

Department of Economic Development, Jobs, Transport
and Resources
(rcvd 15062015)



PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2015-16 BUDGET ESTIMATES QUESTIONNAIRE

1. Strategic priorities

Question 1

If the Department has been affected by machinery-of-government changes, please:

- (a) outline the machinery-of-government changes which have affected the Department.

On 1 January 2015 the Department of Economic Development, Jobs, Transport and Resources (DEDJTR) was created by transferring the following functions from former departments:

- (a) Agriculture from Environment and Primary Industries
- (b) Transport and major sporting events from Transport, Planning and Local Infrastructure
- (c) Energy and resources, employment, industry, trade, small business, regional development, innovation, and tourism from State Development, Business and Innovation
- (d) Arts from Premier and Cabinet, and
- (e) Industrial relations from Treasury and Finance.

The Department began a major organisational design exercise in January 2015. The interim organisational structure for DEDJTR consists of:

- (a) Four portfolio groups: Economic Development, Employment and Innovation; Creative Victoria; Agriculture, Energy and Resources; and Transport
- (b) Three cross Department groups: Strategy and Planning; People and Executive Services; and Financial Management and Technology Services
- (c) A specialist transport delivery arm: the Coordinator General.

The organisational design project underway will position the Department to achieve its goals of creating conditions to sustainably develop the Victorian economy and grow employment. The full implementation of the project's findings is expected to take several months.

- (b) estimate the anticipated benefits of these changes (such as improved service delivery, savings in accommodation costs, reduced employee expenses). Please quantify these benefits where possible.

The DEDJTR was established by the Victorian Government to bring together many of the key levers and functions that drive economic development and job creation across Victoria: transport and ports, energy, investment attraction and facilitation, trade, innovation, regional development and small business, together with key services to sectors such as agriculture, the creative industries, resources and tourism. The consolidated Department creates better communication, coordination and alignment in relation to policy-making, service delivery and investment into the various industry sectors which the Department assists.

The creation of the Department will open a range of improved service delivery possibilities through better coordination of government activities.

The Department expects to realise efficiencies through scale, for example in relation to procurement and accommodation, which will be realised fully in future financial years.

- (c) estimate the anticipated costs of carrying out the changes. Please include all costs of the changes, such as IT-related costs or relocation costs, excluding staff costs.

The Department anticipates that costs to carry out machinery-of-government changes will be between \$1.5 million and \$2 million in 2014-15. This comprises costs associated with relocation of staff and IT systems related costs. Further, expenditure is expected to be incurred in 2015-16 and 2016-17 when the bulk of the IT, Payroll and Finance systems integration activities are expected to occur. It is difficult to estimate the remaining costs until all corporate systems and processes are reviewed and options developed and evaluated. Ongoing efficiencies are also expected to arise from these activities.

- (d) identify the anticipated staff impacts of the machinery-of-government changes, quantifying expected redeployments, redundancies (including targeted redundancies), non-renewal of contracts and any other means of reducing staff numbers. Please identify estimated staff costs and savings arising from each means. Please also identify the areas within the Department where staff reductions are anticipated.

	Number (FTE)	Resulting costs (\$ million)	Resulting savings (\$ million)
Redeployment	* See below		
Redundancies	* See below		
Non-renewal of contracts	* See below		
Staff reductions through other means	* See below		
Areas where reductions are anticipated	*The Department is undertaking an extensive organisational design process to support the effective delivery of the Department's mission statement and administrative responsibilities. The focus of the redesign is not on cost reduction but on ensuring the Department has an appropriate capability mix and has its resources deployed in the right areas.		

- (e) detail any expected closures of offices, depots or other public service points as a result of the machinery-of-government changes, quantifying the number of each type of location to be closed.

The DEDJTR has a significant range of offices and other facilities located across Victoria and internationally that have transferred from former departments under the 2014 machinery-of-government changes. There have been no office closures. The Department is currently undertaking a program of relocations in central Melbourne to consolidate and co-locate new business groups established through the machinery of government change, which is intended to improve service delivery and reduce costs.

The Department is also currently preparing an accommodation plan to determine the appropriate disposition of its offices and other facilities to match its objectives. The accommodation plan is expected to be approved by the Department's Executive Board by late 2015.

Question 2

- (a) What are the Department's key strategic priorities underpinning its budget for 2015-16 and over the forward estimates to 2018-19?

The Department was established to bring together many of the key levers and functions that drive economic development and job creation across Victoria – transport and ports, energy, investment attraction and facilitation, trade, innovation, regional development and small business, together with key services to sectors such as agriculture, the creative industries, resources and tourism.

The Department's mission is to sustainably grow Victoria's economy and employment by working with the private and public sectors to foster innovation, creativity, productivity, investment and trade.

In framing the 2015-16 Budget, the Department has identified four key objectives that will guide the delivery of the Department's services and capital program. These are:

- Increase the economic, social and cultural value and impact of the creative industries.
- Increase sustainable employment opportunities for Victorians and build investment, trade and tourism prospects for the State through working with priority industry sectors, delivering major projects, investing in regional Victoria, providing innovation opportunities for businesses, and building resilience in the State's workforce.
- More productive, competitive and sustainable food, fibre, energy and resources industries.
- More productive and liveable cities and regions through improved transport services and better infrastructure.

A Strategic Plan is being developed for the new Department to be completed in mid-2015. The Strategic Plan will build on the Budget objectives and initiatives to provide a comprehensive and integrated plan to support the delivery of the Department's mission and the Government's economic development priorities.

If applicable, how do these priorities differ from the previous year?

Comparisons with previous year priorities are not possible because the DEDJTR was established on 1 January 2015 as a result of machinery-of-government changes.

- (b) What are the impacts of any differences in the Department's strategic priorities between 2014-15 and 2015-16 on funding and resource allocation in the 2015-16 Budget?

Assessment of impacts based on comparisons with previous year priorities are not possible because the DEDJTR was established on 1 January 2015 as a result of machinery of government changes.

- (c) Please identify any programs or initiatives (asset or output) over \$2.0 million relevant to the Department that have been curtailed, deferred, discontinued or completed as a result of changes in strategic priorities between 2014-15 and 2015-16. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

The following programs/initiatives have been discontinued between 2014-15 and 2015-16, as a result of changes in strategic priorities:

- Reform industry and innovation policy reprioritisations*;
- Jobs for the 21st Century initiatives;
- East West Eastern Section;
- East West Western Section;
- Melbourne Rail Link.

**The Government is reforming its approach towards driving economic growth, jobs and innovation in Victoria. A number of programs are being assessed as to whether they are suitable for the reformed approach.*

Question 3

Please identify any programs or initiatives (including asset or output initiatives) that have lapsed in 2014-15 (that is, they will not be continued in 2015-16). For each program or initiative, please indicate the expenditure on this program/initiative in 2014-15. Please also identify the impact on the community of the lapsing (including rescheduling of service provision or commencement of service provision). If there is no impact, please detail the actions undertaken by the Department to ensure that there is no impact. In describing the programs or initiatives, please use the same names as are used in the budget papers where applicable.

Program or initiative	Expenditure in 2014-15 (\$ million)	Impact on the community of lapsing or actions taken by the Department to ensure there is no impact
Support for the Victorian College of the Arts	6.00	No impact on the community. Program objectives have been reached for the programs. Specific funding strategies to continue particular programs are being considered by the department.
Victorian Sculpture Initiative	0.25	
Melbourne Recital Centre SummerSalt	1.00	
Victorian Screen Fellowships	0.12	
Victoria – Leader in Learning	0.38	
Transition to a Global Future	0.10	
Building Innovative Small Manufacturers	2.83	
Specialist Manufacturing Service	1.61	
Automotive New Markets Program	1.00	

Supporting the Aviation Industry	3.16	
Regional Blueprint: Industry Capability Network	1.25	
Industry Capability Network – Whole of Government	1.51	
Local Area Capital Improvements	1.00	
Information & Communications Technology	5.21	
Export Victoria	2.34	
International Markets	2.00	
Development projects along the Richmond to Footscray rail corridor	4.85	
Victoriaworks for Indigenous Jobseekers Program	1.29	
CALD Jobs Bank Registry	0.07	
Victorian Employment Solutions	2.70	
Opening unused Railway Station buildings to community and sporting groups	1.25	
Preserve W Class Trams	2.00	
Inter Capital High-Speed Rail Planning Unit	1.00	
Establish Public Transport Development Authority	2.50	
Country Roads and Bridges	40.00	
Smoke Taint in Australian Vineyards	0.97	
Taxi Services Commission	0.30	

Recreational Fishing Opportunities in Regional Victoria	4.20	No impact on the community. Initiatives within the Government's new Target One Million policy will improve opportunities for recreational fishing across Victoria.
NICTA (World Class R&D)	8.50	Minimal impact on the community. The current five year agreement will conclude in December 2015 as originally scheduled. Victoria is participating in the review of NICTA's funding model.
Victorian Biotechnology Advisory Council	0.40	No impact anticipated on the community. This Council is being reviewed in the context of new innovation initiatives.
Driving Business Innovation	5.56	Minimal impact on the community. Objectives of the program are being factored into considerations for new funding initiatives.
Veski Fellowships and School Mentoring	0.65	No impact anticipated on the community. The VESKI school mentoring program was a one-off initiative. VESKI continues to deliver on the Government's other commitments including the VIC Prize and Women in Science.
Australian Open Tennis	3.23	No impact anticipated on the community, as funding to continue this program will potentially be allocated from other funding sources.
Les Miserables 2014	0.20	
Bicycle Ferry – Port Punt	0.35	Minimal impact on the community. Objectives of the program currently under review.
Regional Victoria Living Expo	0.50	
Edgars Road – Development	0.50	No impact anticipated on the community at this stage, as a full business case for submission as part of a future budget cycle is currently in development.
Red Tape Commissioner	0.35	No impact on the community. Program no longer required due to change in Government priorities.
Farmers Markets Support Program	1.04	Future needs for regional communities will be addressed through the Regional Jobs and Infrastructure Fund. Investments will be made to support jobs, infrastructure development and community strengthening programs.
Regional Blueprint: Sustainable Small Towns Program	12.03	
Regional Blueprint: Planning for Tomorrow	1.25	
Regional Blueprint: Frameworks for the Future	1.14	
Regional Blueprint: The Good Life in Provincial Victoria	2.50	
Community Support Grants	3.09	

Revitalising Regional Towns/Advancing Country Towns	0.13	
Modernising Farm Services	21.67	No impact on the community. The program has been completed as planned with the delivery of a series of online tools to support agriculture field and regulatory services.

Question 4

What are the key Government policies applicable to the Department in 2015-16 and how are these policies addressed in this budget?

The Department is responsible for implementing 137 Government election commitments across 13 portfolio areas.

The key Government policies which are delivered through the 2015-16 Budget include:

- Projects making up the *Getting on With It* infrastructure package and the *Project 10,000 statement* including: support within the budget of more than \$17 billion for road and public transport projects to ease congestion, stimulate the economy, create jobs, and enable people and goods to move in and around Melbourne and Victoria. These include a commitment of:
 - more than \$2 billion in rolling stock and associated infrastructure including 37 high-capacity metro trains for the Cranbourne-Pakenham rail corridor, new E-Class trams and additional VLocity trains,
 - \$5–\$6 billion to remove 50 level crossings over eight years that will reduce road congestion, train delays and improve safety, and
 - \$9–\$11 billion to deliver the Melbourne Metro Rail Project, including over \$1.5 billion over the forward estimates, to complete the planning and design of the project and to commence major construction in 2018.
- The Government's *Back to Work* policy including key commitments through the budget to:
 - establish a partnership between Government and industry through the Premier's Jobs and Investment Fund to implement investments of \$508 million to improve business conditions, remove impediments to growth, and connect with overseas markets,
 - invest \$200 million into the Future Industries Fund to support development in sectors which have strong growth potential, including medical technology and pharmaceuticals; new energy technology; food and fibre; transport, defence and construction technology; international education; and professional services, and
 - support regional Victoria through a budget commitment of \$500 million to the Regional Jobs and Infrastructure Fund to leverage local government and business investment in job creation projects in rural and regional Victoria as referenced in *Back on Track Plan*.
- The Government's *Back on the Land* policy including key commitments through the budget to:
 - provide \$125,000 per year for a Young Farmers Scholarship program,
 - establish a special Ministerial Advisory Council,
 - create a \$1 million foundation to support research in the horticulture industry, and
 - invest \$20 million to be allocated to Food Source Victoria, focused on building producer connections within the agricultural sector. This commitment is part of the \$500 million Regional Jobs and Infrastructure Fund.
- The Government's *Target One Million* policy including key commitments through the budget to grow recreational fishing in Victoria.

The delivery of these policies can be seen in the Budget in the form of the many service investments and reforms (BP3) and asset investments (BP4).

Question 5

- (a) Please provide details of the Department's progress at developing corporate plans and long-term plans as detailed in the Department of Treasury and Finance's *A Guide to Corporate and Long-Term Planning* (April 2014).

The Department was established on 1 January 2015. The Department's first Strategic Plan, which encompasses the corporate plan, is under development and is expected to be completed in mid-2015.

The Department of Treasury and Finance (DTF) has advised it is developing new guidelines for corporate, 'long-term' and asset management planning and completion of these plans should be deferred until new guidelines are issued by the Minister for Finance. The Department will prepare plans in accordance with the new guidelines when they are issued.

- (b) If your corporate plan is online, please provide the address below. If it is not online, please provide a copy and explain why it is not online.

As noted above the Department's Strategic Plan is expected to be finalised in mid-2015.

- (c) Please supply a copy of your department's long-term plan. This will not be published on the PAEC's website. If you are unable to supply a long-term plan, please explain why.

The Department is awaiting DTF guidance on future long-term planning requirements.

2. Budget preparation**Question 6**

In relation to the Department's budget across the forward estimates period, please indicate:

- (a) major areas of risk identified by the Department for its income estimates

The majority of the Department is funded by appropriation. Outside of this revenue, the Department receives a variety of user charges and the State's share of metropolitan public transport farebox. This revenue is subject to overall economic conditions and demand factors. There are also potential changes in National Partnership Agreements with the Commonwealth.

- (b) major areas of risk identified by the Department for its expenses estimates

The major area of risk to the Department's expenditure estimates is primarily related to unexpected changes to input costs for services and construction of infrastructure.

- (c) what measures have been put in place to manage these risks.

The risk factors are reviewed and the budget estimates updated as part of the Budget Update and annually via the State Budget processes. There has been no change to the approach from previous years.

Question 7

Please list all agreements or contracts with a total value of \$10 million or greater entered into in the three-month period prior to the 2014 State election. Please also provide the total value of each agreement/contract and a description of the agreement/contract). Include agreements/contracts for both asset and output expenditure and related to either your department or its controlled entities.

Agreement/contract	Total value (\$ million) ex GST	Description
Department of Economic Development, Jobs, Transport and Resources		
East West Link Western Section - Provision of Planning and Engineering & Engagement Services	16.425	Moving Victoria – Roads Office engaged a contractor – services for the East West Link (western section) 3 stage project. To undertake all necessary investigations, prepare documentation and assist the Moving Victoria – Roads Office in obtaining statutory approvals for the project to proceed.
Agreement/contract	Total value (\$ million) ex GST	Description
Melbourne Metro - Provision of Technical Advisor	27.107	Moving Victoria – Rail Office engaged a contractor to provide Technical, Planning and Engagement services for Melbourne Rail Link project. To undertake all necessary investigations, reference design, prepare documentation and assist in obtaining statutory approvals for the project to proceed.
Major Projects Victoria		
Melbourne Park Redevelopment - Stage 2	12.869	Major Projects Victoria engaged a contractor for the refurbishment design for the planned Rod Laver Arena refurbishment project as part of the Melbourne Park Redevelopment Project.
Melbourne Park Redevelopment - Stage 2	42.957	Major Projects Victoria engaged a contractor to re-design and construct the Administration and Media Building as part of the Melbourne Park Redevelopment Project.

Linking Melbourne Authority		
East West Link Project – Independent Review	35.455 (half payable by Linking Melbourne Authority and half East West Connect)	Linking Melbourne Authority engaged a contractor to review the construction phase of the project, to ensure all design and construction standards and scope are achieved throughout the progression of the contract.
Project Agreement Stage 1 East West Link	9,727.273	This is the head agreement of the state – East West Link Project – which includes all sub-contracts.
VicRoads		
Western Highway Duplication Project	40.122	VicRoads engaged a contractor for the design and construction of road works and bridge works on the Western Highway Duplication Buangor Bypass from Anderson Road to Pope Road, Buangor.
Bitumen SprayLine Contract	36.975	VicRoads engaged a contractor for the supply of bitumen and bitumen derivatives to SprayLine, for a 3 year period

Question 8

Please describe any expected sources of income or expenses where the Department anticipates that the actual amount is likely to be more than 10 per cent greater than what has been estimated in the budget papers (for example, where the amount is difficult to predict so the budget paper estimates are zero or a low amount). Please also identify any items for which the budget estimates are zero but income or expenses are expected. Examples might include 'fair value of assets and services received free of charge or for nominal consideration' or grants from new national partnerships that the Commonwealth might announce at some point during the forward estimates period.

Source of income/expenses	Affected line item	Details
Write off of the VicRoads' registration and licensing system project	Net gain / (loss) on non-financial assets	The write off of the VicRoads' registration and licensing system project had not been factored into the 2015-16 Budget papers as the amount will be finalised as part of the annual reporting process.
Potential write-off of expenditure relating to the cessation of the unsolicited proposal for the Cranbourne-Pakenham rail corridor project	Net gain / (loss) on non-financial assets	The Government is not proceeding with the Unsolicited Proposal submitted by the Proponent Group for the Cranbourne-Pakenham rail corridor project. Some components of expenditure may be required to be written off, and this will be determined as part of the annual reporting process.
Potential transfer of assets free of charge following the completion of major transport projects	Assets transferred free of charge	The Department is reviewing the capitalisation of major transport projects.

Budget estimates are updated as part of the Budget Update and annually via the State Budget processes to ensure the estimates are current and inclusive of any expected income or expenses. The Department considers the estimates within the budget papers to still be current, with the only known variances noted above.

3. Spending

Question 9

Please explain any variations of more than ± 10 per cent (or greater than \$100 million) between the revised estimate for 2014-15 and the budget for 2015-16 for the following line items in the Department's operating statement in the Statement of Finances budget paper:

- 'employee benefits'
- 'grants and other transfers'
- 'other operating expenses' in aggregate
- the major components of 'other operating expenses' for your department (please supply categories as appropriate).

The 2014-15 revised estimate reflects the part year impact of machinery-of-government changes from 1 January 2015.

	2014-15 (revised estimate) * (\$ million)	2015-16 (Budget) ** (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million)
Employee benefits	521.1	831.0	The variations mainly reflect machinery-of-government changes from 1 January 2015.
Grants and other transfers	1,656.9	2,831.8	
Other operating expenses	1,996.1	3,146.4	
<i>Major components of 'other operating expenses' (please supply categories):</i>			
Payments for Train, Trams and Bus Services	1,008.4	1,974.8	The variation mainly reflects machinery of government changes from 1 January 2015.
Road Asset Management, Operations and Network Improvements	434.7	597.3	The variation reflects the impact of machinery of government changes from 1 January 2015, and the profile of specific road programs.
Major Projects	103.5	4.8	Reflects the lower cost of sales (land) for the Kew Residential Services Redevelopment.
Other	449.4	569.5	Variance mostly reflects the impact of machinery of government changes from 1 January 2015.

*Reflects the impact of machinery of government changes effective from 1 January 2015 which only include the budgets for the remaining six months from the incoming functions.

** Reflects the full impact of machinery of government changes effective from 1 January 2015.

If the Department is unable to provide estimates for the components of 'other operating expenses' in 2015-16, please explain how the amount of 'other operating expenses' listed for 2015-16 in the budget papers was calculated.

n/a

Question 10

Please provide the following information regarding maintenance costs and other costs intended to increase the function or service capacity of assets (such as upgrading, improvement, refurbishment, etc.). Do not include capital expenditure.

(a) estimated expenditure for 2015-16 and over the forward estimates period

	2015-16	2016-17	2017-18	2018-19
Maintenance	\$679.1 million	\$609.8 million	\$600.1 million	\$575.2 million
Other costs to increase function/service capacity of assets	N/A	N/A	N/A	N/A

(b) the Department's method for estimating these costs

These costs are made up of maintenance required for roads, rail infrastructure, buildings and other maintenance to ensure assets are maintained for their ongoing use. Costs are based on amounts provided under franchise and Public Private Partnership agreements, to ensure compliance under relevant legislations and regulations, and to ensure an ongoing amount of maintenance is delivered.

(c) details, including cost provisions, of any formal asset maintenance strategies or plans developed by the Department.

The Department and its agencies are working to ensure that appropriate asset maintenance strategies are in place to meet requirements specified by Government. Although this is prevalent across all portfolios, a significant proportion of the maintenance costs are incurred within the Public Transport and Roads portfolios.

In the case of Public Transport Victoria, Annual Work Plans (AWPs) are developed by each of the rail operators to deliver annual maintenance programs, which take into account factors such as asset condition, customer impact, safety and infrastructure criticality. Based on the assessment of these factors, maintenance works are prioritised, and Public Transport Victoria closely monitors the delivery of the AWP's to ensure that the works are undertaken to plan.

There is also a VicRoads maintenance strategy that seeks to manage the road network in a safe and efficient manner in order to provide the community with an appropriate level of service and to minimise the whole of life cost of road assets. The strategy takes into account the needs and expectations of the community, National, State and Local Government policies, and the available funding. Specific aspects include:-

- providing a road network that is as free from hazards as possible by regularly inspecting the network, identifying and removing hazards, undertaking minor repairs and by keeping traffic signals and street lights operating
- minimising the rate and effect of deteriorating pavements, bridges and roadsides and whole of life costs through activities such as pavement resurfacing, bridge maintenance, drainage, and management of vegetation
- repairing and replacing assets that have reached the end of their serviceable life through activities such as major patching, bridge strengthening, stabilising embankments and pavement rehabilitation and reconstruction.

VicRoads is implementing maintenance reforms in order to improve the efficiency and effectiveness of maintenance of the arterial road and freeway network. The reforms address gaps in processes used to determine road categorisation for maintenance purposes, priorities for maintenance and how maintenance is procured. This will result in improved linkages between service needs and services delivered. In 2015-16 VicRoads will extend its partnering approach with industry by introducing maintenance alliances in the Eastern and South Western parts of the State.

Creative Victoria is responsible for all of the State-owned arts and cultural facilities and assets. Creative Victoria's asset management framework integrates Service Oriented Asset Management and Condition and Compliance Audits to develop facility management plans, maintenance cash flow models and confirm the asset registers.

The framework is used to assess and prioritise maintenance projects in accordance with their risk, criticality and service benefit. It has been designed to enable the early identification of critical issues and aims to reduce the need for expensive emergency or reactive maintenance and the potential for State liability. The framework has been implemented across all State-owned tenanted facilities and Creative Victoria is in the process of rolling out the framework to Agencies.

Framework projects are funded through the Arts and Cultural Facilities Maintenance (ACFM) fund. The ACFM has been the primary source of critical maintenance asset funding for the past decade.

The ACFM is used to address critical risks, compliance issues and major maintenance items for State-owned arts facilities. It also enables planning and feasibility work to be undertaken.

With respect to the agriculture portfolio, the Department has a mix of owned and leased sites spread across the state. The leased sites are predominantly office properties and are maintained under a Service Level Agreement by the Shared Services Provider in the Department of Treasury and Finance. The owned sites include farms, depots, research facilities and laboratories and are maintained by the Department. A Strategic Asset Master Plan (SAMP) is reviewed and updated on an annual basis to outline the long term requirements for accommodation and research at the owned sites. The SAMP also informs the annual minor capital works program for upgrades and improvements across these sites. This is supported by an Annual Maintenance Program to carry out both essential services and scheduled maintenance across the owned sites.

There are also separate maintenance arrangements in place for the AgriBio facility in Bundoora and the Royal Melbourne Showgrounds Redevelopment.

Question 11

For the line item 'payments for non-financial assets' for 2015-16 in the departmental cash flow statement in the Statement of Finances budget paper, please identify the amount that is expected to be funded using funds carried over from 2014-15.

The 2015-16 Budget reflects the estimated payments for the Department's non-financial assets. It includes approved funding for new capital projects and existing approved cash flow for existing capital projects from incoming functions (as a result of machinery of government changes).

Any unspent approved funding from the 2014-15 financial year will be considered for additional payments for non-financial assets' in 2015-16. The estimated carry forward amount the Department anticipates at the end of the 2014-15 financial year is \$26.2 million.

Question 12

In relation to the break-down of expenses from transactions disaggregated by government purpose classification in the budget papers (Note 12(a) to the general government sector consolidated operating statement the Statement of Finances budget paper, p.34), please provide details of the Department's component of the expenses in each category for 2014-15 and 2015-16. Please explain any variations between the years that are greater than ± 10 per cent or greater than \$100 million.

Government purpose classification	2014-15 revised estimate (\$ million)	2015-16 Budget (\$ million)	Explanation for any variances greater than $\pm 10\%$ (or greater than \$100 million)
General public services	N/A	N/A	N/A
Public order and safety	N/A	N/A	N/A
Education	N/A	N/A	N/A
Health	N/A	N/A	N/A
Social security and welfare	N/A	N/A	N/A
Housing and community amenities	N/A	N/A	N/A
Recreation and culture	178.8	382.8	Increase reflects the full impact of machinery of government changes effective from 1 January 2015 (mainly due to incoming outputs for Arts Victoria such as Access, Industry Development and Innovation, Cultural Infrastructure and Facilities and Creative Industries Portfolio Agencies).
Fuel and energy	105.1	150.4	Increase in the Energy and Resources output relating to the estimated timing of cashflows for projects within the Advanced Lignite Demonstration Program. It also reflects the approved expenditure profile for the Powerline Bushfire and Safety Program.
Agriculture, forestry, fishing and hunting	205.9	375.9	Increase reflects the full impact of machinery of government changes effective from 1 January 2015 (mainly due to incoming outputs for Agriculture such as Agriculture and Sustainably Manage Fish and Forest Resources).

Government purpose classification	2014-15 revised estimate (\$ million)	2015-16 Budget (\$ million)	Explanation for any variances greater than ±10% (or greater than \$100 million)
Transport and communications	3,270.9	6,293.7	Largely due to the full impact of machinery of government changes effective from 1 January 2015, increase in the capital assets charge as a result of the investment in infrastructure projects and payments for metropolitan train, tram and bus services.
Other economic affairs	936.2	552.8	Variance is due to a number of reasons, including the funding mechanism for major events and lower cost of sales for the Kew Residential Services Redevelopment. The lower 2015-16 target is also due to the full impact of machinery of government transfers effective 1 January 2015.
Other purposes	N/A	N/A	N/A

4. Expenditure reduction measures

Question 13

For each of the savings initiatives detailed in the table below, please detail (on the same basis of consolidation as the budget papers):

- (a) what actions the Department will take in 2015-16 to meet the various savings targets
- (b) any impact that these actions will have on the delivery of services during 2015-16
- (c) the Department's savings target for 2015-16, with an explanation for any variances between the current target and what was originally published in the budget papers when the initiative was released.

Initiative	Actions the Department will take in 2015-16	Impact of these actions on service delivery in 2015-16	Savings target for 2015-16 (\$ million)	Explanation for variances to the original target
Savings (2012-13 Budget)	N/A – savings embedded on an ongoing basis from previous financial years.	N/A	82.7	N/A
Efficiency measures (2012-13 Budget Update)	N/A – savings embedded on an ongoing basis from previous financial years.	N/A	9.7	N/A
Efficiency measures (2013-14 Budget)	Savings are expected to be achieved through the consolidation of activities and a reduction in duplication.	Nil	42.2	N/A
Efficiency measures (2013-14 Budget Update)	Savings are expected to be achieved through major contracts and other procurement activity as well as the consolidation of activities and a reduction in duplication.	Measures previously predicted are currently being reviewed.	80.5	N/A

Initiative	Actions the Department will take in 2015-16	Impact of these actions on service delivery in 2015-16	Savings target for 2015-16 (\$ million)	Explanation for variances to the original target
Efficiency and expenditure reduction measures (2014-15 Budget)	N/A	Nil	N/A	N/A
Efficiency and expenditure reduction measures (2015-16 Budget)	Savings are expected to be achieved through reductions in executive officers, agency hire savings and efficiencies from not printing annual reports	Nil	7.2	N/A

* Note targets have been updated to reflect machinery of government changes and are not comparable.

Question 14

In relation to any funding from reprioritisation of existing resources in the 2015-16 Budget (as noted in Table 4.4 of Budget Paper No.2, p.58) for your department, please provide the following information in relation to each initiative, program or project from which \$2.0 million or more of funding has been reprioritised. In describing initiatives, please use the same names as are used in the budget papers.

Initiative, program or project for which funding was initially provided	Amount reprioritised for 2015-16 (\$ million)	Amount reprioritised for 2016-17 (\$ million)	Amount reprioritised for 2017-18 (\$ million)	Amount reprioritised for 2018-19 (\$ million)
Regional Growth Fund (RGF)	125.0	125.0	125.0	125.0
General Recurrent	8.4	3.2	2.9	0.6
Reform of industry and innovation policy reprioritisation*	199.9	131.2	103.0	35.9
Jobs for the 21st century	12.1	14.5	14.5	

* The Government is reforming its approach towards driving economic growth, jobs and innovation in Victoria. A number of programs are being assessed as to whether they are suitable for the reformed approach.

5. Output and asset initiative funding

Question 15

In regard to adjustments to the Department's base funding (as set out in *BFMG-06 – Departmental Funding Model*), please indicate:

- (a) the Department's base funding for 2014-15
- (b) the Department's base funding for 2015-16
- (c) the major factors driving the variance between 2014-15 and 2015-16.

Departmental base funding 2014-15 (\$ million)	Departmental base funding 2015-16 (\$ million)	Major factors driving the variance
N/A	N/A	N/A

The original base year for 2014-15 would have been created some five years ago as part of the creation of the new financial year, and since that time it would have been varied in accordance with output decisions made by Government as part of ongoing budgetary processes. This variation was complicated considerably by the machinery of government changes undergone by the Department on 1 July 2013 and 1 January 2015.

The underlying indexation rate applied was 2.5%, in line with consumer price index published in Budget Paper No. 2 – Strategy and Outlook. However uniform indexation is not applied equally to all Department estimates since some components of output delivery are subject to different price indexation.

Question 16

Please provide the following details of any outputs for which output resources allocation reviews or base reviews (as described in *BFMG-05*) were completed in 2014-15:

There were no output resource allocation reviews or base reviews completed in 2014-15.

Question 17

In relation to the asset initiatives released in the 2015-16 Budget for the Department (as detailed in the Service Delivery budget paper), please quantify the amount of funding for those initiatives that is expected to come from the Department's own sources (such as depreciation, applied appropriations which have not been spent or other sources) and the amount of new funding provided specifically for these initiatives in this budget.

	2014-15 (\$ million)	2015-16 (\$ million)	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)	TEI (\$ million)
Funding from the Department's own sources	62.0	44.7	75.2	14.8	6.5	203.2
New funding specifically for these initiatives in 2015-16 Budget	9.0	535.4	880.0	1,065.0	1,149.4	17,116.9 – 20,116.9*
Total asset initiatives (as in Service Delivery budget paper)	71.0	580.1	955.2	1,079.8	1,155.9	17,320.1 – 20,320.1*

* TEI includes funding beyond 2018-19 as specified in Budget Paper 3

Question 18 Portfolio

- (a) Please quantify the Department's balance of applied appropriations unspent as at 30 June 2014 (as defined in the notes to note 39(a) of the 2013-14 Financial Report for the State), along with estimates for the equivalent figures as at 30 June 2015 and 2016.

	2014 * (\$ million)	2015 ** (\$ million)	2016 ** (\$ million)
Applied appropriations unspent as at 30 June	17.2	168.2	80.0

*Reflects the operations of the former Department of State Development, Business and Innovation, which do not include the impact of machinery of government changes effective from 1 January 2015.

** Reflects the full impact of machinery of government changes effective from 1 January 2015.

- (b) Please indicate the intended use of these amounts.

These amounts are to be used to fund the delivery of the Department's existing capital and output programs.

6. Public private partnership expenditure

Question 19

For each line item in the Department's comprehensive operating statement or statement of cash flows (as indicated in the Statement of Finances budget paper) which includes expenditure on commissioned PPP projects in 2015-16 or across the forward estimates period, please identify:

- the line item
- the value of expenditure on PPP projects included within that line item
- what the expenditure is for (for example, payment of interest, payment of capital, purchases of services, payment of contracted penalties etc.).

Line item	2014-15 revised (\$ million)	2015-16 (\$ million)	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)	Explanation
<i>BP No. 5 Table 3.1.1: Comprehensive operating statement</i>						
<u>Peninsula Link project</u>						
Output appropriations	49.4	96.3	94.7	91.9	91.9	
Interest expense	44.6	88.0	85.1	82.9	82.9	Finance lease interest
Other operating expenses	4.8	8.3	9.6	9.0	9.0	Operations and maintenance
<u>Biosciences Research Centre Project</u>						
Output appropriations	15.7	27.9	28.0	27.5	28.5	
Employee benefits	0.1	-	-	-	-	
Interest expense	8.8	17.6	17.3	17.2	16.9	
Other operating expenses	6.8	10.3	10.7	10.3	11.6	
<u>Showgrounds Redevelopment</u>						
Output appropriations	3.3	3.9	3.3	2.6	1.9	
Employee benefits	0.1	0.1	0.1	0.1	0.1	
Interest expense	3.0	3.6	2.9	-	-	

Line item	2014-15 revised (\$ million)	2015-16 (\$ million)	2016-17 (\$ million)	2017-18 (\$ million)	2018-19 (\$ million)	Explanation
Other operating expenses	0.2	0.2	0.2	0.2	0.2	
Net gain/(loss) on financial instruments and statutory receivables/payments	-	-	-	2.3	1.6	
<i>BP No. 5 Table 3.1.5: Administered items statement</i>						
<u>Melbourne Convention and Exhibition Centre</u>						
Appropriations – Payments made on behalf of the State	64.3	65.9	68.2	70.6	73.4	
Expenses on behalf of the State	16.7	17.0	18.1	19.1	19.4	Operating supplies and consumables
Grants and other transfers	5.1	5.2	5.4	5.5	5.5	Grants to public non-financial corporations
Interest expense	40.7	40.5	40.3	40.0	42.5	Finance lease interest

7. Revenue

Question 20

In relation to 2015-16, please outline any new revenue-raising initiatives and/or major changes to existing revenue initiatives. For each initiative/change, please explain:

- (a) the reasons for the initiative/change
- (b) the assumptions underlying the reasons
- (c) alternative scenarios considered
- (d) the impact of any changes on service delivery (that is, please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives)
- (e) any performance measures or targets altered as a result of the initiative/change
- (f) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

In describing initiatives, please use the same names as are used in the budget papers where applicable. Initiative/change	Reasons for the initiative/change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
Extending the reach of Arts Centre Melbourne	Partial revenue offset of funding required for this initiative.	Revenue from box office sales	N/A	N/A	Access: users/attendances at all agencies Education: students participating in agency education programs	Total revenue gained estimated to be \$2.936 million in 2015-16

In describing initiatives, please use the same names as are used in the budget papers where applicable. Initiative/change	Reasons for the initiative/change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
Clearway Enforcement Using Tow-away	To reduce congestion in Melbourne.	The initiative is limited to enforcing tow-away zones within 10km of the Melbourne CBD with the potential of extending to arterial clearways beyond 10km of the CBD.	N/A	N/A	TBA	Total revenue gained estimated to be \$9.0 million over four years (2015-16 to 2018-19) and \$2.1 million ongoing.
National Gallery of Victoria Summer Program: Turning up the heat	Partial revenue offset of funding required for this initiative.	Revenue is a combination of corporate and philanthropic support and tickets sales and other revenue (merchandise etc.)	N/A	N/A	Access: agency website visitation Access: users/attendances at all agencies Education: students participating in agency education programs	Total revenue gained estimated to be \$10.75 million over two year (2015-16 to 2016-17)

Question 21

In relation to 2015-16, please outline any new tax expenditures or concession/subsidy initiatives and/or major changes to existing tax expenditures or concession/subsidy initiatives. For each initiative/change, please explain:

- (a) the reasons for the initiative/change
- (b) the assumptions underlying the reasons
- (c) alternative scenarios considered
- (d) the impact of any initiatives/changes on service delivery (that is, please detail all programs/projects that have been revised as a result of changes to existing revenue initiatives)
- (e) any performance measures or targets altered as a result of the initiative/change
- (f) the anticipated total value of revenue gained/foregone as a result of the initiative/change.

In describing initiatives, please use the same names as are used in the budget papers where applicable.

Initiative/change	Reasons for the initiative/change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
Expanding public transport concessions for ex-service personnel	This initiative will extend eligibility for the War Veteran's Free Travel Pass for public transport to individuals who have not served overseas and have been assessed as Totally Permanently Injured (TPI) or Extreme Disablement Adjustment (EDA).	Assumptions are based on the scope of the initiative as provided in the Government announcement. The number of additional persons eligible for the War Veteran's Free Travel Pass has been identified and this has been multiplied by the revenue foregone to derive the budget impact.	N/A	N/A	N/A	Total revenue foregone is estimated to be \$1.224 million over four years (2015-16 to 2018-19) and \$0.346 million ongoing.

Initiative/change	Reasons for the initiative/change	Underlying assumptions	Alternative scenarios	Impact of changes on service delivery	Performance measures or targets altered	Anticipated total value of revenue gained/foregone
Car registration discounts for trade apprentices	To provide eligible apprentices with a 50 per cent reduction in annual registration charges and compulsory third party personal injury insurance for their motor vehicle.	Assumptions are based on 15,200 apprentices being eligible, trainees are not to be included and that eligibility is based on the need to attend multiple work sites during the apprenticeship.	N/A	N/A	N/A	Total revenue foregone is estimated to be \$7.48 million over four years (2015-16 to 2018-19) and \$2.21 million ongoing.
Free licences for young drivers	To provide eligible young drivers who have completed four years on P plates with no road offences a free three-year licence.	Assumptions are based on current and forecast numbers of drivers who would be eligible for the Free licences for young drivers' scheme.	N/A	N/A	N/A	Total revenue foregone is estimated to be \$6.980 million over four years (2015-16 to 2018-19).

Question 22

For the Department's income categories (as appear in the Department's operating statement in the Statement of Finances budget paper), please provide an explanation for any items that have a variance of greater than ± 10 per cent or \$100 million between the revised estimate for 2014-15 and the budget for 2015-16.

Income category	Revised estimate for 2014-15 (\$ million)	Estimate for 2015-16 (\$ million)	Explanation
Output appropriations	3,867.6	7,177.2	Variance is largely due to the full impact of machinery of government changes effective from 1 January 2015, newly approved projects in 2015-16 State Budget, increase in the capital assets charge as a result of the investment in infrastructure projects and increase in funding for metropolitan train, tram and bus services.
Special appropriations	1.4	5.1	Reflects the timing of cash flows relating to the Coal Seam Gas program.
Interest	5.1	14.6	Variance is largely due to the full impact of machinery of government changes effective from 1 January 2015.
Sales of goods and services	337.6	510.5	Variance is largely due to the full impact of machinery of government changes effective from 1 January 2015.
Grants	230.6	319.0	Variance is largely due to the full impact of machinery of government changes effective from 1 January 2015 and the cash flow of funding for the roads projects relating to the Road Safety program.
Fair value of assets and services received free of charge of for nominal consideration	91.0	56.5	Variance reflects the transfer of property relating to a number of road projects in 2014-15.
Other income	170.2	153.4	Variance reflects the higher income for Kew Residential Services Redevelopment project received in 2014-15 offset by the full impact of machinery of government changes effective from 1 January 2015.

Question 23

What impact have developments at the Commonwealth level had on the Department's component of the 2015-16 State Budget?

The 2015-16 State Budget includes Victoria's funding to complement Commonwealth funding for transport projects through the five-year Infrastructure Investment Programme.

This includes funding to complement the Commonwealth Government's committed funding of \$200 million for the Tullamarine Freeway Widening, an additional \$97.3 million for the Western Highway duplication between Ballarat and Stawell, and an additional \$70 million of funding for Princes Highway East duplication between Traralgon and Sale. State matching funding for the first round of funding under the Commonwealth Bridges Renewal Programme and National Highway Upgrade Programme has also been included in the 2015-16 State Budget.

The 2015-16 State Budget also includes funding for ongoing Commonwealth and State funded projects, such as the Princes Highway West duplication between Winchelsea and Colac, St Albans level crossing removal, Calder Highway Alternative intersection at Ravenswood and the Great Ocean Road Upgrade.

8. Performance measures**Question 24**

For each initiative (asset or output) in the 2015-16 Budget with a total cost over the forward estimates greater than \$20 million (or a TEI over \$20 million), please list all new and existing performance measures in the budget papers related to the initiative. In describing initiatives, please use the same names as are used in the budget papers.

Initiative	Related performance measures
Premier's Jobs and Investment Fund (including the 'Start Up' initiative)	Guidelines and priorities to be funded under the Premiers Jobs and Investment Fund (PJIF) are being finalised. Once this has occurred the relevant programs and initiatives funded will inform the related performance measures.
Future Industries Fund (including New Energy Jobs Fund)	Companies supported by Future Industries Fund Future industry sector strategies delivered Industry roundtables and engagement forums Proportion of all international students studying in Victoria
Major Events	Major sporting and cultural events facilitated
Bus Package	Passengers carried: metropolitan bus services Payments made for: metropolitan bus services Total kilometres scheduled: metropolitan bus
Home Safe – 24 hour public transport on weekends	No specific output performance measures
New VLocity carriages for the regional network (Output and Asset)	Availability of rolling stock: VLocity fleet Service punctuality for regional train services
Securing Service Improvements on Victoria's public transport network	No specific output performance measures

Regional Jobs and Infrastructure Fund	<p>Actual export sales generated for regional businesses as a result of participation in government programs</p> <p>Economic development and service delivery projects supported</p> <p>Employment in regional Victoria resulting from government investment facilitation services and assistance</p> <p>New investment in regional Victoria resulting from government facilitation services and assistance</p> <p>Participant satisfaction with implementation of Regional Development Victoria programs</p> <p>Access to diverse range of supported projects: regional Touring Victoria destinations</p> <p>Diverse range of product, producers and cultural venues supported: organisations recurrently funded</p> <p>Diverse range of product, producers and cultural venues supported: regionally based organisations recurrently funded</p> <p>Diverse range of product, producers and cultural venues supported: project companies and artists funded</p> <p>Diverse range of product, producers and cultural venues supported: project companies and artists funded which are regionally based</p>
Better Roads for More Communities – road surface replacement program	<p>Pavement resurfaced: metropolitan</p> <p>Pavement resurfaced: regional</p> <p>Proportion of distressed road pavements: metropolitan</p> <p>Proportion of distressed road pavements: regional</p>
Crash and Trauma Education Centre (Asset and Output)	No specific output performance measures
High Capacity Metro Train	No specific output performance measures
Practical driver training for year 10s	No specific output performance measures
Optimising transport network performance congestion	No specific output performance measures
Start up initiative	Number of companies or new entrants supported through the Start Up initiative
State Library of Victoria redevelopment	<p>Access: users/attendances at all agencies</p> <p>Agency collections storage meeting industry standard</p> <p>Visitors satisfied with visit: State Library of Victoria</p>
Conventional signalling upgrade Caulfield and Dandenong	No specific output performance measures
Flinders street station redevelopment	Major projects in delivery or development at 1 July by Major Projects Victoria and the Major Projects Division
New E class Trams	Tram – cumulative procurement of new rolling stock

Safer Country Crossing Program	Public railway crossings upgraded
Trial of high capacity signalling – stage 1	No specific output performance measures
Xtrapolis Trains – Five six car sets	No specific output performance measures
Bridge Strengthening for Freight Efficiency	Bridge strengthening and replacement projects completed: metropolitan Bridge strengthening and replacement projects completed: regional Bridges that are acceptable for legal load vehicles: metropolitan Bridges that are acceptable for legal load vehicles: regional
Chandler Highway Bridge duplication	No specific output performance measures
Life Extension of Comeng Trains	No specific output performance measures
M80 Upgrade – EJ Whitten bridge to Sunshine avenue	No specific output performance measures
Melbourne Metro Rail Project	Melbourne metro rail project - planning and development: Milestones delivered in accordance with agreed budget and timelines.
Road and rail minor works fund	Congestion projects completed Pedestrian projects completed
Thompsons Road duplication - planning and early works	Level Crossing Removal Project: Milestones delivered in accordance with agreed budget and timelines
Level Crossing Removal Program	Level Crossing Removal Project: Milestones delivered in accordance with agreed budget and timelines
West Gate Distributor – Northern Section	No specific output performance measure
Investing in the independent Arts Sector	Access to diverse range of supported projects: artist residencies in schools Diverse range of product, producers and cultural venues supported: organisations recurrently funded Diverse range of product, producers and cultural venues supported: regionally based organisations recurrently funded Diverse range of product, producers and cultural venues supported: project companies and artists funded Diverse range of product, producers and cultural venues supported: project companies and artists funded which are regionally based Grant recipients who met or exceeded agreed outcomes

9. Staffing matters

Question 25

Please fully complete the table below, providing actual FTE staff numbers at 30 June 2014 and estimates of FTE staff numbers (broken down by the categories listed below) at 30 June 2015 and 30 June 2016 for the Department. Please provide figures consolidated on the same basis as the expenditure for the Department in the budget papers.

Note: Data is rounded to whole numbers, resulting in minor variations to some totals.

Grade	February 2015**	30 June 2015***	30 June 2016****
DEDJTR*	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Secretary	1	1	1
EO-1	7	8	8
EO-2	45	50	40 [#]
EO-3	59	57	45 [#]
VPS Grade 7 (STS)	28	27	27
VPS Grade 6	518	533	533
VPS Grade 5	557	579	579
VPS Grade 4	464	471	471
VPS Grade 3	363	394	394
VPS Grade 2	194	190	190
VPS Grade 1	17	17	17
Principal Scientist	62	64	64
Science D	101	103	103
Science C	146	143	143
Science B	182	175	175
Science A	159	159	159
Principal Solicitor	4	4	4
Senior Solicitor	1	1	1
Solicitor	2	2	2
Total	2,910	2,978	2,956

* Data includes Major Projects Victoria and Tourism Victoria.

** February 2015 is the earliest available FTE data for DEDJTR, which was established on 1 January 2015.

*** June 2015 data reflects machinery of government transfers made subsequent to the establishment of the Department.

**** Forecast figures for 30 June 2016 are subject to the completion of the organisational redesign project.

The number of Executive Officers has been reduced in 2016 to reflect an estimate of the savings expected to be achieved.

Roads Corporation (VicRoads)	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Secretary	0.0	0.0	0.0
EO-1	1.0	1.0	1.0
EO-2	12.0	12.0	13.5
EO-3	44.0	37.0	38.7
VPS Grade 7 (STS)	17.0	18.0	18.0
VRO6	155.9	154.3	151.2
VRO5	357.8	358.4	367.5
VRO4	675.6	680.7	672.4
VRO3	576.6	573.1	578.0
VRO2	562.1	540.4	590.4
VRO1	21.6	21.7	24.2
Total	2,423.5	2,396.6	2,454.9

Linking Melbourne Authority (LMA)	30 June 2014	30 June 2015*	30 June 2016*
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Executive	13.8		
VPS Grade 7 (STS)	3.8		
VPS Grade 6	12.4		
VPS Grade 5	9.6		
VPS Grade 4	10.5		
VPS Grade 3	2.0		
VPS Grade 2	3.3		
Total	55.4	0.0	0.0

* LMA will cease operation on 30 June 2015

Melbourne Cricket Ground Trust	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Total	0.0	0.0	0.0

* Note: The Melbourne Cricket Ground Trust does not have any staff

Taxi Services Commission	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
EO-2	1	1	1
EO-3	4	4	3
VPS Grade 7 (STS)	1	1	1
VPS Grade 6	15	15	11
VPS Grade 5	30	30	22
VPS Grade 4	42	42	33
VPS Grade 3	51	51	51
VPS Grade 2	14	14	14
Total	158	158	136

Public Transport Development Authority (PTV)	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Other	0.8	0.8	0.8
PTV EO	35.6	38.0	45.0
Principal Scientist Engineers (PSE)	13.0	22.5	25.5
PTV Grade 7 (STS)	9.8	14.0	20.0
PTV Grade 6	112.7	127.8	132.8
PTV Grade 5	130.3	131.9	143.9
PTV Grade 4	89.8	108.7	116.7
PTV Grade 3	64.1	66.2	66.2
PTV Grade 2			
PTV Grade 1	7.0	1.3	1.3
Total	463.1	511.2	552.2

Library Board of Victoria	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
EO-1			
EO-2	1	1	1
EO-3	3	3	3
VPS Grade 7 (STS)	1	1	1
VPS Grade 6	27	24	24
VPS Grade 5	50	48	42
VPS Grade 4	41	38	38
VPS Grade 3	100	100	91
VPS Grade 2	63	54	52
VPS Grade 1	21	17	18
Other	5	5	5
Total	312	291	273

Melbourne Recital Centre	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
EO-2	1	1	1
EO-3	4	4	4
VPS Grade 5	4	6	6
VPS Grade 4	7	8	9
VPS Grade 3	10	11	11
VPS Grade 2	16	22	23
VPS Grade 1	2	4	4
Total	44	56	59

Australian Centre for the Moving Image	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
EO-2	1	1	1
EO-3	2	2	3
VPS Grade 6	6	6	7
VPS Grade 5	14	16	15
VPS Grade 4	29.80	28.25	34.80
VPS Grade 3	44.91	45.20	39.91
VPS Grade 2	24.61	24.98	24.98
VPS Grade 1	0	0	0
Total	122.32	123.43	125.69

Museums Board of Victoria	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
EO-2	1	1	1
EO-3	3	3	3
VPS Grade 7 (STS)	0	0	0
VPS Grade 6	21	20	20
VPS Grade 5	63	69	69
VPS Grade 4	97	89	89
VPS Grade 3	114	104	104
VPS Grade 2	151	158	158
VPS Grade 1	41	34	34
Total	490	478	478

(Council of Trustees of the) National Gallery of Victoria	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Secretary	0	0	0
EO-1	0	0	0
EO-2	1	1	1
EO-3	1	2	2
VPS Grade 7 (STS)	0	0	0
VPS Grade 6	26	25	24
VPS Grade 5	24	27	30
VPS Grade 4	55	63	62
VPS Grade 3	80	70	68
VPS Grade 2	69	82	81
VPS Grade 1	10	5	5
Total	266	276	272

Film Victoria	30 June 2014	30 June 2015	30 June 2016
Grade	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
EO-2	1.0	1.0	1.0
EO-3	2.0	2.0	2.0
VPS Grade 6	3.8	3.8	3.8
VPS Grade 5	11.2	11.2	11.2
VPS Grade 4	8.0	8.0	8.0
VPS Grade 3	9.8	9.8	9.8
Total	35.8	35.8	35.8

Question 26

Please break down the actual staff numbers in your department as at 30 June 2014 and the estimates as at 30 June 2015 and 2016 according to the number of staff that are ongoing, fixed-term or casual.

Data is rounded to whole numbers, resulting in minor variations to some totals.

DEDJTR	February 2015* (Actual FTE number)	30 June 2015** (Expected FTE number)	30 June 2016*** (Forecast FTE number)
Ongoing	2,426	2,464	2,442 [#]
Fixed-term	481	499	499
Casual	3	15	15
Total	2,910	2,978	2,956

* February 2015 is the earliest available FTE data for DEDJTR, which was established on 1 January 2015.

** June 2015 data reflects machinery of government transfers made subsequent to the establishment of the Department.

*** Forecast figures for 30 June 2016 are subject to the completion of the organisational redesign project.

The number of Executive Officers has been reduced in 2016 to reflect an estimate of the savings expected to be achieved.

Roads Corporation (Vic Roads)	30 June 2014 (Actual FTE number)	30 June 2015 (Expected FTE number)	30 June 2016 (Forecast FTE number)
Ongoing	2,399.7	2,371.7	2,404.0
Fixed Term	22.8	24.9	50.9
Casual	1.0	0.0	0.0
Total	2,423.5	2,396.6	2,454.9

Linking Melbourne Authority (LMA)	30 June 2014 (Actual FTE number)	30 June 2015* (Expected FTE number)	30 June 2016* (Forecast FTE number)
Ongoing	25.3		
Fixed-term	29.8		
Casual	0.3		
Total	55.4	0.0	0.0

* LMA will cease operation on 30 June 2015

Taxi Services Commission	30 June 2014	30 June 2015	30 June 2016
	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Ongoing	136	135.6	135.6
Fixed-term	22	22.0	0.0
Casual	0	0.0	0.0
Total	157.6	157.6	135.6

Public Transport Development Authority (PTV)	30 June 2014	30 June 2015	30 June 2016
	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Ongoing	402.6	411.9	418.9
Fixed-term	43.2	89.5	123.5
Casual	17.4	9.8	9.8
Total	463.1	511.2	552.2

Melbourne Cricket Ground Trust	30 June 2014	30 June 2015	30 June 2016
	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Ongoing			
Fixed-term			
Casual			
Total	0.0	0.0	0.0

* Note: The Melbourne Cricket Ground Trust does not have any staff

Library Board of Victoria	30 June 2014	30 June 2015	30 June 2016
	(Actual FTE number)	(Expected FTE number)	(Forecast FTE number)
Ongoing	248.0	233.0	233.4
Fixed-term	45.5	39.6	21.8
Casual	18.3	18.0	18.0
Total	311.8	290.6	273.2

Melbourne Recital Centre	30 June 2014 (Actual FTE number)	30 June 2015 (Expected FTE number)	30 June 2016 (Forecast FTE number)
Ongoing	33	39	40.0
Fixed-term	0	3	3
Casual	11	14	16
Total	44	56.0	59.0

Australian Centre for the Moving Image	30 June 2014 (Actual headcount)	30 June 2015 (Expected headcount)	30 June 2016 (Forecast headcount)
Ongoing	117	122	122
Fixed-term	21	35	36
Casual	113	124	124
Total	251	281	282

Note: FTE figures not available due to variable working hours of casual workforce.

Museums Board of Victoria	30 June 2014 (Actual FTE number)	30 June 2015 (Expected FTE number)	30 June 2016 (Forecast FTE number)
Ongoing	378	387	387
Fixed-term	64	51	51
Casual	48	40	40
Total	490	478	478

(Council of Trustees of the) National Gallery of Victoria	30 June 2014 (Actual FTE number)	30 June 2015 (Expected FTE number)	30 June 2016 (Forecast FTE number)
Ongoing	181	182	187
Fixed-term	51	58	49
Casual	34	36	36
Total	266.0	276	272

Film Victoria	30 June 2014 (Actual FTE number)	30 June 2015 (Expected FTE number)	30 June 2016 (Forecast FTE number)
Ongoing	24.6	24.6	24.6
Fixed-term	11.2	11.2	11.2
Casual			
Total	35.8	35.8	35.8

Question 27

Please detail the actual amount that the Department spent on contractors and consultants in 2013-14 and the estimated expenditure in 2014-15 and 2015-16 (for a definition on the difference between consultants and contractors, see FRD 22E – Standard Disclosures in the Report of Operations). Please provide figures on the same basis of consolidation for the Department as used in the budget papers.

	2013-14* Actual (\$ million)	2014-15** Expected (\$ million)	2015-16*** Forecast (\$ million)
Consultants	12.7	52.92	
Contractors	65.1	176.35	

* 2013-14 Actual represents the former departments of DTPLI and DSDBI only. Annual report data shows all expenditure against consultants and contractors. The data does not include Agriculture and Creative Industries as data not held within the department at this time. Controlled entity data is not incorporated for 2013-14.

** 2014-15 Expected represents all expenditure against contracts greater than \$10,000 for consultants and contractors. The data for 2014-15 represents DEDJTR for the entire period as well as the following controlled entities: Roads Corporation (Vic Roads), Linking Melbourne Authority, Taxi Services Commission, Public Transport Development Authority, Melbourne Cricket Ground Trust, Library Board of Victoria, Melbourne Recital Centre, Australian Centre for the Moving Image, Museums Board of Victoria, Tourism Victoria, Major Projects Victoria and Film Victoria. The Council of Trustees of the National Gallery of Victoria is not included in the 2014-15 data as its finance structure does not capture data as required in this instance.

*** 2015-16 Contract management and internal budget systems and associated information on contractors and consultants are currently being integrated and reflective of the machinery of government changes. At the time of responding, this system/information consolidation is under development, and a reliable 2015-16 estimate is not available.