

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Agriculture
Witness:	Mr Phemister
Committee Member:	Mr Hibbins
Page/s of transcript:	25

Relevant text:

Mr HIBBINS: Oh, it could be. All right. If that is with DELWP, I will fire that one off to them. Further, in regard to the logging industry, do we have an amount for what legal costs have been incurred by representing VicForests during the 2019–20 period?

Mr PHEMISTER: I do, Mr Hibbins. You will have to bear with me for the precise number. I am equally happy to take it on notice and possibly deliver it before the end of the session today if we can track it down for you.

Mr HIBBINS: Okay. Great, thank you.

Mr PHEMISTER: It is reported through their annual report.

Answer:

The VicForests annual report for 2019-20, tabled in Parliament on 10 December 2020, reported legal costs of \$2.374 million.

Questions taken on notice and further information agreed to be supplied at the hearings.

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Page/s of transcript:	25

Relevant text:

Mr HIBBINS: Okay. All right. Thank you. Then finally, is any compensation paid to contractors whose work is stopped due to legal decisions or by protests?

Mr PHEMISTER: There are obviously individual contractors. Sometimes if costs are incurred by the contractor, we will work with them to ensure that as small businesses they continue to be sustainable. First and foremost we look for other work that they can do, and our colleagues at DELWP help us out on that with firebreaks etc... Mr Hibbins, in terms of direct payments made as compensation for coupes that cannot be harvested as scheduled, I will have to take that on notice for 2019–20.

Answer:

VicForests advises that in 2019-20 compensation was paid to contractors affected by unreasonable delays.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Business Precincts
Witness:	Simon Phemister
Committee Member:	Mr O'Brien
Page/s of transcript:	15-16

Relevant text:

Mr D O'BRIEN: That would be great. Can I move on to the precincts portfolio. How many full-time equivalent staff are there in the department dedicated to the business precincts portfolio?

Mr PHEMISTER: Do you want it for a particular point in time, Mr O'Brien?

The CHAIR: I was about to request that. Obviously this is about the financial performance outcome for 2019–20, so—

Mr D O'BRIEN: At 30 June last year would be fine.

Mr PHEMISTER: I will take that on notice.

Answer:

As at 30 June 2020, there were 37 FTE staff specifically working on Business Precincts.

Questions taken on notice and further information agreed to be supplied at the hearings.

Group:	Business Precincts
Witness:	Simon Phemister
Committee Member:	Mr O'Brien
Page/s of transcript:	15-16

Relevant text:

Mr D O'BRIEN: That leads to my next question, which is: on the website there is literally just the three business precincts listed under that part of the portfolio. Is that all there is?

Mr PHEMISTER: I can take that—

Mr D O'BRIEN: So this is Fishermans Bend, Parkville and Footscray.

Mr PHEMISTER: That team also manages the PPPs in our department. There is a whole section of the budget papers dedicated to our PPPs, so—

Mr D O'BRIEN: Just DJPR PPPs?

Mr PHEMISTER: Correct, yes. So take the showgrounds for example, with RASV. So we used to have Major Projects Victoria once upon a time. That merged with Places Victoria to form Development Victoria. Through machinery of government, Development Victoria moved over to the Department of Transport, but I retained a secretary responsibility for all those PPPs. So that 25 staff administer the PPPs, and I will come back with a value on that, Mr O'Brien, if you would like it in addition to those three precincts. Those precincts alone—Fishermans Bend is an 80 000 resident precinct—are significant in scale, the three. There is also basically an element of planning that overlays different precincts. So we have the creative industries. The film precinct down in Docklands—people in Secretary Latina's team would also consult out on any place-based development at scale. So I can break that all down for you.

Answer:

There are four Business Precincts: Docklands, Fishermans Bend, Footscray and Parkville.

The Business Precincts portfolio has responsibility for whole of government coordination of National Employment and Innovation Clusters, in partnership with several other Ministers.

The Business Precincts portfolio manages the following Public Private Partnerships (PPPs) for DJPR:

- Melbourne Convention Centre Development
- Melbourne Exhibition Centre Expansion
- Royal Melbourne Showgrounds Redevelopment (on behalf of the Minister for Agriculture)
- Biosciences Research Centre (on behalf of the Minister for Agriculture)

Questions taken on notice and further information agreed to be supplied at the hearings.

Group:	Business Precincts
Witness:	Simon Phemister
Committee Member:	Mr O'Brien
Page/s of transcript:	15-16

Relevant text:

Mr D O'BRIEN: So are you able to provide me, and perhaps on notice, the number of briefs that were requested by the minister in 2019–20 for the precincts portfolio?

Mr PHEMISTER: I can do that for you, yes.

Answer:

Over the course of the 2019-20 financial year, 37 briefs were provided to the Minister for Priority Precincts.

Questions taken on notice and further information agreed to be supplied at the hearings.

Group:	Business Precincts
Witness:	Simon Phemister
Committee Member:	Mr O'Brien
Page/s of transcript:	15-16

Relevant text:

Mr D O'BRIEN: The Werribee employment precinct has not progressed. Is that something still within the department's portfolio?

Mr PHEMISTER: The land for East Werribee? Yes, we are still doing a lot of work down at East Werribee from a range of perspectives, but that land process, which is administered by the Assistant Treasurer as a land process—

Mr D O'BRIEN: What is happening with it now? It has been sitting there for I think six years. Is it going to be developed? What strategies and plans are the department putting into action to get it up and going?

Mr PHEMISTER: I will have to defer to the Deputy Secretary on that front. David, do you have anything to add, or should we take that on notice? We will take that on notice, Mr O'Brien.

Answer:

The Minister for Business Precincts is responsible for coordination activities in Melbourne's seven National Employment and Innovation Clusters (NEICs), which includes the Werribee NEIC. The Werribee NEIC contains the largely government-owned land parcel referred to as the East Werribee Employment Precinct.

Investments in the 2020-21 Budget that impact on the Werribee NEIC include:

- Geelong Fast Rail (\$2 billion plus Commonwealth contribution)
- Wyndham Law Courts (\$271 million)
- Werribee Zoo upgrade (\$83.8 million)
- Stage 2 Werribee Mercy Hospital (\$4.8 million)
- additional funding for the progression of the Suburban Rail Loop (\$2.2 billion).

The Department of Jobs, Precincts and Regions will continue to work with other government departments and agencies, as well as key precinct stakeholders to progress planning and delivery of the Werribee NEIC including the East Werribee Employment Precinct.

Questions taken on notice and further information agreed to be supplied at the hearings.

Group:	Business Precincts
Witness:	Simon Phemister
Committee Member:	Mr O'Brien
Page/s of transcript:	15-16

Relevant text:

Mr D O'BRIEN: Okay. Without going into details, off the top of your head, what has happened in the last three or four years, noting I will come to a question about Australian Education City shortly?

Mr PHEMISTER: Are you asking specifically about the last three or four years with regard to East Werribee or—

Mr D O'BRIEN: Yes.

Mr PHEMISTER: Obviously the Suburban Rail Loop is really important, and planning for future—

Mr D O'BRIEN: Sorry, what is? The Suburban—

Mr PHEMISTER: The Suburban Rail Loop is really important to that part of the world, as are a whole lot of developments out at the airport and a whole lot of infrastructure going in—be it fast rail to Geelong or different roadworks out in the area—so there is a lot going on. When it comes to that specific plot of land, again, I will have to defer and take that on notice.

Answer:

The Werribee NEIC contains the largely government-owned land parcel referred to as the East Werribee Employment Precinct.

During 2019-2020, and since that time, the Department of Jobs, Precincts and Regions undertook further work to better understand the investment and infrastructure needs of the region, particularly in light of its commitment to the Suburban Rail Loop and Melbourne Airport Rail, and subsequently Geelong Fast Rail.

In July 2019 the Department of Jobs, Precincts and Regions signed an agreement that invests \$250,000 with Victoria University (VU) for work that includes assessing opportunities for VU's existing campus in East Werribee to support people in the west to access a range of high-quality tertiary and vocational training opportunities. DJPR has worked with VU to develop a plan for its campus.

The Department of Jobs, Precincts and Regions will continue to work with other government departments and agencies, as well as key precinct stakeholders to progress planning and delivery of the Werribee NEIC including the East Werribee Employment Precinct.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Corporate
Witness:	Simon Phemister
Committee Member:	Mr R Riordan
Page/s of transcript:	5

Relevant text:

Mr PHEMISTER: The number that you are referring to, our \$3.8 billion worth of expenditure, and the 10 per cent—it is not 10 per cent out of \$3.8 billion.

Mr RIORDAN: So it is a 10 per cent of what?

Mr PHEMISTER: I will have to get you the expenditure number for goods and services as at the production of that number. The non-compliance came through non-compliance with general VGPB purchasing rules. And you referenced back to some of the consultancies and contracts we took under our COVID response; they were very much compliant with our department’s procurement rules. So non-compliance is non-compliance with a particular framework, not non-compliance with established and agreed and certified rules. And then finally—

Mr RIORDAN: So it is non-compliant with Victorian public sector purchasing?

Mr PHEMISTER: I can come back through and get the specific details through the annual report of what led those 10 per cent—that you have identified in the annual report—to what you have referred as non-compliance and what I phrase as non-compliance with the VGP rules for the purpose of those definitions but compliance with our own department purchasing rules. We discussed this last time: when we have a state of emergency, we have a different procurement framework that cuts in, and we have done independent reviews of all the purchasing against that. We do them by course. If we have something that sits outside Victorian Government Purchasing Board establishment rules, we do something called a post-incident review, and that post-incident review goes through and unpicks all of the procurement decisions that were made in the context of the emergency response.

Answer:

The Victorian Government Purchasing Board (VGPB) sets the policies that govern procurement of non-construction goods and services across all Victorian Government departments, including DJPR. All in-scope organisations are required to report on their procurement activities and compliance with VGPB policies at the end of each financial year.

The VGPB Supply Policy Framework consists of 5 key policies and one section of ‘Other Mandatory Requirements’ - containing 30 qualitative measures - against which the department must assess its compliance.

Out of the 30 qualitative criteria, the DJPR was assessed as being non-compliant with three - representing 10 per cent.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Corporate
Witness:	Mr Simon Phemister
Committee Member:	Mr O'Brien
Page/s of transcript:	17

Relevant text:

Mr D O'BRIEN: Okay. In relation to the question about Australian Education City, there was a legal fight over the government's decision-making on that. Are you able to provide us with the department's legal costs for that Supreme Court case that ended in 2019–20?

Mr PHEMISTER: That Supreme Court case was struck, so we did not actually attend the court to hear the case. The costs incurred to the point when the case was struck—we will have to take that on notice.

Mr D O'BRIEN: Okay. So you are happy to take the legal costs on notice? And while we are there, Secretary, I might as well ask for the department's external legal costs for 2019–20 broadly, not just in relation—

Mr PHEMISTER: Of course. They are captured in a report, which I am more than happy to provide of course.

Answer:

The department's legal costs associated with the Supreme Court proceeding Australian Education City Pty Ltd v Victorian Planning Authority & Ors SECI 2019 03890 for the 2019 – 2020 financial year totalled \$336,396.34 (including GST).

The department's external legal costs for the 2019 – 2020 financial year totalled \$2,738,425.57 (including GST).

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Small Business
Witness:	Simon Phemister
Committee Member:	Mr D O'Brien
Page/s of transcript:	Pages 14-15

Relevant text:

Mr D O'BRIEN: Thank you, Chair. Good afternoon, everybody. Secretary, can I just start with the department's questionnaire lists on page 54. Output appropriations increased for the 2019–20 year by about \$2 billion. Could you give me an idea of how much of that additional output funding was provided to support small business—in grants paid out, I am talking about.

Mr PHEMISTER: I can, Mr O'Brien. Do you want it specifically broken down for small business?

Mr D O'BRIEN: Well, business generally. If you have got it by business size, I am happy to take that on notice as well.

Mr PHEMISTER: I am happy to. Mr Latina spoke through recently the three rounds of BSF, which takes you well into the billions-plus by the time you stack up the rest of our grants. I cannot give you a precise percentage across the 12 to 15 grant programs we ran. The lion's share of that number found its way as a direct pass-through. I will come back on notice, Mr O'Brien.

Mr D O'BRIEN: Could I perhaps just seek a bit more information than is provided in the questionnaire, which says that part of the increase relates to the fact that for only half of the previous year did DJPR exist. So perhaps if we could also get a breakdown of how much of the extra \$2 billion was actually departmental funds and how much of it was grants and things, particularly in relation to COVID.

Mr PHEMISTER: Yes. Of course. Happy to do that

Answer:

Question 8 on page 54 of DJPR's responses to the 2019-20 PAEC Financial Performance and Outcomes Questionnaire identifies an increase in Output appropriations by \$1,954 million for the 2019-20 from 2018-19.

By expenditure categories, the additional appropriation in 2019-20 relates to the following:

- Grants \$1,374.4 million
- Other departmental expenditures \$579.6 million.

Of the \$1,374.4 million grant expenditure, the following grant programs supported Victorian businesses:

- Economic Survival Package – Business Support Fund of \$784.7 million
- Economic Survival Package – Working for Victoria Fund of \$109.0 million.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Industry Coordination and Recovery
Witness:	David Latina
Committee Member:	Ms VALLENCE:
Page/s of transcript:	34

Relevant text:

Ms VALLENCE: Yes, thank you. In terms of small business bushfire grants, you mentioned it in your presentation actually: \$50 000 small business bushfire recovery grants and \$1.76 million paid to 68 businesses, so that is an average around \$25 000 per business. How many businesses applied in total, and how many were rejected?

Mr PHEMISTER: That is a good question. I will refer to Deputy Secretary Latina, who is just digging that out now.

Mr LATINA: Thanks, Secretary. In 2019–20 for the \$50 000 small business bushfire recovery grants, there was \$1.8 million paid across 68 grants. There was a \$10 000 small business bushfire recovery grant of which there was \$15 million paid across—

Ms VALLENCE: It was just in terms of how many applied—just a number.

Mr LATINA: Well, I do not have the total number who applied, but I have just got the number of who received the grant.

Ms VALLENCE: Could you provide that on notice perhaps?

Mr LATINA: Sure.

Answer

In 2019-20, 138 applications were received for the \$50,000 grants under the Small Business Bushfire Recovery Program. Of these:

- 68 were successful
- 47 applications were unsuccessful
- 23 applications were under assessment as at 30 June 2020.

Question taken on notice and further information agreed to be supplied at the hearing.

Portfolio:	Creative Industries, Sport, and Visitor Economy - Racing
Witness:	Andrew Abbott
Committee Member:	Mr O'Brien
Page/s of transcript:	17-18

Relevant text:

Mr D O'BRIEN: So, Secretary, can the racing industry have confidence in the resources provided to the Office of the Racing Integrity Commissioner—and the public, I might add?

Mr PHEMISTER: I cannot comment, Mr O'Brien. I can tell you that every year we run a budget process and we have a conversation with the office of racing integrity, and we have set a budget that they have been satisfied with since coming over to the department. As Mr Abbott said, if they need resources, they have a conversation with me and we seek to internally reprioritise to take care of that, hence the \$400 000-odd this year.

Mr D O'BRIEN: Mr Abbott, what is the office's annual budget in total?

Mr ABBOTT: Again, I do not have that in front of me. I would have to take that one on notice.

Answer:

The 2019-20 operating budget for the Office of the Racing Integrity Commissioner (ORIC) was set at \$1.047 million.

During that period, the ORIC received additional budget supplementation of \$570,000 from within the department, bringing the total 2019-20 operating budget for the ORIC to \$1.617 million.

The level of budget supplementation required by the ORIC can vary from year to year based on the office's work program and the advice of the ORIC. The ORIC will continue to receive budget support at a level that will enable that office to carry out its statutory functions and obligations.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Creative Industries, Sport, and Visitor Economy
Witness:	Andrew Abbott
Committee Member:	Mr O'Brien
Page/s of transcript:	19-20

Relevant text:

Mr D O'BRIEN: Nothing out of your department? Okay. Just around that Marvel Stadium announcement there was a \$100 million infrastructure loan facility for community sports clubs in the 2018–19 budget. Was any of that still available in 2019–20?

Mr D O'BRIEN: How much was still available, and how much was loaned out?

Mr ABBOTT: I will see if I can locate that. I may well be taking that one on notice.

Mr D O'BRIEN: And if you have too the list of clubs or organisations, assuming local government were some of the ones that borrowed money.

Mr PHEMISTER: We certainly have that, Mr O'Brien. We will take that on notice alongside the number.

Answer:

The 2018-19 Community Sports Infrastructure Loans Scheme \$100 million lending allocation was fully exhausted, supporting the delivery of \$265 million in infrastructure.

The list of loan recipients is provided below.

An additional \$100 million for further lending was allocated as part of the 2019-20 budget process.

2018-19 Community Sports Infrastructure Loans Scheme - Funded Projects

Loan Recipient	Project Name	LGA
Basketball Ballarat	Minderdome Refurbishment	Ballarat City Council
Belgravia Group	Learn to Move Facility Development - The Grange P-12 School Learn to Swim Facility Development - Noble Park North, Burnside & Bayswater	Various: The Grange – Wyndham City Council Bayswater – Knox City Council Burnside – Melton City Council Noble Park North – City of Greater Dandenong
Cardinia Shire Council	Cora Lynn Recreation Reserve Community Pavilion Development	Cardinia Shire Council
Whittlesea City Council	Mill Park Leisure Centre Redevelopment	City of Whittlesea
Whittlesea City Council	All-Abilities Play Space	City of Whittlesea
Latrobe City Council	Gippsland Regional Aquatic Centre Development	Latrobe City Council

Latrobe City Council	Traralgon Sports Stadium Redevelopment	Latrobe City Council
Moonee Valley City Council	East Keilor Leisure Centre Redevelopment	Moonee Valley City Council
Moorabool Shire Council	Moorabool Lighting Projects	Moorabool Shire Council
Moorabool Shire Council	Bacchus Marsh Racecourse Recreation Reserve Project	Moorabool Shire Council
Mornington Peninsula Shire Council	Rosebud Aquatic Centre	Mornington Peninsula Shire Council
Wangaratta Rural City Council	Wangaratta Aquatic Plan for the Future	Rural City of Wangaratta
South Gippsland Shire Council	Mirboo North Outdoor Pool Redevelopment	South Gippsland Shire Council
Warrnambool City Council	Reid Oval Redevelopment	Warrnambool City Council
Waverley Gymnastics Centre	Waverley Gymnastics Redevelopment	Monash City Council
Williamstown Football Club	Williamstown Football Club Redevelopment	Hobsons Bay City Council
YMCA Camping	Phillip Island Coastal Discovery Camp	Bass Coast Shire Council

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Resources
Witness:	Beth Jones
Committee Member:	Mr Hibbins
Page/s of transcript:	34

Relevant text:

Mr HIBBINS: Okay, great. Thank you. Now, in terms of the lifting of the moratorium on conventional gas drilling, when it was actually announced that the moratorium would be lifted the government outlined at the time, or prior to that time, that new regulations would need to be developed. Are you able to outline to the committee what work has actually been done to develop those regulations and if any community consultation was involved in the development of those regulations?

Ms JONES: Mr Hibbins, thank you. There is work going on this year. That was why a one-year extension of the moratorium was required—to make sure that the work could be done to prepare licence-holders, prepare our ability to regulate and prepare the regulatory environment for what was coming. So that regulatory work is underway; it has commenced. And it is important because that work will make sure that we reflect the outcomes, the learnings and the community intent that came out of the findings of the Victorian gas program. So that process is underway now.

Mr HIBBINS: And in terms of the community consultations in developing those regulations, are they occurring?

Ms JONES: I will just need to find out where that process is at, but yes, there would be a process around that for sure.

Mr PHEMISTER: They were publicly scheduled, Mr Hibbins, for early 2021. We have been a bit dynamic in how we have had to design the consultation with community—so on notice, I think.

Ms JONES: Yes.

Answer:

The process to remake the Petroleum Regulations 2011 is well underway. The new regulations will provide the detail to give effect to the broad objectives established under the *Petroleum Act 1998*, including new regulatory obligations under the *Petroleum Legislation Amendment Act 2020*.

The findings of the community engagement program under the Victorian Gas Program (2017–2020) have informed the regulatory design work. Throughout the program, 950 individual stakeholders were reached across South-West Victoria, Melbourne and Gippsland through 780 events. The findings of the program are available on the department’s website.

Targeted stakeholder engagement across government, industry and community has been undertaken to inform the regulatory options that will be assessed through the Regulatory Impact Statement. Full public consultation on the draft regulations and a Regulatory Impact Statement is scheduled for April this year.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Resources
Witness:	Beth Jones
Committee Member:	Mr Hibbins
Page/s of transcript:	24

Relevant text:

Mr HIBBINS: Great. Thank you, Chair, and thank you, Secretary and your team, for appearing today. In regard to the 2019–20 output summary by departmental objectives under the category of resources, I was wondering if you are able to give the committee, on notice if required, a list of every quarry approved in the 2019–20 period.

Mr PHEMISTER: Thanks, Mr Hibbins. I might defer to Deputy Secretary Jones before I do take that on notice. Do we have that at hand?

Ms JONES: Thanks, Simon. We do have that. I would need to come back to you with a list on notice, but I can tell you how many were, if that is useful? We approved four new quarries and we approved the expansion of seven existing quarries.

Answer:

There are multiple approval pathways for quarries under the *Mineral Resources (Sustainable Development) Act 1990*.

The department issued the following approvals for quarries (new and existing) in 2019-20:

- Four (4) new quarry work authority
- Three (3) work plan variations approved for expansion for Priority List (sites identified as being in high demand regions) quarries.
- Nine (9) work plan variations approved for expansion of other quarries
- Five (5) work plans approved for new quarries (pending granting of the Work Authority)
- Two (2) work plan variations approved for other changes (operating hours and rehabilitation plan)
- 17 administrative changes acknowledged.

For clarity, the reference to expansion of seven existing quarries in Ms Jones' response related to the number approved on the Priority List since its inception, which includes four (4) approvals from the 2018-2019 period and three (3) from 2019-2020.

New quarries require an approved work plan and the grant of a Work Authority under the *Mineral Resources (Sustainable Development) Act 1990*. In 2019-2020, the following four new quarries were approved:

Tenement	Tenement Holder	Status
WA006196	Noel Bennett	Work Authority Granted (New Quarry)
WA006727	James Milne Pty Ltd	Work Authority Granted (New Quarry)
WA006899	Peter Howieson	Work Authority Granted (New Quarry)
WA1546	MCG Quarries Pty Ltd	Work Authority Granted (New Quarry)

In addition, five work plans were approved for new quarries in 2019-20 (which are pending the grant of the Work Authority):

Tenement	Tenement Holder	Status
WA006211	Beth-Eden Pty Ltd	Work Plan Approved (New Quarry) - pending grant of Work Authority
WA006766	Krause Bricks Pty Ltd	Work Plan Approved (New Quarry) - pending grant of Work Authority
WA006789	Paul Robert Lester	Work Plan Approved (New Quarry) - pending grant of Work Authority
WA006790	Paul Robert Lester	Work Plan Approved (New Quarry) - pending grant of Work Authority
WA006940	Jipsep Pty Ltd	Work Plan Approved (New Quarry) - pending grant of Work Authority

Changes to existing quarry operations, including expansions, require a work plan variation or administrative update to the approved work plan. In 2019-2020, the department approved the following quarry expansions:

Existing Quarry expansion (Priority List):

WA284	Burdett Sands Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA440	Central Pre-Mix Concrete Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA171	Latrobe Valley Sands Pty Ltd	Work Plan Variation Approved (Existing quarry)

Existing Quarry expansion (other):

WA1525	Western Quarries Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA215	Boral Resources (Vic) Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA304	Lake Boga Quarries Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA487	Baxter Property Holdings Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA517	Ca Va Trois Nominees Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA1395	Industrial Sands & Gravels Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA26	Titan Willows Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA261	Maryvale Sand & Trading Supplies Pty Ltd	Work Plan Variation Approved (Existing quarry)
WA484	Waterfall Quarries Pty Ltd	Work Plan Variation Approved (Existing quarry)

In 2019-2020 the department has also provided approvals for other quarry work plan variations and administrative updates to work plans:

Existing Quarry, work plan variation (no additional resource):

WA186	Barro Group Pty Ltd	Work Plan Variation Approved (Existing quarry) – change to operating hours
WA199	Hume Lilydale Pty Ltd, LBJ Developments Pty Ltd	Work Plan Variation Approved (Existing quarry) – change to rehabilitation plan

Existing Quarry, administrative update:

WA217	Elonchrome Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA1488	Dandy Premix Quarries Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA352	Moyne Shire Council	Administrative Update Acknowledged (Existing quarry)
WA959	Aus-Stone Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA333	Hanson Construction Materials Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA440	Central Pre-Mix Concrete Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA006188	M.P.M Extreme Floors Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA176	Holcim (Australia) Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA781	Gianarelli Management Services Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA28	Bayport Industries Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA1537	Boral Resources (Vic) Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA3	Adelaide Brighton Cement Ltd	Administrative Update Acknowledged (Existing quarry)
WA458	Jennifer A Tulloch, John S Tulloch	Administrative Update Acknowledged (Existing quarry)
WA351	Moree Quarries Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA97	Boral Resources (Vic) Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA383	Lantrak Pty Ltd	Administrative Update Acknowledged (Existing quarry)
WA75	Boral Resources (Vic) Pty Ltd	Administrative Update Acknowledged (Existing quarry)

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Resources
Witness:	Beth Jones
Committee Member:	Mr Hibbins
Page/s of transcript:	24

Relevant text:

Mr HIBBINS: Okay, thank you. And then further to that, my understanding from the Earth Resources Regulation annual statistical report is that minerals exploration spending in Victoria increased by a third in the 2019–20 year. Are you able to provide on notice a list of all new land opened to minerals exploration, a list of all new exploration licences and a list of all new mine approvals?

Ms JONES: Yes. We would need to take that on notice, so certainly.

Answer:

The following mineral licences were granted in 2019-2020, which permit minerals exploration

The location of all licences is published on the department's 'Mining Licences Near Me' and 'GeoVic' websites.

Exploration Licence	EL006612	Sapphire Resources Pty Limited
Exploration Licence	EL006656	Currawong Resources Pty Ltd
Exploration Licence	EL006667	Castlemaine Goldfields Pty Ltd
Exploration Licence	EL006689	Antony Zebisch
Exploration Licence	EL006752	Kalamazoo Resources Limited
Exploration Licence	EL006779	David Deitz
Exploration Licence	EL006869	Westrock Minerals Pty Ltd
Exploration Licence	EL006873	WIM Resource Pty Ltd
Exploration Licence	EL006897	Petratherm Limited
Exploration Licence	EL006915	VHM Ltd
Exploration Licence	EL006917	Eagle Gold Mining Pty Ltd
Exploration Licence	EL006926	VHM Ltd
Exploration Licence	EL006957	Munta Salt Pty Ltd
Exploration Licence	EL006958	Providence Gold & Minerals Pty Ltd
Exploration Licence	EL006959	Kalamazoo Resources Limited
Exploration Licence	EL006960	CGM (WA) Pty Ltd
Exploration Licence	EL006966	Basin Minerals Holdings Pty Ltd
Exploration Licence	EL006968	Savic Minerals Pty Ltd

Exploration Licence	EL006969	Savic Minerals Pty Ltd
Exploration Licence	EL007000	Core Prospecting Pty Ltd
Exploration Licence	EL007021	Kalamazoo Resources Limited
Exploration Licence	EL007125	Navarre Minerals Limited
Exploration Licence	EL007143	Worldwide Geological Consulting Group Pty Ltd
Exploration Licence	EL007207	Nagambie Resources Ltd
Exploration Licence	EL5427	Cassilis Mining Pty Ltd
Mining Licence	MIN006619	Mt Unicorn Holdings Pty Ltd
Mining Licence	MIN006916	Neville Perry
Prospecting Licence	PL006941	Ian James Palmer, Bruce Mcfarlane
Prospecting Licence	PL006950	John Cameron Hennig
Prospecting Licence	PL006978	Max Brown, Ian Jaques
Prospecting Licence	PL006985	Max Brown, Ian Jaques
Prospecting Licence	PL006999	Jared William Fleiner
Prospecting Licence	PL007004	Bruce Beetham
Prospecting Licence	PL007006	Jayden Perry
Prospecting Licence	PL007010	Samantha Schelfhout
Prospecting Licence	PL007015	Ian Holland
Prospecting Licence	PL007020	Glenn Connor, Owen Coote
Prospecting Licence	PL007022	Peter Lawrence
Prospecting Licence	PL007031	Karley R Shannon
Prospecting Licence	PL007101	Vincent Malacria, Murray C Cox
Prospecting Licence	PL007128	Anthony Edwards, Graeme Meer
Retention Licence	RL006571	WIM Resource Pty Ltd
Retention Licence	RL006587	Belltopper Hill Pty Ltd
Retention Licence	RL006806	VHM Ltd
Retention Licence	RL007051	Stawell Gold Mines Pty Ltd
Retention Licence	RL2017	Stavely Minerals Limited
Retention Licence	RL2020	Stavely Minerals Limited

The department approved the following work plans and variations and acknowledged administrative updates on mining and prospecting licences in 2019-2020:

Licence No.	Licensee	Type
MIN5573	Steven M White	New work plan

MIN006003	Paul Robert Lester, Robert Neil Lester	New work plan
MIN006412	Sydney W Pearson	New work plan
PL006590	Andrejs Niklaus, Thomas Niklaus	New work plan
MIN006916	Neville Perry	New work plan (exploration only)
MIN5510	Truelight Mining Pty Ltd	Work plan variation
MIN5316	Cambacanya Services Pty Ltd	Work plan variation
MIN5567	Mandalay Resources Costerfield Operations Pty Ltd	Work plan variation
MIN006218	Gary Ford, Brenton James Shannon	Work plan variation
MIN4689	Yahgold Pty Ltd	Work Plan Variation (exploration only)
MIN4690	Yahgold Pty Ltd	Work Plan Variation (exploration only)
MIN4644	Mandalay Resources Costerfield Operations Pty Ltd	Administrative Update
MIN4847	Balmaine Gold Pty Ltd	Administrative Update
MIN5009	Morning Star Gold NL	Administrative Update
MIN5396	Balmaine Gold Pty Ltd	Administrative Update
MIN5404	Fosterville Gold Mine Pty Ltd	Administrative Update (three unique updates acknowledged)

The department also approved the following work plans and variations and acknowledged administrative updates on exploration licences in 2019-2020*:

Licence No.	Licensee	Type
EL5476	Navarre Minerals Limited	New work plan (exploration only)
EL006966	Basin Minerals Holdings Pty Ltd	New work plan (exploration only)
EL4282	Basin Minerals Holdings Pty Ltd	Work Plan Variation (exploration only)
EL4282	Basin Minerals Holdings Pty Ltd	Administrative Update (two unique updates acknowledged)

* Note – Licensee's undertaking Low Impact Exploration are not required to prepare a work plan for mineral exploration.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Resources
Witness:	Beth Jones
Committee Member:	Mr Hibbins
Page/s of transcript:	24

Relevant text:

Mr HIBBINS: Thank you. In terms of mine rehabilitation and in particular the Woodvale mine in Bendigo, my understanding is that during the 2019–20 period the director of Earth Resources Regulation stated that the licence-holder would not be able to finance its operations and meet its obligation in regard to its Bendigo sites. However, they have been directed to undertake site rehabilitation, appoint a rehabilitation manager and provide a timeline of rehabilitation activities. Has any progress been made on that? Have they actually undertaken those works?

Ms JONES: I am going to have to take that on notice, Mr Hibbins, in terms of the detail. I do know that there were some works commenced, but in terms of an up-to-date sort of assessment of how far that has progressed, I will need to come back to you.

Answer:

On 16 August 2019 Earth Resources Regulation refused to renew three mining licences held by Kralcopic Pty Ltd, a wholly owned subsidiary of GBM Gold Ltd, due to the company's inability to provide surety of its finances.

The judicial review proceeding challenging the regulator's decision was heard on the 4 September 2020 in the Supreme Court of Victoria. A determination was made in March 2021, finding in favour of ERR.

Earth Resources Regulation has issued notices for MIN5344 (Kangaroo Flat) and MIN5364 (Woodvale Ponds Evaporation Complex) requiring Kralcopic Pty Ltd to do the following:

- appoint a manager to control and manage the Former Licence worksite;
- provide a timetable for the outstanding rehabilitation as set out in the approved Rehabilitation and Risk Management Plans, that satisfies the requirement under the Act and completes the rehabilitation as expeditiously as possible; and
- ensure that Kralcopic undertakes the required environmental monitoring of the Woodvale Ponds site.

Following the refusal to renew the licenses, Kralcopic initially commenced some limited rehabilitation activities, including

- Woodvale Evaporation Complex
 - organic material was imported and spread to treat the erosion impacts within Pond 6 at the Northern boundary
 - water has continued to be placed as a dust mitigation measure on Ponds 1, 2 and 3

- water and vegetation cover in place on Ponds 6 and 7
- Kangaroo Flat Mine Site
 - the reestablishment of the rock armour on disturbed areas of the Coarse and Fine Tailings dam
 - maintenance of dust suppressant on the fine tailings dam
 - recovery of waste rock in the vicinity of the CIL (Cyanide in Leach) dams

Following these initial works, no further rehabilitation works have been completed on these sites.

Despite numerous correspondence from the Regulator, Kralcopic has not complied with the notices to date. Accordingly, the department is reviewing further action.

The department has stepped in to complete the environmental monitoring in lieu of action by Kralcopic.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Regional Development
Witness:	Simon Phemister
Committee Member:	Mr Limbrick
Page/s of transcript:	13

Relevant text:

Mr LIMBRICK: Okay. Understood. One of the metrics or the goals was to attract or facilitate regional investment in Victoria. How do you determine whether an investment has actually been facilitated by government or not—like whether the government is responsible for that investment or not—because people invest all of the time in this state? I am trying to get my head around what actually makes it classified as fitting into that metric or not fitting into that metric.

Mr PHEMISTER: That is a really good question. That is something we have refined over the last few years. We have worked with the Auditor-General and others to make sure that when we claim facilitated jobs there is a pretty rigorous set of criteria to go through to test, be that through the jobs in innovation business area or Regional Development Victoria, which claims facilitation against the Regional Jobs and Infrastructure Fund. I can provide the committee the criteria that we use to assess whether or not we feel as though we made a meaningful difference to facilitation.

Answer:

The two key forms of evidence in substantiating a claim for government facilitation of investment are:

- where the government has provided a grant and has a contract in place with milestone payments against reported capital investment and/or jobs targets
- where there is no grant involved, the measurement is about the value to the company of the non-financial facilitation that has been provided and the link between this and the project proceeding. Typically, this would involve evidence of cross-government activity in advising on approvals processes or other issues that the project is facing such as site identification and coordinating infrastructure connections.

Regional investment outcome claims included in the budget Papers go through a substantiation process administered by Invest Victoria.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Creative Industries, Sport, and Visitor Economy
Witness:	Andrew Abbott
Committee Member:	Mr Richard Riordan
Page/s of transcript:	7

Relevant text:

Mr ABBOTT: Yes, thank you. Thank you, Mr Phemister. Deputy Chair, yes, so the creative industries, as you say, have been particularly hard hit by COVID over the past 12 months or so, and there has been quite a large range of programs that have been introduced in response to that. They tally up to \$246.7 million in support over the period from the beginning of COVID until now.

Mr RIORDAN: Can I just ask on that: we heard at PAEC back in December that many of these highlighted figures, \$246 million in this case, have not actually been acquitted. Can you indicate what percentage of that has been acquitted?

Mr ABBOTT: I cannot give you the exact percentage off the top of my head right now, but a very, very large proportion has been—the vast, vast majority of it.

Mr RIORDAN: Could you supply that to the committee?

Mr ABBOTT: Yes. I can go back through some of those programs if you would like.

Mr RIORDAN: If you supply them on notice, with the acquittal to those, that would be useful.

Answer:

- In the 2019-20 financial year, the Victorian Government provided \$49.2 million in immediate COVID support for the Creative Industries sector. This funding has been fully expended.
- On 26 April 2020 \$16.8 million was announced as a survival package to help save arts jobs.
- The Experience Economy Survival Package announced on 13 May 2020 provided over \$32 million in further support to the sector.
- Both of these packages announced in 2019-20 have been fully acquitted.
- The remainder of the government's support for the Creative Industries sector is being delivered through the 2020-21 Budget.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Corporate
Witness:	Simon Phemister
Committee Member:	Mr R Riordan & Mr D Limbrick
Page/s of transcript:	Pages 6 & 12

Relevant text:

Mr RIORDAN: Okay. I refer again to the outcomes questionnaire responses—contractors, consultants and labour hire agreements. According to the table, your department spent \$133 million on contractors, consultants and labour hire. Do you agree that this \$133 million spend, which is part of that overall bigger budget, on non-construction goods and services needs to be done at all times within the Victorian Government Purchasing Board requirements?

Mr PHEMISTER: Again, I would have to refer you to the reason for us having an emergency procurement framework. So some of those—

Mr RIORDAN: But that would be the only exception to that.

Mr PHEMISTER: That is the established framework that I operate within that permits a different type of procurement. Under the general provisions for labour hires and contracts, there are exemptions that in some cases are granted through members at the hearing today, including myself, where there are permissible exemptions that can be granted under particular circumstances. In some cases those circumstances dictate that we have to provide exemptions.

Mr RIORDAN: Just on that final point, then, are you able to provide to the committee the emergency procurement rules that you operate under?

Mr PHEMISTER: Yes, I absolutely can, Mr Riordan.

Mr LIMBRICK: Thank you, Chair. And thank you, Secretary and team. I would like to pick up on something that the Deputy Chair was talking about before around the emergency procurement procedures. What is the trigger for enabling those emergency procedures to be used?

Mr PHEMISTER: Thanks, Mr Limbrick. The declared state, for us, was a trigger. I believe there are other triggers that can be used, but as Secretary I have not used any other trigger.

Mr LIMBRICK: Okay. I think it was 16 March—that is the trigger for being able to use it. Does that mean that those emergency procurement procedures have been used from that point to the end of the financial year?

Mr PHEMISTER: No, we use primarily established procurement. So it is only when it meets a series of criteria. Declared state is one of those criteria, and I will provide to the committee the policy which sets out—I think there are five or six different sort of gates you pass through in order to use that particular policy, so it is used very sparingly.

Answer:

See section 11 of the DJPR Procurement Policy below:

11. Management of Critical Incidents

Critical incident protocols and processes are invoked when a relevant Minister, Accountable Officer or Executive Director of Investment and Procurement declares a critical incident to exist in relation to the operation of procurement processes by reason of:

- An emergency within the meaning of the *Emergency Management Act 1986*
- An incident that causes the department’s business continuity plan to be activated
- An incident that represents a serious and urgent threat to the health, safety or security of a person or property
- A situation that represents a serious or urgent disruption to services provided by the department.

During a critical incident the department will:

- Take into account value for money, accountability, information asset security, and probity to the extent that they can be applied given the severity and urgency of the incident;
- Adopt record keeping processes to the extent that they can be applied given the severity and urgency of the incident;
- Complete a Post Incident Brief within 30 business days of the engagement;
- Verify supplier details and conduct due diligence checks to ensure the supplier can deliver;
- Continue to use State Purchase Contracts (SPCs) and State Purchase Registers (SPRs) where relevant; and
- Adhere to contract disclosure requirements.

The procurements will be noted by the Executive Director of Investment and Procurement and Financial Delegate as required, post the incident.

Table 9: Post Incident Brief - Noting Pathway

Cumulative Contract Value (GST incl)	Noting Pathway
Below \$250,000	Business Unit (Financial Delegate)
\$250,000 and above	Executive Director Investment and Procurement
All Post Incident Briefs must be sent to the Strategic Procurement team for record keeping purposes	

Questions taken on notice and further information agreed to be supplied at the hearings.

Group	Local Government and Suburban Development
Witness:	Sara Harbidge
Committee Member:	Mr Maas
Page/s of transcript:	10

Relevant text:

Ms HARBIDGE: Okay. For 2019–20, Cardinia Shire Council received \$6.7 million across three projects, the City of Casey received \$4 824 658 across two projects, the City of Hume received \$4 623 600 across five projects, the City of Melton received \$5.35 million across three projects, Mitchell Shire Council received \$4 831 600 across three projects, Mornington Peninsula Shire Council received \$4 719 575 across three projects, Nillumbik Shire Council received \$1 414 267 across one project, the City of Whittlesea received \$6 875 000 across five projects, the City of Wyndham received \$6.5 million across three projects and the Yarra Ranges Shire Council received \$3.5 million across four projects.

Mr MAAS: Terrific. Thanks for that. In terms of the completed projects, I think in the questionnaire at page 7 you reported that 80 per cent of projects funded through GSF had been completed in accordance with approved milestones within those funding agreements. How many community facilities funded through the 2019–20 funding round are now open to the public?

Ms HARBIDGE: I will have to take that one on notice and get back to you.

Answer:

In the 2019-20 Growing Suburbs Fund round, 32 projects were successful in receiving funding.

As set out in the PAEC questionnaire, 80 per cent of the approved milestones set out in the funding agreements have been met.

As at 25 February 2021, two community facilities funded from the 2019-20 Growing Suburbs Fund round are open to the public:

- Goonawarra Neighbourhood House Redevelopment - Hume City Council, and
- Eynesbury Station Early Learning Centre - Melton City Council.

Selandra Rise Active Open Space Community Pavilion Development has been completed and is on track to open to the public on 30 March 2021.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Corporate Services
Witness:	Penelope McKay
Committee Member:	Mr O'Brien
Page/s of transcript:	18

Relevant text:

Mr D O'BRIEN: Okay. Secretary, in October 2019 the department contracted McGrathNicol for 'investigative services'—quote, unquote—at a cost of \$1.1 million. Are you able to tell me what that was for?

Ms McKAY: We use McGrath Nicol for our investigation where there is an audit issue or an issue that arises and we do not have capacity to do it internally. We engage them to undertake some of those investigations, so there is a raft of investigations that they might do; it was not one particular one.

Mr D O'BRIEN: Is it an ongoing contract, then? Has it been done in previous years?

Ms McKAY: I would have to look at the exact nature of our contract with them.

Mr D O'BRIEN: Okay. Could I get some more information on that on notice, particularly for 2019–20. There is a specific contract available on the government website, so it would be nice to know what it was for, and if you have got a list for a number of specific investigations, that would be good.

Answer:

McGrathNicol Advisory is the Department of Jobs, Precincts and Regions' (DJPR) external Investigative Services provider.

The role of the external Investigative Services provider is to conduct complex investigations on behalf of DJPR as the need arises. This includes investigations concerning:

- fraud or theft/misappropriation of assets
- probity breaches (including conflict of interest issues) in procurement/contracting, recruitment and grants management
- unauthorised sharing of sensitive information
- other integrity-related employee misconduct.

McGrathNicol Advisory was engaged in 2019 by the then Department of Economic Development, Jobs, Transport and Resources (DEDJTR) following a competitive procurement process, conducted via open tender.

McGrathNicol Advisory's current engagement runs from 25 October 2019 to 30 June 2021. The relevant contract provides McGrathNicol Advisory with no guarantee of work.

During the 2019-20 financial year, based on invoice payment date, McGrathNicol Advisory was engaged by DEDJTR and DJPR to undertake 25 investigations as detailed below:

#	Reference	Investigation Subject
1	DJPRINV10	Conduct matter
2	DJPRINV31	Conduct matter
3	DJPRINV32	Conduct matter
4	DJPRINV23	Conduct matter
5	DJPRINV25	Conduct matter
6	DJPRINV30	Conduct matter
7	DJPRINV27	Fraud matter
8	DJPRINV28	Fraud matter
9	DJPRINV21	Grant matter
10	DJPRINV17	Conduct matter
11	DJPRINV24	Conduct matter
12	DJPRINV16	Fraud matter
13	DJPRINV29	Conduct matter
14	DJPRINV14	Conduct matter
15	DJPRINV12	Fraud matter
16	DJPRINV19	Procurement matter
17	DJPRINV03	Conduct matter
18	DJPRINV18	Data exfiltration matter
19	DJPRINV09	Procurement matter
20	DJPRINV15	Conduct matter
21	DJPRINV13	Conduct matter
22	DJPRINV02	Program eligibility matter
23	DJPRINV06	Fraud matter
24	DJPRINV05	Conduct matter
25	DJPRINV07	Conduct matter
TOTAL (FY19-20)		

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Corporate
Witness:	Simon Phemister
Committee Member:	Mr R Riordan
Page/s of transcript:	4

Relevant text:

Mr PHEMISTER: Thanks, Chair, and thanks, Deputy Chair. Delivery is the most important thing we are doing at the moment, so we have really focused on delivery. There are obviously disruptions in material supply chains, human capital. Without knowing the precise answer to all 48, I could go into a lot of these in some detail today. Please correct me if I am wrong, Deputy Chair, but you are after the actuals for end of financial year 2019–20?

Mr RIORDAN: Yes, that is right. We are looking for 2019–20 just the actuals for each of those projects.

Mr PHEMISTER: And you are after the estimated completion date for the 16 projects?

Mr RIORDAN: For the 16 projects, yes.

Mr PHEMISTER: And just for clarity again—and thank you—it says

Mr PHEMISTER: Great. I will take that as given, Chair. If there are any discrepancies in my numbers and these, I will just clarify back in my response.

Mr RIORDAN: Yes, that would be great. Yes. I appreciate that. Thank you. And you believe you will have those available? You have got those?

Mr PHEMISTER: Mr Riordan, I have scanned the list of 48. We are tracking delivery like never before, so I am sure we will have something to say against all 48. Whether I can fit it in the precise nature of this table, I will do my level best.

Answer:

Infrastructure Project	(May 2019) 2019-20 Published Total estimated investment (\$000's)	(June 2020) Total estimated investment as at 30 June 2020 (\$000's)
Regional Development in Victoria (regional various)	40,600	30,000
Creative Victoria Cultural Facilities Maintenance Fund (state-wide)	5,000	4,575
Exhibition and experience program renewal - Museums Victoria (state-wide)	4,500	4,500
Victoria: The Basketball Capital of Australia - Melbourne Arena Upgrade (Melbourne)	13,000	13,000
Arts and Cultural Facilities Maintenance Fund (state-wide)	9,980	9,745
Australian Centre for the Moving Image redevelopment (Melbourne)	39,804	39,804
Ballarat GovHub (Ballarat)	19,340	19,340
Bendigo GovHub (Bendigo)	16,000	16,000
Geelong City Deal (Geelong)	312,316	312,316
Latrobe Valley GovHub (Morwell)	3,000	3,000
Lysterfield Lake Park - Land Purchase (Lysterfield)	3,000	3,000

Infrastructure Project	(May 2019) 2019-20 Published Total estimated investment (\$000's)	(June 2020) Total estimated investment as at 30 June 2020 (\$000's)
Modernising Earth Resources Management (state-wide)	2,197	2,197
Melbourne Arts Precinct transformation (Melbourne)	101,500	101,500
Royal Exhibition Building Protection and Promotion Project (Carlton)	20,000	20,000
Sports and recreation opportunities in our parks (metropolitan various)	15,350	-
State Library of Victoria redevelopment (Melbourne)	95,100	95,100

Infrastructure Project	2019-20 Published Remaining Expenditure (\$000's)	2019-20 Actual Remaining Expenditure (\$000's)
Regional Development in Victoria (regional various)	30,450	22,894
Creative Victoria Cultural Facilities Maintenance Fund (state-wide)	-	-
Exhibition and experience program renewal - Museums Victoria (state-wide)	-	-
Victoria: The Basketball Capital of Australia - Melbourne Arena Upgrade (Melbourne)	6,500	6,500
Arts and Cultural Facilities Maintenance Fund (state-wide)	-	-
Australian Centre for the Moving Image redevelopment (Melbourne)	-	6,992
Ballarat GovHub (Ballarat)	5,120	7,537
Bendigo GovHub (Bendigo)	13,250	16,000
Geelong City Deal (Geelong)	269,923	312,316
Latrobe Valley GovHub (Morwell)	-	-
Lysterfield Lake Park - Land Purchase (Lysterfield)	900	900
Modernising Earth Resources Management (state-wide)	-	-
Melbourne Arts Precinct transformation (Melbourne)	2,000	44,017
Royal Exhibition Building Protection and Promotion Project (Carlton)	-	-
Sports and recreation opportunities in our parks (metropolitan various)	-	-
State Library of Victoria redevelopment (Melbourne)	20	3,100

Infrastructure Project	2019-20 Published Estimated Expenditure (\$000's)	2019-20 Actual Expenditure (\$000's)
Regional Development in Victoria (regional various)	10,150	-
Creative Victoria Cultural Facilities Maintenance Fund (state-wide)	5,000	2,785
Exhibition and experience program renewal - Museums Victoria (state-wide)	4,500	4,499
Victoria: The Basketball Capital of Australia - Melbourne Arena Upgrade (Melbourne)	6,500	6,500
Arts and Cultural Facilities Maintenance Fund (state-wide)	300	86
Australian Centre for the Moving Image redevelopment (Melbourne)	30,286	22,890
Ballarat GovHub (Ballarat)	14,220	11,800
Bendigo GovHub (Bendigo)	2,750	-
Geelong City Deal (Geelong)	37,793	-
Latrobe Valley GovHub (Morwell)	3,000	2,764
Lysterfield Lake Park - Land Purchase (Lysterfield)	60	-
Modernising Earth Resources Management (state-wide)	400	399

Infrastructure Project	2019-20 Published Estimated Expenditure (\$000's)	2019-20 Actual Expenditure (\$000's)
Melbourne Arts Precinct transformation (Melbourne)	72,762	30,745
Royal Exhibition Building Protection and Promotion Project (Carlton)	1,000	1,000
Sports and recreation opportunities in our parks (metropolitan various)	1,750	-
State Library of Victoria redevelopment (Melbourne)	12,167	14,711

Infrastructure Project	2019-20 Published Estimated Completion Date	Estimated Completion Date as at 30 June 2020
Regional Development in Victoria (regional various)	Qtr 4, 2022-23	Qtr 4, 2022-23
Creative Victoria Cultural Facilities Maintenance Fund (state-wide)	Qtr 4, 2019-20	Qtr 4, 2019-20
Exhibition and experience program renewal - Museums Victoria (state-wide)	Qtr 4, 2019-20	Qtr 4, 2019-20
Victoria: The Basketball Capital of Australia - Melbourne Arena Upgrade (Melbourne)	Qtr 4, 2020-21	Qtr 2, 2021-22
Arts and Cultural Facilities Maintenance Fund (state-wide)	Qtr 4, 2019-20	Qtr 4, 2019-20
Australian Centre for the Moving Image redevelopment (Melbourne)	Qtr 4, 2019-20	Qtr 2, 2020-21
Ballarat GovHub (Ballarat)	Qtr 4, 2020-21	Qtr 4, 2020-21
Bendigo GovHub (Bendigo)	Qtr 4, 2021-22	Qtr 4, 2021-22
Geelong City Deal (Geelong)	Qtr 4, 2021-23	Qtr 4, 2022-23
Latrobe Valley GovHub (Morwell)	Qtr 4, 2019-20	Qtr 2, 2020-21
Lysterfield Lake Park - Land Purchase (Lysterfield)	Qtr 4, 2035-36	Qtr 4, 2035-36
Modernising Earth Resources Management (state-wide)	Qtr 2, 2019-20	Qtr 2, 2019-20
Melbourne Arts Precinct transformation (Melbourne)	Qtr 4, 2020-21	Qtr 2, 2024-25
Royal Exhibition Building Protection and Promotion Project (Carlton)	Qtr 2, 2019-20	Qtr 4, 2019-20
Sports and recreation opportunities in our parks (metropolitan various)	Qtr 4, 2019-20	N/A - funding has been converted from capital to operating
State Library of Victoria redevelopment (Melbourne) ¹	Qtr 4, 2020-21	Qtr 2, 2019-20

¹This project was completed ahead of schedule.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Industry Coordination and Recovery
Witness:	Simon Phemister
Committee Member:	Ms VALLENCE
Page/s of transcript:	29

Relevant text:

Ms VALLENCE: Thank you, Chair. Thank you, Secretary and team, for appearing. First, I will just start, Secretary, with the 2019–20 financial report at page 166. It has there that DJPR was allocated \$142 million for quarantine for travellers from the Treasurer’s advance. Could you provide a breakdown of that \$142 million for the committee, on notice if you do not have it?

Mr PHEMISTER: Indeed I can. The \$142 million was the report provided to the inquiry—that breakdown. If you bear with me for one moment, I can track that down for you.

Ms VALLENCE: On notice is fine.

Mr PHEMISTER: I will track it down while you are running through some other questions. This is one that I would be keen to give to the committee today.

Answer:

Page 166 of the 2019-20 Financial Report shows that DJPR received \$142.2 million for International Quarantine of Travellers in 2019-20. This included \$8.8 million which was passed onto the Department of Health and Human Services for the provision of self-isolation facilities for Victorians experiencing homelessness.

The remaining \$133.4 million was spent as follows:

	Spend 2019-20
Hotel accommodation	\$61.7 million
Hotel security	\$61.9 million
Other expenditure ¹	\$9.8 million
Total	\$133.4 million

1) ‘Other expenditure’ includes cleaning, food and consumables, onward travel, reimbursements and call centre support costs.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Industry Coordination and Recovery
Witness:	Simon Phemister
Committee Member:	Ms VALLENCE
Page/s of transcript:	32

Relevant text:

Ms VALLENCE Okay. And again in relation to that Treasurer's advance and the hotels engaged by you from March 2020 to June 2020, can you provide the committee a list of all hotels contracted and a contract value for each?

Ms VALLENCE I can do that, Ms Vallence. Bearing in mind there were two things going on by way of contracted hotels: there were Hotels for Heroes—

Ms VALLENCE: No, for the hotel quarantine—can you provide that just for the hotel quarantine?

Mr PHEMISTER: Yes.

Ms VALLENCE: Each of the contracts that you engaged from March 2020 through June 2020—and you said you will provide that list of all those hotels—are no longer providing that service, so will all of those contracts be paid out?

Answer:

The list below details those hotels contracted during the period March-June 2020 with their contract value.

Hotel Name	Contract Date	Contract Amount (GST Excl.)
Rydges On Swanston	27/03/2020	\$1.56m
Zagame's House	27/03/2020	\$0.4m
Batmans Hill on Collins	28/03/2020	\$1.10m
Crown Resorts – Metropol and Promenade	28/03/2020	\$12.5m
Crowne Plaza Melbourne	28/03/2020	\$2.9m
Four Point by Sheraton, Melbourne Docklands	28/03/2020	\$3.6m
Holiday Inn Melbourne Airport	28/03/2020	\$1.1m
Melbourne Marriott Hotel	28/03/2020	\$2.1m
Mercure Welcome Melbourne	28/03/2020	\$2.9m
Novotel Melbourne Glen Waverley	28/03/2020	\$1.1 m
Novotel Melbourne on Collins	28/03/2020	\$3.9m
Pan Pacific Melbourne	28/03/2020	\$4.5m
Parkroyal Melbourne Airport	28/03/2020	\$2.4m
Travelodge Hotel Melbourne Docklands	28/03/2020	\$1.2m
Travelodge Hotel Melbourne Southbank	28/03/2020	\$2.2m
Rendezvous Hotel Melbourne	11/04/2020	\$1.3m
The Victoria Hotel	11/04/2020	\$1.5m

Novotel Melbourne South Wharf	12/04/2020	\$3.3m
Stamford Plaza Hotel	12/04/2020	\$3.3m
Grand Chancellor Melbourne	13/04/2020	\$1.6m
Holiday Inn Melbourne on Flinders	11/05/2020	\$1.0m
Comfort Inn Richmond Henty	20/05/2020	\$0.02m
Pullman Melbourne on Swanston	28/05/2020	\$0.9m
Mid City Hotel Ballarat	28/03/2020	\$0.3m
Bell Tower Inn	29/03/2020	\$0.2m
Rydges Geelong	28/03/2020	\$0.6m
All Seasons Resort Hotel Bendigo	29/03/2020	\$0.6m
Vibe Hotel Marysville	29/03/2020	\$0.7m

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Industry Coordination and Recovery
Witness:	Simon Phemister
Committee Member:	Ms VALLENCE
Page/s of transcript:	33

Relevant text:

Ms VALLENCE: I guess there are man hours. Okay. We have heard previously around one hotel, for example, in Torquay that was given over half a million dollars in this period that we are discussing for hotel quarantine but did not actually receive any returned travellers. In that list that you are providing can you also please detail, or can you let us know, if there were any other accommodation facilities engaged between March and June that this also applies to—that were engaged and contracted but received no returned travellers?

Mr PHEMISTER: For the specific purpose of quarantine?

Ms VALLENCE: Yes.

Mr PHEMISTER: Yes, I can do that.

Ms VALLENCE: And in that, can you provide a list of those and also any moneys paid to those hotels—for example, any upfront retainers?

Answer:

The below hotels were contracted for the Hotel Quarantine Program, but not required. The expenditure is as at 30 June 2020 (GST incl).

- All Seasons Resort Hotel Bendigo (\$0.6m) – repurposed for the Victorian Government Coronavirus (COVID-19) Emergency Accommodation Program - Hotels for Heroes (“Hotels for Heroes Program”)
- Bell Tower Inn (\$0.2m) – repurposed for the Hotels for Heroes Program
- Mid City Hotel Ballarat (\$0.3m) – repurposed for the Hotels for Heroes Program
- Rydges Geelong (\$0.6m) – repurposed for the Hotels for Heroes Program
- Vibe Hotel Marysville (\$0.7m) – repurposed for the Hotels for Heroes Program
- Novotel Melbourne Glen Waverley (\$1.1m) – not used
- Rendezvous Hotel Melbourne (\$1.3m) – not used
- The Victoria Hotel (\$1.5m) – not used
- Zagame's House (\$0.4m) - not used.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Industry Coordination and Recovery
Witness:	Simon Phemister
Committee Member:	Ms VALLENCE
Page/s of transcript:	33-34

Relevant text:

Ms VALLENCE: Great. With specific regard to that Sands golf resort in Torquay and the half a million dollars expended there, following the payment that facility did go into receivership and also, you know, was subject to allegations of fraud. In terms of procurement, we have discussed the emergency procurement. Was any assessment or analysis done and what procurement processes and subsequent audits of that contract did you undertake in relation to that? Was it under 'emergency', was it under some other guidelines and what did you do

Mr PHEMISTER: Specifically, the Torquay example? All procurement that is triggered through the emergency procurement framework has a post-incident review. Different language gets used, but everyone in my department, according to the independent post-incident review, followed the rules that were given to them or made available to them under the framework. So as public servants we have frameworks; we work within those frameworks. It is something else entirely if we step outside those. Everyone from hotel procurement through to food services through to security was done according to our post-incident review, within that framework.

Ms VALLENCE: So for this contract, what did that find?

Mr PHEMISTER: The post-incident review? I am happy to provide a summary of the post-incident review that relates to the due diligence. I assume that is where you are going—the due diligence.

Answer

In identifying and contracting hotels for the Hotel Quarantine Program, DJPR engaged a number of hotels, in line with emergency procurement provisions as outlined in Section 11 of the DJPR Procurement policy.

As part of these engagements, DJPR considered the following:

Value for money

- The methodology used to ensure value for money in the procurement of hotel room inventory was to consult with lead industry associations regarding a flat fee proposal on a per room, per night basis.
- The proposed fee was lower than commercial accommodation rates.
- The proposed fee captured all essential services to safely accommodate community members in quarantine – including the room hire, cleaning (post-guest stay), daily provision of essential health and hygiene goods and meals.

Accountability

- The DJPR Hotel Quarantine program was assigned to two senior executives and a small team to operationalise. The Hotel Quarantine program team met daily.

- The program was integrated into the CCC-approved Mission structure, under Mission 3. Internally, this meant accountability was ensured through the Mission structure including daily Mission update meetings with Executive Leads and the Secretary.
- All contracts were reviewed and endorsed by the DJPR Legal team.
- Expenditure per hotel was carefully registered in expenditure tables.
- Regular reports to the Mission Leads were provided on expenditure, hotels under contract, any issues arising and forward projections of inventory need.
- The accountability parameters were clearly articulated as identifying suitable inventory, establishing appropriate contracts with hotels, contract management with respect to the payment of invoices and recontracting as needed.

Probity

- The project team has no conflict of interest in relation to the accommodation procured in this program.
- Lead industry organisations including the Australian Hotels Association were consulted at every stage in the design and implementation of the program to ensure sector-wide perspective of the impacts and operations of the program.
- Through this consultation an expression of interest process was undertaken in which hotels across Victoria were invited to nominate interest to be involved in the program.
- Up to 524 hotel properties registered interest to provide the quarantine services. This equated to 35,201 rooms offered for contracting.
- The lead industry organisations provided DJPR with suggestions of hotels that were well placed in terms of location and capacity to meet the program's needs.
- A standard assessment process of a wide range of nominated hotels was conducted by the DJPR team which considered factors such as public access points, room types and volume, capacity to provide suitable daily meals, preparedness to comply with health and safety requirements, proximity to health services and other critical factors.

After compiling a shortlist of hotels that matched the profile required to safely provide the quarantine services, a selection panel comprising senior executive officer roles across the emergency response framework for the quarantine program decided to offer contracts to a cohort of hotels.

Questions taken on notice and further information agreed to be supplied at the hearings.

Portfolio:	Industry Coordination and Recovery
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Page/s of transcript:	33-34

Relevant text:

Ms VALLENCE: And does that refer to compliances and non-compliances?

Mr PHEMISTER: Well, all of these are regulated entities, so if they have food service, they are regulated by food services. If they are security, they are regulated by Victoria Police. So we assume if they are accredited by the regulatory service then, yes, there are no regulatory checks that we need to do other than to make sure their regulations and their adherence to those are in order.

Ms VALLENCE: Was it you that signed the contract with Torquay golf Sands?

Mr PHEMISTER: No.

Ms VALLENCE: No? Are you aware of why that location was selected when it is so far away from international airports?

Mr PHEMISTER: I will have to go back. It is in my evidence to the board of inquiry. I can take the excerpt from the board of inquiry and provide that to the committee if that would help.

Answer:

The Sands Resort Torquay was not contracted for the purposes of the Hotel Quarantine Program. The Sands Resort Torquay was contracted for the purposes of the Victorian Government Coronavirus (COVID-19) Emergency Accommodation Program - Hotels for Heroes that supported frontline workers who were required to self-isolate but were unable to do so in their own home.

The extract from my evidence to the COVID-19 Hotel Quarantine Inquiry relating to the location of hotels can be found below (page 1814, dated 22 September 2020).

- 15 Q. And you've described the work that you asked Mr Menon to do in sourcing hotel rooms and indicated that that task continued, including during the Hotel Quarantine Program. Did the Hotel Quarantine Program ultimately use the hotels that Mr Menon had been obtaining for that other purpose?
- 20 A. In some cases. In other cases, no. They were quite different operations. They both included the provision of private hotel stock. But for the voluntary isolation service we were looking at a far more geographically dispersed stock so that people volunteering to participate in that program could be close to home or the workplace, whereas with the hotel quarantine environment it was a far greater concentration of
- 25 stock in a geographic area in larger-scale hotels.