

# TRANSCRIPT

## PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

### Inquiry into Budget Estimates 2018–19

Melbourne — 14 June 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

Ms Natalie Hutchins, Minister for Women,

Ms Kym Peake, Secretary,

Mr Terry Symonds, Deputy Secretary, Health and Wellbeing,

Ms Jackie Kearney, Interim Chief Executive Officer, Office of Prevention and Women's Equality, Department of Health and Human Services.

**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 Minister for Women, the Honourable Natalie Hutchins, MP; Ms Kym Peake, Secretary of the Department of Health and Human Services; Mr Terry Symonds, Deputy Secretary, Health and Wellbeing; and Ms Jackie Kearney, Interim Chief Executive Officer, Office of Prevention and Women’s Equality.

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 now invite the witness to make a very brief opening statement of no more than 5 minutes. This will be followed by questions from the committee. Minister.

### **Visual presentation.**

**Ms HUTCHINS** — Thank you. This government has a vision for a safe and strong society which goes to the heart of our gender equity strategy. So our key aims are that all Victorians live in a safe and equal society with access to equal power, resources and opportunities and are treated with dignity, respect and fairness. All Victorians recognise that gender equality is essential to economic prosperity and that gender inequality has significant economic cost. Victoria leads the way in gender equality with sustained, enduring and measurable action. Can I say that this document is one of the true legacies left behind by Fiona Richardson, and I acknowledge the great work that she did on this.

Gender equality in Victoria. There are two main areas of policy responsibility within the women’s portfolio. Firstly, implementation of *Safe and Strong*, our strategy, and there are many, many initiatives within that that I can go into more detail on in questions, and also the Queen Victoria Women’s Centre Trust as well.

The milestones and highlights over the last three years in this portfolio include some achievements from the 16–17 year, including the establishment of Her Place museum pop-up exhibitions, which were very successful; the continuation of the honour roll; also the implementation plan for gender equity across the whole of government, and of course the first strategy being released in that period.

In 2017–18 we are seeing a gender auditing project commence, *Safe and Strong* year 1 achievement reports, 192 women participating in the inaugural Women’s Board Leadership Program, community consultations on the gender equality legislation and the first all-female trade delegation to China, which I was happy to lead. Some of the other achievements: one that I am most proud of is the 50 per cent of women on our paid boards goal. That was achieved earlier this year by the Victorian government.

In terms of future projects, we are looking to commit to a gender equity baseline report being delivered, and also the second round of the women’s leadership boards and the Joan Kirner Young and Emerging Women Leaders project as well over the 18–19 period.

In terms of our investments, there is \$9.6 million over four years in new initiatives. There has been urgent need for repair of the Queen Vic centre, which is an amazing facility that has housed around 13 000 women and participants at various conferences to come through that facility. But as many people would know, it is a very, very old historic building and needs urgent upgrade, and that is what we have provided for through this year's budget, as well as implementation of the improved gender equality strategies, particularly towards the public service as well.

If we can go to the next slide, our key achievements include economic development, the honour roll, gender equality legislation, action to reduce the gender pay gap, and women's leadership. Finally, if we go to the next slide, the launch of the *Safe and Strong* achievements report. It is really important that governments actually report on the strategies that they are launching, and this is a one-year snapshot in time about what has been achieved. This was presented at the event that happened after the Women@Work conference on 21 March. We know that some of the deliverables were spelt out on that in great detail on the night. I think that is about it.

**The CHAIR** — I will start off briefly, if I may, Minister. I am really pleased that the government has the honour roll for women, and there have been many fine women appointed to that roll, including Monica Gould, who was President of the Legislative Council, a former Leader of the Government and a former Leader of the Opposition, the first female to hold those positions.

I was wondering, for the benefit of the committee, can you just outline how many women have been inducted onto the honour roll to date?

**Ms HUTCHINS** — Thank you, Chair. Certainly we have hit the 600 mark in terms of women being on that honour roll. I think the most significant thing to come out of this program is not only the historical record we have now of 600 amazing women across Victoria and their contributions to our society, but also the fact that we have engaged many of those women who are still able to be active in public life to becoming mentors and having an ongoing role in working with women as ambassadors and mentors going forward and providing some training in that space for those women. That I think is a real sign of respect, to say that we value you and that we value the role that you have in our society, and giving them an ongoing role to help improve women's leadership across the state.

The program involves networking and mentoring opportunities for emerging leaders to build on their experience. Those women who are on the honour roll get to interact with the 192 women that have participated either in the Women's Board Leadership Program or the Joan Kirner Young and Emerging Women Leaders program.

**The CHAIR** — It is a great initiative, Minister. Certainly from my perspective, I have two young female electorate officers who work for me on a part-time basis while they are studying at uni, and I think for them to see women towards the end of their careers being recognised for the contributions they make is a really fantastic initiative.

**Ms WARD** — Minister, I want to talk to you about women's economic security. In budget paper 3, page 82, the subheading talks about 'Improving gender equality in Victorian communities', and it refers to the gender equality strategy and implementing programs supporting women of diverse backgrounds, sporting organisations and so on. Can you talk us through what work you are going to be doing with the public and private sector to help improve women's economic standing?

**Ms HUTCHINS** — Sure. Thank you. We know that the gender pay gap is real. It sits at around 22 per cent on a national level; it is around 18 per cent here in Victoria. We have been brave enough and transparent in putting out the figures around our own public service and where the differences are there. We know on average across the public service it is around a 12 per cent gap. I am proud to say my Department of Health and Human Services actually has a much lower gap — I have been informed it is around the 6 per cent mark — compared to the other departments —

**Ms WARD** — I think this is the first time we have seen more women than men at this table, so that is good to see.

**Ms HUTCHINS** — Yes. We put our practice right at the forefront. But certainly it is a big challenge in closing the gender pay gap — and it is not just a challenge in the public service; it is a big, big issue in the

private sector as well — and how we retain women in the workforce and retain that experience. I was really pleased to work with my two departments, both Women and Industrial Relations Victoria, to host the Women@Work Conference earlier this year, where we asked companies from the private sector and asked our own departments and agencies to step up on this issue and to make a pledge around closing the gap. We asked that they commit to five key outcomes and report back to us on the progress of these. They include introducing flexible work arrangements for workers in their workplace, particularly with caring responsibilities; doing a gender pay audit; including family violence leave in clauses in their employment arrangements; having safe and respectful workplaces, which includes the capacity for reporting around sexual harassment in the workplace but also some proactive training; and finally, access to leadership opportunities for women.

Quite frankly many of the companies that participated on the day and our departments thought that those were really key steps in them committing to gender equity and were able to sign up on the spot, and I would like to congratulate those companies that did so and our own departments that stepped up on that day to do that. We are looking forward to being able to do a report back on the progress of those in September, on Equal Pay Day, to see how we have progressed. We have also got ambitions that this is a conference that may be able to happen again next year for us to further grow this.

**Ms WARD** — Considering that still in this country we have got more people called, I think it is, Peter or David on boards than we have got women, I think that these are important steps to take.

**Ms HUTCHINS** — They are.

**Ms SHING** — This is an area which again traverses a number of portfolios, Minister, for which you have carriage, but I would like to talk about the over-representation of women in unpaid work and care and in particular the work that has been done to identify not just a pay gap but a pay lack in the context of women who are providing their work, their effort and their endeavour in contexts for which they do not receive remuneration. One of the challenges has been to increase the participation rate in the paid workforce and to provide levers to assist with women either getting into paid work in the first instance or returning to it after periods of absence. That engagement with employers is really very, very important, and it has been realised time and time again through your other portfolio of industrial relations and again through the work of organisations like the Australian Services Union in arguing for family violence leave. The *Gender Equality Budget Statement* at page 2 talks about economic security and mentions these unpaid work and care issues. What are the structural barriers, though, that are being addressed, and how does this align with *Safe and Strong* in the context of the work that you are doing to improve gender equality?

**Ms HUTCHINS** — One thing we should acknowledge up-front is that we have seen a massive change in the make-up of our workforce with the participation of women, particularly over 30 years now, absolutely increasing and rocketing every year in terms of raw numbers and their contribution to the economy, yet we do not necessarily have the underpinning policies in our workplaces to support the longevity of women in their roles and balancing the rest of their life commitments, particularly when it comes to having children. Increasing the participation of women and cutting the gender pay gap requires us to reduce the impact of childbirth and the timeout that women have, which affects their long-term careers and their retirement prospects. We know that women retire with about half the amount of super of men, and it is time for us to try and turn that around. Primarily that is because women take longer breaks from the workforce but also do not have the opportunities to move into leadership roles as well and have those higher —

**Ms SHING** — And are not in jobs that pay super either; that is the other part of the challenge.

**Ms HUTCHINS** — That is correct. What we are looking to do is basically put a process in place — it has been trialled in DELWP — around looking at ways to support women who are having children and keeping them in the workplace. So we have trialled that already and we are looking to expand that across all of the public sector into the future. This is not a new concept; it has actually been a concept that has been taken up by both Australia Post and Facebook as companies which have also gone down this track. What it involves is having the tools for discussions going forward for women and men that want to take unpaid time off or paid time off for caring roles to be able to be connected in with their jobs and return to work. It is a massive cost to our budgets when we lose experienced people — a massive cost — so being able to retain them is a really important part of that. Currently we are discussing a procurement process to bring in the services that we might need to support this to ensure that we are really supporting those that might be at risk of leaving our workforce due to maternity leave or carer responsibilities.

**Ms SHING** — One of the things that we also touched on in an earlier hearing whereby concerns had been expressed about gender roles and the work that women might do — shock, horror! — on a construction site is something which we have obviously seen a lot of work go into as far as participation across a range of sectors and industries for women. I will take you to the *Gender Equality Budget Statement*, page 3, from the 18–19 budget, and the ‘Work and economic security’ section. There is \$500 000 to work with the Building Industry Consultative Council to increase the proportion of women working in construction. What steps are you taking as the Minister for Women as part of this initiative to complement this work, and again, how does that align with *Safe and Strong*?

**Ms HUTCHINS** — What we will be doing is working with our Building Industry Consultative Council and a range of apprentice-based organisations to see how we can get more female apprentices in. But just as important is not only attracting and recruiting but retaining women in construction, and that is probably the key. We know that there is capacity to earn some very good dollars in the construction sector by many participants out there that are currently employed, but we see very low numbers of women. That is what our gender equity strategy is about: it is about diversifying.

**Mr T. SMITH** — Minister, I refer you to your gender equality strategy. The Victorian equal opportunity and human rights commissioner, Kristen Hilton, gave an extensive radio interview yesterday evening on 3AW with Tom Elliott about the MFB EBA, and she made it very clear in that interview that she thought that that EBA was discriminatory and unfair to women and parents. Why do you support an EBA that actively seeks to prevent women participating in our fire services?

**The CHAIR** — Mr Smith, this is the women’s portfolio. I appreciate the fact the minister is also the Minister for Industrial Relations.

**Mr T. SMITH** — I thought this might occur.

**The CHAIR** — Hang on. I am just trying to give you some guidance, Mr Smith. Insofar as the question relates to the minister’s portfolio as the Minister for Women I am happy for the question to stand, but in relation to some of the specifics of this question you might wish to hold that over for the subsequent hearing into industrial relations.

**Mr T. SMITH** — Thank you, Chair.

**Ms HUTCHINS** — Certainly I am very, very pleased that an EBA has been agreed to by both the MFB and the CFA, and the UFU. Quite frankly, this issue has dragged on long enough. But of course there are significant barriers that have been put in place for this EBA to even be certified, with the interference of the federal government and with the support of Pauline Hanson. But anyway —

**Mr T. SMITH** — Hang on. Sorry, Minister, your own equal opportunity and human rights commissioner —

#### **Members interjecting.**

**Mr T. SMITH** — is equally a party to that case —

**Ms SHING** — No, she is not a party to the case.

**Mr T. SMITH** — at the Fair Work Commission, so you might characterise the federal government as interfering. You might want to reflect on that with your own equal opportunity commissioner, Minister.

**Ms HUTCHINS** — I am confident that the EBA actually does provide opportunities for anyone to work part-time, but it is a matter of interpretation for the industrial relations commission and the Fair Work Commission to actually make their judgement when it comes before them. Certainly VEOHRC have their own points of view, and they should be pursuing that and putting a case to the commission, which has been sought and allowed. There will be hearings that come forward. Certainly I am pretty proud that this government has actually taken up the challenge around the cultural change that needs to happen in our fire services with our \$2.5 million commitment to cultural diversity within the —

**Ms SHING** — There are more women than ever in our fire services.

**Ms HUTCHINS** — Yes, and making a commitment to increase women’s participation in the fire services, which stands in stark contrast to those who were in government last time, who could not even reach an agreement in this space.

**Mr T. SMITH** — Commissioner Hilton has said, and I quote from the *Herald Sun* of 30 May this year, that this EBA:

... will actively undermine women’s participation in Victoria’s operational fire services.

So this is not coming from the Liberal Party; it is not coming from the federal government. It is coming from Victoria’s equal opportunity and human rights commissioner, appointed by your government. How does this EBA, which you support, align with your gender equality strategy?

**Ms HUTCHINS** — As I said —

**Ms SHING** — He does not get industrial relations. Let us just go through it in the next portfolio.

**Ms HUTCHINS** — I am answering this as industrial relations minister right now because the reality is that I see these EBAs in that capacity and I am certainly aware of the fact that there are clauses in there that do allow for part-time work. How that is interpreted in certification processes and how that is applied in the workplace — and let me just emphasise: there are national standards that exist around workplaces, and the Fair Work Commission is not going to certify an agreement that is in breach of those national standards.

**Ms SHING** — He doesn’t know the Fair Work Act. Read sections 26 and 29 of the Fair Work Act, Mr Smith, and how they actually —

**Mr T. SMITH** — You are bit sensitive about this, aren’t you?

**Ms SHING** — I am sensitive about it, because it is actually about fundamental rights and entitlements, about which you have no idea, because the Liberal Party has never engaged in —

**Mr T. SMITH** — The Victorian equal opportunity and human rights commissioner, Ms Hilton —

**The CHAIR** — Order! This is interjecting across the table.

**Ms SHING** — providing any means for women to participate in workplaces like the fire services.

**The CHAIR** — Order!

**Ms HUTCHINS** — I think it is really important too to acknowledge that improving diversity in the fire services is just not a matter for the EBA but it is a matter for ongoing cultural change.

**Ms SHING** — You are allergic to women on the other side of this table. You are allergic.

**The CHAIR** — Order!

**Members interjecting.**

**Ms HUTCHINS** — We did have a bill to make those changes —

**Mr MORRIS** — A point order. That is an offensive comment and I request it be withdrawn.

**Ms HUTCHINS** — that got knocked off by your party.

**The CHAIR** — Order! Minister! Sorry, Deputy Chair.

**Ms SHING** — You are allergic to women in the context of industrial relations — absolutely you are.

**Mr T. SMITH** — Chair, that is a despicable comment.

**Mr MORRIS** — Absolutely disgraceful.

**Mr T. SMITH** — That is a despicable comment.

**The CHAIR** — Are you asking for the member to withdraw?

**Mr T. SMITH** — Mr Morris has asked for that to be withdrawn.

**The CHAIR** — Are you asking for the member to withdraw?

**Mr MORRIS** — I have asked for the member to withdraw.

**The CHAIR** — Ms Shing — withdraw?

**Ms SHING** — No.

**The CHAIR** — Ms Shing?

**Ms SHING** — We have a couple of outstanding matters in relation to withdrawals, haven't we?

**Mr T. SMITH** — It has already been taken to the Speaker, as I understand it.

**Ms SHING** — Well, we can add this one to the mix.

**Mr T. SMITH** — So, Chair, you will be taking that to the Speaker, I presume?

**The CHAIR** — Yes, Mr Smith. Is there a question for the minister?

**Mr T. SMITH** — I was wanting to know why this minister has not stood up for women in our fire services against this EBA, like the member for Wendouree did in the house on 5 June when she thanked and congratulated Commissioner Hilton:

for her tenacity and courage in intervening in the process and expressing her concern that the deal was unfair and unfavourable towards employees that seek to work part-time, including women, parents and people with a disability.

That was your member for Wendouree in Parliament just some weeks ago. As Minister for Women, why haven't you thanked and congratulated Commissioner Hilton for intervening in this discriminatory EBA?

**Ms HUTCHINS** — I just remind the member that in fact it was our side of the house that commissioned the report by VEOHRC into fire services and equality and —

**Ms Ward interjected.**

**The CHAIR** — Order, Ms Ward!

**Ms HUTCHINS** — It is our government that has actually put the money into investing in diversity and setting a goal for having more women in fire services, and certainly changing the dialogue and changing the conversation about women entering the fire services. There is a long way to go to change that culture, and we have been on a long journey with Victoria Police as well. I congratulate VEOHRC for the work that it has done with Victoria Police in working with them on changing the culture that was there. I look forward to them doing the work the same way with the MFB and the CFA.

**Mr T. SMITH** — On 3AW last night the commissioner made it very clear that part-time work practices in Victoria Police are now standard, but that is not the case in the MFB.

**Ms HUTCHINS** — And it did not happen overnight in Victoria Police either; it took time for that change to be implemented and for the rosters to be supported in a way that applies.

**Mr T. SMITH** — I reiterate my initial question: why does your government and why do you, as Minister for Women, support an EBA that is discriminatory against women?

**Ms HUTCHINS** — I refute the premise of the question. You are making a judgement that the EBA is discriminatory. My reading of the clause that you are referring to —

**Members interjecting.**

**The CHAIR** — Order!

**Mr T. SMITH** — I am sorry, Minister. I am simply reflecting the view of the Victorian equal opportunity and human rights commissioner —

**The CHAIR** — Mr Smith, the minister is seeking to attempt to answer your question in the remaining 30 seconds. Perhaps you might let her finish.

**Ms HUTCHINS** — Look, I believe that we have taken the best action that we can in addressing some of the cultural issues around diversity in the MFB and the CFA. No other government has stepped up in the way that we have in this space.

**Mr T. SMITH** — You stood up for the UFU and that was about it.

**Ms HUTCHINS** — I think the changes that have happened to introduce part-time work in this EBA are going to be beneficial for all women.

### **Members interjecting.**

**The CHAIR** — Order! I believe there are some questions on notice of Ms Pennicuik to be asked.

**Ms SHING** — Yes. Thank you. I do have some questions on behalf of Ms Pennicuik as follows. The budget paper reference is budget paper 3, ‘Service Delivery’, page 265. The first question is as follows:

I’ve raised questions in the past regarding the quality of output and outcome measures. It really goes without saying that if you don’t get those measures right, and if they’re not focusing on meaningful outcomes, then it really limits how much can be achieved by any project or across any department.

My question on this occasion relates to the gender equality and prevention of family violence policy and programs — p 265 of BP3.

The quality measures here are that 100 per cent of contracts deliver agreed outcomes and that policy papers and family violence prevention projects are delivered on time.

These should be basic standards, not high-level performance measures. What other performance measures are there for gender equality and the prevention of family violence policy and programs?

The second question from Ms Pennicuik is as follows, and it relates to the *Gender Equality Budget Statement*, pages 1 to 4:

At the 2016–17 financial and performance outcomes hearing, Ms Shing asked on behalf of Ms Pennicuik:

In relation to gender responsive budgeting and/or gender impact analysis and the work developed in 2016–17 and as part of the 2017–18 budgetary process, please provide further information on the progress that has been made in this area.

The response was that:

... an interdepartmental committee, co-led with the Department of Treasury and Finance (DTF), has been established to progress work on implementing gender impact analysis and gender responsive budgeting.

And that:

... DHHS is working with DTF to support the development of the 2018–19 *Gender Equality Budget Statement* ... on a pathway to gender responsive budgeting in the long term.

However, this year’s *Gender Equality Budget Statement* is little more than a collation of big-ticket items that would appear to impact on women. It does not represent a significant step towards gender-responsive budgeting.

Where is this process at currently, and can we expect next year’s budget to be genuinely informed by rigorous gender analysis?

They are the questions on behalf of Ms Pennicuik.

**The CHAIR** — I would like to thank the witnesses for their attendance: the Minister for Women, the Honourable Natalie Hutchins, MP; Ms Peake; Mr Symonds; and Ms Kearney. The committee will follow up on any questions taken on notice in writing. A written response will be provided within 10 business days of that request.

### **Witnesses withdrew.**