

# TRANSCRIPT

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into Budget Estimates 2018–19

Melbourne — 15 May 2018

#### Members

Mr Danny Pearson — Chair

Ms Sue Pennicuik

Mr David Morris — Deputy Chair

Ms Harriet Shing

Mr Steve Dimopoulos

Mr Tim Smith

Mr Danny O'Brien

Ms Vicki Ward

Ms Fiona Patten

#### Witnesses

Mr Daniel Andrews, Premier,

Mr Chris Eccles, Secretary,

Ms Rebecca Falkingham, Deputy Secretary, Social Policy,

Mr Jeremi Moule, Acting Deputy Secretary, Governance Policy and Coordination, and

Ms Penelope McKay, Acting Deputy Secretary, Economic Policy and State Productivity, Department of Premier and Cabinet.

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

All mobile telephones should now be turned to silent.

I would like to welcome the Premier of Victoria, the Honourable Daniel Andrews, MP; Mr Chris Eccles, Secretary of the Department of Premier and Cabinet; Ms Rebecca Falkingham, Deputy Secretary, Social Policy; Mr Jeremi Moule, Acting Deputy Secretary, Governance Policy and Coordination; and in the gallery is Ms Penelope McKay, Acting Deputy Secretary, Economic Policy and State Productivity.

Any witness who is called from the gallery during this hearing must clearly state their name, position and relevant department for the record.

All evidence is taken by this committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Any comments made outside the hearing, including on social media, are not afforded such privilege.

The committee does not require witnesses to be sworn, but questions must be answered fully, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

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

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

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

I invite the witnesses to make a very brief opening statement of no more than 10 minutes, and this will be followed by questions from the committee. Premier.

### **Visual presentation.**

**Mr ANDREWS** — Thank you very much, Chairman. It is a great pleasure to be here before the Public Accounts and Estimates Committee hearing on what is another strong budget, one that in every respect gets things done by creating jobs and strengthening our economy, providing the right skills that we need both now and into the future, taking historic action on mental health — something that we know is important to every single Victorian — building better roads and of course in the Education State we are all about investing in the best possible schools.

All of this is predicated on three budgets and now the fourth budget characterised by very strong financial management. I know the Treasurer has probably taken you through some of those aggregates today and spoken in some detail about the overall performance of the state's accounts, but we have very strong surpluses, averaging \$2.5 billion across the forward estimates. The net debt position that we are running across these estimates is in fact lower than the number that we inherited when we came to government four years ago. Borrowing to build is perfectly fine; in fact it is something that is I think absolutely necessary when you consider just how competitive the cost of capital is now, but it has got to be within prudent levels, and there is no better judge of the fact that we are achieving that balance than the AAA credit rating reconfirmed again post the delivery of this budget.

Obviously jobs are very important to every single Victorian. I think all Victorians can be very proud that our economy has grown well above the national growth rate, and that has been reflected in some very, very strong employment numbers. Of course we always know that there is more to be done and we want to keep that momentum going, but 117 000 new jobs in that 16–17 year, that is fully 70 per cent of the new jobs created right across Australia. So that is Victoria playing our natural role, to lead and to be an exemplar for other jurisdictions.

Overall there is very significant investment in road and rail, hospitals and schools — infrastructure, for want of a more inclusive term. The key point here is that there is something in the order of double the 10-year, long-run average prior to us coming to office each and every year, and that is about keeping those jobs, that employment growth, a big feature of Victoria over the forward estimates and indeed beyond that.

In terms of jobs, they all start with skills, and if you want to keep on building the road and rail projects that are very important for today and the future, then you have got to have a strong TAFE system, you have got to have Victorians given access to those skills and knowledge attainment pathways so they can have the competencies that industry needs. So there is additional funding to make 30 priority TAFE courses free, there are 30 000 additional new TAFE places that are funded and there is also some significant reform to the way senior secondary school education works, so that upon completing their year 13, young adults will be able to leave school either with a VCE or VCAL in one hand, essentially, and a qualification in the other. That is being piloted, or at least run out, in a staged way at 100 secondary schools; 1700 students are set to benefit from that. There is then \$109 million, which is about trying to provide better career advice to our kids earlier. We think that is a really practical and important investment. There is just under \$50 million, as I said, for those Head Start apprenticeships I just mentioned.

These are big projects, and getting them away — actually delivering them — is very important. We saw for a period of time not much get done in our state. We have confounded that, and we are in this budget building on very strong investments over the last three budgets in suburban roads, in making sure that we are ready to go to market, with that procurement tender process for the north-east link, the missing link in our road network, within 100 days of being re-elected if we are given that great honour and gift at the end of this year. Of course there is investing in the proceeds — the savings — from stage 1 of the Monash Freeway upgrade, which is ahead of time and under budget, together with a fresh allocation to move straight into stage 2, and we know that everybody in the south-east will be very pleased to see that work proceeding. There is just under \$2 billion in further investment to make our public transport network work even better, whether it be on our busiest train line or indeed with the order of some additional rolling stock.

I spoke about schools and how important they are in the Education State of course, with \$353 million for new and planned schools and \$483 million to upgrade existing schools. That is all about dealing with some of the challenges of growth but also making sure that we do everything we can to provide the best fabric, the best facilities, the best environment for our kids to learn and find the things that they are exceptional at, the things that they want to do. We should also never forget that our schools are very substantial workplaces, so we need to make sure that for students, for staff, for the parent community and for communities in a broader sense we have got the best facilities possible. There are very significant upgrades, new schools and planning for other schools that will come in just a few years time.

Can I say that I am particularly proud — very, very proud — that we have been able to allocate just under \$300 million to support the education of students with special needs. That is not just for their benefit, but I think parents, carers and school communities are very pleased to see that investment as well. That is more than I think has ever been invested in this important part not just of our education system but of our state, and we are very proud to be able to make the investment.

Our little Victorians do not miss out either. They receive a big boost in terms of kinder — in places, some capital works and other equipment funding — and there is a good deal of reform embedded in that as well.

Health care makes up a big part of the state's expenditure each and every year, and it is relevant to every family. This year the headline, I suppose, is that historic investment in mental health: \$705 million. There is a big boost for metro hospitals and regional hospitals, and more funding to treat more patients and to treat them faster. We are seeing substantial growth in presentations, and this funding means that our doctors, nurses, paramedics and all their support staff will be able to meet those challenges. Of course our comprehensive plan to rebuild and make better than ever before our ambulance services continues with just under \$60 million to deal with demand in terms of ambulance services as well.

Community safety is obviously relevant to every single Victorian across the state. There are significant investments in our prison system, particularly at the Lara prison precinct. Child protection as well is a matter of community safety; we are adding to our reform agenda there and making further investment. There are extra beds from a youth justice point of view. There is the bail and remand court, as well as the bail and remand reforms that we have delivered. There is further investment, despite the \$2.4 billion we have already invested in

family violence supporting victim survivors and for prevention. There is still a further boost this year because that remains the number one law and order issue both in our state and indeed across our nation.

In regional Victoria — we govern for the entire community — we are very pleased to be able to provide further tax relief and further tax reform, dropping to fully half the payroll tax rate for regional businesses as opposed to metropolitan businesses. There are significant upgrades in regional schools. There is \$941 million for better regional roads, and we know how important that is for productivity and safety. This is a historic investment, a very, very big investment and one we are pleased to make. Public transport in the regions benefits as well. TAFE I have already spoken about from a recurrent point of view, but there is substantial investment in better facilities at Bendigo, Morwell and Sale. Of course there is \$462 million for the complete redevelopment — a very substantial redevelopment — of Ballarat Base Hospital, following the last similar endeavour at Bendigo Hospital from another Labor government some years ago.

You can see there — I will not read all those quotes out — that there is a pretty good cross-section from unions, industry and the social services sector, as well as others who are respected commentators in their fields. Whether they be the Victorian Healthcare Association, the farmers federation or the RACV, they have provided very solid commentary and, I think, a very clear take on a budget that does get things done. It is a budget that continues to invest the proceeds of strong economic growth, because of sound financial management, in the services that Victorians need: the infrastructure, road and rail that is critical for the future. It is a budget that is all about momentum and getting things done for every single Victorian family, and it is very pleasing to see such widespread support for the budget as delivered by the Treasurer. Thanks, Chair.

**The CHAIR** — Thank you, Premier. I will kick off, if I may. The reference is budget paper 3, page 41, under ‘Output initiatives’ for TAFE. There is a series of line items there, Premier, including ‘Free TAFE for priority courses’. Could you outline to the committee how you expect this level of investment across the forward estimates will provide the necessary workforce to address some of the infrastructure projects that the government is pursuing?

**Mr ANDREWS** — We know and understand that if you are going to get big rail and road projects built, together with upgrading and improving our hospitals and schools and so many other infrastructure projects — if you are going to deliver those projects, then you have got to have the workforce that industry needs to get that job done. I was out at VU Polytechnic out in the west today to celebrate a campus of that university and TAFE out in Werribee that will reopen. It was closed about four years ago; it will reopen because of the West Gate tunnel project. They are for the first time — VU Polytechnic — offering civil construction certificates II, III and IV because they have done a deal with the builders of the West Gate tunnel. Because that is going to create 6000 jobs and they need skilled workers, they have partnered with their local TAFE and they are reopening a campus. Those students, from 1 January next year, will of course be part of those priority courses that will be free. The first of the students under that arrangement will begin studying next week — a great contrast, might I say, to the circumstances that we inherited, where so many campuses had been closed, courses had been cut, TAFE teachers had been sacked and TAFE was in a very, very difficult position.

We have repaired that damage, but we are not just about repairing damage; we are also about making sure that we improve those parts of the public sector, those parts of our economy in communities that really are very, very important. This funding for pre-apprenticeships, priority courses, extra places and upgrades at some TAFEs building on other investments we have made over the last three and a half years and are all very important.

It is very simple. You cannot continue to invest as we have done in level crossings, road upgrades, rail upgrades, school and hospital rebuilds and brand-new schools and hospitals — you cannot get that task done — if you do not have a strong TAFE system training the next generation, and the current generation, of workers that industry needs for that task. That is why, as I said, we have reinvested in TAFE, but we know there is more that has to be done there, and that is why Minister Tierney and the budget committee of the government have come up with a very strong and positive plan for more places and for getting rid of some of the barriers to training. That has been welcomed by industry and it has been welcomed I think by students, by the unions and by TAFEs themselves. It is absolutely critical. If we are going to keep this pace of investment up — and there is more than \$10 billion across each of the forward estimates for those infrastructure projects — you cannot get them done if you do not have the skilled workforce. We do not rule out doing more in the future, but this TAFE

package sets us on a course to have the right staff and the right skills to make sure we can come complete these projects.

**The CHAIR** — A real issue for me has been public housing tenants who have been locked out of the jobs market, or people who might be from a CALD background or an African-Australian background. Are you anticipating that by removing the cost burden of getting a TAFE qualification more of these cohorts who have been locked out previously might be able to start to get a real qualification?

**Mr ANDREWS** — Yes, I would certainly anticipate that for some for whom these up-front fees — the gaps between subsidies and the total cost — would be a real barrier this will be one less obstacle.

Of course having a TAFE that is open in your local community is a pretty significant issue as well. You do not get much training done at TAFEs where there is a big padlock on the front gate, like there was out at Greensborough. I was out there just a couple of weeks ago celebrating. Not only is that polytechnic there doing so well — exceeding all expected enrolment — but we are building the new tech school on the ground at the same time. That is a real hub for all these training issues. Or if we were to go out to Lilydale, another campus that was in fact closed — I can well remember unlocking that padlock very early on in our term in office — that institution today is better than it has ever been. And there are many other examples. I think there were something like 22 different facilities that were closed. We have been able to open some of those.

We have been able certainly, and have been more than prepared, to support TAFE for disadvantaged students — for every student, whether they be after school or even during school and of course those who are looking to take their career in a different direction, getting the skills that are most relevant to a contemporary labour market.

I will make one further point. The visit to the old Greensborough TAFE coincided with us being able to celebrate the \$50 million Community Support Fund that provides that catch-up literacy and numeracy dedicated support for some disadvantaged students for whom those are real barriers — directly to your question about barriers. I think there would be something like \$3.5 million out of that \$50 million fund. That was a fund that was taken to zero; it was at zero when we came to government. It had been basically abolished. We have reinstated that funding. It makes sense. If you, for whatever reason, try to begin your training without those foundational skills, then that is a real barrier to you completing your course and then going on to continue in whatever profession it is that you want to work in, making a meaningful contribution and helping us to get all the things that we need built built.

The other point as well, I might just add, is it is not just about building roads and rail, hospitals and schools. If we want the NDIS to be real, if we want those who have waited for far too long to have justice and the sort of support and services that they are entitled to, we need a workforce of the future. If we are going to keep Victoria's women and children safe and continue to drive down the incidence of family violence in our community, that requires a substantial workforce. Those courses, those skills sets are an important part of a strong TAFE system as well, and the decisions that the government has made in the most recent budget.

**Ms SHING** — I would like to take you to your presentation, which talked at length about skills and training, and go to regional education. We have heard you talk about the investment in regional infrastructure as well as the facilities that are required, and we have seen that there has been an unprecedented investment of \$1.25 billion in school infrastructure. I would like to take you to budget paper 3, page 53, if I may, and talk about, by reference to that budget paper reference, how the government is in fact supporting population growth, decentralisation and catering for the educational needs of students across all levels of education in school infrastructure throughout our regions.

**Mr ANDREWS** — Thanks, Ms Shing. I did mention earlier that there had been some upgrades — some substantial expenditure — in TAFE at a number of campuses. I might just add in more detail: there is \$35 million to transform Federation Training's Morwell campus — I know that will be very welcome to Ms Shing and to communities down in the valley; \$60 million for a new education precinct at Bendigo Kangan Institute — I was there visiting that facility just a week or so ago; and \$25 million for a new Federation Training campus at the port of Sale, which I am sure will receive bipartisan support.

**Ms SHING** — Mr O'Brien will be sure to take credit for it, won't you, Mr O'Brien?

**Mr D. O'BRIEN** — We announced our commitment in August last year, Ms Shing, so —

**Ms SHING** — Yes, but you never actually follow through with anything, do you?

**Mr D. O'BRIEN** — It is 14 years after you said you would build it, Ms Shing. You do not want to start on that one.

**Ms SHING** — Old 'MasterCard' O'Brien taking credit for everything.

**Mr D. O'BRIEN** — We might like to have a look at the *Latrobe Valley Express*, which says the Federation campus at Yallourn is about to close —

**Mr ANDREWS** — With the greatest of respect, Mr O'Brien, the \$25 million in this year's budget is actual funding, actual cash, and we will get on and deliver —

**Mr D. O'BRIEN** — You are the government so you are allowed to.

**Mr ANDREWS** — Indeed we are, and we are very pleased as a government to support TAFE and better outcomes for students.

Your question, Ms Shing, was in relation to the broader investments that the government has made and continues to make in regional education. There is \$1.25 billion in school infrastructure. That is part of a \$3.8 billion investment since we came to office. There are now over 1300 school upgrades — this is statewide — and 70 new schools that are being built or are in some part of that process between planning and actually being opened. Regional Victoria has benefited very strongly, as it should as a matter of equity and as a matter of principle. It is about investing right across the whole state.

There are many different projects; I can take you through just some of them. There is \$180.8 million to build, plan and upgrade 60 schools across regional Victoria; 46.2 million of that is five new school projects. This includes funding to build Armstrong Creek West Primary School in Geelong, the Lucas primary school in Ballarat and to start early works at the Armstrong Creek Secondary College — very welcome investments, I am sure, in each of those communities. I have visited some of those in recent times. Planning will also now begin on a further redevelopment in the Wodonga east area and of course Miners Rest Primary School as well. That is a good cross-section of different investments right across regional Victoria. There is a further \$135 million to plan and upgrade 55 primary and secondary schools in regional and rural Victoria.

**Ms SHING** — Just on that, Premier, we have seen that there has been a doubling of the investment in regional and rural school infrastructure under this government. How does that fit with meeting the population objectives, as far as growth is concerned, into the future?

**Mr ANDREWS** — Well, obviously if you do not do very much you are not catering for growth at all, are you? You are not managing much if you do not build much. We inherited a situation where so much more needed to be done, and we have got on with that. We have made those investments and we are proud to do it. The other thing to remember, of course, Ms Shing, is that these are often seen as the centre of learning — yes, of course they are — but they are also an opportunity for the community to share in those first-class facilities. What is more, every one of these projects is an opportunity to train the apprentices we need in the future and to employ many thousands of people.

**Mr MORRIS** — Good afternoon, Premier.

**Mr ANDREWS** — Good afternoon, Deputy Chair.

**Mr MORRIS** — Budget paper 3, page 299, is just the output summary for the department but provides the reference. Premier, in response to a question on notice at the recent outcomes hearings it was revealed that in 2016–17 the headcount for the Premier's private office was 94 persons. Just to put that figure into context, I contrast that with the 52 people that work in the Prime Minister's office in Canberra. I am just wondering if you can tell me what is the number now and what do you anticipate the number will be at 30 June?

**Mr ANDREWS** — Well, Mr Morris, all ministerial staff across all ministerial offices are in fact employees of the Premier. I delegate the authority, from a human resource point of view or an industrial relations point of

view, to my chief of staff. That is a longstanding practice. But they all in a sense work for me and there are between 240 and 250 of them. In terms of headcount, I am not sure what you are referring to in relation to the answer you quoted, but as best I can recall — and I can give you my best estimate of these things — there are around 60 staff that work in my office as employees of mine, they work for me. But in some respects all ministerial staff work for me, because they are all employed under arrangements established by me.

I would make the point — not in a partisan sense — we have staff, they all work very hard and I am very proud of all of them. They are doing more work than I think any staff for any government has ever done in the history of our state. The numbers bear that out. With the greatest of respect to the Prime Minister, those numbers are perhaps more of reflection on the work rate of that government than ours.

**Mr D. O'BRIEN** — Serious?

**Mr ANDREWS** — Absolutely, yes. I am happy to —

**Mr T. SMITH** — You just said you would not be partisan and then you say that. I mean, you cannot help yourself.

**Mr ANDREWS** — It is a fact.

**Members interjecting.**

**Mr D. O'BRIEN** — You have got 94 staff in your own office.

**Ms SHING** — It is the biggest infrastructure investment in the history of the state; the biggest allocation of recurrent funding in the history of the state.

**Mr D. O'BRIEN** — It is 94 ministerial advisers. They are not building the sky rail, Ms Shing.

**Ms SHING** — It is called doing things.

**Mr ANDREWS** — You do not need many staff if you are not doing very much, but anyway.

**Ms SHING** — You do not need anything when you are just resting on your laurels over there.

**Mr MORRIS** — When Ms Shing is finished, we will go on. The advice that was provided by the Premier's own department makes it clear that they were referring to the office of the Premier.

**Mr ANDREWS** — I might need to take that on notice.

**Mr MORRIS** — The line is 'Office of the Premier — Andrews; Office of the Deputy Premier — Merlino' et cetera down the line, with numbers. The number advised in your office was 94.

**Mr ANDREWS** — Deputy Chair, I am answering to the best of my abilities and I am making a broader point, I suppose. There are —

**Mr D. O'BRIEN** — You have misplaced 34 staff.

**Mr ANDREWS** — I am answering to the best to my abilities and I am answering accurately, and what is more I am making the point that if you want to look at the total number of staff that work for me as the Premier, all ministerial staff work for me as the Premier — and they all work very hard for the people of Victoria.

**Mr MORRIS** — We are talking about the Premier's private office, which is the question that was asked in December. There was a contract recently let for 2.758 million for works at 1 Treasury Place, and I think some works at 1 Macarthur Street as well. The works at 1 Treasury Place were on level 1 of 1 Treasury Place, as I said, \$2.758 million. It is current so it was starting on the 22 February and anticipated to finish on 22 June. I am just wondering why are you spending millions of dollars on your own office?

**Mr ANDREWS** — Deputy Chair, I think you will find, and those of your colleagues who have had the great honour of occupying number 1 Treasury Place may well be familiar with the fact, that there are several what might be termed safety issues in relation to asbestos and there are some other challenges in relation to water

damage and other infrastructure that is not fit for purpose. It is a big workplace. I am not talking about those members of Parliament and cabinet ministers, but there are many other staff in the department that work there — well beyond the private office; surely we can agree on that point — and there are investments from time to time.

There are also security upgrades as well. Now, of course, for obvious reasons, we do not go into the details of those security upgrades. It is not for us to be informing the criminal element as to how they might make those workplaces unsafe. There are also many members of the public who visit and utilise those facilities as well and that precinct.

**Mr MORRIS** — The title of the contract is ‘DPC fit-out’, which does not sound like remediation works and asbestos removal.

**Mr ANDREWS** — I was just about to ask the secretary to add to my answer, and I might do that now.

**Mr ECCLES** — Thank you, Premier, and thank you, Deputy Chair. The number you quote is principally taken up by one major accommodation upgrade to our security and emergency facility on level 13. That upgrade is 2.798 million. You may be familiar with the room on level 13, but it is no longer fit for purpose to support the government in the event of there being an emergency.

**Mr MORRIS** — So without prolonging this discussion, because there is lots of other things we need to talk about, are you saying that even though the title of the contract says both level 13, 1 Macarthur Street, and level 1, 1 Treasury Place —

**Mr ECCLES** — I understand that is the case.

**Mr MORRIS** — the work is not related to level 1, 1 Treasury Place?

**Mr ECCLES** — I understand that is the case

**Mr MORRIS** — So the contract title is wrong?

**Mr ECCLES** — There were some security-related upgrades to level 1 as well, I am advised.

**Mr MORRIS** — Can we have an indication of the cost of those?

**Mr ECCLES** — I can provide you with that information after the hearing.

**Mr ANDREWS** — Deputy Chair, if I might, I think this will relate to a decision in last year’s budget where an allocation was made both to upgrade security at both Government House — you will recall there was an incident last year, and sadly there has been yet another incident since — and other government buildings and precincts. Again, we are happy to provide you with whatever information we can. That is appropriate. I am sure you would appreciate that some of these security matters are best not canvassed. But these contracts are managed carefully, not just in the interests of high-profile occupants of these precincts but also members of the public and all the staff who work there. We need to make sure that these places are as safe as possible, particularly when it comes to the physical space, where in the event of a terrible act all of our emergency services and all of our key decision-makers — that chain of command, in effect — would be there. We need to make sure that that environment is as secure and as safe as possible. That is just a logical investment that needs to be made. The secretary, I think, has dealt with that.

**Mr MORRIS** — If we can have whatever information is available, that will be fine.

**Mr ANDREWS** — If there is anything we can add within the context of the answer I have given, we are happy to do that.

**Mr T. SMITH** — My question is to the secretary, again relating to budget paper 3, page 299, and the Premier’s Facebook page. The department paid \$122 000 in 2015–16 to promote the page. In 16–17 that jumped 32 per cent to more than \$162 000. How much has been spent so far in 17–18?

**Mr ECCLES** — We do not have that information, Mr Smith. You have the most current information that is available to me, which is the advertising spend for 16–17.



**Mr T. SMITH** — How much has been budgeted, Secretary, for the Premier’s Facebook page in 2018–19?

**Mr ECCLES** — We do not forecast figures for the 18–19 expenditure. That is a matter for the Premier and the Premier’s private office.

**Mr T. SMITH** — Last year you provided the committee with the Facebook advertising records for 16–17, which includes the campaign, the amount spent and the interaction. Are you able to do the same for 17–18, including a description of the advertising spend?

**Mr ECCLES** — If that information is available, I will make it available to the committee.

**Mr T. SMITH** — Secretary, DPC has a number of agencies underneath it, including, for example, IBAC, the Latrobe Valley Authority, the Local Government Investigations and Compliance Inspectorate, the Office of the Governor, the Public Interest Monitor, the Public Record Office Victoria, the Victorian Auditor-General’s Office, the Electoral Commission et cetera. Can you please detail the sponsored social media spend so far in 17–18 for each of those agencies and the reporting statements from Facebook for each advert?

**Mr ECCLES** — I do not have that information with me, Mr Smith, but to the extent that information is available, we will provide it to the committee.

**Mr T. SMITH** — Can we please get the same sponsored social media spend for DPC so far in 17–18 and the reporting statements from Facebook for each advert campaign?

**Mr ECCLES** — The same response.

**Mr T. SMITH** — Thank you very much, Secretary. Secretary, budget paper 3, page 316, relates to public sector integrity, including the office of the Victorian Ombudsman. The Ombudsman recently handed down her *Investigation of a Matter Referred from the Legislative Council on 25 November 2015*, commonly referred to as Labor’s red shirt rorts. Secretary, what was the total cost spent by the Ombudsman and her office during this investigation?

**Mr ECCLES** — The total cost —

**Mr T. SMITH** — Spent by the Ombudsman and her office during this investigation.

**Mr ECCLES** — I do not have that information.

**Mr T. SMITH** — You do not have that?

**Mr ECCLES** — No, the Ombudsman has not provided me with information around the total costs incurred by her office for the legal proceedings in relation to the referral.

**Mr T. SMITH** — You cannot inform the committee in any way, shape or form of the costs to the Ombudsman? It sits underneath you, sir. I find that incredible.

**Mr ANDREWS** — It is an officer of the Parliament. It would be a matter for the Ombudsman’s annual report.

**Mr ECCLES** — Indeed. It is for the Ombudsman to account to the Parliament for those matters, so I do not have any visibility over the actual expenditure.

**Ms PENNICUIK** — Probably unsurprisingly, Premier, I wanted to talk about climate change. I had a look through the budget, and I noticed it is not mentioned at all in budget paper 2, and it is not mentioned at all in budget paper 5. It is mentioned once in the overview and once in the Treasurer’s speech. I do not think it was mentioned in your presentation either, but you can correct if I am wrong, Premier. Then if you go to budget paper 3, there are a few references to climate change, including the mission statement and objectives of the department et cetera. But if you go to budget paper 3, pages 199 and 201, that directs you to the \$42.7 million that is being spent on climate change in this budget, which is just marginally above the 41.6 that was spent last year. That talks about ResourceSmart schools, energy saved by those schools, the TAKE2 actions and policy advice. Similar to what I was asking last year, why is the government not doing very much about climate

change? I have gone back to page 59 in budget paper 2, where there is a few hundred thousand dollars scattered around energy projects, but that is about all I can find.

**Ms SHING** — Except for the VRET and everything else.

**Ms PENNICUIK** — Yes.

**Mr ANDREWS** — Ms Pennicuik, I am afraid I do not quite see it that way, but we can have an exchange on these issues, as we have done in previous years. I do not see it in the terms that you have outlined it. I think that we have made consistent investments in a number of different priority areas, and they are all about dealing with the reality that is a changing climate, whether it be in setting very ambitious and very important targets in terms of the percentage of our total electricity generation that comes from renewable sources or whether it is about cutting emissions and the government leading a process to support lots of different people in the Victorian community, different agencies or different groups —

**Ms PENNICUIK** — Can you give the committee a bit of an update on those targets and how we are tracking towards those?

**Mr ANDREWS** — Sure. What I was warming up to, Ms Pennicuik, was to indicate to you, just as I indicated last year, that the minister for the environment — who is also the minister for energy, I am very pleased to say — will be able to provide you with further information in what I am sure will be a rigorous interrogation of her, her portfolio and the outputs that relate to her. But I can ask the secretary to supplement my answer. The point I am making, I suppose, is that we have been very clear about our priorities, and we have invested to achieve the aims that we have set out and the targets that we have laid out, whether it is in the VRET process and the auction that is currently underway or whether it is in setting targets and being consistent in our efforts to meet them, albeit the fact that they are ambitious and they do run over a long period of time, more than the forward estimates period. That is the nature of proper reform.

**Ms PENNICUIK** — Surely they are being tracked, though, closely tracked?

**Mr ANDREWS** — Sorry?

**Ms PENNICUIK** — Surely they are being tracked.

**Mr ANDREWS** — Indeed. I am sure the minister for the environment will be only too happy to give you a tracking update.

**Ms PENNICUIK** — I am sure you have warmed up towards that, Premier. You are warming up towards the answer.

**Mr ANDREWS** — She will be able to give you a tracking update, but ahead of the minister for the environment giving you an update, the secretary will be more than happy to do that as well.

**Mr ECCLES** — Thanks, Ms Pennicuik. I can update you on some of the signature initiatives that have been funded in previous budgets, including the expected expenditure this year. So in relation to the Greener Government Buildings, which had \$53.8 million in funding, 22.7 has been expended to date, with the remaining 31.1 expected to be spent in 18–19, so the year that you were particularly interested in. I will not take you through the particular projects other than to highlight the —

**Ms PENNICUIK** — Perhaps you could provide those on notice. That would be great, for the committee's benefit.

**Mr ECCLES** — I can certainly do that. There are also a number of contracts that have been signed with generators under the renewable certificate purchasing initiative and solar tram, and I will again take your line and come back to you with the specifics around that. Finally, TAKE2, which is this enormous commitment by the government. We have now had a commitment to over 67 000 actions to reach net zero emissions by 2050, so again I can provide you with some more detail, including —

**Ms PENNICUIK** — How we are tracking with regard to those emissions is the important thing.

**Mr ECCLES** — Indeed.

**Ms PENNICUIK** — It is always the important thing: how is this bringing down the emissions? If we can just go to page 59 quickly, because I will not have much time left, BP3, the power saving bonus, \$47.8 million. That is the project whereby if citizens go to the website, they will get \$50 for comparing energy retailers. My question really is: why that project rather than other ways? For example, advertising; for example, making sure the retailers are required to direct people to this website rather than simply handing out \$50 cash.

**Mr ANDREWS** — So, Ms Pennicuik —

**Ms PENNICUIK** — And could you also say exactly how that is going to work?

**Mr ANDREWS** — Sure, Ms Pennicuik. That is a very good question. You do from 1 July receive \$50 as a household if you visit Energy Compare. We think that that is about ultimately breaking the business model that so many of our very profitable, very big energy retailers use and exploit to their advantage.

**Ms PENNICUIK** — Yes, I think you and I are at one with the privatisation of the energy sector.

**Mr ANDREWS** — Well, you never know. We could be of like mind on a few things. I am not sure about that.

**Ms PENNICUIK** — Well, I can only go by your public statements.

**Mr ANDREWS** — But let us not get distracted, if I could submit. The key point here is that a lot of these very, very profitable, very big energy retailers, they bank on ordinary hardworking consumers not having the time or knowing how to shop around and get a better rate. You mentioned that those households will receive \$50. That is not all they will receive. The data tells us seven out of 10 households that visit that website will save, and a typical household is set to save \$330 in the first year alone. So we make no apology, Ms Pennicuik, for trying to get people's attention to get them to go to the website, because we know that seven out of 10 people who visit it will save. It is about cutting through what is often pretty cynically the model employed by the big retailers, and that is to bank on the fact, much like a bank, that you do not have the time or the know-how.

**Ms PENNICUIK** — So to my question, though, why this mechanism rather than —

**Mr ANDREWS** — Because we think massive savings can be made.

**Ms PENNICUIK** — an awareness campaign —

**Mr ANDREWS** — Well, this is a pretty good awareness campaign.

**Ms PENNICUIK** — Well, has it been compared to anything else?

**Mr ANDREWS** — This is a pretty significant awareness campaign.

**Ms PENNICUIK** — Yes, but only for six months.

**Mr ANDREWS** — Yes.

**Ms PENNICUIK** — As compared to an ongoing awareness campaign —

**Mr ANDREWS** — Look, there are always different opportunities, different options.

**Ms PENNICUIK** — And the costings of that as opposed to this, which is actually more than you are spending on climate change.

**Mr ANDREWS** — Well, can I say to you that we are not going to apologise for this investment, and I am very pleased to think that there are 75 000 to 80 000 people who have already visited the website, and that is before the \$50 payment is available.

**Mr DIMOPOULOS** — Good afternoon, Premier and officers. Premier, just back to your presentation, you touched on capital upgrades for special schools, but I want to take it a bit broader than that, just inclusive education generally. I know there is a big investment in relation to inclusive schools, and I draw your attention to budget paper 3, page 41, table 1.11, ‘Support for students with disabilities’. I just wanted to see if you give us a bit more detail in relation to those four or five line items in that table about inclusive schools.

**Mr ANDREWS** — Thanks very much, Mr Dimopoulos. There is \$288.4 million invested in this year’s budget towards a more inclusive educational environment for every young Victorian. It really does set us up, I think, to become a national leader or to build on our national leadership as an inclusive state, with \$232.8 million of that funding going towards initiatives for students with a disability or additional learning needs and \$55.6 million of that is to plan and upgrade 15 special schools. I am very pleased to say I think we are now up over 40 projects that we are currently delivering — 42, I think, if my memory is correct — 43 special schools that are either new or are being upgraded, and some of those upgrades are really very significant. I have had the great honour of visiting many of those schools and talking to parents and staff and kids. I was at one in my own local community, Monash SDS, just on Friday morning, I think it was —

**Mr DIMOPOULOS** — They got 1.9 million.

**Mr ANDREWS** — Indeed, a really substantial investment not just for my local community but for the whole region, including your own electorate and others. Emerson School, Southern Autistic School, a new special school in Endeavour Hills, 12 schools that are being upgraded, Barwon Valley, Frankston special school — I can make them available to the committee, and I think there might even be a list in the budget papers of these investments. That is the way I view them; they are not costs so much as they are really profound investments in fairness and decency, making sure that every child gets exactly what they need. This investment came from taking the time to sit down with parents and school leaders. I was honoured to be invited to do that and to sit with those amazing people to hear their story and to ask a very simple question: what more can we do in practical terms to support you and your child, and let us not forget siblings as well and the staff, both teachers and all the support staff? This is exactly what they said we can do: better facilities, better equipment.

But then also there are a number of other programs, whether it be the program for students with disabilities — there is \$93.2 million in additional support there; 3700 students with disabilities in the 2019 year will benefit from that important investment. We also know, though, that whenever there is a line drawn and young Victorians on one side of the line receive certain supports, others can in effect miss out. There is a package of \$10 million for additional support for those that might be termed on the cusp, if you like, some of whom will be in mainstream environments; others who need further supports but might not necessarily qualify. It is always very challenging to have to draw a line with these things, but this is a really substantial boost.

There is also a whole range of equity measures, for instance, and we are piloting some of these. I can well remember parents talking to me in very emotional terms, saying that their kids, because they went to special schools, did not have before and after-hours care and did not have school holiday programs — many different things that so many parents across the state would value and might even take for granted, as it were, that simply were not an option for these families. So it is with a sense of pride, with some humility as well — these people are just amazing families, and it is a great privilege to have got to know many of them and to provide this funding. I do not for a moment, however, underestimate that there is more that has to be done. Forty-three is the biggest program of investment the state has ever seen. There are more, though.

Again, if we have that great opportunity and honour next year and beyond, then we will continue to invest in this part of our education system because it is about equity and fairness, and I think these families and the school communities who love them and cherish them and provide for them, have been, you could say, ignored for a very long time. That ends in last year’s budget and this budget, and we need to continue that investment. It is a very, very important part of the education story, indeed a very important part of the budget for this year, and one that I am very, very proud of — and I am very grateful, can I say, to those families for having allowed me to come into their school community and given very generously of their time in explaining some of the challenges they face on a day-to-day basis. I am very, very grateful to them. That is where this package comes from.

**Mr DIMOPOULOS** — Thank you, Premier. I have experienced a similar thing, because I have had a lot to do with Monash Special Developmental School in my previous role as a Monash councillor. I think these

schools have put up with substandard accommodation for a long, long time. I think they have just accepted that they are not getting any more, so I am really pleased to see that investment.

**Mr ANDREWS** — Well, Mr Dimopoulos, as you well know, the Monash Special Developmental School at its previous location in Notting Hill was 100 per cent portables.

**Mr DIMOPOULOS** — Yes, that is right.

**Mr ANDREWS** — So they are now on the former Brandon Park Secondary College site. I cannot recall the exact number we invested, but it was a substantial sum to build that school from scratch, effectively. When I was there on Friday, there are further improvements that need to be made. There is nearly \$2 million for some expansion and improvement to their hydrotherapy pool and some other refurbishment of some portables that are still on the site. It is a fantastic school, and it was great to meet with students, parents and teachers. That is just one example among many really important investments.

**Mr DIMOPOULOS** — Thank you, Premier. Just taking you to students with learning difficulties in mainstream schools, I just want to get a sense from the 18–19 budget, a bit more about that investment.

**Mr ANDREWS** — Thanks, Mr Dimopoulos. Obviously we need to support kids with special needs, no matter which setting they attend, whether it is geography or if they are in a mainstream school or a school that is there to meet specialist needs. There is \$65.5 million for student health and wellbeing initiatives across the whole system. That ensures, for instance, health checks for all of our prep students. We know that if you can find an issue — if there is a challenge there, if there is an issue that needs to be dealt with — and it can be detected early, then we know that the evidence is very clear that benefits later in life will be profoundly enhanced if you can pick up issues early on. There is additional funding to boost, for instance, speech pathology services. There are something like 3000 additional children that will receive the recommended 11 hours of speech pathology across the course of the year. Many are missing out. This deals with some of those issues. There is a whole range of different boosts around occupational therapy and physical therapy and just making sure that the offering is much more complete.

There is no doubting that the evidence is very, very clear: if you make these investments early on, you can deliver profound benefits in terms of life opportunities and outcomes. Plus it is about taking pressure off those families that do it really, really tough. It is just a natural extension of so many of the other investments we have made in the first three budgets, and we are delighted to be able to do it. Again, I make the point that we are not for a moment bragging that it is all finished — no, there will need to be further investments in the years to come, but this is a big, big boost.

**Mr DIMOPOULOS** — It is, Premier. I have a teacher at one of my local schools who said to me a few weeks back — she has been teaching for, I think, close to 30 years — that she has found more recently that in the past comparatively they would not ignore but would let students with learning difficulties go through because they had no other pathways to refer them to or funding support. She has noticed that they do not do that as much because they can actually refer them and get assistance, so it is a very good investment. Thank you, Premier.

In terms of the Glenallen School, which also services my electorate, we invested \$700 000 this year and, I think, 2 million previously. I am just putting a bid out there for future investments.

**Mr ANDREWS** — That is alright. I visited the Glenallen School a little while ago. It is a fantastic place — really a loving, caring, supportive environment which does amazing work.

**Mr DIMOPOULOS** — It is, absolutely. Thank you.

**Mr T. SMITH** — Again to the secretary and to budget paper 3, page 316, ‘Public sector integrity’: in March the Premier disclosed that \$139 000 had been expended in external legal costs by them to fight this Ombudsman’s report. Is there an updated figure as of today on these legal costs and does that 139 000 include costs from the Victorian solicitor-general’s office?

**Mr ECCLES** — Thank you, Mr Smith. I have an updated figure now for the total external legal costs incurred by the Attorney-General for the proceedings, being \$139 001.06. I think that the figure revealed in our evidence earlier in the year was \$116 980, so there has been, presumably, a reconciliation. I think as we also discussed

last time you and I chatted about this, the solicitor-general does not invoice the state for his services, so the cost is essentially that which relates to the work of the VGSO.

**Mr T. SMITH** — Premier, do you think that the Labor Party should pay those legal fees back to the state?

**Ms SHING** — Are you asking for an opinion, Mr Smith?

**Mr T. SMITH** — Will the Premier instruct the Labor Party to pay those —

**Ms SHING** — I would be raising a point of relevance there, Mr Smith.

**The CHAIR** — Through the Chair.

**Ms SHING** — Chair, I raise a point of relevance.

**Mr T. SMITH** — Let the record reflect, Chair, that I have asked a question of the Premier on these matters and the protection racket has swung into action.

**The CHAIR** — Mr Smith, you cannot ask a witness for an opinion. I am happy for you to perhaps rephrase your question.

**Mr T. SMITH** — As the leader of the Labor Party, Premier, will you be instructing the Labor Party to pay back the \$139 000 that has been expended defending your government on these issues?

**Ms SHING** — On a point of order, Chair, this relates to the Labor Party, and Mr Smith would be well aware that this is a Victorian government budget.

**Members interjecting.**

**The CHAIR** — Order!

**Ms SHING** — Rephrase your question, do it properly within the standing orders or —

**Mr T. SMITH** — Chair, I am not going to be lectured by Ms Shing about what I can ask the Premier. Either rule the question in order or out of order, and let the record reflect that the protection racket has swung into action.

**Mr DIMOPOULOS** — Further to the point of order, Chair, the leader of the Labor Party is not required to front PAEC; the Premier is — very different roles.

**Mr MORRIS** — The question was to the Premier about —

**Mr DIMOPOULOS** — The way he phrased it was not.

**Mr MORRIS** — money that was expended by the government for political purposes.

**Ms SHING** — No, it was not. Mr Morris, the question was in relation to an instruction that might emanate from the Premier to the Labor Party. It has nothing to do with the budget. It has nothing to do with compliance with the standing orders.

**Members interjecting.**

**The CHAIR** — Order! Through the Chair.

**Mr MORRIS** — There are 139 000 reasons why it relates to the budget.

**Ms SHING** — Is this the first dummy spit? You are going to spit the dummy now? It is a little early in the week.

**Mr D. O'BRIEN** — Do you really want to make an issue of this, do you? Do you want to highlight the rorts that this Labor Party has been involved with and try to protect this Premier on this issue now, do you?

**Ms SHING** — Just rephrase so that it is within the standing orders, Mr Smith. We have been through this four years in a row now.

**Mr T. SMITH** — The question stands as put. It is a perfectly reasonable question, Chair.

**The CHAIR** — The leader of the Labor Party is not required to appear before the Public Accounts and Estimates Committee; the Premier of Victoria is required to appear before the Public Accounts and Estimates Committee.

**Mr T. SMITH** — Are they the same person?

**The CHAIR** — The purpose of the estimates, Mr Smith, relates to government expenditure across the forward estimates, including the actual year, and to inquire of ministers and the Premier about that expenditure across the forward estimates. Perhaps if you would like to rephrase your question so it relates to the Premier and expenditure across the forward estimates.

**Mr T. SMITH** — Chair, \$139 000 that has been expended by the state to essentially defend the government and Labor members of Parliament from an investigation by the Ombudsman —

**Ms SHING** — So you think Fishermans Bend or Ventnor would actually fall within the same remit, Mr Smith?

**Mr T. SMITH** — I am asking again, Chair, can you please ask your colleague to stop interrupting me. Please do that.

**The CHAIR** — Order! Ms Shing!

**Ms SHING** — Begging does not help your cause, Mr Smith.

**Mr T. SMITH** — Chair, please, can you ask Ms Shing to desist from interrupting.

**The CHAIR** — I am trying to listen to your question, Mr Smith.

**Mr T. SMITH** — Will the Premier, who is also the leader of the Labor Party —

**The CHAIR** — Just focus on the fact that he is the Premier.

**Mr T. SMITH** — Will the Premier be instructing the Labor Party to pay back that money to Victorian taxpayers, to the Treasury?

**The CHAIR** — I am not sure, Mr Smith, how any correspondence the Premier might have with the Labor Party relates to the forward estimates.

**Ms SHING** — Maybe Mr Morris might do better.

**The CHAIR** — Yes. Mr Morris, would you like to have a go?

**Mr MORRIS** — Chair, I find Ms Shing's comments offensive and the inference that I am required somehow —

**The CHAIR** — I am merely making suggestions. I am sorry.

**Mr MORRIS** — I suggest that Mr Smith is quite capable of looking after himself. I find those comments quite offensive.

**Ms SHING** — I was just going by custom and practice that has occurred with your strategy to date, Mr Morris.

**Mr T. SMITH** — Okay. They are not going to let me ask the question. Let the record reflect that.

**Mr DIMOPOULOS** — You have asked it five times.

**Mr T. SMITH** — And you have not let me ask my question — or you have not allowed the freedom to answer it.

**Ms SHING** — You have asked it, it just has not complied with the standing orders.

**Mr MORRIS** — We have had the best part of 4 minutes of interference.

**Ms SHING** — You have to work within the standing orders. It is not rocket science, Mr Smith.

**The CHAIR** — Order!

**Mr T. SMITH** — Ms Shing, you are not as smart as you think you are. Everyone is looking at you and laughing at you.

**The CHAIR** — Mr Smith, you are chewing into your time. Have you got a question, Mr Smith?

**Mr T. SMITH** — It is a perfectly reasonable question that has dominated public debate for two months, and you will not let me ask it.

**Ms SHING** — Very angry, Mr Smith.

**Mr T. SMITH** — I am just laughing at you like everyone else is.

**Mr D. O'BRIEN** — On the point of order, Chair, the Premier has answered questions about this investigation. He has made public statements both outside the chamber and in the chamber in response to questions from other members of Parliament about the Labor Party repaying the \$388 000. If you are now going to say that the Premier cannot answer this question about the \$139 000 in legal fees that the Labor Party has also used, of taxpayers money, then that is a complete contradiction to everything that has gone before.

**Ms SHING** — Further to the point of order, Chair, this hearing and this whole process relates to the budget and the budget estimates.

**Mr D. O'BRIEN** — And you do not think the \$139 000 of taxpayers money relates to the budget?

**Ms SHING** — If you cannot confine yourself to the budget on the budget estimates and to the purpose for which the Premier is here, then the question does not stand, and you know this as well as anybody.

**Mr T. SMITH** — You can continue to run your protection racket, Ms Shing, but the question stands as put.

**Ms WARD** — This is ridiculous. We have gone down this road.

**Mr T. SMITH** — You are the joke.

**Ms WARD** — Please do not smirk, Mr Smith. It is ridiculous. You cannot accuse people of running a protection racket. It is outrageous. We have been down this road before.

**The CHAIR** — Order! Ms Ward!

**Mr T. SMITH** — Am I allowed to ask a question, Chair, about the \$388 000 the Labor Party has paid back to the state government?

**Ms SHING** — Where is that within the budget, again, Mr Smith?

**Mr T. SMITH** — That is a very good question. That is what I would like to know. When did the Labor Party pay that money back to the state?

**Ms WARD** — You need to reference it to the budget —

**Mr T. SMITH** — Because it is not in the budget —

**Mr D. O'BRIEN** — The Premier's presentation had a page about the response to the budget from the stakeholders. That is not in the budget, Ms Shing, and yet the Premier is allowed to talk about it —



**Ms SHING** — That relates to the budget. It was about the —

**Mr T. SMITH** — I tell you what. I will have another go. I will try the 388 000, Chair. On page 337, table 2.23, other income to the Parliament, there is no reference here to the almost \$400 000 that the Labor Party has purportedly paid back to the state. I would like to know: has that money been paid back, and why is it not referenced in the budget?

**Mr DIMOPOULOS** — That is next year's budget.

**Ms SHING** — Three hundred and thirty-eight, outputs for the Legislative Council?

**Mr T. SMITH** — Three hundred and thirty-seven, table 2.23 —

**Mr D. O'BRIEN** — Other income.

**Mr T. SMITH** — Other income. If you paid the money back —

**Ms SHING** — That is generated through transactions —

**Mr T. SMITH** — was it coming back 1 July —

**Ms SHING** — That is transactions, Mr Smith.

**Mr T. SMITH** — Chair?

**The CHAIR** — I am happy for the question.

**Mr T. SMITH** — This is getting ridiculous.

**The CHAIR** — I am happy for the question to stand as it relates to table 2.2.3 on budget paper 3, page 337.

**Mr ANDREWS** — I can only direct Mr Smith to statements that I think have been made by the state secretary of the Victorian branch of the Australian Labor Party, confirming that the payment was made prior to the tabling of the Ombudsman's report. As for how the Department of Parliamentary Services account for it in their tables and output groups, I cannot be drawn on that. You might need to ask —

**Mr T. SMITH** — Premier, with respect, it is your budget —

**Mr ANDREWS** — If I can finish the answer. You might need to ask the Speaker or the President.

**Mr T. SMITH** — So let the record reflect today that the rorter, the member for Eltham, Vicki Ward —

**Ms SHING** — Here we go, Mr Smith, here we go.

**Mr DIMOPOULOS** — Point of order, Chair.

**The CHAIR** — Mr Dimopoulos.

**Mr DIMOPOULOS** — That is not appropriate conduct.

**Mr T. SMITH** — continued this outrageous cover-up that has cost the taxpayer almost \$400 000.

**Mr DIMOPOULOS** — This is outrageous.

**Mr T. SMITH** — We simply have asked if the Labor Party are going to pay back the money — \$140 000 in legal fees —

**Ms WARD** — Mr Smith, you just have to learn how to phrase your questions properly. And it is not the fault of this committee that you are lazy and cannot do it properly

**Mr T. SMITH** — that were expanded to protect the Labor Party from an Ombudsman's investigation. Shame on you, Chair. And you lot —

**Ms SHING** — The member for Kew is going to make the news.

**The CHAIR** — Okay, thanks Mr Smith. Ms Patten.

**Ms PATTEN** — Thank you Chair, and thank you Premier and secretaries. Just for a change I am going back to the budget papers.

**Mr ANDREWS** — Very good. Excellent.

**Ms PATTEN** — On page 309, budget paper 3, I am honestly interested in — if you could elaborate — how you measure Victorians engaging in multicultural and social cohesion initiatives. So we are looking at 67 per cent of Victorians engaging in those initiatives on page 309. It is around your multicultural policies and programs, and obviously my electorate is a very multicultural region, as is our state. So I just wanted to get an understanding of how you measure that.

**Mr ANDREWS** — I will ask deputy secretary Falkingham to add to this answer, but essentially we collate as much information as we can. These are estimates. We cannot be completely certain down to —

**Ms PATTEN** — But is that sporting events or —

**Mr ANDREWS** — But it is about, for instance, the number of people who attend festivals or events where we can be certain that there is content in those events, there are themes —

**Ms PATTEN** — It is multicultural.

**Mr ANDREWS** — Yes, it is about celebrating cultural diversity and sharing as well — culture and practice and cultural heritage as well, which are really important. There might be some further information that Rebecca can offer you as well.

**Ms FALKINGHAM** — Thank you for the question. As you pointed out, it is something that is very, very difficult to measure, but we are getting much, much better at it. I am not sure if you have seen Vicky the Truck, who is often out on the road at the moment. Vicky the Truck is all about how we ensure Victorian values and the statements around our multicultural commitment come to life. So far we have had about 30 000 people come and visit Vicky the Truck. So you might see Vicky the Truck at the Melbourne show.

We actually run a lot of at-point kind of surveys to understand how people are engaging. We do not want it to be really cursory, as it has been in the past. We want to really understand what people are looking for from us in relation to better engagement — be it one of the language services at one of the festivals we kind of run. I think last year we actually had almost 837 different events and cultural activities. So in each one of those we actually try and engage and understand why people come along, and understand the diversity of people that have participated in those events. And then we have follow-ups as well. We often will try and talk to people after they have been to one of our events, to really understand what we can improve. It is a long way from the tick-a-box approach of the past for this output measure, so we really do get that richness, and you will see that every year we try and improve upon that.

**Ms PATTEN** — So the 67 per cent is possibly from surveys in the truck.

**Ms FALKINGHAM** — That is exactly right.

**Ms PATTEN** — Okay, thanks. Another question: going back to the budget, looking at the ‘Gender Equality Budget Statement’ and Respect Victoria and the \$12 million that is allocated to that, have you got a series of outcomes that will be delivered from that? I do not think I could see any within the statement.

**Mr ANDREWS** — That is a very good question. What I might do is —

**Ms PATTEN** — I am happy if you take it on notice.

**Mr ANDREWS** — Yes, I think perhaps that is best. There will also obviously be opportunities both from a women and family violence portfolio perspective as well as an equality perspective as well when ministers are with you later on during the hearings. But, Rebecca, did you want to add to that?

**Ms FALKINGHAM** — One of the things we are working with right now is with the sector for how we will build that into the future. As you know, since the release of former Minister Richardson's plan around gender equality we have been having our own stakeholder forums that have given us a lot of insights. They have been building a framework for not only the future work of the agency but also how they want to measure and evaluate it in future. But we can provide you that after they have done a full report on that.

**Ms PATTEN** — On a separate question, on page 304 of budget paper 3 we are looking at Service Victoria in particular. There was a significant change in outward costs, and I understand that that was due to the movement of Service Victoria into Premier and Cabinet. A couple of questions that have been raised by my constituents are: what services will come under Service Victoria, when will it happen and — one of the questions they keep raising with me — why is there no phone number? Is Service Victoria going to only be online?

**Mr ANDREWS** — I might ask Acting Deputy Secretary Moule to add to my answer. The Special Minister of State is the minister with responsibility for the rollout —

**Ms PATTEN** — Yes, we will speak in more detail with him.

**Mr ANDREWS** — of Service Victoria, and I think you have got him for an hour right at the end of your six-week PAEC odyssey —

**Ms PATTEN** — I think I might have 4 minutes out of that hour.

**Ms SHING** — Not nearly long enough.

**Mr ANDREWS** — No, no. I would be absolutely confident he could go for all 60 minutes on this particular issue. It is one that is very close to his heart and a reform that is all about efficiency and bringing us into line with some other states who are little bit in front of us. And we do not like trailing behind anybody, least of all New South Wales.

**Ms PATTEN** — Yes, that is right. I am trying to compare the New South Wales model to Victoria's.

**Mr ANDREWS** — Jeremi might be able to add to my answer. Do you want to add to that?

**Mr MOULE** — Thank you for the question, Ms Patten, particularly in respect to the phone number. To this date Service Victoria has been working on a trial platform for digital services that it would be able to provide. It has been testing that with small numbers of members of the public. So far testing has been highly successful. The intent would be that over the course of this year, particularly with the passage of the legislation related to Service Victoria last week, the full range of services of Service Victoria will be planned and delivered and may well include phone numbers, but at this stage the testing is focused on the digital platform.

**Ms PATTEN** — I will just start asking you this, while I have still got some time. As you know, I am interested in the notion of justice reinvestment, and I know you are as well, Premier. Looking at your presentation today where we are looking at 700 million invested into mental illness — and I appreciate that that is a significant amount of money — I also appreciate that close to 700 million is being invested into the Lara prison precinct. I will continue on this later, but I guess I am looking at the number of people who are entering our prisons with mental health issues and whether more money could be spent in mental health particularly around justice reinvestment than actually investing into a prison.

**Mr ANDREWS** — Well, Ms Patten, whilst I appreciate the broader point that you are making about trying to get to the underlying causes of some criminal activity — not all criminal activity, but some criminal activity — whether it be substance abuse, mental illness or a whole range of other factors, there is some complexity in that and it is very difficult in a minute. If we do come back to this, I would welcome the opportunity to. If we do not, I am more than happy to take those matters on notice. And you can certainly, I am sure, pursue those with other ministers. However, the safety and security of the community is sometimes best served by denying people their freedom and liberty, and you need appropriate facilities to do that.

**Mr DIMOPOULOS** — Premier, Ms Patten asked about mental health and the comparison with prison spending. I want to ask you about mental health — I obviously do not have any physical health; I am already puffed by running in here — but just in terms of the \$705 million you talked about in your presentation, and

also budget paper 3, page 73, can you provide more information about the initiatives? I know that there are crisis hubs, and I think there are five or six crisis hubs across Victoria. I just want to understand how they will operate. I know they will basically be taking mental health patients to a separate section of the hospital, but just in terms of the actual staffing arrangements of those hubs and a bit of the physical elements of them as well.

**Mr ANDREWS** — Thanks, Mr Dimopoulos. You are right; there is, as we indicated earlier, a \$705 million boost to mental health services. That is really important given that one in five of us will experience mental illness during our lifetime. If you think about it in terms of siblings, partners, children, classmates, workmates — all of us are touched by this and we need to do better. That is what the experts keep telling us. Whilst we made investments in the first three budgets, this is a very, very big boost and it is one that is very much needed. I will take the opportunity to congratulate Minister Foley on having put the package together.

It is about mental health as well as alcohol and other drug treatment services, which are very important as well. There is something in the order of \$232 million to support additional acute inpatient beds. There are just under 13 000 more Victorians who will get that inpatient care as a result of that important investment. There is \$154 million to provide intensive service packages to current high-needs community mental health clients — those people with profound mental illness who need one-to-one, or sometimes even more than that, care and support. There is \$100 million for those six crisis hubs, as you have just mentioned in your question.

Those six health services will receive that funding. There are two elements to this: build an environment that is separate, and an environment that allows for the most appropriate care. For instance, I was at Geelong hospital on Friday, visiting with them and marking the investment that will allow them to have, for the first time ever, a dedicated crisis hub; I was at Monash Medical Centre on Sunday talking with some clinicians about these matters; and last week — I think Thursday morning — I was at the Royal Melbourne Hospital making similar announcements. An environment that has low stimulation in terms of light, is secure and has all those occupational health and safety treatments and benefits to keep our staff safe is ultimately about better care for the client, a more appropriate environment for everybody else who is getting care there or waiting to be seen —

**Mr DIMOPOULOS** — Particularly because they are at their most vulnerable as well.

**Mr ANDREWS** — That is exactly right, and beyond that it is about making sure that our dedicated staff are in as safe an environment as possible. Ultimately these investments recognise the fact that if something happens to your family and you need to go to the emergency department, it should be a safe place. With this reform and these practical investments that is exactly what it will be at those busiest emergency departments.

To give you a sense of the pressure and challenge that our workforce is already responding to, I think at the Royal Melbourne we have had something like a 19 per cent increase over the last four years in terms of mental health, alcohol or drug-affected presentations to that emergency department. At Geelong hospital, it was in the order of 40 per cent. I think over a shorter period of time — perhaps even over two years — we have seen that big a jump. These spaces will be built. There is then also recurrent funding to allow for a slightly different and enhanced staffing profile. It is a commonsense investment, really, if you can separate out people who need to be in their own space for their benefit as well as the benefit of staff, fellow patients and loved ones, then that just makes sense.

At the same time, though, we do know that occupational violence against those who work in our health system is a very serious issue. It is why Minister Hennessy has delivered on all the commitments we made prior to the election and indeed added to those. There has been a program of CCTV and all manner of other changes, upgrades and improvements. That has been workforce led, so we have listened to our staff and made those changes. They are very, very important. Those who care for us should be at all times safe, they should be valued and they should be respected. One of the ways you do that is to listen to them about reform. This is something that has come from our workforce as well. Minister Foley has done a good job in securing this additional funding. We will progressively roll these out.

Lastly, on this point, there are some health services that have kind of quarantined off an area. They have had their own makeshift area where they have tried to provide the same type of care and the same physical space that enhances those clinical outcomes and safety outcomes too. This just formalises that. No-one for a moment is excusing some of the terrible behaviour that we see in our emergency departments, but we do have to acknowledge it. We have to get to the drivers behind it, and then we have to provide both the physical environment and the staff to be able to respond to it much better. That is exactly what this package does. There

is much more in the mental health, alcohol and other drugs package, but that directly deals with the question you asked.

**Mr DIMOPOULOS** — Thank you, Premier.

**Ms WARD** — Premier, I want to talk to you about kindergartens and early childhood education. I am disappointed, and I am sure you will not be surprised to know, that the current mayor of Nillumbik, the former Liberal Party vice-president, is looking to sell one of my local kinders, which I think is nothing less than an outrage. However, I note that the government has quite a different approach when it comes to kindergartens and early childhood education and support. Could you please outline for us the investment that is going to happen in regard to kindergarten facilities and equipment, and how it is planned this will benefit Victorian children?

**Mr ANDREWS** — Thanks very much, Ms Ward. It is a very good question, and there are a series of issues that are obviously close to any parent's heart. We have all had some experience, and if your kids a little older — as mine are and as yours are — you know how important these early years are. If you can be in a supportive environment —

**Ms WARD** — Absolutely.

**Mr ANDREWS** — The staff do a great job, parent committees do a fantastic job and councils in the main do a great job as well. Some might have strange views on some of these things, but local government are a partner in this and we work very closely with them. There is \$136 million to boost early childhood education, and that is about a few different things but one key element of it is making sure that are our kids are ready for kinder. Screening and support at the earliest contact point is really very important, and that comes in different forms. There is some boost here as well to maternal and child health services. All of that work lays a foundation so if there are challenges and if there are issues that need to be dealt with, you can find them early and you can put in place a comprehensive strategy empowering parents to deliver much better outcomes.

There is growth in funding beyond those headline numbers that supports 8250 additional kindergarten places. There are literally hundreds of new and revamped learning facilities and playgrounds that we have delivered going right back to that first budget after the election. These are really significant investments, and it is a great joy to visit so many early learning centres and see the good work that is being done there.

There is \$202.1 million for the Education State *Early Childhood Reform Plan* that Minister Mikakos, with the support of the Deputy Premier, has driven. That is a mixture of capital upgrades at \$42.9 million to boost and improve the infrastructure across our kinder network. That includes equipment, knowing that so much of modern learning is dictated by the physical space and by some of the devices you might support at a central level. We are all very familiar with that dynamic, I think. Beyond that, there is also a much more inclusive approach pushing enrolments — or supporting enrolments, I should say — particularly for those who come from a disadvantaged background. Minister Mikakos would want me to mention, of course, the Australian first leadership position we have taken in terms of bilingual kinder, as the multicultural capital of our nation.

**Mr D. O'BRIEN** — Secretary, the budget paper reference is BP3, page 303, relating to strategic advice. We know from previous hearings that Mr Tony Bates was employed by DPC to handle the crisis between the UFU, the CFA and the MFB. Is Mr Bates still in charge of those discussions?

**Mr ECCLES** — Thanks, Mr O'Brien. Just to contextualise the role of Mr Bates now, there was a new role created in the Department of Justice and Regulation in recognition of the importance of community safety generally to the government, which covers police, corrections and emergency management, and Mr Bates was appointed to that role. Mr Bates has now assumed primary responsibility for the fire services reform initiatives, although DPC continues to play, as it plays in relation to so many matters, a supporting role.

**Mr D. O'BRIEN** — Okay, so is he still working on the industrial relations aspects or not?

**Mr ECCLES** — I believe so, although I think that for a more contemporary understanding of the work that he is undertaking it is probably best directed to him at the appropriate time.

**Mr D. O'BRIEN** — Who is looking after it in DPC, then, these days?

**Mr ECCLES** — It sits within the governance branch, which sits within Mr Moule's group.

**Mr D. O'BRIEN** — Last year Mr Bates detailed that the UFU bans had cost the MFB approximately \$25 million. Can you give us an update on that figure and also for the CFA?

**Mr ECCLES** — No, I am not in a position to give you an update on that figure, and I suggest that perhaps Mr Bates at the appropriate time might be able to help.

**Mr D. O'BRIEN** — Okay. Recently, Secretary, the UFU sent all members a bulletin which accused the MFB of being anti-union, and it said:

The UFU was assured that the union would be consulted prior to any appointment —

or the chief officer this was in respect of. Do you know who made that assurance and on whose authority such an assurance was provided?

**Ms SHING** — Assuming such an assurance was made, Mr O'Brien.

**Mr ECCLES** — I am not in a position to answer that question, Mr O'Brien.

**Mr D. O'BRIEN** — Premier, can I ask you the same question? Do you know who made the assurance that the UFU would be consulted?

**Mr ANDREWS** — I am unable to add to the secretary's answer. What has happened here, as is appropriate, is the board of the MFB, who are charged with appointing a CEO — it is to the board that the CEO or chief officer is ultimately accountable — have gone through a process. We indicated that it would be a global process and it needed to be. We wanted the very best and brightest.

**Mr D. O'BRIEN** — I appreciate that, Premier. I am getting to —

**Mr ANDREWS** — The process has concluded and the right person has been chosen, and we fully support the board in the decision that they have made. There will be views. People are allowed to have contrary views, but that decision has been made. It will not be changed. The person chosen is the right person to lead the fire services.

**Mr D. O'BRIEN** — Premier, Mr Marshall of the UFU has said that an assurance was given that the UFU would be consulted. This is a person who has been central to a key issue plaguing your government in the last few years. Why would he think that he had given that assurance?

**Ms SHING** — Point of order, you are asking for an opinion in relation to —

**Mr D. O'BRIEN** — No, I am not. I asked a direct question. Why would he think?

**Ms SHING** — what someone else might think.

**The CHAIR** — In fairness, Mr O'Brien, I am not sure if the Premier is in a position to speculate as to what an individual might think on a particular issue.

**Mr D. O'BRIEN** — If the Premier has no understanding of it, surely, Chair, he can answer it. It is a matter that is very pertinent to government business.

**The CHAIR** — You are asking him, though, to speculate as to why a person reached a particular point of view. It is not clear to me whether the Premier would be in that sort of position.

**Mr D. O'BRIEN** — I will rephrase the question, Chair, if I may. Premier, have you given Mr Marshall any cause to think that he should have a say on the appointment of the chief officer of the MFB?

**Mr ANDREWS** — No.

**Mr D. O'BRIEN** — Premier, you will be acutely aware that recently Mr Marshall threatened to release a number of private promises that were made by you to him during this fire services dispute. Are you aware what those promises are?

**Mr ANDREWS** — The only commitments that have been made by our government to firefighters, both career and volunteer, and through them the Victorian community, are well-known and well understood and have been reflected in the budget papers this year, last year, the year before and the first budget that we delivered, Mr O'Brien — for instance, the recruitment of 450 additional firefighters.

**Mr D. O'BRIEN** — Those are publicly on the record, Premier, and we know about those.

**Mr ANDREWS** — Yes, they are, and what I am doing is detailing —

**Mr D. O'BRIEN** — We are talking about a very key figure in an issue that has been a dominant one for your government for the last three years. Why would he be saying that there are more promises —

**Mr ANDREWS** — Mr O'Brien, you have asked me a question.

**Mr D. O'BRIEN** — No, I am asking you specifically about those promises that were secret that Mr Marshall says you have made, not the publicly on the record ones that you want to go on and talk about now. I want you to answer: what are the promises you have actually made Mr Marshall?

**Mr ANDREWS** — Mr O'Brien, I have indicated to you that the only commitments that have been made by our government are those which are on the public record. They relate to the recruitment of additional firefighters bargaining in good faith, supporting firefighters, both career and volunteer, with equipment, resources. We have been very clear about the fact that we would not cut the fire services budget. That did happen under a previous government. That is the nature of our commitments and the extent of them.

**Mr D. O'BRIEN** — Premier, all of that information is publicly known, so why would the secretary of the UFU be saying there are other things, and why would he be saying there is —

**Mr ANDREWS** — I am in no position to offer an opinion on that. I cannot —

**Mr D. O'BRIEN** — Someone's not telling the truth, Premier.

**Mr ANDREWS** — I think I have answered your question.

**The CHAIR** — Order! I think it is similar to a previous question you sought to ask, Mr O'Brien, because you are asking the Premier for someone else's opinion on a particular issue.

**Mr D. O'BRIEN** — Premier, when you were asked recently by the media if you had met with Peter Marshall in private you said you could not recall. You have had some time to reflect on that now. Could you say whether you have ever met with Peter Marshall in private?

**Ms SHING** — Ever?

**Mr D. O'BRIEN** — While you have been Premier.

**Mr ANDREWS** — I have had a meeting with Mr Marshall that I think is well-known to people. A senior member of my staff was there. It is the only meeting that I can recall.

**Mr D. O'BRIEN** — So you have not met with him this year?

**Mr ANDREWS** — No.

**Mr D. O'BRIEN** — Do you have any plans in your diary to meet with him again?

**Mr ANDREWS** — I do not believe so, no. Do you mean ever or just this year?

**Ms WARD** — Do you mind releasing your diary to the public, Premier?

**Mr ANDREWS** — Mr O'Brien, I am more than happy to answer your question. I just need to be clear on exactly what time frame you are talking about.

**Mr D. O'BRIEN** — Well, for the rest of this year, for example.

**Mr ANDREWS** — There are no plans in my diary at the moment — there are no plans to meet with Mr Marshall. I probably cannot be clearer than that.

**Mr D. O'BRIEN** — Could I perhaps get on notice the date of that prior meeting that you have just confirmed did take place?

**Mr ANDREWS** — I think that is a matter of public record, but if we can add to the public record on that, I am more than happy to look at that.

**Mr D. O'BRIEN** — Thank you. Premier, Peter Marshall was asked six times whether he had a tape recording of you and eventually he said, 'You'd better ask Daniel Andrews that, not me'. Are you aware of any tape recording of you with Peter Marshall?

**Mr ANDREWS** — As I have made clear on numerous occasions, no.

**Mr D. O'BRIEN** — Premier, have you sought any legal advice for yourself or your government directly related to Mr Marshall's claims and his accusations against you, the government and the Deputy Premier?

**Mr ANDREWS** — No.

**Mr D. O'BRIEN** — Secretary, can I ask if you are aware of any legal advice that has been prepared for the government directly relating to the UFU and Mr Marshall?

**Mr ECCLES** — No.

**Mr D. O'BRIEN** — Thank you. Premier, does the budget reflect across the forward estimates the funding increases that could result from CFA and MFB EBAs?

**Ms SHING** — 'Could result'? Speculative outcomes on good-faith bargaining processes are not included in forward estimates, Mr O'Brien.

**Mr D. O'BRIEN** — The entire budget is a speculative outcome if you want to look at it that way, Ms Shing.

**Ms SHING** — But the point of good-faith bargaining is that you do not go in —

**Mr T. SMITH** — Please, Chair, either ask your colleague to be quiet or —

**The CHAIR** — I will not be taking directions from you, Mr Smith.

**Mr D. O'BRIEN** — Surely, Premier —

**Mr ANDREWS** — I am in the Chair's hands.

**Mr D. O'BRIEN** — I am sure you are. I will ask the question again slightly differently. The government, as part of any negotiations, would be making estimates based on what any negotiation might cost, otherwise you are not going to agree to something that would cost billions and billions of dollars.

**Mr ANDREWS** — That is accurate, yes.

**Mr D. O'BRIEN** — Has the government in the current budget made allowance for the CFA and MFB EBAs?

**Mr ANDREWS** — Well, there are two agencies you refer to in your question so let me try as best I can, and if I can add to this at the end, I am more than happy to. To deal with the CFA first, I think you will find — and indeed to a certain extent the MFB — a number of pay rises have already been paid throughout the bargaining process. So they are of course accounted for — that is expenditure that has already been budgeted for and has been paid in terms of incremental pay rises over time. In terms of agreements that have been made between the parties — one of which being the employer, the MFB, on behalf of the government — but not yet ratified by Fair Work, I think you will find that we err on the side of the positive and we will make provision assuming that that is ticked by the independent umpire.



**Mr D. O'BRIEN** — Could I get on record what the figures are, if you have one, Premier?

**Mr ANDREWS** — Sure. I do not have those in front of me now.

**Mr D. O'BRIEN** — Of course.

**Mr ANDREWS** — But I think the nature of the agreement is well known and well understood. If can I add to that answer, Mr O'Brien, I am happy to.

**Ms PENNICUIK** — Premier, I am asking this question of you and the secretary in your role as coordinating the whole-of-government response to economic, social and environmental issues. The budget is full of big projects, including road projects — a lot of road projects, including the West Gate tunnel.

**Mr ANDREWS** — Fantastic project.

**Ms PENNICUIK** — Well, not everyone agrees.

**Mr ANDREWS** — Going to get those trucks out of the inner west.

**Ms PENNICUIK** — I have read the critique by RMIT and University of Melbourne — the open letter signed by 28 academics —

**Mr ANDREWS** — But you have got to get out and build things, Ms Pennicuik.

**Ms PENNICUIK** — pointing out the flaws of the project. But one of the things they did say in that was that they did not think the project complied with the Transport Integration Act and the objects thereof, particularly environmental sustainability; for example, promoting forms of transport and the use of forms of energy and transport which have the least impact on the environment and reduce greenhouse gas emissions, integration of transport and land use et cetera. It is a little bit of an intro to the question, but during the financial outcomes I discovered that Transport for Victoria is not preparing an integrated transport plan, as it is meant to under the act. I will follow this up with the minister —

**Mr ANDREWS** — I am confident you will.

**Ms PENNICUIK** — But just in terms of DPC, in terms of coordinating how our state looks in terms of land use, integrated transport, why is this integrated transport plan not being produced by the government?

**Mr ANDREWS** — I will leave you to interrogate Minister Allan, who is both the transport and the major projects minister, who would be able to acquaint you in some detail with some machinery of government changes we made right at the beginning of our government, and we have added to those. We think they bring together the different functions you are talking about that are central to knowing what the challenge is and knowing what you need to do to meet that challenge and indeed to turn the challenge into a really important opportunity for our state.

The point by way of introduction in relation to the West Gate tunnel — and I am not here today to argue about the merits of individual projects, but it is cautionary I think. You quoted somebody who was of a view and had written things and thought various things —

**Ms PENNICUIK** — Not somebody, a large number of people.

**Mr ANDREWS** — Indeed, and questioning the environmental —

**Ms PENNICUIK** — Pointing out, of course, that major cities around the world are not building roads that end in the middle of the city.

**Mr ANDREWS** — I would point out to you that there has been an EES process, and there have been substantial planning approvals given. It is a project that has been talked about for a very long time. Like so many projects that have been talked about for a long time, they are actually being delivered by our government, and if that is —

**Ms PENNICUIK** — Actually, it has not been talked out for a very long time.

**Mr ANDREWS** — Oh, no, it has.

**Ms PENNICUIK** — You went into the election with a completely different project.

**Mr ANDREWS** — But a second river crossing has been talked about for a very long time. Surely we could agree on that.

**Ms PENNICUIK** — If you could get back to the question because the Chair will cut me off in a minute and a half.

**Mr ANDREWS** — Minister Allan is best placed to give you a contemporary understanding of all the different work to coordinate the different elements, whether it be, for instance —

**Ms PENNICUIK** — Well, it is transport. It is how you are going to make sure —

**Mr ANDREWS** — Yes, it is land use planning.

**Ms PENNICUIK** — you are not putting in place infrastructure that is going to increase emissions. I think that is your responsibility and DPC's to be coordinating that.

**Mr ANDREWS** — Well, Transport for Victoria, as well as the work of various cabinet committees and the work that Minister Allan does as a coordinating minister, brings together all the —

**Ms PENNICUIK** — There is not much coordination though. There are a whole lot of discrete projects, but how are they coordinated into an integrated plan for the state? Where is that?

**Mr ANDREWS** — I think you will find there is a lot of coordination.

**Ms PENNICUIK** — Well, I do not find it, so I am asking you: where is it?

**Mr ANDREWS** — Well, you cannot build the amount of infrastructure we are currently building without having a very tightly coordinated approach, and there is a book of work the likes of which we have never seen, and hopefully that is the new normal.

**Ms PENNICUIK** — There is a bunch of things happening.

**Mr ANDREWS** — Happening right now and lots that are happening in the future — that is why just about every engineering firm in the country has got a Melbourne office.

**Ms PENNICUIK** — You are answering a slightly different question, though. Projects have been done, or projects —

**Mr ANDREWS** — Are being done. The secretary perhaps can —

**Ms PENNICUIK** — are planned to be done, but it is the integration —

**The CHAIR** — Maybe it is a question on notice, Ms Pennicuik. You are running out of time.

**Ms PENNICUIK** — Could I have that on notice? See, I told you he would cut me off.

**Mr ANDREWS** — The secretary chairs an interdepartmental committee — it may have a better name than that — but he can write to you outlining that.

**Ms SHING** — Premier, I would like to go back to regional Victoria. It would seem that those opposite who are charged with representing regional electorates and also decentralisation have not chosen to focus on it, rather putting their priorities into other political, tactical dialogues. What I would like to do, though, is to talk about the Snowy Hydro Scheme and the \$2.077 billion which has been provided by the commonwealth in accordance with the 29 per cent share for the Victorian government. That has an allocation which has gone in significant part to regional Victoria. What I would like to hear from you, further to the evidence given by the Treasurer this morning, is the allocation of this and how that builds upon the aggregate spend across regional Victoria in the issues that you went to in your presentation and also further to the answers that you have given today.

**Mr ANDREWS** — Well, the first thing to do, Ms Shing, is to indicate that across the four budgets that we have had the great honour of delivering there is \$12.8 billion worth of investment across regional Victoria. We think it is appropriate — that it is the right thing to do — to invest and make sure our regions are strong, both with infrastructure, with services, with economic development opportunities and investment attraction opportunities. All of these things are critical no matter where you live. I think you have probably heard me say this before, and it is perhaps my upbringing, but I know and understand that the further you get away from buildings like this one, right in the centre of Melbourne, the more important the government's effort is. What the government does and what the government helps to set up can make a bigger difference in the lives of people the further away from the CBD that you get.

**Ms SHING** — How does that compare with the former government?

**Mr ANDREWS** — I cannot give you an exact number. It is fair to say it is a fair bit more. Pleasingly, can I take that on notice, Ms Shing, and come back to. I will be certain to do that, or a colleague may be able to enlighten you. I am sure that the Minister for Regional Development will be only too happy to, at a later point, update you on that, probably in fulsome terms.

This year there is \$1.158 billion from the proceeds of the divestment of our 29 per cent equity position in the Snowy Hydro Scheme to the commonwealth government. There is a detailed agreement both to protect irrigators and to protect the environment as well, given that there are some significant environmental flow issues in connection with the power station. It also allows the Prime Minister to get on with his Snowy 2.0 vision, and we are very pleased to support him in doing that. It will be one of the biggest pumped hydro projects anywhere in the world. There was no useful purpose in having that capital, having all of that money, locked up in the ownership of an asset that is not even located in our state. Therefore we were pleased to agree to that sale. We are also equally pleased to have more than half of those proceeds being invested — reinvested, really — back into regional Victoria.

**Ms SHING** — So not to metropolitan intersection removals or anything like that?

**Mr ANDREWS** — No. The only traffic light removals that it might support will be in regional Victoria, Ms Shing. I think I am right in saying that. Certainly more than half the funding is going to regional Victoria, and we think that is the right thing to do. That of course adds to many other decisions that we have made to support better outcomes, more jobs, more investment, a higher standard of living and a fairer set of circumstances for regional Victorians, no matter whether it is in a big regional city or the smallest of country towns. There are a whole series of decisions that we have taken over these last four budgets that are about supporting stronger regions, because I know only too well that if rural and regional Victoria is doing well, then the state will be doing well.

I am so pleased and so proud to be able to say that we have created more than 40 000 jobs in regional Victoria. We have seen very significant investment. There are the commitments we made last year around going from 100 per cent to 75 per cent of payroll tax, now down to 50 per cent. The regional first home buyers bonus has been doubled. Our support for first home buyers supports the construction industry. There are many other grants and other announcements that we have made through Minister Pulford's portfolio and other portfolios. It is not for a moment to say that parts of regional Victoria do not have challenges; of course any community will always face some challenges.

**Ms SHING** — Just on that, Premier, I would like to take you to the question of the payroll tax cuts. Has any of that stream to pay for that come from the Snowy Hydro money that has been allocated in accordance with the 29 per cent share from the commonwealth?

**Mr ANDREWS** — Obviously revenue forgone is there each and every year, so that is recurrent. The Snowy amount of money is a capital sum and will support capital investments. I am not very good at lip-reading, but I think Mr O'Brien wants a briefing on these matters.

**Mr D. O'BRIEN** — No, nothing, Premier. I was just assisting Ms Shing.

**Mr ANDREWS** — We can get you a full list of the different investments in Gippsland and other communities that might be of interest to you. But that is again one part of a much broader package of investment: regional schools, regional roads, regional hospitals, regional jobs and of course regional public

transport as well, whether it be the Shepparton line, building on the other improvements that we are making under the regional rail revival that was funded last year. All of this is a massive agenda for regional Victoria, and it is the right thing to do. It is also the smart thing to do as well. We have got to make sure every community shares in the fact that Victoria has a strong budget and strong prospects for the future.

**Ms SHING** — In relation to roads infrastructure, Premier, I will take you to the \$941 million that has been allocated to fix regional roads. I have had a pile-on and a stack-on from members of the coalition in Gippsland referring to roads throughout the region as ‘parlous’ in an earlier parliamentary statement that I made. It seemed to me to be a statement of fact. So how will regional roads be upgraded and improved as far as the maintenance spend of this 941 million goes, and how does that compare with other spends in relation to regional roads maintenance, upkeep, resurfacing and repair?

**Mr ANDREWS** — It is more than double in terms of rehabilitation, repair and resurfacing. No matter what your turn of phrase, this is a massive boost to regional roads. It is very much needed, and we are delighted to be able to provide this support. Nine hundred and forty-one million dollars is the total package that is split between safety upgrades, resurfacing as well as maintenance, and other new road projects that do not fall neatly into those categories — some \$261 million worth of road upgrades, \$229 million worth of safety upgrades and \$17.4 million to support —

This is actually a really important part of it. My judgement is that if we have the decisions about road maintenance and upgrades in the regions being made by people who actually drive those roads — so a headquarters, a planning unit, a coordination unit, the governance of this spend based in regional Victoria — we will get much better regional roads. Call me cynical, but I think that just stands to reason, so there is funding to create Regional Roads Victoria.

Finally, there is the \$433.4 million to undertake the resurfacing and maintenance I spoke of. No-one for a moment suggests that there will not be more to do in future budgets. Of course there will, but this is the biggest boost that the state has ever seen and I think it will be welcomed — as it already has been I think, by rural and regional communities.

**Ms SHING** — One of the things that I also want to pick up is we have had criticism and commentary in relation to the country roads and bridges program for many, many years. There has been a recent promise to reinstate the country roads and bridges program by the coalition. They have made a promise in that regard. What I would like to do is get a better understanding of how the country roads and bridges program compares with the \$100 million local government community roads program and the funding allocated in this year’s budget.

**Mr ANDREWS** — Ms Shing, I am more than happy —

**Mr MORRIS** — On a point of order, Chair, the member is seeking an opinion from the Premier.

**Ms SHING** — Further to the point of order, Chair, I am seeking a comparison of what the information available under the country roads and bridges program is and how that compares and contrasts —

**Mr MORRIS** — That is an opinion.

**Ms SHING** — No, it is not — and how that actually compares and contrasts with the detail and the substance of the local council community roads program.

**Mr MORRIS** — You are seeking an opinion on a coalition policy.

**Ms SHING** — You know that I am not, Mr Morris.

**The CHAIR** — Order! There is 40 seconds left. If there is an ability for a comparison to be provided, I will allow —

**Mr MORRIS** — Chair, it is not appropriate to ask for a comparison. That is the point.

**Ms SHING** — What is the difference, Premier?

**Mr MORRIS** — It is not appropriate to ask for a comparison.

**Mr ANDREWS** — Chair, I take a broader view and simply say that 941 is a lot better than 160-odd. That is what we are getting on and doing.

**Mr D. O'BRIEN** — That is definitely not a comparison, Premier, and you know it. You know that is not a valid comparison.

**Mr ANDREWS** — Mr O'Brien, there is no comparison between your talk and our action.

**Ms SHING** — Can I ask that that be taken on notice? Any additional information would be gratefully received.

**Mr ANDREWS** — If I can add to that answer, Ms Shing, I will be happy to do so.

**Mr D. O'BRIEN** — I am very surprised that in talking about roads, the so-called champion of Gippsland over there has not mentioned the Princes Highway duplication, which was not funded by this government. The final two stages —

**Ms SHING** — We have been lobbying the federal government for it.

**Mr D. O'BRIEN** — Which has come to the party and put \$132 million in, Ms Shing.

**Ms SHING** — You can take credit for that, Mr O'Brien, like you do for everything else that happens in the region.

**Mr D. O'BRIEN** — You take credit for everything, Ms Shing, and you have not funded that important project in Gippsland.

Can I move on, Premier? Did you make the decision to hire your former IR adviser, Mr John-Paul Blandthorn, on a \$70 000 contract just specifically on the fire services reforms?

**Mr ANDREWS** — Mr Blandthorn has been engaged. I was not involved in that decision. I fully support it though; I think he is a person of integrity and has skills and abilities that are well-suited to that role. In terms of the nature of his engagement — the terms under which he is engaged — those questions I think, Mr O'Brien, will be best directed to the Deputy Premier and Minister for Emergency Services.

**Mr D. O'BRIEN** — Can I try the secretary? I understand he was engaged by DPC — is that correct — and could you tell me what his role in fact was?

**Mr ANDREWS** — The Deputy Premier is a minister in the Department of Premier and Cabinet, so yes.

**Mr ECCLES** — Indeed. The relevant point is the point that the Premier just made, which is a little bit of history about why we were involved with the Deputy Premier. For the last 10 years we have operated under a system in which there are no financial delegations or access to government credit cards for portfolio and ministerial staff. They are therefore unable to initiate payment of invoices for service engagements. As a result all procurement invoices and payments are executed by the department on behalf of the ministerial office, then journaled to the appropriate cost centre at the end of the month. The Deputy Premier's portfolio sits for that purpose within DPC, and therefore DPC was the instrument of the execution of the arrangement with Mr Blandthorn.

**Mr D. O'BRIEN** — So you have no knowledge of what his role was or what he was doing.

**Mr ECCLES** — I have a general understanding of his role being to assist the Metropolitan Fire Brigade and the government to finalise the MFB operational staff enterprise agreement.

**Mr D. O'BRIEN** — Okay. He was given that job, and this issue is ongoing. Previously the Special Minister of State told Parliament that his contract would conclude no later than today, as it happens — 15 May. Given that is still not resolved, do you know of that contract has been extended?

**Mr ECCLES** — My understanding is that the contract terminates on the date that you have nominated.

**Mr D. O'BRIEN** — Thank you. Was Mr Blandthorn therefore working in the Deputy Premier's office?

**Mr ECCLES** — I do not think he had a physical location, a fixed location. I think he went where the work required him to go.

**Mr D. O'BRIEN** — But just to clarify: he was employed by the Deputy Premier's office, but because of the —

**Mr ECCLES** — He was employed by DPC on behalf of the Deputy Premier.

**Mr D. O'BRIEN** — Yes, but to clarify — because your explanation is that you have paid because the Deputy Premier's office could not — effectively he was working for the Deputy Premier's office, not for the department?

**Mr ANDREWS** — As I have indicated, Mr O'Brien, the best person to talk to about the terms —

**Mr D. O'BRIEN** — Premier, sorry — the question was actually to the secretary, and the question goes to the DPC's activity in this.

**Mr ANDREWS** — I am referring you to my first answer, which was that the Deputy Premier is the one who can answer for the terms and —

**Mr MORRIS** — The question was not to you; the question was to the secretary.

**Mr ANDREWS** — Well, in that case we can keep going. I have already answered your question as to my submission, but if you want to keep going back and forth we can do that. That is fine.

**Mr D. O'BRIEN** — I was just seeking to confirm, Secretary, that he was not employed by the department in any way, shape or form. He was employed by the Deputy Premier's office.

**Mr ECCLES** — I think we are circling back to the technical point that because the Deputy Premier's office were incapable of employing him we employed him on the Deputy Premier's behalf.

**Mr D. O'BRIEN** — Thank you.

**Mr ANDREWS** — If you ask the Deputy Premier about that when he appears before you, I am sure he will be happy to take you through things.

**Mr D. O'BRIEN** — I am sure he will tell us to ask the secretary of the DPC. That is what they normally do.

**Mr MORRIS** — Premier, re budget paper 4, page 62, the trial injecting facility in North Richmond, on 12 July last year — less than a year ago — you said you went to the election on a no injecting room policy. You said:

I know there are some that would like us to go further but I've been very clear, we have no intention to change our policy setting on this ...

Then with the outcome of the Northcote by-election, and because you wanted to win the by-election, you dropped that promise. Why?

**Mr ANDREWS** — That is a matter of opinion, Deputy Chair, and in that opinion you are completely wrong.

**Mr MORRIS** — As is your view of the country roads and bridges.

**Mr ANDREWS** — In that opinion you are completely wrong. It is true that we made commitments at the election. It is also accurate to suggest that I, when asked about this matter on a number of different occasions, including by Ms Patten in this very forum, made it clear that we had no intention to go a different way. Those answers were honest; they were forthright. However, I put it to you, Deputy Chair, that when the Chief Commissioner of Police, when medical experts, when representatives of the local community, when people who have spent a lifetime providing support and care for those who are addicted to heroin and other drugs, when they come to your office, they seek a meeting and you agree to a meeting, and they look you in the eye and they

say, 'Premier, you have got this wrong; you need to change your position on this; otherwise people will continue to die in unprecedented numbers' — then I change my mind.

If I am to be criticised for that, that is your right, Mr Morris. The assertions in your question, though, as to motive are completely wrong, might I respectfully put to you. Thirty-eight people was the last count, including one person who literally had an overdose and collapsed to the ground during the media conference when I was announcing that we would have a supervised injecting facility. The law has passed the Parliament. It is very clear about one location and one location only. It is supported by the local community, including the local school —

**Mr T. SMITH** — Not the parents. Did you speak to the parents?

**Ms WARD** — The school council is made up of the parents, Mr Smith.

**Mr ANDREWS** — the recently retired principal, the acting principal and the school council president, who I think you will find has a fair sense of the parent view. I think I have addressed the substance of your question.

**Mr MORRIS** — Before you changed your mind, at the time you still had a firm commitment to not introduce the facility and while Minister Foley was a strong supporter, during that period did you speak to Minister Foley about his position not aligning with that of the government?

**Mr ANDREWS** — I have many discussions with many colleagues. We are a robust government with different views on different matters. It is part of being a team. As to specific discussions, you would be wrong to characterise discussions I have with colleagues as, on this issue or perhaps any issue, being about conversations in conflict.

**Mr MORRIS** — No, I just asked if you had a conversation about his position not aligning with that of the government.

**Mr ANDREWS** — There was no conflict. I, as the Leader of the Government, had made the government's position very clear. But then, as I have indicated to you —

**Mr MORRIS** — So the conversation was not aggressive?

**Mr ANDREWS** — No. I am not sure on what basis you throw that out there, but that is simply wrong.

**Mr MORRIS** — I do say that because there were concerns raised about your tone in that conversation by senior DHHS staff.

**Mr ANDREWS** — Really?

**Mr MORRIS** — Perhaps, unknown to you, but the minister, I am told, had the speakerphone on live with departmental officers present. So, Secretary, can I ask you if you are aware of any concerns that were raised.

**Mr ANDREWS** — No, Deputy Chair, you do not get to put that to me and then ask the secretary.

**The CHAIR** — Order!

**Mr MORRIS** — Premier, I am very happy for you to respond, but I was going to ask the secretary was he aware of any concerns that had been from DHHS staff who were present in the room about the manner in which the Premier handled himself?

**Mr ANDREWS** — Absolute fantasy. You have got nothing else to ask? I have known Martin Foley for a very long time. He is a good very good friend of mine. I knew him long before I was Premier, long before I was a member of Parliament. Those who have worked with me would reject the assertion you have made, unfounded as it is, and I reject it as well.

**Mr MORRIS** — Premier, there is 2.4 million in capital expenditure proposed for the injecting centre. Can I ask is that for —

**Members interjecting.**

**Mr ANDREWS** — Sorry, 2.4 million in relation to what, Deputy Chair?

**Mr MORRIS** — Capital expenditure for the proposed centre in the budget. Is that for —

**The CHAIR** — Order! We will come back to that.

**Ms PATTEN** — Just following on from my previous questions about the justice reinvestment, we hear a lot of talk about the justice reinvestment, but I do not see a lot in the budget, and I think you were going to touch on how the mental health expenditure and the equally large investment in the Lara prison was leading towards a justice reinvestment initiative, or did I get —

**Mr ANDREWS** — No, you are absolutely right. If only I could find a note that I was referring to. Essentially there are a whole range of different investments as part of that \$705 million mental health investment that are about forensic care, so better providing for those in our prison system who need that support and care.

**Ms PATTEN** — So just to clarify, some of that 700 million will be going into the prison system?

**Mr ANDREWS** — Some of it is indeed; that is right. We can get you a full breakdown around that. Perhaps we will try and do that ahead of Minister Foley being here so you can have a more detailed discussion. That \$705 million is not just mental health. It is also about alcohol and other drug services. So there are additional beds funded. That is, the commission to open those beds —

**Ms PATTEN** — Yes, I will certainly explore that with Minister Foley — the dual treatment.

**Mr ANDREWS** — and then there are extra beds that are funded that will be a little way off because we have got to build the facilities first. So it is a mixture of asset and output, and then there is one specific \$4.5 million boost that expands — Out of the Dark is the name of the project, and I understand it operates out of Dame Phyllis Frost and was a key recommendation of the family violence royal commission. So there are significant investments that are on point to the question that you asked, and I am sure that Martin can go through some of that in more detail.

**Ms PATTEN** — Great, thank you. Just a quick one on the ‘right skills for the job’ in your presentation. You certainly talk about the priority courses that will be free in TAFE. You also mention the Head Start apprenticeships and traineeships programs. One of the questions one of our constituents has asked is: will those Head Start apprenticeship traineeships be aligned with the priority courses or will those students actually have the freedom to explore other areas outside those priority courses?

**Mr ANDREWS** — Really good question. Thank you so much for going to this issue. We have nominated 20 of the 30 priority courses. There are 10 that are yet to be nominated, and we want to have some further discussions with industry, with those who know and understand some of those acute shortages best. Minister Tierney will have more to say about that soon. The 18 pre-apprenticeships — we have been a little bit more certain about those; I think we are a bit more advanced our thinking. In terms of the Head Start apprenticeships, we will try and remove as many barriers as we possibly can so that more and more kids can enrol. If you like, this is about simultaneously getting all the qualifications you need, so your certificate or equivalent — VCAL, VCE — and a trade qualification as well. The initial rollout is 1700 students at 100 different secondary schools.

It is not a cautionary note, but I think we have to acknowledge that this has never happened before. This is a really significant change to the way in which senior secondary school education works. This is the key point: it is about redefining what in some respects a comprehensive education is. We can perhaps write to you and give you some further information, but there will be some flexibility school by school, industry by industry, and trying to support as best we can individual student pathways and their preferences and their choices. Beyond taking on notice for the benefit of all the committee, given your interest in this matter, I am more than happy to arrange a briefing so that you can get as much detail as possible from Minister Tierney.

**Ms PATTEN** — Great. So the short answer to my constituent is: not necessarily will they be aligned to those 30 TAFE courses, or yes? Or the short answer is yes, they will be aligned.

**Mr ANDREWS** — It is highly likely they will be aligned. Yes, they will be aligned. Whether they exactly mirror, there is still some further work to be done around that.



**Ms PATTEN** — Great, thank you.

**Mr ANDREWS** — No problem at all.

**Ms WARD** — Premier, let us talk about north-east link. Brian Negus from the RACV has said that for the last decade this is the number one road project that Melbourne needs. You yourself have stood at Fitzsimons Lane and you have seen the traffic that goes through. I know there are traffic treatments that are provided for in this budget to help alleviate the congestion that can occur at that intersection and those along Fitzsimons Lane, but you and I as well as everyone else in the north-east know that that is not the long-term solution to the traffic issues that challenge people who live in the north-east and indeed even south of the Yarra. We need to have the north-east link. I asked this question of the Treasurer, and I will ask it to you as well: can you please talk us through the \$110 million that has been fast-tracked to do work on the north-east link, what that work is going to be and how it is going to speed up this freeway occurring?

**Mr ANDREWS** — Thanks, Ms Ward, and thanks for your advocacy on behalf of your local community. This is a project that is all about giving local roads back to local residents. We have a number of north-east links, if you like, running through those suburbs at the moment; they are just not the roads built to handle the volume or the type of traffic that has grown used to travelling through your community and through our colleague Anthony Carbin's community, right out to the electorate of Yan Yean and those fast-growing northern suburbs beyond your local community.

We have been very clear that this is the project, just as Infrastructure Victoria has been very clear that this is the project, that needs to take precedence over all others. It stacks up, it is desperately needed and it is not just about a new piece of road but about filling in that gap, that missing link, so that we can have so much traffic move around the city as opposed to being funnelled through the middle of it. It is not simply that new section of road though; it is a profound set of improvements on the Eastern Freeway also without any charge to motorists — extra lanes, dealing some of the worst choke points along the Eastern Freeway — and building what has been dubbed by many as the 'missing link'.

The \$110 million provided in this budget, even though we have been very clear that we will proceed with this project in the event that we are successful on 24 November, is about making sure we can make a fast start in the event we are given that great honour again. The work that will be done around fast-tracking planning and design as well as being ready with the preparatory work around statutory planning approvals and the environmental effects statement process — all of that will be done, all that preparatory work, so that we can be out to market within 100 days.

We think that is the right way to go — a little bit like, for instance, prior to the last election we committed that we would provide \$300 million for the detailed planning work around the Metro Tunnel. That had sat on a shelf gathering dust for quite some time, but we knew that that was critically important to making our rail network much more efficient — a bit like the north-east link, taking so much traffic out of the loop by creating a new piece of rail infrastructure. Despite the fact that we only committed to \$300 million in planning, the project is now fully funded, it is a year ahead of time, it is creating jobs — it is very real. As you walk around the city, it is happening, and it is the biggest public transport investment the state has ever seen and will transform the way our network operates.

Much like that, we have made commitments to be ready to do all the preparatory work, subject to the verdict of the Victorian community, because we have this as part of our platform, part of that choice at the end of the year. There are others who do not support this project. I am pleased to say that the Prime Minister is not one of them. The Prime Minister has in fact made some commitments, and we are very grateful for that. He can see the benefit of this piece of road infrastructure in literally getting thousands, tens of thousands, of trucks out of local roads, giving local roads back to local residents, finally filling in that missing link and creating many thousands of jobs along the way.

**Ms WARD** — Thank you. It is interesting that you note that the Prime Minister from his lofty heights in Sydney can see the importance of this project, yet the opposition leader, who actually grew up in my community, cannot. I have to tell you, Premier, that for people in my community this project is incredibly important and they have very little patience for silly games that could potentially delay this process. They want this freeway built. As you say, they want local roads for local residents. Premier, in budget paper 4, on page 28,

there is reference to work undertaken in the last financial year. Can you talk us through what has happened so far on the north-east link?

**Mr ANDREWS** — Thank you so much, Ms Ward, again for the follow-up question. We had a process to determine which was the best route for us to take, and there were some competing options. They all had strengths and weaknesses, but the route that worked best is the corridor that we have chosen in terms of maximising benefit, and it is just that option that stacks up best. I hasten to add that there is some disruption. There is some compulsory acquisition, and our thoughts are with those families and businesses that are affected, but not just our thoughts, our actions as well. We are there, through the North East Link Authority, supporting them and we will continue to do that, treating them fairly with all the information they need. You can only imagine that that must be a very challenging and very stressful thing for those families and businesses to go through.

There has been very significant work done around design, the selection of the preferred route, engagement with the local community and some precompetitive stuff around the procurement, so lots of industry soundings, lots of work around exactly how this would be delivered from an engineering point of view and a design point of view, and of course the business case, which will be released later this year. That has involved an enormous amount of work as well.

We are very confident — just as Infrastructure Victoria is, just as Prime Minister Malcolm Turnbull is — that this project stacks up and is desperately needed, and we will be ready to put this out to market in the event that we are successful at the election at the end of the year. That is for your local community but not just your local community — for the south-east, for the north and indeed for the west given the linkage with the ring-road. This will be a very clear and important choice for them to make. Only a re-elected Labor government will deliver this vital missing link, creating jobs, giving local roads back to local residents and also, Ms Ward, making sure that so much of that traffic goes around the city rather than being funnelled and piped into the centre of the city, where it only makes congestion worse.

**Ms WARD** — Absolutely. As my father-in-law was saying to me the other week, with my sister-in-law on the Mornington Peninsula, from Bundoora he will be there in an hour.

**Mr ANDREWS** — Indeed.

**Ms WARD** — It is amazing.

**Mr ANDREWS** — Or out to the airport or any of the northern suburbs or the west. It is a logical thing. It should have happened decades ago.

**Ms WARD** — Absolutely. You spoke about route A, which, as you said, does stack up. We have seen some preliminary design work that the North East Link Authority has taken around to communities on both sides of the river. Could you please advise us when the full design work will be available?

**Mr ANDREWS** — Sure. During April this year residents in the north-east had their first look at the updated designs, as you referred to, and that is important. That sense of information and a partnership with the community is very, very important, particularly given the size and scale of this project. The North East Link Authority has been working through those designs with the local community, local residents, affected groups and interested groups, which I think is the whole community. Certainly on my visits out to your local area everybody is very keen to get on and get this built and does very much wish that it had been done 20 or 30 years ago.

**Ms WARD** — Absolutely, they do.

**Mr ANDREWS** — Having said that, though, the North East Link Authority, I think, is doing a very good job of engaging with the community, sometimes in challenging circumstances where there are acquisitions that are necessary. The best thing in those difficult circumstances is to be up front, to be clear, to engage meaningfully, and that is exactly what the authority is doing.

**Ms WARD** — Thank you. Just quickly, you mentioned in your response to my first question the overhaul of the Eastern Freeway. Can you please elaborate on that?

**Mr ANDREWS** — Extra lanes to deal with some significant choke points on the Eastern Freeway. Whether it is about traffic flow or simply catering for growth in the volumes of traffic, it is almost a separate project. It is obviously aligned to moving traffic from the Eastern Freeway onto the new piece of road, but it is in every respect a massive undertaking in its own right. Altogether this is the best part of \$16.5 billion. That is a very significant sum. It is a combination of widening, better access —

**The CHAIR** — The Deputy Chair until 4.45 p.m.

**Mr MORRIS** — Premier, back to the injecting room. I did just want to check something with you because I have had the opportunity to check some correspondence as well, and that was about the police view on the safe injecting room. The chief commissioner wrote to the Legal and Social Issues Committee of the Council on 28 August last year, and his comment there was:

... Victoria Police does not articulate support or otherwise for the piloting of ...

the injecting centre, so it is hardly an outstanding endorsement of the proposal. Are you saying that the police view changed after that time?

**Mr ANDREWS** — Deputy Chair, what was the date on that?

**Mr MORRIS** — 28 August last year.

**Mr ANDREWS** — I think you will find that Victoria Police had not really taken a position, but in discussions that I had with the chief commissioner, in discussions that Minister Foley had with, I am sure, representatives of Victoria Police, and Minister Wynne as the local member I know had engaged police not necessarily at a police command level but at a local level from a community policing point of view, I think Victoria Police have been on a journey with this also. I am not going to interpret what the chief commissioner said back then. I can tell you now that at that meeting that I referred to in my office a whole series of stakeholders put it to me in pretty plain terms that I was wrong to not change my view. The chief commissioner then and now is 100 per cent supportive of what is a trial, Deputy Chair. It is a trial, and we will see —

**Mr MORRIS** — The chief commissioner was fairly direct in that he was not —

**Mr ANDREWS** — Well, he will be appearing before you and you can speak to that. There have been some positions that have changed on this, I think for the better. It is not for me to ask you questions but I simply would say to you: if people who know this issue, people who have spent a lifetime dealing with this very issue put it to you that you are wrong, who am I to say, ‘Well, I’m going to stubbornly stick to my position’? If I am to be criticised for that, then so be it.

**Mr MORRIS** — We heard that earlier, and that is entirely reasonable saying that. I am just trying to clarify the police position. It sounds to me like the police changed their view after they had had conversations with a number of senior ministers.

**Mr ANDREWS** — No, Mr Morris, I would not infer that. I would not draw that conclusion at all.

**Mr MORRIS** — Except they spoke to you, they spoke to Minister Wynne, they spoke to Minister Foley and then they changed their mind.

**Mr ANDREWS** — No, that is not what has been suggested at all. I am not entirely sure what you are driving at here, having come a bit unstuck on your last line of questioning. But ultimately police engage with the community, local members engage with the community and portfolio ministers engage with agencies. This is not new. We have always had an open-door policy. I expect that the timing you are referring to is not at all inconsistent with the decision that has been made. I am not here to speak on behalf of the chief commissioner, but I believe him to be 100 per cent supportive —

**Mr MORRIS** — No, I am just interested that you said you had had advice from the police to that effect.

**Mr ANDREWS** — I also think that you will find, Mr Morris — and you are free to ask the chief commissioner, because he will be before you at a later point —

**Mr MORRIS** — I will.

**Mr ANDREWS** — I think you might find he also spoke — he and others spoke — to the New South Wales police service and sought their view as well, so lots of people were talking about this.

**Mr MORRIS** — We will let him give that evidence in due course.

**Mr ANDREWS** — Well, you can. I think you will find that that is exactly what happened.

**Mr MORRIS** — Can I get back to the issue I started to raise with you before we ran out of time when the last break happened, and that is around the capital expenditure intended for the injecting centre.

**Mr ANDREWS** — Yes; 2.4 million, did you say?

**Mr MORRIS** — 2.4, yes.

**Mr ANDREWS** — Look, I would leave it to — sorry, have you finished your question?

**Mr MORRIS** — The nature of the question was: is that 2.4 million for the interim facility or for a permanent facility?

**Mr ANDREWS** — I expect given that the interim facility is located quite close to the permanent facility, there will be some of those investments that are basically no regrets. Some further work might need to be done once the final fit-out is done. I can come back to you with some further information on a breakdown of that to the extent we can, but I expect there will be a physical space. There are also CCTV and other security issues, which are very, very important as well, and that funding supports that.

**Mr MORRIS** — In April the minister, Minister Foley, was talking to Neil Mitchell on 3AW and he was talking about Samoan security guards being required to maintain security at the facility, and I was just wondering how many Samoan security guards it is intended to guard the facility with.

**Mr ANDREWS** — I would need to check the phrasing that you are referring to. I would think the security guards come from many, many different —

**Mr MORRIS** — Particularly the need for Samoan security guards, as Minister Foley seems to profess.

**Mr ANDREWS** — I think our Samoan and broader Pacific Islander community are fantastic Victorians; be in no doubt about that.

**Mr MORRIS** — I could not agree more.

**Mr ANDREWS** — And I know that security guards come from many different multicultural backgrounds, so I would not hone in on just one group. Others may have; he may have.

**Mr MORRIS** — It was the minister that was honing in on it. I am all for equal opportunity security guards.

**Mr ANDREWS** — I am choosing not to do that.

**Mr MORRIS** — Good. I am pleased about that.

**Mr ANDREWS** — But I think you can be confident —

**Mr MORRIS** — So do we know how many Samoan or other security guards are going to be employed?

**Mr ANDREWS** — I think you can be confident that there will be adequate, appropriate security measures put in place so that the facility can operate very much like the Kings Cross facility, which for 16 years has had something like 6000 overdoses and not one death. That sits in stark contrast to the experience in the North Richmond community. I think the consultation particularly around safety issues and the engagement with the school and residents is central to their support for this trial.

**Mr MORRIS** — Can I ask you a little bit of detail about that? Do you know what the intended operating hours are yet?

**Mr ANDREWS** — I would leave it to the relevant minister to update you on that; I am not briefed on that level of detail. I can inform you, though, that of the 2.4 that you referred to, 1.1 is attributable to the transitional facility. The balance will be invested in the permanent facility.

**Mr MORRIS** — Thank you. Leaving aside the operational matters — I am just a bit conscious of the time — I just have a quick final question, if I may. The legislation that established the injecting room, when were you made aware that the legislation contained a fundamental error in that the incorrect land titles reference was legislated for the injecting centre?

**Mr ANDREWS** — I would not necessarily accept that there is a fundamental error in the bill which then became the act.

**Mr MORRIS** — Well, when the matter was raised in the Council with the minister, she said, ‘None of this is new’.

**Mr ANDREWS** — Pardon?

**Mr MORRIS** — When this matter was raised with the minister in the Council in March, the minister’s response was, ‘None of this is new’.

**Mr ANDREWS** — Well, again, I am not a member of the Council — a fact that I am eternally grateful for.

**Mr MORRIS** — I am aware of that.

**Mr ANDREWS** — As you are, I am sure. So I could not go to that.

**Mr MORRIS** — We agree on something.

**Mr ANDREWS** — I have many responsibilities, but Hansard reporting in the Legislative Council is not one of them. I would need to check those comments.

**Ms SHING** — We do the hours.

**Mr ANDREWS** — Oh, yes. That is why I said I am grateful.

**Mr MORRIS** — If I could just ask the question a slightly different way to finish the conversation: is it your view that the land title designation on the bill was correct?

**Mr ANDREWS** — I think what I am saying to you is I do not have enough information to necessarily form a view. I am not wanting to be disrespectful, but you have put it to me that there is an error and I am saying that I probably need to check that before I can agree to the way that you have categorised it.

**Mr MORRIS** — Perhaps you could advise me.

**Mr ANDREWS** — Sure. Ultimately there is going to be an interim facility. There is going to be a final facility. It is a trial. Our reasons for doing this are very clear.

**Mr T. SMITH** — Budget paper 3, page 318, the Victorian Electoral Commission. There is a current investigation by the VEC into the member for Melton’s eligibility at the 2014 state election. Has that investigation been concluded or is it ongoing?

**Mr ANDREWS** — Can I indicate to you, Mr Smith, that I am not the minister with responsibility for the Victorian Electoral Commission. Even if I were, I would not be involving myself in investigations conducted by the Electoral Commissioner. I do have the benefit, though, of being a former registered officer of a political party and I am pretty well versed in the Electoral Act and I would not be involving myself in those matters. They are ongoing and really the minister with responsibility for the AEC —

**Mr T. SMITH** — The VEC.

**Mr ANDREWS** — which would be the Special Minister of State —

**Mr T. SMITH** — Well, it sits under Premier and Cabinet, for which you are the lead minister.

**Mr ANDREWS** — Indeed, and the Special Minister of State is also a DPC minister who will be only too happy to —

**Mr T. SMITH** — Thank you, we will be asking your mate that as well, but I thought that —

**Mr ANDREWS** — If you ask any of my cabinet colleagues and good friends, they will be more than happy to deal with these matters for you.

**Mr T. SMITH** — You are full of good friends around that cabinet table, aren't you Premier?

**Mr ANDREWS** — We can only aspire to be as popular as you, Mr Smith.

**The CHAIR** — Order! I would like to thank the witnesses for their attendance: the Premier of Victoria, the Honourable Daniel Andrews, MP; Mr Eccles, Ms Falkingham, Mr Moule and Ms McKay. The committee will follow up on any questions taken on notice in writing. A written response should be provided within 10 business days of that request.

**Witnesses withdrew.**