the government was doing, then I am happy to—

Mr NEWBURY: I asked about advice.

Mr ANDREWS: Well, that question has been answered. I am happy to, on notice, provide you with a full accounting of all the different supports, and the health minister may be able to take you through this in some detail as well. I would not want anybody watching these proceedings or reading the transcript of them to think that there had been one boost to funding once a year in each of the last three years when it comes to these things. That is not accurate. There has been constant work between the Department of Health, the Minister for Health, Ambulance Victoria, its board, its executive—constant engagement to provide additional funding at different points with a sense of urgency. That is why there are hundreds more paramedics and bringing forward of other paramedics that are funded in this budget, in the last budget and the one before. That is in the last two years. This is under constant review and constant investment, Mr Newbury.

Mr NEWBURY: I accept the last budget and I accept the testimony of the March funding commitment. I understand that. The issue that I was raising was, from October to March, 17 people that I am aware of passed waiting for an ambulance; was there any consideration to bringing that forward?

Mr ANDREWS: Whilst I do not want to diminish in any way the tragedies that you have listed there, I do feel obliged to—again, with the greatest of respect—indicate to you that it is not for me nor any member of Parliament to determine the cause of death. That is a matter for the coroner, and we should let the coroner do that very important work. But I would not want you, Mr Newbury, or anybody else to come to the conclusion that we are not in constant daily discussions with Ambulance Victoria and others. The record shows whatever you need you will get, and there has been consistent and unprecedented investment all throughout the pandemic because we have known that there is very, very significant pressure there.

Mr NEWBURY: Premier, considering the difficulty of what we are dealing with, why haven't you read the Ashton report?

Mr ANDREWS: Well, the Ashton report, Mr Newbury, I am briefed on. The report will come to cabinet quite soon, there will be a full government response and once the cabinet has—

Mr NEWBURY: Why don't you read it?

Mr ANDREWS: Hang on a second. These are very, very important matters, and—

Mr NEWBURY: Yes, they are, so read it.

The CHAIR: Mr Newbury, can you allow the Premier to answer your question, please?

Mr ANDREWS: These are very important matters. The Ashton report is a report that was commissioned by the Minister for Emergency Services. It has informed all of those decisions I have just taken you to and which I will provide you further detail of offline. I would not, again, want anyone to be in any doubt that the Ashton review has informed the decisions we have made. Some of its contents and findings are about the medium and the long term. There will be a full government response, and the report will be released in due course. It will be released by the minister who commissioned it, and that is the Minister for Emergency Services.

The CHAIR: Thank you, Premier. Mr Newbury, your time has concluded. We will take a short, 15-minute break at this point in the proceedings and resume thereafter.

I declare back open these hearings of the Public Accounts and Estimates Committee, and the call is with Ms Taylor.

Ms TAYLOR: There is a lot in store for education, and I think it would be good to do a deep dive on that, so can I refer you to budget paper 3, page 21. Could you please explain how investment in this budget builds on our government's commitment to building a world-class education system?

Mr ANDREWS: Thanks very much, Ms Taylor. Obviously we are the Education State, and in each budget we need to deliver on the promise of that statement and make sure that from early childhood education all the way through to TAFE we are providing every Victorian with what they need to realise the full potential that belongs to them. That is how we all as a state move forward as well, so this is a big budget for—health has kind of stolen the show in terms of some of the focus, and that is only appropriate given the big challenges that we have been talking about today, but our education system is critically important and gets a big boost out of this budget as well. Whether you ask him questions or not, I am sure that the Deputy Premier and education minister will have a lot to say about this, because there is no-one more passionate about state schools than him.

The boost of around \$1.8 billion for new and upgraded school buildings is very important. This is not just about better classrooms, better equipment and more flexible learning spaces; it is also about jobs. There are many thousands of Victorians, often in smaller firms, who do this work and have got the biggest order book they have ever had—literally hundreds of these projects right across the state. There is \$581.5 million invested in 13 new schools. You would recall that we committed back at the election to 100 new schools. We have 13 new schools funded that are set to open in 2024, as well as a number of other schools where there are extra stages, further stages of their master plans. This includes, just to do a few examples that I know will have some traction with the committee, almost \$19 million for the next stage of Kambrya College—in Mr Maas's electorate, I think? He is confirming that. That gives them capacity for another 400 students. There is \$236.7 million to acquire land in Cardinia-Casey, Greater Geelong, Hume, Melton, Whittlesea and Wyndham for future new schools under that 100 new schools commitment and indeed beyond it, and that includes land for Casey Central primary school. Ms Richards will be pleased to hear that.

Those 100 new schools across the state by 2026, we are well and truly on the way, and this budget delivers the operational funding to turn some of those that are already finished from building sites into schools and also funds various stages of the delivery from a capital works point of view of those 100. Forty-eight of those new schools have already been opened. Bearing in mind this is a commitment that is not due until the end of 2026, 48 of those have already been opened and there is funding in the budget that we will have a total of 75 of those 100 new schools open by 2024, so well in advance of the 2026 deadline. Fourteen of those schools open next year, so this really is very, very significant for growth corridors, for those beautiful parts of our city and state where new families are moving in and where there is significant enrolment pressure. There is also a bit of enrolment pressure—because of these investments we are seeing our market share, if you like, so the percentage of students that are enrolling in state schools, steadily on the rise. That was not always the case, and that is a great testament to the teaching and learning as well as the facilities and the equipment and the experience that our teachers, educators, support staff and entire school communities provide.

There is some \$658.2 million in upgrades and improvements to existing schools. No-one has ever doubted the quality of teaching and learning, but some of our facilities need to be boosted, need to be upgraded—they are showing their age, as it were. That is all about delivering those sorts of projects and programs. Another example is Mordialloc Beach Primary School. The Member for Mordialloc, I know, will be very pleased to learn of that. That is \$2.9 million to upgrade classrooms. That is one of 65 major upgrades at schools across the state that are funded under the government's budget this year. Then, as I am advised, there is some 96 that are a bit smaller scale but no less important for those school communities. They just would not be able to happen without that support. That Minor Capital Works Fund, a little bit like an element of the Regional Health Infrastructure Fund that I spoke about, is all about giving people and communities what they need. Even if the dollars are not very big in the scheme of the state budget, they make a very big difference. There is also a big workforce boost. There are additional funds for additional teachers—a tutor program and all sorts of different areas. The 3900 number that I am misreading here is in fact the jobs number that comes from this massive construction boost.

Ms TAYLOR: Yes. I have heard a fair bit of debate recently about special schools. If I can refer you to budget paper 3, page 25, there are some people on the committee who are asked why children living with a disability and their families should be making a choice between education outcomes and disability support at school. What would you have to say to those people?

Mr ANDREWS: Thanks, Ms Taylor. It is a really important question. I did see a bit of this commentary last week. I am in no way being critical of people who have put forward this idea and have a view. They have got a lot of lived experience, and I am not criticising them; I just have a different way of looking at this. I have had the great honour of meeting with many, many families who have children with special needs—in Mr Richardson's electorate, over in the north of the city, in Bendigo, in lots of different communities—private meetings away, just listening, trying to understand some of the challenges that these families of kids with special needs face every day. And they tell me, so therefore my view is, that we need to give every family choice. So we need to provide a huge boost in funding, as we have done, to make our mainstream schools as supportive as they possibly can be of kids with special needs so that is a choice that families can make. We need to support our special schools and our special developmental schools so that that is a choice that families feel confident to make. These decisions will be based on the unique circumstances of each child, the unique circumstances of each family, but you want that to be a fair choice.

You want all of those options to be on the table, and that is why there is a very significant investment to upgrade those remaining 36 special schools of the 82—so that will be every single one of them having been upgraded by our government. That is an important part of giving parents that choice. You never want a situation where parents feel that they have only got one option or no options because none of these services are up to scratch. We do not want that. We want people to be confident that their child will be supported to reach their full potential to be safe, to be included, to be valued, to get every chance. That is exactly what you want. These are not costs, and you should not have favourites in any one budget. But I am very, very pleased, having listened to so many people, to be able to make these investments, because I know what a difference they will make.

Ms TAYLOR: Indeed. If I can refer you to budget paper 3, pages 8 and 9, there are several initiatives here that refer to vocational and applied pathways in schools. Could you take me through what these investments do to give students more choice, again on that concept of choice, and access to vocational pathways?

Mr ANDREWS: Yes. It is a slightly different set of issues around choice, but still it is about choice and it is about options and it is about making sure that the investments we make and the pathways that we support are relevant for what our kids and young people want. Coming into this budget, the Deputy Premier and education minister has run a big reform program in relation to VCAL. I can remember my good friend, the late Lynne Kosky, introduced VCAL. I was a very newly elected member, and two of the 10 pilots were in my local community—Wellington Secondary College in Springvale and Nazareth College in Noble Park North—so I have kind of been around that program for a very, very long time and seen it grow and seen it change and seen it as a really important alternative pathway to an academic pathway.

But it is pretty clear to us that it is not being as highly valued, as highly ranked, as it should be by parents; its image, its brand, is not where we would want it to be. So the education minister has led a big reform program around training and skills and really embedding that skills attainment—having a different VCE, one where there is a vocational major rather than two separate certificates. That is about trying to have this discussion with young people and with mums and dads about the fact that university is not the only pathway. Going to TAFE, whether it is to do a one-year course, a two-year course, a three-year course or to do a micro-credential that only takes three months—this is where the jobs are. This is where the really well paid jobs are. This is a pathway that is equal to and many would argue is absolutely superior to a university pathway. But if we can help our young people from year 10, year 11, do their VCE over three years and get not only a VCE but get an apprenticeship when they leave school and walk straight into a job, that is a much, much better pathway.

It is not just about trades and those who have got an apprenticeship qualification, it is also about the caring economy—so people working in family violence, in early childhood education, in mental health, in aged care. Hopefully if we have a different government in Canberra that actually cares about aged care, well, we will need to go and train and hire a lot more people. That would be a fantastic outcome.

So these pathways—having that conversation with parents and young people, engaging with them early, them having a sense of confidence that each of these choices are valid choices and these choices are as worthy as each other: that is very important work. The new vocational major, the big boost to the Head Start apprenticeships, our record investment in TAFE—now we have tipped over 100 000 Victorians who have accessed a free TAFE place, saving them the best part of a quarter of a billion dollars in fees, TAFE capital: it is a very strongly sector today. It was not; it was on its knees, but it is in a much better position now. All these things are important so that every young person and their family have got that real sense that the choice is actually a fair fight. Here are three of four options, and they are all supported, they are all valued, they are all leading to not just a job but to the kind of career that everyone wants for their young person and what every young person wants for their future.

Ms TAYLOR: Indeed. Yes, they are very exciting and important changes indeed. In your presentation and just now you have mentioned the Head Start program, and I believe there is \$69 million to expand that. Can you run the committee through what that trial showed?

Mr ANDREWS: What the trial showed was much better outcomes. We got the Nous Group, who have done quite a lot of work for government in lots of different areas, to do some work last year to evaluate the Head Start pilot. What it showed was that students were more engaged and more likely to complete year 12 than those who had not participated in the program. And certainly for this cohort, if they had not been involved in Head Start, they would have been much less likely to fully complete their schooling. The trial and the evaluation also showed that there had been a 10 per cent higher completion rate compared with full-time apprentices post school. So it is not just about the school-based qualification. Post school it is that learning to learn, the notion of the kind of resilience that you need to stick through a program of learning to get the outcome at the end. So it is not just at school but it is indeed post secondary education. There was a 30 per cent higher completion rate compared to non-Head Start school-based apprenticeships as well. So on almost every measure Nous Group came back and said, ‘Look, this pilot is a stunning success. This is working really well. We need to do more of this: senior secondary education, vocational education and apprenticeship at the same time’. So you take a little bit longer to get both, but you get both. You are leaving with both a full trade certificate, or very close to it, and your Victorian Certificate of Education as well. This is a really, really important reform, but like all important reform, it is based on common sense. If we can combine these things together, then we get better graduates, we get better workers, business get the skills they need and we get the economic growth and opportunity that we all want.

Ms TAYLOR: Indeed. I am just thinking we might in the minute, less than a minute—actually, maybe I will leave that there, because I am not going to get through the question.

The CHAIR: Thank you. Ms Taylor. Mrs McArthur, you have the call.

Mrs McARTHUR: Thank you, Chair, and thank you, Premier. Premier, I refer you to budget paper 3, page 313. Following on from the last PAEC hearings with the Department of Premier and Cabinet, given that the Department of Premier and Cabinet previously confirmed they did not, who did pay your legal fees for the Coate hotel quarantine inquiry?

Mr ANDREWS: Please bear with me. I am not aware of the line of questioning that may well have been. I am not sure if it was the Secretary’s PAEC hearing or indeed last year’s budget estimates that I was not here for.

Mrs McARTHUR: Yes, you were not on.

Mr ANDREWS: Was it last year?

Mrs McARTHUR: Yes.

Mr ANDREWS: I will—

Mrs McARTHUR: It is a simple question.

Mr ANDREWS: No, it is, except you are referring me to something that I was not aware of because I was not in the room. What I would say to you is that for ministers, when they need legal representation in the course

of their work as ministers, it has been longstanding practice that the VMIA, under long-established practices, deal with those matters on a case-by-case basis. They are the government's insurer. Although I think it might turn our discussion much more partisan than it need be, I could go through a number of examples of ministers on both my side of the aisle and yours who have received legal representation exactly that way.

I believe that is an accurate answer. That will be how those costs have been dealt with. If there is anything I can add, noting that—

Mrs McARTHUR: Perhaps the total invoice amount, Premier.

Mr ANDREWS: I cannot recall for you the question because I was not here when it was asked. On the issue of reporting, as you would be aware, Mrs McArthur, the department and agencies like the VMIA present annual reports each year, and they report in the usual way—as they have done for governments of our persuasion and yours.

Mrs McARTHUR: Well then—thank you, Premier—could the Secretary enlighten us as to the total invoiced amount?

Mr MOULE: I think as I have given in evidence previously to this committee, the Department of Premier and Cabinet had no involvement and no visibility of legal costs for the Premier or other ministers relating to the Coate inquiry, Mrs McArthur.

Mrs McARTHUR: So the insurance company paid the fees, and we know that the \$15 million in legal fees has already been paid. I might add out of interest that that is the same amount as the increase to ambulance services in the 2022–23 budget, so that is an interesting comparison. So we can be assured that the legal fees—

The CHAIR: Mrs McArthur, I am not sure exactly what point you are trying to make, but I would ask that you keep your questions within the terms of reference of this inquiry please rather than—

Mrs McARTHUR: Well, it is about the budget, Chair, absolutely.

Mr MAAS: What is the reference?

The CHAIR: Mr Maas has asked for a reference, but if you could directly relate your questions to specific elements of the budget, that would be appreciated.

Mr D O'BRIEN: Sorry, Chair, the Premier has already answered the question. You cannot then come in, Mr Maas or Chair, and say this is not relevant. We asked these questions to the Secretary last year. He helpfully answered them. We have asked other departments, and we just needed the answer that the Premier has given. We are now following that up.

The CHAIR: Thank you, Mr O'Brien.

Mr Maas interjected.

The CHAIR: Thank you, Mr Maas. I am simply asking Mrs McArthur to keep her questions within the terms of reference, and I am sure she understands how to do that.

Mrs McARTHUR: I do understand the terms of reference, which go to any proposal, matter or thing concerned with public administration, and public sector finances are relevant to PAEC, Chair—

The CHAIR: In relation to the 22—

Mrs McARTHUR: so it seems to me any amount of taxpayer money being expended is relevant.

The CHAIR: Mrs McArthur, the PAEC committee has fairly broad terms of reference for its whole remit, but in relation to this inquiry into the 2022–23 estimates I would ask that you keep your questions relevant.

Mrs McARTHUR: Well, the question was to this budget, but anyway we will move on. Premier, are you aware of or can you confirm, given you did refer previously to research in the health area, the recent award of a

contract to record and analyse highly sensitive personal data of Victorians, including health information, namely the Victorian Population Health Survey?

Mr ANDREWS: Just before I answer that question, I am not sure, but I think I heard you say earlier on that there had been a \$15 million increase in this budget to ambulance services.

Mrs McARTHUR: That was on a previous issue, but I am—

Mr ANDREWS: Well, it is \$124 million just for the record. These things matter because funding ambulances absolutely matters, and that is why we have done it consistently each and every year. The Victorian Population Health Survey is not—

Mrs McARTHUR: The Victorian Population Health Survey—

Mr ANDREWS: You are testing—

Mrs McARTHUR: a contract has just been awarded. It obviously goes to, as you mentioned before, the necessity of providing proper research into health outcomes.

Mr ANDREWS: What I am going to do, Mrs McArthur, if it is okay with you, is I am going to give you a couple of thoughts that are me testing my memory. But this survey, if I remember correctly, is a periodic piece of work that is done under the provisions of the *Public Health and Wellbeing Act*, I believe. I am not aware of the contract that you are referring to. If what I have said to you is in any way not accurate, then I will correct that, and if there is anything I can relevantly add about this particular piece of work, then I will undertake to do that.

Mrs McARTHUR: That is very kind of you, Premier. Maybe I could help you a little. Given the current security environment, do you believe it would be appropriate for a contract like this to be awarded to the wholly owned subsidiary of a Chinese research firm?

Mr ANDREWS: Well, I do not know necessarily that the inference you are drawing is an accurate one or a particularly fair one. This is a de-identified process. I think that, again, rather than me speculating on these matters, it is probably best that, rather than me testing my memory about the piece of work you are referring to, if we can add anything relevant then we will. I think this is not a compulsory survey; it is voluntary. It will be de-identified, it will bring together information from all manner of different sources and it will try and give us a picture of burden of disease data, trends, what we are going to need to do in the future, challenges we faced in the past—all of those sorts of things. It is a snapshot in time—if we are talking about the same thing, and I freely concede we may not be. So let me check that, and we will come back to you. But the nationality of a company is a fact—or its investment structure or parentage, as some might call it. But I think we all need to be very careful when we make assumptions about these things.

Mrs McARTHUR: Yes.

Mr ANDREWS: That is my practice anyway.

Mrs McARTHUR: Well, just to help you out of with a bit more information, Premier, it is on a significant scale—34 000 people are interviewed usually—and in recent years the contract was won by the Social Research Centre, part of the Australian National University, which does abide by all the relevant Australian privacy and security regulations. So the issue is: should this sort of data collection go offshore to a foreign state?

Mr ANDREWS: Well, I do not know—

Mrs McARTHUR: When you do the research, perhaps you can let us know.

Mr ANDREWS: Well, I can try and do that, but the more and more you are assisting me in my process of trying to forensically examine my memory of these matters, going back more than a decade now, I think we are talking about the same study. In a broader sense, Mrs McArthur, the procurement policies of my government are to make sure that anyone who wins a tender applies by all of Victorian law, which includes privacy law, which includes the *Health Records Act*, and which includes all manner of other safeguards to protect the civil

liberties, the rights and freedoms, the privacy, the charter rights of anybody and everybody right across our state. So if you were, in the view of procurement officers, unable to deliver against those very well known and well established criteria, otherwise known as the law of our state, you would not win that tender. It is my experience, in that department and across all departments, that the procurement officers, those who do this work, take those responsibilities and those obligations very, very seriously. Again, I would not necessarily draw conclusions, some of which you seem to be drawing, but if I can add anything then I am more than happy to try and do that. But I think the term ‘offshore’ might have been misused in the question, if I might, with the greatest of respect. I do not know that that is what is occurring here at all.

Mrs McARTHUR: Well, Premier, could you perhaps help us out here. Has the assessment of risk in non-compliance changed in that area?

Mr ANDREWS: Not that I am aware of, no.

Mrs McARTHUR: Right.

Mr ANDREWS: I am sure you would appreciate—again, if I can add anything, I will. I know you will have the Minister for Health before you at a later point, and you can speak to him. He has far more direct, if you like, line responsibility for procurement activity within his department, or indeed he may not have any involvement in this. This might be something that is ticked off at a departmental level well away from him. In any event, I am not aware of any changes, and if the broader question were to be put to me, Mrs McArthur, ‘Do we take these things any less seriously today than we did yesterday?’, the answer is no. Privacy, security, using data for the purpose for which you sought it, being clear with people, maintaining confidence in these sorts of processes is very, very important. It has always been important to me and to us.

Mrs McARTHUR: Excellent, Premier, so we can be assured that in no way has this company that has been given the contract been de-identified and that the proper ownership of this company has not been identified?

Mr ANDREWS: I want to try and provide you with any and all assurances I can provide you in the fullness of time. To the extent that the offshore interests of this company are relevant, then I am sure they have been taken into account by very hardworking procurement officers who try and make the best decisions they possibly can. But I am not aware of the company. I am not aware of or involved in the tender. I think you and I are talking about the same body of work, but I need to go and check that, and if I have got anything further to add, in the spirit of goodwill I am more than happy to do that.

Mrs McARTHUR: Very generous, Premier, thank you very much.

Let us go to the funding of IBAC and the additional funding for an increase to the base operational funding—\$7 million is required upon the completion of the IBAC base review. Is it your view that IBAC should be better funded and that this increase in funding should be maintained?

Mr ANDREWS: It is not just my view, it is the practice of each of the budgets that I have chaired the Expenditure Review Committee and delivered. IBAC—that agency and other integrity agencies have always received additional funding. The footnote and the base review that you are referring to today—that base review is about getting a proper understanding of IBAC’s costs so that we can meet those costs, nothing more or less; in fact quite a bit more, actually. It is about additional funding. As I understood it, my colleague the Treasurer might have gone to this or at least one of his officials may have gone to this today. But that base review process is a deep engagement between the agency and the department, so they are working together; they are part of that—willing and absolutely part of that—in order to get the best understanding of what their costs are so that we can meet those costs and facilitate them doing the important work that they have to do.

Mrs McARTHUR: Should the review be made public, Premier?

Mr ANDREWS: Base reviews are central to the decisions of government, and it is not our practice to publicly release those base reviews. The decisions that come as a result of those base reviews will be well known to you, Mrs McArthur, and it will be further record funding for our integrity agencies, just as outlined in the budget last Tuesday.

Mrs McARTHUR: Perhaps a question to the Secretary if that is possible. Will the department fully cooperate with the recently announced Ombudsman investigation into the politicisation of the Victorian public service?

Mr MOULE: Certainly if called upon by the Ombudsman, we would absolutely cooperate. At this stage, as I understand it, she has sought public submissions for a period of time. It is not clear to us at this time what form her inquiries will take beyond that, but if the opportunity is there or if we are requested to participate, then we would absolutely participate in that.

Mrs McARTHUR: Thank you, Secretary. Also, could you tell me what role the Department of Premier and Cabinet would play potentially in the procurement and contracts such as the botched \$86.4 million contract for hotel quarantine medical services awarded to Onsite Doctor Pty Ltd?

Mr MOULE: What role the Department of Premier and Cabinet would play? As I understand that procurement and most procurements, they are managed within the procurement guidance of the department that is responsible for undertaking that work. I am not familiar with the details of the specific one that you are referencing, Mrs McArthur.

Mrs McARTHUR: Could you take that on notice and provide us with that information?

Mr MOULE: I think I am pretty clear. The responsibility for a tender of that nature or a contract of that nature would rest with the department that was responsible for issuing it to the market.

Mrs McARTHUR: Interesting how very few people seem to be responsible for things.

The CHAIR: Thank you, Mrs McArthur, your time has expired. I will pass the call to Mr Richardson.

Mr RICHARDSON: Thank you, Chair, and thank you, Premier and officials, for joining us this afternoon. I want to take you, Premier, to the topic of transport investment. It has been a sight to behold really, the literal transformation of record investment and long-term investment—generational changing—happening around our city and our state. I want to take you to budget paper 3, page 115. For the committee's benefit, are you able to provide an overview of how that continued investment is really taking that transformational approach and some of the key elements?

Mr ANDREWS: Thank you, Mr Richardson. It is a very important question. The governor of the Reserve Bank has made comments about the Victorian economy and the Australian economy; the secretary of the Treasury in Canberra has done the same. Every credible economist around the world, members of the federal government, members of our government—a lot of commentary about how strong the Victorian economy was coming into this one-in-100-year event, and that is absolutely clear. When you think about the budget fundamentals, the fiscal fundamentals—growth—the strength of the Victorian economy coming into this big shock, this really, really challenging period of time, there is definitely a link between where we find ourselves today and that fundamental strength, that bedrock strength. The Big Build has, at least for all of our time in office, been a very important part of underpinning demand, attaining skills, creating jobs and giving firms large and small that sense that there is a long-term order book so that they can plan with certainty, they can take on an apprentice, they can go and buy a new piece of equipment, they can expand their business and they can go and get finance from the bank knowing that there is more work to bid for today than there has ever been. That is the purely economic transactional point of view, trying to underpin confidence and demand.

Then there are all of the benefits that flow from these projects—getting people home safer, getting them home sooner, also trying to improve services as well. You know this only too well, because your own local community was previously just littered with these level crossings—dangerous, congested. There are still a few more there, and we are in the process of getting rid of some of those right now. But it is not just about safety, it is not just about a more efficient road network, it means you can run more trains more often. If you did not get rid of these boom gates, to add even one more service in the morning or afternoon peak would mean complete gridlock. For all those reasons these are the best investments.

And then of course there is the small matter that these are the projects that Victorians voted for, and that is why we are getting on and delivering them and wasting no time. It is many billions of dollars. It is many tens of thousands of jobs. It is many, many hundreds and hundreds of contracts large and small. It is so many

livelihoods. So much of the future is determined and shaped by these sorts of projects, and that is why they are being delivered in record time and they are being delivered right across not just Melbourne but the whole state, whether it is Regional Rail Revival and new regional rolling stock—just recently the biggest tram order that has ever been placed, made here by Victorians for Victorians—level crossing removals the length and breadth of the city as well as thousands of kilometres of regional roads being resealed, being upgraded. It is a long list. It is a very long list, but it is a critically important one, for jobs and skills, for prosperity, for productivity, mobility and to make sure that that growth that has started to snap back—we are projecting that by 2056 we will be a 9 million-person city. That is bigger than London is right now. If you want that growth to be an opportunity rather than a choke point, then you have got to invest in these projects now. You have got to get on with it, and that is exactly what we are doing.

Mr RICHARDSON: I want to take you to the topic of the Metro Tunnel and budget paper 3, page 110. Premier, you have spoken about the importance of jobs in Victoria as part of the Big Build in the project. This was a project that some said would never happen, and it is literally under our city and our CBD. This budget announced funding for the operation of the Metro Tunnel. What sort of jobs will that create in the future?

Mr ANDREWS: I do well remember being told by many people that this would never happen and that we were dreaming and all these sorts of things. We made a commitment that we would take it off the shelf. This had been a very high priority of Infrastructure Australia. It had very strong prospects of being a partnership between the then federal Labor government and the Victorian government. It was then shelved. We said we would put \$300 million down in the very first budget, plan it and then start to deliver it. Well, I recently walked quite a lengthy stretch of one of those 9-kilometre twin tunnels. The TBMs are out. The tunnels are done. We have now moved to the five station boxes. This is about taking the busiest line out of the current loop, giving it its own line, creating extra space for every other metropolitan train—this is really, really significant—plus of course augmenting this and connecting it up to the airport, as well as Geelong fast rail. This is an integrated plan. It is the biggest investment in a better rail network that we have ever seen and a very, very exciting thing.

I think people are starting to become more and more aware of this project. It is not surprising—this thing is literally underground—but people are becoming more and more aware of it. They can see that this is how you will have: ‘Throw away the timetable; you don’t need the timetable. The trains come so often. If I don’t catch that one, I’ll just get the next one a matter of minutes later’. All of this defines what the great cities of the world look like. We have to make these investments, and we are. But of course you can build all the infrastructure and all the kit, and then you have got to build the trains—and we have done that. But then you also have to move to employ drivers. You have to move to employ people who will work in those station environments, people who will maintain the trains; it is all those sorts of staff. We have to start planning for them now, because we are a year ahead of schedule in terms of when this will open. So we have the money in this budget to get the job done so that we can, this year and in future years, consistently invest to properly operationalise the asset that we have built. We are getting very close to being finished. It is a very exciting time, and it is the biggest and I think one of the most significant rail projects in the country.

Mr RICHARDSON: Travelling from the metro rail and how significant that is and Infrastructure Australia’s ranking of that to the new VLocity trains and services, you have mentioned in your presentation the record investment in regional Victoria—it is so critical. What investments are being made in regional Victoria? I am wondering if you could take us through the focus on public transport for the committee’s benefit.

Mr ANDREWS: \$358 million into the new and upgraded trains and trams and other associated works—now, obviously 12 new VLocity trains is very important for regional Victoria, very important, whether you are down in Warrnambool on the south-west coast or whether you are in central Victoria, the Goulburn Valley, up in Shepparton. These are the cars, these are the train sets, that are critically important to running more services and running more reliable services and better services.

Only a few weeks ago I was out with Minister Williams and also Minister Carroll at the Alstom workshops in Dandenong, one of the great manufacturing cities in our country, to see and meet with hundreds of workers. We had a really good chat with just about all of them. So thrilled—that was a \$1.7 billion, \$1.8 billion tram contract that we had signed, off the back of which they are now making not just trains for us. Whether it be X’tlaps, these important VLocity trains or indeed trains for the South Australian market, they have a strong future. They and others—this whole industry has a strong future. It did not, because people—some—just refuse to place orders. They would rather buy the trains offshore, whether they be from Korea or wherever else, and I do not

think that is a smart thing to do. If you have got a strong TAFE system and you have got the skilled workers, why wouldn't you put them to work so that they could build the things that we need here? That is the way we have always done it.

So these additional VLocity train sets will make a big difference, particularly for Shepparton and for the south-west coast. There are many other improvements, whether it is stabling facilities at Bairnsdale or many, many other investments large and small across the regional public transport network as part of our Regional Rail Revival, where every regional line has been upgraded. It is great for jobs and great for frequency of services and for safety, and with this rolling stock it is fantastic for a strong manufacturing future.

Mr RICHARDSON: I will take you to the topic of regional roads now, Premier. Sticking with budget paper 3, page 115, and the topic of regional transport, I know some members on this committee have taken photos of roads across the world—nowhere near the shores, out of Australian waters; maybe Ukraine and United States—in their reflections on Victorian roads. That does not seem like a fair comparison to this committee. Similar folks are also suggesting that government has cut funding to regional roads. I am wondering for the committee's benefit whether you could clarify this for us.

Mr ANDREWS: I am very grateful for the question. There is additional funding of some \$780 million for road asset management. That is both asset and output funding, so it is a very significant boost. We have, over our time in office, supported more regional road upgrades and more regional road maintenance than I think any government at any point in our state's history. Now, having grown up in regional Victoria—I do not get to visit my old community as often as I would like to, but I do spend a fair bit of time in regional Victoria—I would never say that our roads are all fixed, that there is no more to do here and that we can kind of claim victory. All it takes is a wet winter and you have got to start again. This is why consistency matters. This is why investing each year, every year, having an agenda and getting on with it—you cannot have four years off, you see. If you have a four-year holiday from hard work where you just kind of occupy the office but do not do very much, then the people who come after you have to then work really hard, even harder than they otherwise would work, to try and catch up and make up for those four years where nothing got done, or nothing good anyway. So anyone who would be out there telling you that we have not invested more than ever—well, they would not be telling you the truth. I do hasten to add, though, there will need to be more money next year, and there will need to be more money the year after and the year after that. It is a big regional road network, and it is very important that we have a consistency of investment. That is what this budget delivered last Tuesday, and it is what we will deliver each and every time we have that great honour.

Mr RICHARDSON: So no photos from the state's—

Mr ANDREWS: Our hearts are with the people of Ukraine, but I know the difference between roads in Europe and roads here in regional Victoria.

Mr RICHARDSON: Sometimes politics gets in the way, doesn't it? I will take you to the topic of Mickleham Road, which was in your presentation. Sticking to that budget paper 3 reference, it is clear from experience how important it is to have infrastructure growing alongside the community. I have seen that in my own community with the Mordialloc Freeway and what that has done for the south-east. What investment does this budget provide for growing communities in Greenvale, Craigieburn and Mickleham?

Mr ANDREWS: Look, I think that, speaking with Minister Spence the other day, who has the great honour of representing so many families out in that northern part of our city, whether it is in Greenvale or Craigieburn or Mickleham, there has been a very positive response to this road. It has been one of those real choke points—really dangerous, very inconvenient, very challenging for people getting in and out of those suburbs and in and out of those estates—and we are pleased to be able to provide this funding. It is a big investment—some \$213 million to upgrade Mickleham Road between Somerton Road and Dellamore Boulevard—so that is great news for people dropping kids at school, people heading down to the shops and people wanting to get to and from work. If we can make that road network in a local community work better, be safer and be much more efficient, then that is just those precious moments—and of course safety is so important too. Getting home sooner and safer—whether it is in the city, the outer suburbs or regional communities, it does not matter—is very important. These local investments matter. I know that our team in the north were very big advocates for this particular road, and I am sure that the local community is very pleased to see this in the budget. Work will begin very soon.

Mr RICHARDSON: I might leave it there, Chair.

The CHAIR: Thank you, Mr Richardson. Mr Hibbins.

Mr HIBBINS: Thank you, Chair. And thank you, Premier, and your team, for appearing this afternoon. I want to ask first about homelessness and housing affordability—obviously really big issues and serious issues right now. According to the government's own figures, Victoria needs about 1700 more social housing dwellings a year to be built over the next 20 years just to keep pace with current growth—double that if we actually want to house everyone who actually needs one. Now, the social and affordable housing levy that was proposed earlier this year would have funded about that number of homes, obviously a really important revenue measure for a really important issue. Why did you walk away from it?

Mr ANDREWS: Mr Hibbins, first things first—and I will try and be as direct as I can because we have only got 15 minutes—I do not think you can have a conversation about social, affordable and public housing without recognising the Big Housing Build that is on the table right now and happening right now. This is the biggest investment of any government—state, federal, even state and federal combined—the biggest investment in our country's history. We are proud to do it, but we are saddened by the fact that we do not have a partner. That might change next Saturday, and I really hope that it does. That is one reason. That is not a matter for me; it is a matter for Australians, and we will see what happens. But the sort of objective that you are after, and I think we are all after, would be made so much easier and so much more attainable if we did not have a situation where my government, our government, has to pretend to be the state and the federal government at the same time. But we do not have a partner.

When I think about it, you talk about issues of homelessness, rental stress, you talk about issues of mortgage stress, you talk about some of the most vulnerable in our community, plus the jobs involved in building these units of housing, for every good reason why wouldn't you double-down on building more affordable housing? It just makes sense in every way. However, on the issue you raised—and I do not want to relitigate and I did not come here to be attacking people from anywhere—I would just say this. We had discussions with that industry and we had said that if we were to make some sweeping changes to planning laws—I will not speak for you, but I reckon you might have had a problem with a few of those changes because they were about streamlining, and many people may well have had a view that that was not as inclusive a process, not as formal a process as we might want, but we were going to give them time—that would mean that they made super profits and had much more money, and we simply said, 'You've got to give a portion of that back so that we can have more affordable housing'. They were unwilling to do that. There was a grand bargain there. They were not interested, so the government, as is our prerogative—we have made our position very clear—

Mr HIBBINS: Can I ask, though, are you conflating? I mean, why are you making reforms that give the property industry super profits? Obviously that is one question. But are you conflating then the need to give them super profits and the ability to fund more social and affordable housing?

Mr ANDREWS: Well, hang on. Someone has to go and build these houses, so all of these questions are not divorced from the industry. Whether you have got a high or a low view of the industry or whether you are happy about the fact that their story changed and their stated objectives changed, you need an industry to go and build these units of housing, whether they are—

Mr HIBBINS: That would have been good enough, but you were undertaking standalone planning reforms that would have given them super profits.

Mr ANDREWS: Hang on a second. We had indicated that there could be significant reform—that is what industry wanted—and in return there could be a contribution from industry out of the clear, obvious, well-understood profits that they would make because of an industry where they were converting more land into more units of housing and realising their profits and delivering their product faster, that a portion of that should go to support more and more affordable housing. They were not interested in that. So what we will do—what we are doing right now in countless locations across the whole of the state, because 25 per cent of the Big Housing Build is in regional Victoria—is get on and deliver the biggest boost that is solely funded by our government. And I fully concede that that will come to an end. In the intervening period, though, Mr Hibbins—

Mr HIBBINS: Well, that was my next question—

Mr ANDREWS: it is my hope that we have a partner in Canberra, whether it is blue, red or otherwise—

Mr HIBBINS: Well, I know that the Greens have got a policy to build I think about a million public housing homes so you could have—

Mr D O'Brien interjected.

Mr ANDREWS: Or it could be teal, Danny. It might be teal, mate. It might be teal, my friend.

Mr D O'BRIEN: Not the other colour, though?

Mr HIBBINS: I have no doubt you would have a very strong partner if we have some more Greens elected on Saturday.

Mr ANDREWS: We will get more out of a teal in Kooyong than we did out of the current bloke there.

The CHAIR: Mr Hibbins has the call.

Mr ANDREWS: Sorry, Sam. Mr O'Brien and I are being disorderly, cutting across your time. He is rattled about this teal threat.

Mr HIBBINS: It is just my time to spruik the Greens, if that is okay. But I was going to get to the big build. That is a four-year program—

Mr ANDREWS: Yes.

Mr HIBBINS: and the number of dwellings and the length of investment—

Mr ANDREWS: Yes, about 15 000. We added to it in last week's budget.

Mr HIBBINS: That is decades. So the question now is how you are actually going to fund, or what is the plan to fund, new affordable and social homes once the big build—

Mr ANDREWS: Well, the big build is funded—

Mr HIBBINS: comes to an end in 2023–24?

Mr ANDREWS: I am certain that you can take up these matters in much finer detail, as much or as little as you want to, with Minister Wynne when he is before you, but I will just give you a sense of the way I try and operate and the way my team works. There are some things where you can provide a complete solution. There are other areas where you cannot, and then you have to make a choice: shall I admire the problem and do not much about it while I seek perfection on unicorn policy outcomes—or fallen fruit economics, if you like—or shall I just get on and get what I can get done done? That is what we are doing, and that just happens to be the biggest boost to public, affordable and social housing that any government in the history of our nation has ever put forward.

Mr HIBBINS: Is it public housing? How many public housing dwellings are part of it?

Mr ANDREWS: That, I think, is very important, Mr Hibbins. You seem unwilling to acknowledge that that is—it is a big project, and we are getting on and delivering it. I cannot tell you—

Mr HIBBINS: It is a big project, but it is an even bigger need, Premier, so don't feel slighted.

Mr ANDREWS: You are looking at me as if that is the sole responsibility of this government today, to have a plan to solve any and all and every problem that might come up in 20 years time. Again, if we have a partner next weekend, we will get more done and I will be able to give you a different answer. But that is not a matter for me, that is a matter for the Australian voting public, and let us hope they make that choice, because just like you I am interested in this. But I am getting on and doing what I can do now. It just happens to be more than anyone has ever done before. I am not going to sit around and not do that because I have not got a full and complete solution in 2025 or 2040.

Mr HIBBINS: Premier, no-one is saying that. I think you are engaging in just a bit of sophism here. It is a bit silly really. The reality is—

Mr ANDREWS: Well, I do not think anything about investing in social housing is silly. That is why I have got on and done a fair bit on it.

Mr HIBBINS: Premier, do you really need to give the property industry super profits to impose a levy on them, which could be seen as a form of inclusionary zoning, which again has been put forward as a solution to building more homes—do you really need to give them super profits before you ask them to contribute to this levy or put in place a levy that would help fund more affordable and social housing?

Mr ANDREWS: If I understand your question right, you are putting to me: does the industry have to have super profits in order for us to invest more in social housing? Is that the effect of your question?

Mr HIBBINS: What I am asking you is why have this levy and super profits for the industry been put together. Why have you put them together?

Mr ANDREWS: Let me put it to you this way: they are not together, because if you look at the budget papers this year, as delivered last week, there is a further boost to social and affordable and public housing on top of the big build. I am sure he will absolutely welcome going through in fine detail the overall program when he is before you, whenever that might be, Chair, but Minister Wynne is not about a pat on the back. None of us are. We are about just getting the job done, and we cannot get it all done because it is beyond any one government. But I will tell you what, we will get everything we can get built built, and it just happens to be more than anyone has ever done previously. I would love nothing more to be able to sit down with you at some point in the future and have a clear and detailed plan, because I have a partner in Canberra, to get the stock we need in 2030 and 2035. I would love there to be certainty about that. But the world we live in—

Mr HIBBINS: You are supposed to be releasing your 10-year social and affordable housing strategy. That was supposed last year but has not been released yet. I want to move on to—

Mr ANDREWS: Mr Hibbins, if you want to see our commitment to social and affordable housing, have a look in this year's budget and have a look at the big build.

Mr HIBBINS: I spend plenty of time at public housing estates. I have seen the commitment over very many years, and I tell you what: the Big Housing Build could not have come any later than it was required. Let us not pat ourselves on the back too much.

Mr ANDREWS: No-one is patting themselves on their back. I have been privileged—

Mr HIBBINS: It has been an absolutely appalling situation, the amount of public housing estates and homelessness in this state, for decades. I think it is fantastic that you have invested more, but let us not over-egg it or diminish what the state of the problem actually is.

Mr ANDREWS: No-one is over-egging anything—

Mr HIBBINS: I want to move on to—

Mr ANDREWS: and with the greatest of respect, please do not put it to me that you are the only one who has ever been anywhere near public housing—

Mr HIBBINS: No-one is saying that.

Mr ANDREWS: because I have spent quite a bit of my time not just visiting and talking to people but getting on and building it—

Mr HIBBINS: Goodness, if you want to create straw man arguments—I mean, really.

Mr ANDREWS: because you cannot live under your words, right? You can only live under roofs provided invariably by Labor government. That is the fact of it. If you do not like that, well, that is on you.

Mr HIBBINS: Let us move on to environment funding. We have had a recent Auditor-General's report basically exposing that the level of funding for threatened species is lower than the lowest option that the department provided Treasury for funding. We have had a major inquiry in the upper house indicating that there needs to be significantly more funding to halt the decline of biodiversity and the threatened species crisis, yet again we have got next to nothing in this budget. Why is protecting endangered species again at the bottom of the government's priority list?

Mr ANDREWS: I would not necessarily accept the way you have characterised it. I do not have that Auditor-General's report in front of me. Invariably we would have accepted the recommendations and findings, I think, of that report, and if that calls for us to do more and do better then I am sure that officials and agencies and others are all committed to doing that. There is a 20-year plan in relation to these matters. That is all about trying to halt the decline in our biodiversity, so I think our aims are probably shared, Mr Hibbins. The Minister for Energy, Environment and Climate Change leads that work. It is titled *Biodiversity 2037*. I am sure that you can speak with her at great length in relation to those matters, but this year's budget, you were a little bit negative I think just a moment ago on some of the investments. In a very competitive environment where I shan't make to you or anybody else an apology for investing in hospitals as the number one priority, we were able to provide \$16.9 million to build safe, healthier, more resilient marine and coastal environments for the community and for biodiversity; almost \$12 million for forest restoration and wildlife care and protection initiatives; \$8.2 million to support the work of the conservation regulator; \$7 million to tackle coastal erosion, which is critically important in relation to these issues; and some \$5.8 million to implement the joint management plan with traditional owners in the Barmah National Park. I can go on. There are others—

Mr HIBBINS: It is still less—

Mr ANDREWS: There are others—

Mr HIBBINS: than what is actually required.

Mr ANDREWS: No, what the Auditor-General may well have found is it is less than what the department would have liked us to spend—

Mr HIBBINS: Which they then said—

Mr ANDREWS: but the department is not elected. The department provide advice, and it is the prerogative of ministers to make very, very difficult decisions.

Mr HIBBINS: I want to ask about health funding actually. I am sure you will welcome talking about health funding.

Mr ANDREWS: I am happy to talk about any issue you want to raise with me.

Mr HIBBINS: The Productivity Commission basically found that in Victoria spending on law and order has grown by about three times more than health spending. That is between 2013 and 2019. We have now got a situation where there is a lack of capacity in hospitals—we have got ramping, there is a lack of hospital beds—yet in prisons there is actually excess capacity. We have got now billions spent on prisons and I think about a thousand more prison beds coming online over the next year. How did we find ourselves in a situation where hospital beds are full, prison beds, though, we are over capacity?

Mr ANDREWS: I really do wish that you had perhaps asked me this question first, because we could have spent the whole 15 minutes on this topic alone. Beds do not treat patients; staff treat patients. And if on average 1500 of them are at home sick, Mr Hibbins, then they cannot provide that care, so I do not accept the pretty simplistic way in which you have—just because they are both called a 'bed' does not mean they are the same thing. They are not. They are absolutely not. One is pretty static and one is about providing care in a dynamic environment. There is also the small matter of nurse-to-patient ratios. There are also the bits of the Productivity Commission report you do not cite, which talk about the efficiency of the Victorian health system over a long period of time where we have activity-based funding. I tell you what: there are nurses in New South Wales that are pretty keen to copy the nurse-to-patient ratios I have just cited. They are actually out on strike trying to achieve that outcome.

Mr HIBBINS: Are you looking at improving wages and conditions for nurses and healthcare workers to help retain them?

Mr ANDREWS: I think you have conflated two things that are—sorry, what was that?

Mr HIBBINS: Conditions for nurses and healthcare workers.

Mr ANDREWS: There is no more important condition for nurses than nurse-to-patient ratios, and our government wrote them into law.

The CHAIR: Thank you, Mr Hibbins. Your time has expired. That concludes the time we have available for consideration with you and your department today, Premier. We thank you very much for appearing before the committee. The committee will follow up on any questions taken on notice in writing, and responses will be required within five working days of the committee's request.

We thank all ministers and officers who have given evidence to the committee today, as well as Hansard, the committee secretariat and parliamentary attendants. We also thank the hospitality, security and cleaning staff that have looked after all of us today. The committee will resume consideration of the 2022–23 budget estimates on Monday. I declare this hearing adjourned.

Committee adjourned.