

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2012–13

Melbourne — 18 May 2012

Members

Mr N. Angus

Mr P. Davis

Ms J. Hennessy

Mr D. Morris

Mr D. O'Brien

Mr M. Pakula

Mr R. Scott

Chair: Mr P. Davis

Deputy Chair: Mr M. Pakula

Staff

Executive Officer: Ms V. Cheong

Witnesses

Mrs J. Powell, Minister for Aboriginal Affairs,

Mr A. Tongue, Secretary,

Mr G. Forck, Chief Finance Officer,

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

Ms J. Samms, Executive Director, Aboriginal Affairs Taskforce, Department of Planning and Community Development.

**Necessary corrections to be notified to
executive officer of committee**

The CHAIR — I now welcome from the Department of Planning and Community Development: Mr Ian Hamm, executive director, Aboriginal Affairs Victoria, and Ms Jenny Samms, executive director, Aboriginal Affairs Taskforce. I now call on the minister to give a brief presentation of no more than 5 minutes on the more complex financial and performance information relating to the budget estimates for the Aboriginal affairs portfolio.

Mrs POWELL — Thank you, Chairman, for the opportunity to present to the committee today. I have a number of slides which the committee members have in front of them, and which I will talk to now, starting at slide 2.

All Aboriginal Victorians should have the opportunity to reach their full potential. Earlier this year I tabled the *Victorian Government Indigenous Affairs Report 2010-11* in Parliament. It reports progress on our bipartisan commitment to COAG in closing the gaps. I am very grateful to both my colleagues and the opposition for their generous engagement and support to improve outcomes for Aboriginal people in Victoria. The report shows that while progress has been mixed, there are heartening signs of improvements, particularly in early childhood development and education. Importantly, these are areas which will deliver the greatest benefits over the medium to long term and ultimately help to close the unacceptable 10 to 11-year gap in life expectancy between Aboriginal and non-Aboriginal Australians.

Turning to slide 3, our Aboriginal population is young and not so large. In 2011 the Australian Bureau of Statistics estimated that there are approximately 37 600 Aboriginal people living in Victoria, with 42 per cent living in metropolitan Melbourne. By 2021 the population is expected to rise 30 per cent to 47 700 people. You will note that 56 per cent of the Victorian indigenous population is under 25 years of age. This provides enormous opportunities but also challenges.

Slide 4, the government's 2012–13 budget delivers a responsible plan to drive economic activity, generate jobs and improve community services, particularly for Aboriginal Victorians. The budget provides \$21.2 million for Aboriginal Affairs Victoria, including new budget initiatives of \$700 000 in 2012–13 to support Registered Aboriginal Parties to meet their Aboriginal cultural heritage responsibilities and \$800 000 over four years from the Community Support Fund to support the Victorian Indigenous Youth Advisory Council to connect and develop young Aboriginal leaders. Through mainstream departments, though, there is much more delivered. I will work with my colleagues to ensure that priority continues to be given to meeting the needs of Aboriginal people within a responsible fiscal approach.

Turning to slide 5, in 2011–12 our election commitments were delivered by: launching the indigenous honour roll, which I must say was an outstanding success and long overdue recognition of some great Aboriginal Victorians; restoring ongoing funding for Reconciliation Victoria; and putting in place the parliamentary inquiry into Registered Aboriginal Parties. In 2011–12 our bipartisan commitment to closing the gap has been acted upon. On 29 March I tabled the 2010–11 Indigenous Affairs Report, and all departments are progressing Aboriginal action plans, heeding the Premier's call to improve access to services. We have continued to act to improve Aboriginal affairs by commencing the review of the Aboriginal Heritage Act; investing in Wayaperri, a leadership and training initiative; and providing governance training and more opportunities for certificate IV and diploma of business qualifications.

Slide 6: a key priority is to strengthen the Victorian Indigenous Affairs Framework, or VIAF. I will release a revised VIAF this year, and without pre-empting this too much I anticipate that it will focus on economic participation and development as a high priority, improving the service delivery system and the overrepresentation of Aboriginal children in Victoria's child protection system. The revised VIAF will provide a platform for greater accountability to ensure that our investments in closing the gap are effective.

Turning now to my final slide, in 2010, according to the ABS, 16.3 per cent of Aboriginal Victorians in the labour market were unemployed, compared to 5.4 per cent of non-Aboriginal people. Aboriginal men fared worse, with a 25.4 per cent unemployment rate. The Aboriginal economic strategy that I will release later this year will build on the 2010 work of the Victorian Aboriginal Economic Development Group and the outcomes of a summit that I will be jointly hosting with the commonwealth government in Melbourne in July this year. With a strong economy, a sound education system and a relatively small Aboriginal population that is young and growing, I think and I believe that we can make a difference. I am looking forward to 2012–13 and to

delivering our bipartisan commitment to closing the gap and supporting Aboriginal Victorians to reach their full potential.

The CHAIR — Thank you, Minister. In the time remaining till 10.00 a.m. we will deal with questions on the Aboriginal affairs portfolio. Minister, given the key growth and efficiency initiatives announced in the budget, can you please outline for the committee the likely impact of the budget on enhancing service delivery, promoting productivity and achieving efficiency gains within your portfolio? In responding, could you indicate how you intend to monitor the portfolio's effectiveness in maximising improvements in these areas and also please inform the committee what you consider the likely impact on community stakeholders to be of these initiatives?

Mrs POWELL — Thank you, Chair. The government's 2012–13 budget delivers a responsible plan to drive economic growth, generate jobs and improve community services for all Victorians. The government is committed to ensuring that Aboriginal Victorians have access to effective services which meet their aspirations to express their cultural identity, manage cultural heritage and provide opportunities to all to reach their full potential. As I indicated in my presentation, the 2012–13 budget provides \$21.2 million funding for my portfolio of Aboriginal affairs to protect and manage Aboriginal cultural heritage, to maintain and strengthen partnerships with Victorian Aboriginal communities, to strengthen governance and leadership, and to build the capacity of Aboriginal organisations.

The Aboriginal Heritage Act 2006 is a key piece of legislation in this portfolio. It came into effect in May 2007. The act has integrated Aboriginal cultural heritage with the approvals system for land use and development and is intended to provide certainty to developers and others about when and how to consider Aboriginal cultural heritage issues. The current review of the act is providing an important opportunity for stakeholders to suggest ways to improve the effectiveness and efficiency of the act, which, together with the parliamentary inquiry into the establishment and effectiveness of Registered Aboriginal Parties, will inform future improvements to the act.

The clear view of industry groups, as expressed in the current review of the act, is that the act is a significant improvement on previous Aboriginal cultural heritage protection legislation, which was confusing and inefficient and often caused costly delays to development. However, industry groups have also raised concerns about the timeliness and cost of the process now, and the review process will enable these issues to be considered. A key component of the act is the establishment of Registered Aboriginal Parties as the statutory decision-makers in relation to cultural heritage management plans, which are prepared in advance of development activities. An independent assessment by PricewaterhouseCoopers has found that where Registered Aboriginal Parties are in place this has streamlined consultation processes and also costs for the industry.

In 2012–13 the government has increased funding for Registered Aboriginal Parties to \$700 000. This recognises the importance of these organisations carrying out their functions effectively while the review and the inquiry take their course. The government also supports improved productivity, efficiency and service delivery through a variety of indigenous community development and engagement initiatives. The government continues to support 38 local indigenous networks, or LINs as they are called, across Victoria through funding for indigenous community development brokers. A key role for the LINs is to develop local community plans which set out community priorities as well as practical strategies and partnerships to improve outcomes for their local communities.

To date, 31 LINs have completed their community plans with most remaining LINs working towards completing their community plans by June this year. LINs have established successful partnerships with the state, local and commonwealth governments, philanthropic agencies and the private sector to help achieve their goals and priorities. Since 2008–09, LINs have accessed \$2.1 million in funding from all levels of government and the philanthropic sector for community-based projects. The indigenous governance training program is an important investment in creating effective and efficient Aboriginal service delivery organisations right across Victoria. This program has successfully targeted existing staff and board members of Aboriginal organisations since its commencement in 2006. Consumer Affairs Victoria has advised that compliance has improved as a result of the governance training that has been provided and, additionally, the turnover of chief executive officers in participating organisations has declined.

That is why this government is continuing to support this important program with an additional \$2.2 million over four years from 2011–12. Funding will support the continuation of over four years of introductory workshops and accredited training at the certificate IV and diploma levels. Since commencement of the program in 2006 there have been 28 introductory government workshops with 648 participants, 13 certificate IV courses with 180 graduates, and 2 diploma of business (governance) courses with 27 graduates. The government is committed to continuing to support future emerging leaders with the government committing \$800 000 over four years. I look forward to indigenous leaders making an even greater contribution to a prosperous future for this state and for their economic development.

Mr PAKULA — Thanks, Minister. The handout refers to funding for Reconciliation Victoria. Given the shortness of time I am wondering if you could just tell us what were the key achievements of Reconciliation Victoria in 2011–12 and what its action plan is for 12–13? What are the key objectives for 12–13? What is it going to do?

Mrs POWELL — Thank you. Reconciliation Victoria has been funded, obviously, for the further time. They have had a number of projects to complete. Since that time, Reconciliation Victoria has started work on a number of projects. A reconciliation framework for Victoria will provide a road map to achieve a more equitable and respectful relationship between indigenous and non-indigenous Victorians. It is also working on a partnership with the Victorian Local Government Association, Reconciliation Australia and the Victorian government on a project assessing the use of reconciliation plans by local governments. So it is working very strongly with local government to make sure they are able to provide action plans in the best interests of the local indigenous community.

To date, three local government organisations have developed reconciliation action plans and strengthened their relationship with their local indigenous communities. Projects are also under development to support local governments in planning service delivery and building a collaborative working relationship with traditional owner groups, which is an important project that they are involved in. The local government sector has quickly become a key partner for Reconciliation Victoria to progress work in local communities. Reconciliation Victoria does not just work with indigenous people; it also works with non-indigenous people in an effort to make sure that culture is accepted and that there is more knowledge of the importance of Aboriginal culture. That is what Reconciliation Victoria does; it works with communities, with sporting groups and with local councils to make sure that we all understand the importance of and identity of our indigenous Victorians.

Mr PAKULA — Just the key objectives for 12–13? What is going to be focused on?

Mrs POWELL — There are a number of frameworks that they will complete. As in all things in Aboriginal affairs, it is not a one-year initiative. Obviously there are some things that get set in train this time which will see benefits in the next number of years. One of the initiatives was having Aboriginal affairs working with local governments to make sure that communities benefit. Reconciliation Victoria has been funded to continue that important work. I monitor that performance and they regularly provide me with updates.

Mr O'BRIEN — Thank you, Minister. I would just like to pick up your key achievements slide and also budget paper 3, page 216 where you note as a first achievement the Victorian Indigenous Honour Roll. I ask you, Minister, if you could please provide advice to the committee, having regard to the performance measures on page 216 of budget paper 3, on the progress of the Victorian Indigenous Honour Roll.

Mrs POWELL — Thank you, Mr O'Brien. We are very proud of the Indigenous Honour Roll. It is the first in Australia, if not the world, that recognises the importance and the contribution that our indigenous Victorians have shown, and it is about time that those people were recognised. The honour roll was established to recognise and honour the indigenous Victorians who have made a significant and sustained community contribution. The honour roll marks an invigoration of reconciliation where the legacy and achievements of indigenous Victorians, past and present, will be better understood and known by all Victorians and all Australians.

The very first 20 indigenous Victorians were inducted into the indigenous honour roll on 17 February 2012 at an event which was attended by over 200 people at a venue in Federation Square, which included the Premier, myself, and the shadow minister for Aboriginal Affairs, the Honourable Richard Wynne. This was a significant event and one that the Aboriginal people felt really proud to be a part of. Those who attended were touched by

the stories of those 20 first inductees, and I think it is important that as many people as possible are able to have a look at that honour roll, see those 20 fantastic indigenous Victorians who have been on it and the great work they have done and the sacrifices they have made.

We have had a number of very well-known figures such as Lionel Rose and Sir Doug Nicholls. They were celebrated, as well as a number of quiet achievers such as Joan Vickery, who is a dedicated health worker; and Melva Johnson, whose efforts have helped educate Aboriginal children in Echuca. We have all been moved by the stories of tenacity, resilience, courage, persistence, passion, hope and love, and I look forward to many other great names and unknown names being put on the honour roll in the years to come.

The final cost of implementing the honour roll in 2011–12 was \$137 000. Most of the costs were associated with preparing and running the inaugural event, and the production of biographical material used for a special booklet produced for the occasion. Each year the honour roll will induct more and more indigenous Victorians. The honour roll will be in Parliament House for all time. It will also be on a website, but it will be continually upgraded, and we are very proud of the honour roll, and so should be all Victorians. Other states around Australia are also looking at what Victoria has achieved and how we are doing it, and I am happy to share our progress of how we have done it so that other states can take up the great work that we have done in this state.

Mr SCOTT — Minister, to expedite matters I will include my supplementary in the question. In your presentation you made reference to the \$700 000 for RAPs. How will these funds be allocated between us — and there are nine RAPs currently — and my supplementary question is: will more funds be allocated should more RAPs be registered this year?

Mrs POWELL — Thank you, Mr Scott, and thank you, Chair. The RAPs were introduced under an act of Parliament, which is the Aboriginal Heritage Act 2006, and they have a fairly large responsibility. If I can just go through some of the responsibilities, I will then go to your question. They have to provide advice and knowledge on matters that relate to Aboriginal places or objects; they have to negotiate the repatriation of Aboriginal cultural heritage; they have to consider and advise on applications for cultural heritage permits; they have to evaluate and approve or refuse cultural heritage management plans; they enter into cultural heritage agreements; and they apply for interim ongoing declarations.

As you said, there are a number of RAPs — about nine RAPs across Victoria; 56 per cent of the state is covered by RAPs. We have an inquiry at the moment looking into the performance of RAPs and some of the issues around RAPs and what their needs will be and the skills needed. As you said, we have increased the funding from \$500 000 to \$700 000 for the RAPs. Some RAPs in the metropolitan areas have access to a fairly substantial income. Other RAPs in some parts of Victoria perhaps need more funding because the resources and development in those areas are such that not a lot of development happens in those areas so they are not able to receive the funding.

So in terms of that \$700 000, we have not estimated where the funding will be given to each one — that will be assessed on their merit — but we do understand that some RAPs are quite self-sufficient and some need additional support, and we will be looking at that through the inquiry as well as looking at how we fund them when we understand their needs more fully.

Mr SCOTT — The second half of the question was: would more funds be allocated if more RAPs were registered?

Mrs POWELL — Those sorts of issues need to be determined in budgetary processes over the upcoming years, but as I said, we will be talking to the RAPs.

Mr MORRIS — Minister, there is a significant body of research that confirms that best practice policy and delivery in Aboriginal affairs requires the involvement and engagement of Aboriginal people, which is, I would have thought, fairly obvious. Can you indicate to the committee how the government is going about engaging with Aboriginal Victorians?

Mrs POWELL — Thank you, Mr Morris. The Premier, when he signed the statement of intent to Close the Gap in March 2011 made sure that we all understand the importance of trying to close that gap, and it was a bipartisan re-signing. In his speech the Premier committed to key principles guiding the government's approach to Aboriginal affairs that included engagement and inclusiveness, partnership building and a

whole-of-community approach. The Premier also announced that the Victorian Indigenous Affairs Framework would be revised to strengthen our partnership with the Victorian Aboriginal community.

To ensure we get this right my department has held extensive consultations with indigenous Victorians over the last year. At the statewide level it is clear that a different approach to engagement on whole-of-government issues for improving Aboriginal outcomes is needed; an approach that delivers more than the Premier's Aboriginal advisory council. We need a well-designed approach that is more inclusive, and that acknowledges and fosters the work of LIN representatives — those local indigenous networks that work in with their local communities — and Aboriginal community-controlled organisations, peak bodies, experts and other spokespeople.

I have already started such an approach, although it is on a smaller scale. In August last year and more recently in March, I hosted an indigenous women's round table luncheon. These round tables have provided a valuable opportunity to draw on the knowledge and experience, and appreciate the priority issues of many of Victoria's senior Aboriginal women. Issues discussed at that meeting included vulnerable families and children, employment and education, social housing, smoking and service delivery models, and I look forward to building on the success of these round tables and sharing in our approach in local outcomes for Aboriginal Victorians.

At the local level it is clear that there is support for the government to maintain and build upon the success of Victoria's 38 local indigenous networks which form a valuable tool for the government to enable us to know what is happening in those local areas. It also empowers those local indigenous networks and those communities. There are over 1640 indigenous people who are participating in the 38 local indigenous networks. We are aligning government action with LIN community plans, which set out community priorities as well as practical strategies and partnerships to improve local outcomes for Aboriginal Victorians. We know from these plans that Aboriginal Victorians and the government share common priorities in education and training, cultural and community strengthening, giving focus to young people and increasing employment opportunities.

It is also clear that there is strong support to continue established departmental-based partnership structures, which have proved to be essential to effective program delivery and improving outcomes for indigenous people. This is a whole-of-government outlook that this government is providing. They include the regional Aboriginal justice advisory committees, the Closing the Health Gap committees and other engagement arrangements operating in education, human services, sustainability and environment, and primary industry portfolios. The government will be releasing the revised Victorian Indigenous Affairs Framework later this year. That will announce stronger engagement and partnership arrangements with Victorian Aboriginal communities and organisations. This is with a view to working more effectively together to improve the lives of indigenous Victorians.

The CHAIR — Excellent. Thank you, Minister. Albeit we are virtually on the deadline for time, I will allow one very short question from Ms Hennessy.

Ms HENNESSY — Minister, I note that in budget paper 3, page 216, you are measuring participants who undertake government training, so who start government training. I am wondering if you have data — and I am happy for you to take this on notice if you do not — about how many participants have gone on to positions of management or taken up governance positions in their organisation and whether or not you have a target.

Mrs POWELL — The training program is important, and as you have said, it does provide a number of key Aboriginal people to the boards and committees, and that is what is needed to make sure that Aboriginal people have a voice. It is important that we get them onto those boards and committees and onto the Aboriginal organisations. This is why we did provide an additional \$2.2 million in the 2011-12 budget. The funding does continue the certificate IV and diploma levels, and we do have four introductory workshops and two certificate IV courses that will continue into next year and four introductory workshops in a further two certificate IV courses.

Since the commencement of the program in 2006 there have been 29 Introduction to Governance workshops, with 673 participants; 13 certificate IV courses and 180 graduates; and 2 diplomas of business governance with 27 graduates. I understand your question is do we know where those people have gone and if they have taken up positions.

Ms HENNESSY — Can we measure the outcomes?

Mr HAMMS — We will have to take that on notice.

Mrs POWELL — We can provide the committee with that.

Ms HENNESSY — Terrific.

The CHAIR — Thank you very much, Minister, for your cooperation today. This concludes the budget estimates hearings for the portfolios of local government and Aboriginal affairs. I thank the minister and all departmental officers for their attendance today. Where there were questions taken on notice we will write to you, Minister, and seek a response within 21 days. This concludes the hearing.

Witnesses withdrew.