

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2015–16

Melbourne — 20 May 2015

Members

Mr Danny Pearson — Chair

Ms Sue Pennicuik

Mr David Morris — Deputy Chair

Ms Harriet Shing

Dr Rachel Carling-Jenkins

Mr Tim Smith

Mr Steve Dimopoulos

Ms Vicki Ward

Mr Danny O'Brien

Staff

Executive officer: Ms Valerie Cheong

Witnesses

Ms Jenny Mikakos, Minister for Families and Children,

Dr Pradeep Philip, Secretary,

Ms Katy Haire, Deputy Secretary, Service Design and Operations,

Mr Lance Wallace, Deputy Secretary, Corporate Services, and

Ms Kathleen Forrester, Acting Deputy Secretary, Strategy and Analytics, Department of Health and Human Services.

The CHAIR — We have had a change of witnesses, so I would like to welcome Dr Pradeep Philip, Secretary of the Department of Health and Human Services; Ms Katy Haire, Deputy Secretary, Service Design and Operations; Mr Lance Wallace, Deputy Secretary, Corporate Services; and Ms Kathleen Forrester, Acting Deputy Secretary, Strategy and Analytics. We just concluded with a question from Mr Smith, so it is now Ms Shing's turn.

Ms SHING — Thank you, Minister. Good afternoon, and welcome back to the table to the various departmental representatives who are here. Minister, further to the presentation you have given, I would like to take you to budget paper 3, page 63, which is in relation to the previous portfolio, and table 1.12, which sets out the funding for child protection demand. In your presentation, which I trust all the other officials were here for, you referred to the huge boost to the child protection workforce in Victoria, and that is something which has been very evident in the budget discussions to date. Could you please explain to the committee what these workers will be doing in relation to discharging obligations under policy and legislative objectives?

Ms MIKAKOS — Thank you very much, Ms Shing, for that important question. The backbone of our child protection system is our workforce. This budget provides a huge boost to the child protection workforce. The Andrews Labor government has committed \$65.4 million to recruit more than 110 child protection workers.

I take this opportunity to commend those people who work in our child protection system; they do a critical job in looking out for some of the most vulnerable children and families. It is a tough job, and I know that many of these staff have a strong and abiding commitment to their work. I have certainly had the opportunity to visit staff at our after-hours service and also at regional offices of the department, and their dedication to the cause has been very clear to see.

It has been a tough job made tougher over recent years by increases in reporting and an increase in caseloads. As a community we need to reflect on the importance of this workforce in the face of challenging problems, like the ice epidemic — the most recent chapter in the age-old scourge of alcohol and drug abuse — as well as family violence, which breaks families apart and reaches all parts of our society, underpinning these and other issues of disengagement and disadvantage. Wherever you find these two themes, you are sure to find vulnerable children. Assisting vulnerable families is a Labor priority and one that I have been proud to deliver upon in this first Andrews Labor budget.

Earlier today — this morning actually — I had the pleasure of meeting some social work students at RMIT, and I informed them that we were immediately embarking upon a recruitment campaign to hire more than 110 new child protection workers. From this weekend we are going to be placing advertisements in our daily newspapers to get this major recruitment strategy underway. New recruits will be allocated according to need across the state and will include well-qualified new recruits, including graduates and highly experienced senior staff. Relevant qualifications for child protection practitioners will include social work, psychology and welfare degrees plus recognised diplomas of community services.

In a contemporary social services environment we need workers who can respond to the practical demands of a crisis with a mind to improving and innovating to make our responses for children even better in the future.

Of the 110 new recruits, we will be allocating 88 child protection practitioners to meet increased demand that is being experienced right across the child protection system. With this increased workforce there will be greater capacity to respond to the increasing number of children being reported to child protection to investigate reports when required and to provide longer term intervention and support where necessary.

In addition there is also \$15.6 million for an additional 19 child protection workers to staff the after-hours child protection intake and crisis response service. This will serve to both address demand and roll out the emergency after-hours outreach capacity on a statewide basis for the first time ever. The Andrews Labor government is committed to ensuring that all children, no matter where they live, are watched over by the child protection system that is designed to keep them safe if and when their own family cannot. For the first time the after-hours outreach service will be available in the Mallee, Goulburn, Ovens Murray and East Gippsland areas.

This budget also provides funding for the allocation of four specialist child protection workers to assist police in their work to prevent the sexual exploitation of children in out-of-home care. These are vital roles, and these four workers are a crucial component of our strategy to address this serious problem.

The recruitment of these workers follows on from work done jointly by my department and Victoria Police whereby new methods are being used to track and target predators who seek to sexually exploit vulnerable children and young people. We are determined to do everything we can to protect the vulnerable people in our care and children right across Victoria from abuse and neglect.

Over the longer term we will look to invest in responses to address the underlying issues that lead families and children into crisis — we want to intervene early. Through initiatives like our education state agenda we will be using education to ensure that the dead ends that have been created by poverty, disadvantage and disengagement, especially for children who end up in out-of-home care, are replaced by pathways.

Ultimately what we want is a secure future for every child to have the opportunity to access education so they can participate fully in society and be a successful member of our state. Our first step, of course, has got to be to strengthen our front-line response to address demand issues, and we are proud that we are doing this in this much-needed workforce boost in our first budget. We know child protection services across Victoria need more workers, and we are providing the funding to employ those professionals.

Mr T. SMITH — Minister, referring to budget paper 3, page 63, can you outline to the committee since 1 January 2015 how many category 1 incident reports have you received or been advised of and can you inform the committee what type of incidents category 1 incident reports relate to?

Ms MIKAKOS — Thank you very much for that question. There are procedures whereby ministers become aware of these incident reports, and I understand that the same processes are in place as existed for the previous minister. However, I do not have that number to hand, and therefore I will take that particular matter on notice.

Mr T. SMITH — I suspect my supplementary is somewhat redundant, but I will ask it anyway, and I suppose it will be included for your answer on notice. Can you inform the committee of the average response times for departmental staff and, if appropriate, sector staff in responding to these category 1 incident reports, or is there a current backlog of reports?

Ms MIKAKOS — Thank you for the supplementary question as well. I can advise the member that in the 2013–14 annual report — these are the most recent published figures for category 1 incident reports — the following figures applied: for client deaths, there were 39 such incident reports relating to the deaths of 40 children; in respect of the number of assaults, there were 560 such assaults; in relation to behaviour incidents, 502; and other incident types, 1243.

The CHAIR — I might ask a question, because I wanted to ask this earlier and I neglected to do so. Minister, can you explain how the 2015–16 has acquitted Labor's pre-election financial statement in your portfolio?

Ms MIKAKOS — Thank you very much, Chair, for that question. There is no commitment of greater importance to the government than addressing the issue of family violence in our community. The 2015–16 state budget takes action to boost family violence support services and protect victims through an \$81.3 million package. This includes all of our LFS commitments in this space, as well as additional funding for critical support services, and it fully acquits all of our election commitments that relate to my portfolio in respect to family violence.

The total package across government of course includes funding for the Royal Commission into Family Violence, which will give us a critical insight into what needs to be done to stop and prevent this crime, to hold perpetrators to account and to meaningfully support women and children when it occurs. We know that one in three women have experienced violence; one in five, sexual violence; and one in four children are also victims of family violence. It is a key driver of trauma for children and for children entering the child protection out-of-home care system, and this is why we are committed to breaking this cycle.

Our investment in family violence across the child protection and family violence services and in particular our boost to our child protection budget, as I have indicated, is a very significant boost — a 17 per cent boost — compared to last year's investment. We are committed to lasting change in this area. We look forward to receiving the final report of the royal commission in early 2016, but we know there are women and children who urgently need our support now, and this is why the state budget provides \$57.9 million to respond to family violence in 2015–16.

Specifically to my portfolio of families and children, there has been a \$10.2 million investment, including four LFS commitments. These are: \$2.5 million, 2015–16, for counselling services for children and women; \$900 000 in 2015–16 for personal safety measures; \$100 000 over four years for pet welfare; and \$519 000 over four years to support the Ballarat CASA. I am very happy just to provide some additional information in respect of each of those, because they fully acquit the LFS commitments in relation to family violence measures in my portfolio. The budget commits \$2.5 million in 2015–16 towards counselling services for children and women, representing a 43 per cent increase on 2014–15 investment levels. We also recognised, however, the need to respond to immediate demand pressures, which is why we have invested an additional \$1 million in 2014–15 to boost the capacity of family violence counselling services for women and children experiencing or recovering from family violence. I was very pleased to be able to announce the release of those funds earlier this week.

We know that the immediate long-term impacts of family violence on both a woman's and child's emotional wellbeing and a child's development are well established and they are wideranging. This is why we need to provide that counselling support to help mitigate those impacts. In addition, in total this investment represents \$3.5 million to enable the immediate recruitment of 22 counselling staff across Victoria — across metropolitan and rural locations, covering every local government area in Victoria — to provide an additional 40 000 hours of counselling assistance for children and women experiencing or recovering from family violence. These additional services will be delivered through the existing network of women's and children's counselling services.

In relation to the funding for personal safety, the budget commits \$900 000 in 2015–16 to support personal safety initiatives for those experiencing family violence to remain safely in their homes. We know that social and economic dislocation as well as disruption to a child's education is caused when they are forced to escape family violence, and this cannot be overstated. This initiative will help us gather evidence about the best strategies to help women and children into the long term. We are funding a one-year pilot to be funded in four locations experiencing a high incidence of family violence to assist women to remain safely in their homes through the use of safety audits of the home, CCTV and an emergency alarm duress card. Most importantly these programs enable women and children to live in their family home and remain connected to their local community.

The budget also commits \$100 000 over four years from 2015–16 to provide women and children experiencing family violence with access to pet welfare support. Pet abuse is recognised as a correlated indicator to women's risk of family violence. Research on the relationship between family violence and animal abuse in Australia conducted jointly by Monash University and the Eastern Domestic Violence Outreach Service in 2008 found that 53 per cent of women who had experienced family violence from an abusive partner reported that their pets had also been abused. Startlingly, the research also found that one in three women who had experienced family violence had delayed leaving their partner by up to eight weeks due to fears over the welfare of their pets. This funding will provide women and children escaping family violence with access to pet foster care or re-housing programs at animal shelters that will help to eliminate harm and threats of harm to pets as a source of control and manipulation by perpetrators.

Finally, the budget provides \$519 000 over four years from 2015–16 for one additional sexual assault counsellor at the Ballarat Centre Against Sexual Assault in recognition of the demand for services associated with the Royal Commission into Institutional Responses to Child Sex Abuse. Particularly this week, as we are hearing the harrowing cases coming out of the evidence in Ballarat, I am pleased to say that this additional funding will provide an additional 75 episodes of support each year to victims and survivors of abuse. We know the far-reaching effects of sexual abuse — we are hearing that at the moment in that harrowing evidence — and we are committed to ensuring that victims and survivors of sexual abuse can have timely access to the support that they need to minimise short and long-term impacts.

These commitments fully acquit our LFS commitments in relation to this part of the portfolio. Of course we have also provided other boosts to family violence services in addition to those LFS commitments: \$3.9 million in 2015–16 to employ child protection workers and additional family violence counselling staff to acknowledge the close links between child protection reports and family violence; \$1 million in 2015–16 to increase the capacity of men's services, including the statewide Men's Referral Service enhanced service intake and men's behaviour change programs; and \$300 000 in 2015–16 to support increases in demand for sexual assault services.

Mr D. O'BRIEN — Minister, budget paper 3, page 63, lists the output initiatives. There is a table there that lists the child protection and family services section, which tallies to about \$250 million over four years. What percentage of that budget is dedicated to new programs and initiatives for Aboriginal children?

Ms MIKAKOS — Thank you very much for that important question. I want to stress that the over-representation of Aboriginal children in our statutory systems, such as child protection and out-of-home care as well as our youth justice system, is extremely disturbing. The numbers of Aboriginal people in our statutory systems nationwide is a scourge on our nation. It does concern me that we have an under-representation of Aboriginal children in our early years services — for example, from maternal and child health through to kindergarten — and this is why I referred earlier in terms of bringing the two departments together under the one portfolio. We do see the connections between investment in early years strategies and early years services and the consequences that that has in the long term. There is a continuum there, there are connections there and that is why I referred earlier to the work that we are doing to lift participation amongst Aboriginal children in our early years services.

I have had a number of discussions with Andrew Jackomos, the commissioner for Aboriginal children and young people. Mr Jackomos has been a true leader in the Aboriginal community for many years, and I had the pleasure of working closely with him when I was Parliamentary Secretary for Justice and he was intimately involved in the Aboriginal Justice Forum and strategies for tackling over-representation of young people and adults in our justice system. In his current role as the Victorian commissioner for Aboriginal children and young people he has been a tremendous advocate for Aboriginal children and their families. As well as Mr Jackomos, I have met with other Aboriginal leaders, both as shadow minister and since taking office, and have heard and shared their concerns about the over-representation of Aboriginal children in our child protection and out-of-home care system.

Of the first things I did — indeed, it was within my first 100 days in office — was to establish a ministerial advisory committee for children in out-of-home care. One of the tasks that I have assigned that committee is to advise me on how we can reduce the high numbers of Aboriginal children who cannot safely live with their families. In March I announced \$43 million for targeted care packages, which are aimed at moving children out of residential care into home-based care, such as foster care or even a return home to their own families where there are the supports required for them to do so safely. I made it very clear to my department and to community sector organisations that these packages needed to target two priority groups. One was Aboriginal children because of the huge over-representation in the system of those children, and also children under 12 years of age living in residential care.

In addition to that, we have allocated in the budget \$1.75 million in 2015-16 to improve supports for vulnerable Aboriginal children and families. I am pleased to say that of these funds \$1 million will be used to create eight specialist positions for 12 months to oversee the implementation of area action plans being formed in response to issues identified through Taskforce 1000. Taskforce 1000 is work that Mr Jackomos is conducting at the moment, and it is quite critical work that is being undertaken. That funding is important to ensure that that work can continue to occur and that it is being done in a responsive way. The remaining \$750 000 will be used to review existing programs that assist vulnerable Aboriginal families. This will be done in close consultation with Aboriginal communities.

As I explained, Taskforce 1000 is a joint initiative between my department and the Commission for Children and Young People. It is reviewing the circumstances of all Aboriginal children in out-of-home care and has identified a number of issues around practice and service responsiveness to Aboriginal children and families. We need to maximise placement prevention efforts as well as reunification with family so that we can work towards reducing the over-representation of Aboriginal children and young people in out-of-home care.

In addition to this, since becoming minister I have directed my department to utilise an additional \$8 million over four years for placement prevention and reunification of Aboriginal children with their families when it is safe to do so. This money will be spent in consultation with Aboriginal communities. I make the point also that there are a range of initiatives in the budget right across the service continuum of services in the child protection and family services output that will benefit Aboriginal families and children. They will, of course, benefit from additional investment in Child FIRST and family services, which are services that take an early prevention and intervention approach. They are going to benefit from much of this additional funding, but I do acknowledge

that there is more work to do. We are very focused on the task. I do regard this as a priority issue and will have more to say about this issue in the future.

Mr D. O'BRIEN — Thank you, Minister. I take it from the budget papers that the 1.8 million is the Taskforce 1000 work. You have highlighted the over-representation issues, and they are very concerning indeed, but of all the programs in the output initiatives it is the only one that ceases on 30 June next year. Why is there no ongoing funding for that program?

Ms MIKAKOS — Thank you for that supplementary question. As I have indicated, there is a body of work that is occurring through Taskforce 1000, where Mr Jackomos and my department are having discussions with communities and with community sector agencies all around the state and identifying the issues that are impacting on Aboriginal children and families. That is a body of work that will be completed over the coming months and that will inform our strategies going into the future. I have also, as I said, tasked my ministerial advisory committee with the task of providing me with advice about what strategies we need to engage in further. I have also indicated that there is an \$8 million package that we are working on with the Aboriginal community at the moment, in terms of how we allocate that funding. So there is a body of work that is occurring and there are a number of things coming together in terms of informing us on how we respond to these issues further.

Can I also point out that new funding in family services will allow 2547 family service cases to be provided to Aboriginal families, which is an increase of 147 from the previous year. That is found at BP3, page 253.

Dr CARLING-JENKINS — Again, I thank you, Minister, for your obvious commitment to family violence, which was very obvious in your presentation. I would like to refer you to budget paper 3, pages 63 and 67, regarding Child FIRST. You also spoke about this in your presentation earlier. This initiative has been expanded, obviously. I understand that children in Victoria are a very vulnerable group and that despite significant progress — and I would like to acknowledge that there has been significant progress in recent years in this area — they remain at risk, particularly within family violence situations and at risk of falling behind their peers in their health and their wellbeing and in their education. I wonder if you could talk about this program, what new programs are involved in this expansion of Child FIRST and how this will address the disparity that we find for children in the areas of health, wellbeing and education.

Ms MIKAKOS — Thank you, Dr Carling-Jenkins, for that important question. As I indicated in my presentation, I am very committed to us intervening early because we know that the earlier we can intervene the better outcomes we can achieve in terms of trying to ensure that children and vulnerable families stay out of the child protection system if that can be achieved. This is why am very pleased that we have committed to strengthening early intervention services in the budget to prevent abuse before it occurs. We have invested an additional \$48.1 million over four years to respond to demand on family services. This represents an increase of 13 per cent in the annual budget for Child FIRST and family services — quite a significant boost to funding.

Child FIRST and family services were established under a previous Labor government, in fact. They provide an important platform for vulnerable families to receive the support that they need to raise their children. This substantial injection of funding responds to current high levels of demand experienced by early intervention services. Child FIRST experienced a 12.6 per cent increase in referrals in 2013–14 compared with the previous year. This funding will allow for innovation through flexible packages of support to better respond to the individual needs of vulnerable families. Flexible packages will enable services to be tailored to the specific needs of families. Specialist services and practical supports will be purchased when required. This might mean purchasing supplies so that children can engage in community and education activities or purchasing specialist intervention, such as drug and alcohol or mental health assessments and treatment services.

Additional funding includes \$38.3 million over four years to provide 2100 episodes of support for families each year, \$9.3 million over four years for 1640 flexible packages of support for families each year and \$0.5 million in 2015–16 to establish a performance monitoring framework. In 2015–16 the total investment in Child FIRST and family services will be approximately \$105 million, providing over 35 000 cases of support and 1640 flexible support packages. I am confident that this package of early intervention support will help to prevent vulnerable children and families from entering the child protection system.

Dr CARLING-JENKINS — Thank you, Minister. I certainly hope that you are right in that. I want to pick up on a point that you just raised about the 12.6 per cent increase, which is quite staggering, really. Would you

be aware of how many children with disabilities have been part of that increase, and can you describe how they are accommodated within the family services you have just been describing? I know it is quite a specific question, so if you need to take it on notice, that is fine.

Ms MIKAKOS — Thank you, Dr Carling-Jenkins. My understanding is that we do not have a specific breakdown of children with disabilities in terms of Child FIRST and family services —

Dr CARLING-JENKINS — That is interesting.

Ms MIKAKOS — but we have approximately 5 per cent of children in our out-of-home care system who represent children with disabilities.

Dr CARLING-JENKINS — Okay. Thank you.

Ms WARD — Minister, I think you are aware of the support that I have been giving to local foster carers. In particular I had an early Mother's Day morning tea for a number of foster carers from my community just before Mother's Day this year to recognise the important work that they do. If I could direct you, please, to have a look at budget paper 3, page 63, and the investment in improving financial support for carers, can you please advise the committee what you are doing to support this incredibly valuable work?

Ms MIKAKOS — Thank you very much, Ms Ward, for that important question. Foster carers and kinship carers are the heroes of our community. Most importantly, they provide our state with the opportunity to put heroes into the lives of vulnerable Victorian children. They open their homes, their families and their hearts to Victoria's most vulnerable children. When a child endures the toxic stresses of family breakdown or abuse or neglect, the best thing we can do is to provide a safe, nurturing environment to stabilise their life. A foster carer provides — often at their own expense, both in dollar terms and emotionally — the essential supports a child requires. They give a child a family.

Both in opposition and since I have become Minister for Families and Children I have met with many carers and I have heard from them about their experiences. Just last Friday I attended the Kinship Carers Victoria forum at Melbourne town hall. At that event I had the opportunity to speak with kinship carers and to thank them also for the important work that they do and to listen to some of their stories and the issues that they regard as important. I am proud to say that in this budget \$31.4 million has been allocated to improve financial support for home-based carers. Reviewing payments to carers delivers an important boost to the critical work that they are doing in our community.

In my meetings with foster carers and kinship carers they have told me that the system is far too complicated, and I know that there has been a longstanding dissatisfaction with the allowance amongst community service organisations and the peak body, Foster Care Association of Victoria. Ms Ward, I can say to you that the Andrews Labor government has listened to those concerns, and I have asked my department to start working on ways of simplifying the care allowance system to make it more client centred so that it can be more easily understood by carers and agency and departmental staff. We need to remove the impediments to delivering a consistent and supportive home environment for children, and that means supporting our carers. I will continue to meet with the key stakeholders in this area to find ways to simplify and streamline existing care allowance and client expenses policies to help our carers meet their costs. We will ensure that the new increased payments will begin from 1 January 2016.

I want to also acknowledge that concerns have been raised with me that carers feel that they are not valued enough by the system. Carers have told me that often they have felt that concerns they have experienced and views that they have held have not been taken into account when decisions are made regarding the children in their care, so I am working with my department to improve the system in regard to how carers are dealt with and kept up to date about issues relating to children in their care. Over the longer term we need to recruit more foster carers and we need to continue to support and recruit kinship carers to look after children wherever they can. Before this budget was even handed down, I had announced a commitment of \$1.5 million towards the recruitment and retention of foster carers, and I have also asked my department to undertake a review of kinship care. We are putting in place funding and reforms to better support our carers in the important role they play, offering care and stability in the lives of our vulnerable children.

Mr T. SMITH — I refer to budget paper 3, page 65, Minister. Given that the Treasurer has previously informed PAEC that each minister will be responsible for the cost of the grand final eve public holiday within their respective portfolio areas, can you advise the committee of the cost of the public holiday, which is listed in *Labor's Financial Statement* on page 7, with respect to your portfolio?

Ms MIKAKOS — Through you, Chair, thank you, Mr Smith, for that question. As no doubt members are aware, this was an election commitment that the government was very clear on, and we will deliver on this election commitment. The funding required to deliver this election commitment has been dealt with as part of the budget process, and it is built into the departmental output. As members would be aware, wages are a normal part of the base funding for departments, and adjustments are made to base funding from time to time to reflect changes in cost structures. The total costs of public holidays varies each year, as holidays in some years fall on weekends, such as Anzac Day this year, where no additional holiday was granted. I point out that there was no line item in the budget last year for Christmas Day or Boxing Day or any other public holiday, for that matter — —

Members interjecting.

The CHAIR — Order! The minister is answering the member's question.

Members interjecting.

The CHAIR — The minister will continue.

Ms MIKAKOS — So in conclusion, as I have explained, the cost of the public holidays is built into the departmental output, which is indicated in the page reference the member referred to.

Mr T. SMITH — How much is it, Chair?

The CHAIR — I am not the minister.

Members interjecting.

Mr T. SMITH — Through you, Chair, I want to know how much this public holiday is costing this minister's department.

The CHAIR — That is your supplementary question?

Mr T. SMITH — That is my supplementary question.

The CHAIR — Okay. That is your supplementary question. That is fine.

Members interjecting.

The CHAIR — Order! The minister, to continue without assistance from members of the committee.

Ms MIKAKOS — Chair, thank you. I believe I have concluded my response.

Mr T. SMITH — You did not do anything of the sort, Minister.

Members interjecting.

The CHAIR — Order! It is Wednesday. We only have a couple more days to go.

Mr D. O'BRIEN — On a point of order, if I may, I do not wish to be difficult, but this is now the third or fourth time we have asked this question of an individual portfolio minister. Each time they have said it is in the budget papers, or it is in the bottom line. The Treasurer has said it is a matter for individual portfolios. The Labor Party in opposition could give us a figure for the cost of these public holidays. Why can we not get one from the individual departments?

Ms SHING — Further to the point of order, Mr O'Brien, you know full well that the answers that have been given by ministers in this committee and in other places in relation to the cost of public holidays is that they

have been built into the base funding that is allocated by departments year to year, and they take into account the variations in public holidays that occur throughout the calendar year. It may not be the answer you are after, and it may not be the media grab you are after. You may be looking for a 'gotcha' moment — —

Mr D. O'BRIEN — We have had 'gotcha' — —

The CHAIR — Order! Mr O'Brien!

Ms SHING — I am sorry, Mr O'Brien, the answers are boring but they are consistent.

Mr MORRIS — What was the increase in base funding to cover it? That is pretty simple.

The CHAIR — The minister has answered the question. Ms Shing, to ask a question on behalf of Ms Pennicuik.

Ms SHING — In Ms Pennicuik's stead, Minister, I would like to ask a question in relation to budget paper 3, page 63, and the line item 'Child protection demand'. There is also an associated memo set out on page 67. Ms Pennicuik has requested that a question be asked in relation to the funding of an additional 88 child protection workers to the tune of \$47.8 million over four years. She has indicated that whilst the government must be commended on this commitment, there is concern from the sector that recruitment is not the same thing as retention of staff.

Ms Pennicuik goes on to indicate that international research suggests that the chance of permanency for children within the out-of-home care system is significantly affected by changes in caseworkers. As Ms Pennicuik indicates, we know that the churn really is quite significant in terms of child protection workers. Ms Pennicuik's question is: can the minister explain how that money is going to address the issue of retaining those 88 new child protection workers?

Ms MIKAKOS — Thank you, Ms Shing, for that question on behalf of Ms Pennicuik. It was very well delivered on her behalf.

Ms SHING — Thank you, Minister. I am here till Friday!

Ms MIKAKOS — Obviously I did refer at some length earlier to the issue of our very substantial boost to our child protection workforce and the commitment we have made to recruit more than 110 child protection workers, a \$65.4 million investment, as well as the commitment to additional workforce capacity to deal with the sexual exploitation of children. I have also referred to the reform to our after-hours service and the fact that we are going to be taking our after-hours outreach service statewide for the first time. That is something I am very pleased about, particularly in terms of how it will benefit families in your electorate, Ms Shing, and across regional Victoria.

The issue of the boost to recruitment has been warmly welcomed by the sector. I am not quite sure where the concern that Ms Pennicuik is alluding to is coming from, but there has been very strong support from across the community sector in respect of the range of initiatives across the child protection and family services output. People have been particularly pleased with the fact that the new investment is across the continuum of care, across the continuum of the services from early childhood education to early intervention, prevention placement, out-of-home care, support for our carers and also young people leaving care through our investment in the Springboard leaving care program. If Ms Pennicuik was to look at the huge range of media releases from the sector, there has been a very positive response.

When I went and spoke to RMIT students this morning about our recruitment campaign that I launched today at their campus I stressed the fact that we are going to be recruiting the best and brightest. We want the best possible people to come and work for us, because this is challenging work. We know that it is very challenging work, and we need to have people there with the appropriate qualifications and disposition to undertake this very challenging work. As a department we also need to ensure that we provide the adequate supports and training to our staff, both our new staff coming on board and our existing staff. We are making efforts to do that and to improve the types of supports that we provide to our workforce.

I should point out that the current attrition rate across all child protection practitioner levels is 13.9 per cent, which is Victoria's lowest ever attrition rate. The average level of service for child protection practitioners is six

and a half years, which is a very positive result given the complex nature of the work. Of course we want to keep people for the long term, and we need to work to ensure that we can not only recruit them but retain them over the longer term. I have had the great pleasure to talk and meet with a number of staff at various levels in my department who have been with us for a very long time and are very, very committed and dedicated individuals. What we hope to achieve is to have these new recruits come in with different expertise — both new graduates and people who are more experienced. They will have the supports that we will provide to them to be able to keep them for the long term.

The CHAIR — Ms Shing on a supplementary question on behalf of Ms Pennicuik.

Ms SHING — Thank you, Chair. There is no supplementary further to the answer that the minister has given to Ms Pennicuik.

Mr DIMOPOULOS — Minister, I want to ask you about BP 3, page 63, on out-of-home care demand. I know you have touched on reform throughout most of your answers on out-of-home care. It is an area of overlapping service provision, but I want to get a sense from you about the reform of out-of-home care for vulnerable young children and what this budget includes in terms of initiatives for out-of-home care.

Ms MIKAKOS — Thank you very much, Mr Dimopoulos, for that important question. We have a range of measures in the budget that relate to reform of our out-of-home care system. We need to ensure that the best place for children to grow up is in a safe home environment. The concept of home has many facets, including shelter, family and love, at its simplest level. As a minister, I do not shy away from talking about love, because it might be something that a lot of ministers do not talk about on a regular basis.

Mr DIMOPOULOS — Good on you.

Ms MIKAKOS — But when it comes to children in our out-of-home care system, I want to continuously stress that we want to achieve a loving home environment for children. When homes do not work well for children the options we have available as a community must respond to our highest priority — that is, to keep children safe. This is why the Andrews Labor government has allocated \$70.8 million towards our out-of-home care system.

When a child's own family is unable to provide a safe home for them, it is the state's responsibility to provide the best possible alternative. We need to act to break the circuit of abuse and neglect, to stabilise life for children so that they can continue to do things that help build their resilience and to keep them focused on growing and securing a prosperous future through things like getting an education.

This is why within the first 100 days of taking office, as I referred to earlier, I established a ministerial advisory committee of community sector experts to work with me and my department to help strengthen our out-of-home care system for Victoria's most vulnerable children. We have met twice already, and the support, guidance and expertise they have provided has been invaluable.

We have not stopped there. We have moved within the first 100 days in office to allocate \$16 million to ensure that more children and young people in care will have the extra security and safety of 24-hour support, including more staff during the day, but also a staff member who remains awake at night in all of our standard four-bed residential care units.

In March I announced \$43 million in targeted care packages aimed at moving pre-primary and primary school-age and Aboriginal children out of residential care into home-based care such as foster care, or even to return home to their own families where the supports are put in place to enable them to do so safely. All these measures and all these things were achieved before the budget was handed down. So the budget builds on this work to provide \$39.4 million to address out-of-home care demand. It will fund additional kinship care, foster care and permanent care places.

In this budget there is also additional funding, as I referred to earlier, for Child FIRST and family services of \$48.1 million to help support vulnerable families and children to help prevent them from coming into our out-of-home care system in the first place. We have got additional support for our foster carers and other carers through the allowances, with \$31.4 million as an incentive to recruit more foster carers and retain carers, as well

as an expansion of intensive placement prevention and family reunification with a commitment of \$20.8 million to help children stay at home with support, or to return them back home from care in a timely manner.

Over the long term we are needing to shift our focus from dealing with crises as a measure of our effectiveness as a state to measuring the highest aspirations of families and their children. Over the longer term we must increase our investment in early intervention to build on the strengths of families, instead of waiting to respond to crises when they are at their weakest and most vulnerable.

We know, sadly, some children and young people will come to the attention of child protection and will need to be placed in out-of-home care. This is why we are reforming the system to provide more supports to enable children to live with a family, if not their own, and we will continue to improve the alternatives where they are required.

Mr DIMOPOULOS — Thank you, Minister, and thank you also for your interest in WEAC in the past in my electorate.

Mr D. O'BRIEN — Minister, budget paper 3, page 77, lists the asset initiatives for child protection and family services, of which there is just the one: redesign and renovation of out-of-home care properties. I understand in the notes it says there will be 19 out-of-home care properties renovated, resulting in a further 15 bedrooms becoming available. There is only \$1.3 million in this financial year, so could you advise how many of those renovations will commence this financial year and when the beds will be completed?

Ms MIKAKOS — Thank you very much for that question. Our government aims to provide high-quality residential care to meet the needs of children who are unable to live safely with their families, and through the 2015–16 state budget we have provided \$6.3 million in capital investment and an additional \$1.2 million output funding to renovate and redesign existing out-of-home care properties to improve capacity within the out-of-home care system. The renewal and redesign of existing residential care properties will provide at least 15 bedrooms, reduce the department's reliance on private lease arrangements and better utilise existing housing stock.

In relation to the member's specific question, I can confirm that the expenditure will begin this year, but the funding commitment is actually an outlay that goes over three years.

Mr D. O'BRIEN — The question was actually: how many will commence this year and when will they be completed? My supplementary is: how many properties are there and where — as in what regions — are they? I am particularly interested in regional Victoria.

Ms MIKAKOS — Thank you for that supplementary question. I can confirm that this investment relates to 15 different locations in terms of residential care units.

Mr D. O'BRIEN — Can you advise where they are? In what regions?

Ms MIKAKOS — Our usual practice has been not to identify these for the safety and security of the residents involved — —

Mr D. O'BRIEN — I am not asking for the address, Minister, just — —

Ms MIKAKOS — If there are particular concerns that the member has, I am certainly happy to have a discussion with the member about particular locations.

Mr D. O'BRIEN — This is a detailed question, and I am happy if you can provide the answer on notice. I am just after the regions.

Ms MIKAKOS — I am happy to identify them by region if that assists the member.

Mr D. O'BRIEN — Yes, that is all right.

Ms MIKAKOS — There are no properties in the north division. The southern division has nine, the east three and the west three.

Mr D. O'BRIEN — Thank you, Minister.

Ms SHING — Minister, I would like to take you to budget paper 3, page 63, and the investment in removing barriers to permanency. You have talked at length today about the need to provide children and young people with stability, with consistency, with familiarity and with the emotional and circumstantial/physical wellbeing that they need. I am keen to understand more about how this investment will help to provide stability and stop them from being shuffled from place to place, which again is incredibly destabilising and has, as we all know and appreciate, enormous knock-on effects on their later development and opportunities.

Ms MIKAKOS — Thank you, Ms Shing, for that important question. I know that children do best when they have security and permanency. Being moved from place to place, carer to carer, home to home, makes it impossible for them to form the loving attachments we all need in our lives. For those children who cannot live safely with their families and there is no prospect of reunification in the medium term, permanent care arrangements need to be considered.

One of the key barriers to making permanent care arrangements in a timely way is the carer's fear that they will be left with insufficient support to enable them to properly care for the child. This is why the government has invested, through this budget, \$11.7 million over four years to remove barriers to permanency and provide more stability for children in out-of-home care.

Of this we have allocated \$8.3 million over the next four years to provide additional support to potential permanent carers of children and to alleviate the financial burdens carers sometimes experience. The \$8.3 million will provide the support that is necessary and will be able to be used for costs such as childcare costs, therapeutic needs or home refurbishments that may be required to support the child's permanent care.

The government has also allocated \$3.4 million to create 24 specialist permanent care positions within the child protection program for a 12-month period. I stress that those 24 staff are in addition to the 110 staff that I referred to earlier. These 24 permanency team positions will see teams allocated in each division to support permanency reforms, which are to begin on 1 March next year. The teams will review and identify priority cases where children have been in out-of-home care for long periods of time or where plans need to be made for alternative permanent care because family reunification cannot be achieved. The teams will undertake direct casework and case planning where this is needed. They will also advise, support and train the child protection workforce in progressing permanency planning for children. The teams will also identify practice and policy issues that represent barriers to achieving permanency for children and inform the evaluation of the legislative reforms.

As a government we are working to increase the number of carers who can provide family-based care for children who cannot live with their own families, and we are supporting those carers to help them deliver the things that children need to thrive and participate fully in their lives and in their community. We are caring for children who are in permanent care as well.

Mr T. SMITH — Budget paper 3, page 64, in relation to 'Social and community services equal remuneration order': could the minister advise the committee on what budget calculation was used for the state government contribution?

Ms MIKAKOS — Thank you very much for that question. I think it is important to put this into some context, firstly. Workers who care for some of our community's most vulnerable and marginalised people are guaranteed pay rises for the next four years, with the budget funding an additional \$935 million for pay increases for workers in the non-government social and community services sector. This mostly female workforce is employed across the community sector in areas such as caring for people with disabilities, the homeless and children who cannot live with their immediate families because of abuse or neglect.

Fair Work Australia's equal remuneration order, handed down in 2012, ordered pay increases for the traditionally underpaid workers in the non-government social and community services sector, and this landmark decision allowed for quite significant pay increases for the non-government social and community services sector to bring them into line with public sector workers. Our government is very proud to be supporting a fair go for a workforce that contributes so much to vulnerable people in Victoria, and by funding these wage increases the Labor government is demonstrating its commitment to pay equity for workers and also funding certainty for community sector organisations. I point out that in terms of the specific question that the member asked, the basis of this has been done on the same basis that the previous government used.

Mr T. SMITH — On a point of order, Chair, what is the calculation? That is what my question was pertaining to directly. I was a little distracted because of the noise outside, but what calculation is used by the state government?

Mr DIMOPOULOS — Isn't that provided by Fair Work?

Mr T. SMITH — In terms of formulas, what is the matrix?

Ms MIKAKOS — Perhaps could I just ask the member to clarify exactly what it is that he is asking?

Mr T. SMITH — In terms of the calculation and matrix between the state and the commonwealth, how is the funding arrived at from the state perspective?

Ms MIKAKOS — The calculation that has been arrived at has been on the same basis as the commonwealth.

Mr T. SMITH — On a supplementary, does this comply with the request of the federal government, and is that comparable with other state jurisdictions?

Mr DIMOPOULOS — Sorry, does what comply? The formula?

Mr T. SMITH — Yes.

The CHAIR — Do you want 30 seconds to confer with your colleague up the back to rewrite the question?

Ms MIKAKOS — I am just trying to get some clarity from the member as to exactly what it is he is asking, but the arrangement that we have arrived at, the allocation that is in the state budget, is consistent with the requirements that are set out in the remuneration order that was handed down in 2012.

Mr DIMOPOULOS — Minister, my question is in relation to youth diversion, and you have touched on that a bit earlier, but to BP3, page 65, and the investment in youth diversion: could you tell us a bit more about how this budget initiative will keep young people out of the criminal justice system?

Ms MIKAKOS — Thank you, Mr Dimopoulos, for that question. At the heart of our approach is an understanding that to be tough on crime we need to be smart about the causes of crime. I was pleased to see recently that the Sentencing Advisory Council had found that there has been a decline in the number of young adult offenders sentenced in Victoria over the past five years. We need to work to keep disengaged and disadvantaged young people in school and in training and on a pathway to jobs, and this is why we have invested in a record education budget and also put in place programs such as the Back to Work program to get young people into jobs but also have them stay in school.

Our budget also includes \$1.1 million over four years to continue the bail supervision program run by the Youth Justice service, to ensure suitable young people remain in the community on bail rather than being detained in custody, where it is safe and appropriate to do so — and I stress that. In addition, I am looking at bringing together key stakeholders across the community sector and government shortly to consider and contribute to an improved response for children and young people at risk of involvement or involved with the youth justice system. I note that the previous government had released a discussion paper on youth diversion but failed to act on it. We are now supporting a trial of a Children's Court diversion program that is underway, and we will be looking at the evaluation of that pilot before we connect to a statewide program.

Mr DIMOPOULOS — Thank you, Minister.

Mr D. O'BRIEN — Minister, my question relates to the review into the existing care allowance and client expenses for foster carers. Can you advise us when this review is expected to be complete, and has the review heard from foster carers regarding foster carers' remuneration?

Ms MIKAKOS — Thank you for that question, Mr O'Brien. As I indicated earlier, the new allowances will flow from 1 January, so the consultations and the review will be completed before that date.

Mr D. O'BRIEN — Minister, foster carer submissions, as I am sure you are aware, to other reviews have indicated their push to be part of a professional system paid by the government. Can you advise whether this is

something that the government would actively consider and how it would sit with the government's wages policy?

Ms MIKAKOS — Thank you for the question, Mr O'Brien. We remain open-minded to the issue of professionalised foster care; however, it does have significant implications for carers in terms of federal taxation and other issues. This might be an issue that I would welcome bipartisan support on, and perhaps you and your colleagues could assist us in lobbying the commonwealth around these issues, because unless we get the commonwealth to assist us in terms of those taxation and other issues, such as the implications for the carer in terms of their Centrelink payments, for example, it is going to be very difficult to progress on this issue.

The CHAIR — Ms Shing, with a question on behalf of Ms Pennicuik.

Ms SHING — Sorry to disappoint everyone that I will not be appearing as myself again for the purpose of this question. Minister, I would like to take you to budget paper 3, page 47, and the line item 'Social and community services equal remuneration order'. This is something which Mr Smith raised in the course of his question and which also came up in the course of your presentation. There is an associated note at page 48 of that budget paper as well. The figure of \$4.8 million has been set down over four years to assist SACS organisations to meet pay obligations that flow from the equal remuneration order and give effect to the test case which was handed down in 2012 to remove the gender-based inequities or barriers that occurred in the SACS sector in being an overly feminised workforce in comparison to public sector counterparts. The question that Ms Pennicuik has asked seeks assurance from you that the services that are provided by those workers will be sufficiently covered in this funding to cope with increased salary obligations throughout the forward estimates period.

Ms MIKAKOS — Thank you, Ms Shing, for that question for Ms Pennicuik. I indicated earlier to the committee that we are very proud of the fact that we have invested in the budget \$935 million across government, and, as you can see from the budget papers, this is broken down across different outputs, including early childhood development and also in terms of across different departments — in my Department of Health and Human Services as well there is a breakdown of that output cost. We are very proud of the fact that we are supporting, as you said, a very feminised workforce that does an incredibly important job in our community sector, supporting our most vulnerable.

In terms of the specific issue that Ms Pennicuik has raised, our government has agreed to work with the sector on issues such as future years indexation as part of ongoing service agreement discussions that we are having with them at the moment, and we have also agreed to work with the sector to monitor the implementation of the equal remuneration order.

Ms SHING — I have no supplementary on behalf of Ms Pennicuik — thank you.

The CHAIR — We will have a short break now, and we will reconvene for youth affairs in 5 minutes.

Witnesses withdrew.