

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2009–10

Melbourne — 18 May 2009

Members

Mr R. Dalla-Riva
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Ms J. Munt
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Witnesses

Mr R. Wynne, Minister for Aboriginal Affairs,

Mr Y. Blacher, Secretary of the Department of Planning and Community Development;

Mr I. Hamm, Executive Director, Aboriginal Affairs Victoria; and

Mr S. Gregory, Chief Finance Officer, Corporate Organisational Development and Communications,
Department of Planning and Community Development.

The CHAIR — I welcome the Minister for Aboriginal Affairs and departmental officers. I now call on the minister to give a brief presentation of no more than 5 minutes on the more complex financial performance information relating to the Aboriginal affairs portfolio.

Mr WYNNE — Thanks very much, Chair. I introduce Mr Hamm, who is with us today as the incoming director of Aboriginal Affairs Victoria. Mr Hamm was appointed when?

Mr HAMM — About six weeks ago.

Overheads shown.

Mr WYNNE — I think I will start, Chair, by really acknowledging the bipartisan way in which the Parliament has sought to address the question of closing the gap in the outcome for life expectancy of indigenous Victorians. As you know, we had a very significant ceremony here in Parliament House in Queens Hall where the leaders of our major political parties signed on in a bipartisan way to commit themselves to closing what is a completely unacceptable life expectancy gap between Aboriginal and non-Aboriginal Victorians — a gap of 17 years in life expectancy.

As you know, the incarceration rate among Aboriginal people is disproportionate — 12 times that of non-Aboriginal people. The unemployment rate is 2.3 times that of non-Aboriginal people. It is in that context that I sincerely do welcome the bipartisan way in which both government and opposition do have a deep commitment to making a difference in the lives of Aboriginal people.

Can I say that from the point of the view of the government the Victorian indigenous affairs framework is in fact the umbrella policy with which we are tackling these issues. Below that, of course, we have a ministerial task force which is chaired by the Deputy Premier, Rob Hulls. Clearly I am on the task force, as are Maxine Morand as Minister for Children and Early Childhood Development; Lisa Neville, the Minister for Community Services; Bronwyn Pike, the Minister for Education; Daniel Andrews, the Minister for Health; Jacinta Allan, the Minister for Skills and Workforce Participation; and Tim Holding as minister for finance.

That is an important group because it brings together all of the ministers who have a direct impact on this target of closing the life expectancy gap and all of the concomitant social issues that surround that as well. Below that, of course, is the secretaries group, which Mr Blacher is on representing us. All of the portfolio areas that interface with Aboriginal affairs are in fact on that secretaries group to really drive the bureaucracy in terms of getting outcomes.

Aboriginal Affairs Victoria is, of course, also working with Aboriginal communities, particularly in the area of leadership, capacity building and governance, because we see that as being absolutely fundamental to driving change at a community level. You must ensure that there is good governance in place and that you have strong leadership at the local level. In that respect I can say that recently I was down at a very prestigious event at the state library, the Ricci Marks awards, which award young indigenous leaders coming through. These are young people in their 20s. It is clear to me, Chair, after having been at two of these events, that the young Aboriginal leadership coming through is absolutely first-class.

The work that has been put in by the government over a number of years is now bearing fruit, and you can see these young people are going to take up these leadership roles going forward. It is really a very exciting time for the future of young Aboriginal people.

Heritage is a key element of our work, and the Aboriginal Heritage Act absolutely underpins that. We understand, and I am sure both sides of Parliament understand, the important link between land and heritage. It is fundamental in the lives of Aboriginal people, and access to land and respect for Aboriginal heritage, particularly within the broader development of the state, is a really important initiative.

As you know, we have seven registered Aboriginal parties in Victoria who speak for 45 per cent of the land in our state.

I will make only two further brief points. We fund through the Aboriginal Land and Economic Development Program a number of local enterprises which seek to bolster and support Aboriginal employment across regional Victoria, and indeed metropolitan Melbourne. We will soon be launching a fantastic catering and

hospitality project, which I am happy to talk about further, in Gertrude Street at the old Aboriginal health service.

We continue to support the local voice of Aboriginal people through the local indigenous networks — we have 38 now that have been rolled out. That is again a very important initiative because it provides a venue and a voice for local Aboriginal people who have often tended to be shut out of the conversation, both with government and more broadly. In that context it is a good place that we are in.

Economic development: Stolen Generations Victoria is a fantastic commitment by the government of \$6.2 million over the next four years, which really shows a fantastic level of support to an organisation that is doing really profound work with some of the most dispossessed people in our community, and I can talk about that further as we go forward.

The CHAIR — Thank you, Minister. I want to start off by asking in respect of this portfolio, what departments and agencies in regard to federal grants or funding, both output and asset, will receive from the budget. We would like a list of those and a description of them and the accountability mechanisms that are used both for the federal government, and also the accountability mechanisms you have for providing any grants to organisations.

Mr WYNNE — We get virtually no federal funding.

Mr HAMM — No federal funding.

Mr WYNNE — Virtually none, except in CHIP housing, as I indicated in my earlier contribution. I wish I could elaborate further, but unfortunately we do not, Chair.

The CHAIR — So in respect of the CHIP housing, are there accountability mechanisms for those?

Mr WYNNE — That is an important question. Now, because the CHIP housing has been transferred to the state, the accountability will be a two-way one. Once the co-operatives have registered as housing providers they will be required to report to me on a six-monthly basis on outcomes in terms of the delivery of the program, and I am required to simultaneously report to the federal government on those outcomes as well in terms of maintenance and rent.

The CHAIR — What is the responsible entity in the federal government? Is it the Aboriginal affairs area?

Mr WYNNE — Minister Macklin's area, FaHCSIA.

The CHAIR — So it is not the housing area, it is not Minister Plibersek?

Mr WYNNE — No, it is through Minister Macklin.

Ms PENNICUIK — It has been more than two years since the inquiry into the stolen wages in Victoria began, and we have heard and seen pretty well nothing since then. Can you inform us of the progress of that and what the department is doing; and will there be any resources and funding set aside to speed up the inquiry and to interview Aboriginal people who are getting older and whose opportunities for recompense and remuneration are obviously dwindling?

Mr WYNNE — That is a terrific question, because it goes to work that Stolen Generations Victoria has done. Public Records Office Victoria has done some fantastic work in this area. I can report that the government is responding to the Senate inquiry on stolen wages — we indicated we would.

A researcher was appointed through the public records office in mid-2007 to examine Victoria's and the commonwealth's archival material which we hold. The Aboriginal affairs department is currently reviewing the final draft report on the research project to provide a dialogue back to the public records office.

I can indicate to you, though, that the findings of the draft report indicate that on the basis of available financial records, there is no evidence of systemic withholding of earnings and wages of Aboriginal people in Victoria. Although, as you know very well from the Senate inquiry's report, there is quite a body of evidence in other states.

Ms PENNICUIK — Minister, when are you expecting that report to emerge?

Mr HAMM — We are working with PROV now to finalise the report. We should have it finished in — I will be conservative and say the next couple of months; two to three months we should have that finished.

Ms PENNICUIK — Early next financial year?

Mr WYNNE — We want to get it done as soon as possible.

Ms MUNT — I refer you to page 173 of budget paper 3, 'Indigenous Community and Cultural Development'. It is my understanding that the Aboriginal Heritage Act and the review of the Aboriginal Heritage Regulations are currently under way. Could you please detail for the committee the progress in that regard?

Mr WYNNE — The review of the Aboriginal Heritage Regulations was undertaken by the member for Mill Park, Lily D' Ambrosio, and I can report that she engaged in very extensive consultations with a range of interested parties. She talked to a number of people in the development community, and we have made some minor amendments to the regulations, but more broadly the pleasing aspect of the review was that it stood up very solidly. From the point of view of both the development community who are seeking to undertake developments and from the point of view of seeking to protect Aboriginal heritage, the act has stood up very well.

As you know, the act commenced operation in May 2007, and from May 2007 until March we have had 378 plans approved; and 23 had been approved by registered Aboriginal parties as I indicated in my earlier comments.

We continued to meet the time lines of 30 days, and I think Tony De Domenico is a very important test of these things. He is, as you know, with the Urban Development Institute of Australia — he has publicly said that the implementation of the Aboriginal Heritage Act has brought surety to the process for both Aboriginal people and indeed the development community more generally.

I think it has stood the test of the last couple of years that it has been in operation, and I am pleased to say that plans are being approved in a timely fashion, and the relationship between our representative Aboriginal parties where we have been in place and the developments in their areas are going along in a timely fashion.

Mr DALLA-RIVA — Minister, I refer to budget paper 3, page 173. I am looking at the total output cost and I note that the target for this year was \$26.8 million, expected outcome was \$25.3 million and the forward estimates figure is \$19.8 million. Footnote (s) on page 177 indicates a number of programs lapsing at the end of this financial year and says:

However, these programs have received additional funding as part of the 2009–10 budget from the Community Support Fund.

The issue I am asking about specifically in relation to the forward estimates concerns Reconciliation Victoria. Reconciliation Victoria as you are aware — the indications are certainly reported and from their press releases — are of the view as it says here:

At the time of printing, Rec Vic has heard from a reliable source within the government that Rec Vic will not be funded beyond June 2009 — that is, we are being defunded!

So I am probably asking you, firstly, why is there a reduction in the total output costs in the forward estimates; is the total output costs for the indigenous community and cultural developments — although it is not within that specific performance — located somewhere else? And secondly, can you give an unqualified commitment that you will commit to Reconciliation Victoria being funded beyond the end of this financial year? If so, where will it come from?

Mr WYNNE — Firstly, I will deal with the broader budget issue and the reconciling of the 2008–09 and the 2009–10 budgets. I will start there and then come specifically to Reconciliation Victoria.

In relation to the 2008–09 budget of \$26.8 million, that budget included a carryover of the land and economic development program of \$2.7 million and \$4.7 million in concluding initiatives; the stolen generations

\$1.3 million and a further \$3.4 million comprising \$3.05 million of the indigenous community infrastructure improvements and \$0.35 million for new representative arrangements. So that is where the gap adds up to.

The \$19.8 million includes \$0.8 million which is carryover of indigenous community infrastructure program and does not include the \$3 million CSF-funded initiatives for stolen generations, which is \$1.5 million for stolen generations, ALEDP of \$0.8 million and indigenous leadership of \$0.7 million.

In relation to reconciliation as indicated in my opening comments, the commitment that we have made to stolen generations is a very significant commitment of \$6.2 million over four years. I am aware, as I indicated to Ms Pennicuik following her earlier question, the work of Stolen Generations Victoria is regarded certainly by the commonwealth government as groundbreaking. The commonwealth looks to what we are doing here in Victoria in terms of practical reconciliation as being one of the leaders of any state in Australia.

Particularly the work we have done through the public records office has been really very therapeutic for families who really have lost their lineage, lost their attachment to family, lost their attachment to the broader Aboriginal community. It is in that context that we would seek to continue with our support for what we really are calling practical reconciliation.

A lot of that is also about supporting people who are really going through a grieving process. The apology was fundamental because I think for the first time our most senior level of government said, 'Yes, we are sorry, and we do recognise the past acts that have really caused great harm to Aboriginal people across Australia'. But in a Victorian context it is our view that we want to move in very practical ways with our Stolen Generations Victoria group.

That is not to say that Reconciliation Victoria is going to be left behind, in that we have funded Reconciliation Victoria, as I am sure a number of members of the committee know, since 2000. I think in the order of \$1.3 million has been spent with Reconciliation Victoria. It is my view that going forward there is a real opportunity for the great goodwill that is out there and that has been harnessed through Reconciliation Victoria to work much more closely with Stolen Generations Victoria, because essentially they are on about the same sets of issues.

I cannot give you an unequivocal answer today, Mr Dalla-Riva, but I can say to you that I am looking at providing some interim funding to Reconciliation Victoria for next year and the following year to bring the two organisations and the goodwill and energy that is a part of Stolen Generations and Reconciliation Victoria into what I think will make for a much more engaged outcome from a community level.

Mr DALLA-RIVA — Sorry, where would that come from?

Mr WYNNE — Those funds would be generated from within AAV itself.

The CHAIR — Time for two more quick questions on this portfolio.

Mr NOONAN — Minister, you moved through your presentation pretty swiftly.

Mr WYNNE — Yes.

Mr NOONAN — But I wanted to ask a question about the land and economic development program, which you touched on in both your 'Achievements for 2008–09' and 'Focus for 2009–10', so I wonder whether you can outline in terms of this budget period how funds that have been allocated for the increase in economic participation will be used? I think you mentioned a development down in Gertrude Street, Fitzroy?

Mr WYNNE — We are in a situation where economic development is quite fundamental in my view. We think this is the next really big challenge for us going forward as a government. If you go to any community where there is a large conurbation of Aboriginal people and you talk to those communities anywhere across the state, the take-up of employment opportunities for Aboriginal people is woeful; it is woeful right across the state, particularly in private enterprise. You go to a place like Shepparton and you talk to the good folk at Rumbalara and ask how many Aboriginal people are employed in Shepparton in mainstream employment, outside of Aboriginal organisations, and the answer is a handful, literally a handful. That is not acceptable. It is not acceptable to anybody here.

It is really about saying, 'What are the impediments to Aboriginal people getting employment — whether it is in Shepparton or Morwell or indeed any other community across Victoria or in metropolitan Melbourne?'. We are trying to look at this in a very systematic way. In that context we have put together what I think is a really interesting group of people who are dealing with the issues of economic development and really developing a strategy to inform the government about how to move forward in our investment around economic development and land, because we see there are great opportunities for synergy between land and economic development.

In that context we have set up a new task force, for want of a better term, on employment issues. There are an equal number of Aboriginal and non-Aboriginal people on this task force and many of these people are entrepreneurs in their own right or have extensive experience in running businesses themselves. We have got two co-chairs: Jason Eades, who would be known to many of you as the CEO of the Koorie Heritage Trust, based down here in King Street — a fantastic organisation and great people — and John Morse, a former managing director of the tourism commission and a former chair of the Victorian Tourism Board. It has got a whole range of people who would be very well known to you — Jason Mifsud — —

The CHAIR — Okay, we might take that on — —

Mr WYNNE — Anyway, I can table that. They are developing an economic — —

The CHAIR — Table that because Ms Pennicuk wants to ask a short question as well just before we wrap up the Aboriginal affairs portfolio.

Mr WYNNE — I haven't finished.

The CHAIR — I know. I am just telling you that we are trying to wrap up this particular portfolio.

Mr WYNNE — Okay. They are developing a strategy. That strategy will inform where we invest the ALEDP funds going forward to make sure that they are very much on the money in terms of getting the employment outcomes that we want. The second thing is that you cannot go and ask the private sector to be involved in employment opportunities for Aboriginal people if you are not doing it yourself. There are targets that are being set for the state government in the broader public sector to ensure that we are up to the mark ourselves in terms of employing Aboriginal people, so that we do not just have an Ian Hamm as an Aboriginal person at a senior level of government but we have lots of Ian Hamms right through the Victorian public service, and not people just at the lower levels of employment.

It is an opportunity to bring Aboriginal people through to the highest levels of both our state service and the public sector more generally, but also to look at what are the real opportunities for Aboriginal people to be employed in the private sector as well. This is a terrific initiative, and one that I think is going to reap big benefits going forward.

Ms PENNICUIK — Just as a follow-up to Mr Dalla-Riva's question about Reconciliation Victoria, I was interested in your comment that you are providing interim funding for Reconciliation Victoria to continue.

Mr WYNNE — Yes.

Ms PENNICUIK — We have had recent conversations with RV, and they have indicated that they assumed they were on the way out — —

Mr WYNNE — Yes, that is right.

Ms PENNICUIK — My question is: has this development been communicated to them?

Mr WYNNE — No, it has not.

Ms PENNICUIK — Is the funding going to be commensurate with current funding?

Mr WYNNE — No.

Ms PENNICUIK — How long is it going to last for, and what is the strategy going forward?

Mr WYNNE — This is a different journey that Reconciliation Victoria has to go on. They were fantastic in really galvanising community support and understanding of the issues that confront Aboriginal people in Victoria. I am very respectful of that, and I am very respectful of the work they have done at a community level. But now we have moved forward to a different stage in the conversation. We have had the apology; the apology is in place. That was a really fundamental move by the government which I think has lifted a burden off many people, and now we are moving forward in terms of practical reconciliation with Stolen Generations Victoria. There is a place for Reconciliation Victoria to be part of this next stage of the journey.

Mr DALLA-RIVA — Will you guarantee that no Aboriginal person in Reconciliation Victoria will lose their job as a result of your decisions?

Mr WYNNE — I cannot indicate to you how many Aboriginal people are employed in Reconciliation Victoria. I think it is — —

The CHAIR — Take that one on notice, Minister.

Mr WYNNE — My colleagues tell me none is employed in Reconciliation Victoria. But I want to indicate — —

The CHAIR — We want to finish off.

Mr WYNNE — I will finish by saying that in the conversation we will have with Reconciliation Victoria I can indicate it will not be in the order of \$200 000 that will be provided to them, which is what they have got over the last number of years. But I am sensitive to trying to bring those two organisations together to really achieve the outcomes that I think we would all agree on.

The CHAIR — I thank Mr Hamm for his attendance.