## OFFICIAL

Public Accounts and Estimates Committee | Into the Inquiry of 2022-23 Budget Estimates

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

Portfolio:	Agriculture
Witness:	Mr Simon Phemister
Committee Member:	Mr Danny O'Brien
Page/s of transcript:	3 - 4

#### Relevant text:

**Mr D O'BRIEN:** The question still stands, Minister: do the budget papers anywhere account for the outstanding liability as we are waiting for MyEnvironment to pay that debt?

**Ms THOMAS:** I might ask the Secretary if he could respond to that question.

**Mr PHEMISTER:** Yes. Mr O'Brien, I am not sure of the status of that debt, whether it has been written down as bad debt or whether it is sitting as a contingency on the balance sheet of VicForests. Where exactly in the budget papers that transfers I could not answer right now. I will have to take that on notice.

**Mr D O'BRIEN:** So Minister, Secretary, you cannot tell me whether that debt has been written off or is still being pursued?

**Mr PHEMISTER:** It sits on the balance sheet of VicForests, so every year when they close their accounts they determine where that balance should sit.

**Mr D O'BRIEN:** Okay. VicForests is not here, so can I ask you to take that on notice as to whether that debt has been written off or not?

Mr PHEMISTER: I can certainly take it on notice, Mr O'Brien.

#### Answer:

As VicForests is a public non-financial corporation (PNFC) entity, the outstanding liability owed by MyEnvironment to VicForests does not appear on the State budget papers.

Consistent with the model litigant guidelines, this debt is not being pursued and is classified as a contingent asset. This means it does not sit on VicForests financial statements and therefore debt write off is not applicable.

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

Portfolio:	Agriculture
Witness:	Mr Paul Smith
Committee Member:	Mr Danny O'Brien
Page/s of transcript:	16

Relevant text:

Mr D O'BRIEN: What is the quantum of the shortfall of delivery so far this financial year?

#### Mr SMITH: Of?

Mr D O'BRIEN: The shortfall of timber delivery to mills.

Ms THOMAS: Again, this is a dynamic situation, Mr O'Brien.

**Mr D O'BRIEN:** I am asking about up until now. I mean, I heard two months ago one of our biggest mills still had less than 50 per cent of what it should have had at that time.

**Ms THOMAS:** We are acutely aware that this year we have had shortfalls, and indeed that is why our government has taken action to secure the supply in accordance with the Victorian Forestry Plan—

#### Mr D O'BRIEN: From where?

**Ms THOMAS**: and throughout this year we have been working hard to deliver greater regulatory certainty to the sector. We have done that, as I said, through the 3000 code amendments. Legislation has passed to establish the compliance standards—

**Mr D O'BRIEN:** Sorry, Minister, the question was specifically about the volume. I understand if you cannot tell me that now. Perhaps, Mr Smith, you might be able to take it on notice and check with VicForests if that is possible.

Mr SMITH: I will take it on notice.

#### Answer:

I have been advised by VicForests that as at the end of April 2022 that 789,354  $m^3$  has been supplied to mills out of a planned total supply of 966,685  $m^3$ .

VicForests is attempting to retain continuity of supply to all mills and endeavouring to deliver the shortfall equitably across all customers with the intention to supply wind-blown salvage timber, such as from the Wombat State forest during winter.

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

Portfolio:	Agriculture
Witness:	Simon Phemister
Committee Member:	Mrs Bev McArthur
Page/s of transcript:	14

Relevant text:

**Mrs McARTHUR:** Okay. Secretary, can you tell me how many jobs will be cut out of the Warrnambool sector?

Mr PHEMISTER: I cannot, Mrs McArthur, because-

Mrs McARTHUR: Can you take it on notice?

**Mr PHEMISTER:** I can take it on notice, but I will not be able to answer that within the time frames the committee has because we are in a clause 11 process with the union and change processes run beyond the time frames that I have to respond to your questions on notice, so I will not be able to include it.

## Answer:

The department is currently in consultation regarding proposed workforce changes, as per the EBA and VPS policies. Final structures will not be determined until the consultation period has concluded. As such, it is premature to comment on specific sites at this stage.