

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

2021–22 Budget Estimates

Melbourne—Tuesday, 29 June 2021

MEMBERS

Ms Lizzie Blandthorn—Chair

Mr Richard Riordan—Deputy Chair

Mr Sam Hibbins

Mr David Limbrick

Mr Gary Maas

Mr James Newbury

Mr Danny O’Brien

Ms Pauline Richards

Mr Tim Richardson

Ms Nina Taylor

WITNESSES

Ms Jaala Pulford, MLC, Minister for Employment,

Mr Simon Phemister, Secretary,

Mr David Clements, Deputy Secretary, Employment and Inclusion, and

Ms Lisa Buckingham, Chief Executive Officer, Jobs Victoria, Department of Jobs, Precincts and Regions.

The CHAIR: I declare open this hearing of the Public Accounts and Estimates Committee.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2021–22 Budget Estimates. Its aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

We note that witnesses and members may remove their masks when speaking to the committee but must replace them afterwards.

All mobile telephones should now be turned to silent.

All evidence taken by this committee is protected by parliamentary privilege. Comments repeated outside this hearing may not be protected by this privilege.

Witnesses will be provided with a proof version of the transcript to check. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

We welcome Minister Pulford, in the first instance for her employment portfolio, and officers from her department. Minister, we invite you to make an opening statement of no more than 5 minutes, and this will be followed by questions from the committee.

Visual presentation.

Ms PULFORD: Yes, great. No worries. Thanks very much. Thanks for having us. It is good to see you all. I gather you are on the home stretch now, committee members. So on this first slide here we have a snapshot of some key employment and unemployment statistics. Now, I present this to you and preface it by saying it is obviously an incredibly volatile employment market that we have had in Victoria. I have just marked, last week, 12 months in this portfolio. So you could take a snapshot of, say, February or March last year as a baseline around August or September as a particularly difficult period, as Melbourne was coming out of that long second lockdown, or indeed last month or this month. I offer these as a bit of a picture. The essential message I wanted to convey is that the Victorian economy is recovering well, that employment has rebounded strongly, but there are groups of people in the community that are still in need of significant assistance, particularly women, young people, people with a disability and longer term unemployed people. Confidence remains the challenge for some sectors, and as all members would appreciate, we have just had a further circuit-breaker lockdown and period of restrictions over a number of weeks, there is a whole lot of outbreak activity happening nationally, and these things are very, very challenging for business confidence.

We also know that many employers are really struggling to recruit staff. It was jarring really how quickly we went from the discussions around restrictions to then people being substantially able to trade unrestricted—it varies a bit from sector to sector—and then found ourselves in quite a chronic workforce shortage situation, again, in some communities and in some sectors more acutely than others. So we are taking an active and systematic approach to both ensure that no Victorian is left behind in economic recovery and also work with employers to make sure that they have the people that they need to meet their employment needs.

I am just conscious of time. The participation rate is higher than it was prior to the pandemic starting. The unemployment rate is now 4.8 per cent. The number of unemployed people has also significantly decreased. The underemployment rate is 7.7 per cent. That is lower than the pre-COVID level. Our youth unemployment rate remains persistent, as is the case in all downturns. It has improved a lot from where it was three-quarters of the way through last year but still remains high, at 14.8 per cent. Women are rejoining the labour force after a particularly significant impact, and we talked about that quite a bit last time I was before the committee, with

participation rates now exceeding pre-COVID levels. Regional unemployment is 4.3 per cent, which remains one of the lowest among the states.

If we jump to the next slide, this just gives you a picture of the focus in this portfolio, so reaching out so people know where to get help—advice and support in person, online and by phone—careers counselling so that people can find their career path and supporting employers to find and recruit diverse talent. There are significant wage subsidies available for the people who need the most assistance, and we are also driving economic inclusion and self-determination for Aboriginal Victorians. The social procurement, social enterprise and place-based work that we are doing is about making sure that we are generating value for everybody in the community from government investments, whether it is projects, whether it is direct employment or indirect employment, but making sure that government expenditure and the efforts on economic recovery are things that everyone in the community can benefit from.

Here are some of the highlights. I will not dwell on that too much other than to say this has been a huge focus of my work over the last year. We had funding secured in the budget for these initiatives in November last year. It represents a tripling of effort compared to any previous program. We have transitioned from Working for Victoria largely into the new Jobs Victoria program, and it has been something of a surprise when we reflect on the period when we were designing this program compared to the really quite robust economic recovery that we have seen, so we do see an opportunity there to expand these services to people who have had these really persistent challenges in breaking into the labour market.

The final slide represents the initiatives that are funded in the budget. This year they are complements and supplements to the very, very big investment from November last year.

The CHAIR: Thank you very much, Minister. Deputy Chair.

Mr RIORDAN: Thanks, Chair. Good afternoon, Minister. A quick first question: does your department look after the self-employed?

Ms PULFORD: Look after?

Mr RIORDAN: Are you responsible for supporting and helping the self-employed?

Ms PULFORD: As the Minister for Small Business I consider it my responsibility to support small businesses, and that is obviously an incredibly varied sector by industry and by size. Certainly we have been working to ensure support to people who are operating non-employing businesses, so yes.

Mr RIORDAN: The people I am specifically referring to are not small businesses who are recognised as small businesses, but people who essentially themselves wake up each day and just work for themselves.

Ms PULFORD: Yes, they would typically be registered as small businesses.

Mr RIORDAN: So what have you done in this budget to actually support people who do not cost the taxpayer anything, wake up each day, go to work, but particularly through COVID lockdown they get no support from the government. They have not been—

Ms PULFORD: That is not true.

Mr RIORDAN: So what support have you got there for self-employed people who earn under \$70 000 a year?

Ms PULFORD: So you are talking about income support, or are you talking about—

Mr RIORDAN: I am just talking about general support. I mean, the government has provided—

Ms PULFORD: Yes, so the Business Victoria programs are available to people irrespective of whether they are employing or non-employing businesses. That was not the case for some of our very early programs last year, but it has certainly been the case for most of our programs since the latter part of last year. There are programs including, and in no particular order, digital adaptation, business mentoring, the—

Mr RIORDAN: But during COVID lockdown, Minister, what support have you had for a non-GST paying, small, self-employed person?

Ms PULFORD: Yes, I was answering your question. We have had 23 programs to date that my department has implemented. There are nine that are still active—for businesses that are growing, for businesses that are struggling, for businesses that need mentoring advice and support, for business owners and operators that want mental health and wellbeing advice, for business owners and operators that wish to access rental relief schemes. There are a whole lot actually, and they are all available on the Business Victoria website.

Mr RIORDAN: So that whole lot of support that you have got, could you take that on notice what you actually are giving to small, non-employing, so people that are self-employed who do not pay GST, backyard, small, niche businesses? What support do you have for them, for their self-employment?

Ms PULFORD: Yes, so I have answered you in terms of programs in the small business portfolio. In terms of in this portfolio—

Mr RIORDAN: Employment.

Ms PULFORD: non-employing businesses are eligible to access the wage subsidies that I referred to in my introductory comments, and—

Mr RIORDAN: So they can apply for wage subsidies for themselves, can they?

Ms PULFORD: They can apply for wage subsidies if they are hiring people who have been out of work.

Mr RIORDAN: No, no. I will ask again. These are small businesses, self-employed; they do not employ anyone else; they do not pay GST; they earn less than \$70 000 a year. What employment support do you have for them?

Ms PULFORD: So the employment programs do not distinguish between whether a business is employing or non-employing in terms of eligibility. I think, though, you are really getting to the question of income support, and I would encourage you to—

Mr RIORDAN: The question I am—

The CHAIR: Mr Riordan, could you allow the minister to finish her answer, please.

Mr RIORDAN: Well, the minister seems a little confused, so I am just clarifying. The question I am—

The CHAIR: Excuse me, Deputy Chair, you are interrupting the minister and not allowing her to complete her sentence.

Ms PULFORD: You are also asking a lot of questions about the portfolio that we are not in the hearing for and federal government responsibility on income support.

Mr RIORDAN: I am talking about the employment for people who employ themselves as a single business, who through no fault of their own have been unable to perform their work, which means they are then unemployed. What employment support do you have for them to get back on their feet?

Ms PULFORD: All right. Yes. So people in that category have been absolutely eligible for the Working for Victoria program, and I have met many people over the course of the last 12 months who have been able to access work while their business has been unable to operate. For some of them that represented an opportunity to reflect on their business during and after the pandemic. For others it was something of a bridging support until they were able to recommence trade. So people in the film and television industry, people in the events industry, yes, they have been eligible for Working for Victoria.

The CHAIR: Thank you, Deputy Chair. Thank you, Minister. Mr Maas.

Mr MAAS: Thank you, Chair. And thank you, Minister and team, for your appearance this afternoon. Minister, if I could take you to the Working for Victoria initiative and the outputs that are detailed in budget

paper 3, in the table on page 253. I was hoping you would be able to explain for the committee how the Working for Victoria initiative has supported jobseekers through the pandemic.

Ms PULFORD: Yes, including people who are self-employed. Yes, absolutely. So Working for Victoria came about in that very initial support, when I think it is fair to say no-one much, except perhaps the epidemiologists of the world, had really quite comprehended what we were all starting to experience. That initial \$1.7 billion survival package included \$500 million to establish Working for Victoria, so this precedes my time in the portfolio. But then some three months later—so not long after the program was established—I took responsibility for the program. The program has provided—there are some exceptions to the rule, but in the main—funding for fully subsidised positions for six months duration. Some of them go for 12 months, and early on there were some that went for three months, and there are a small number that are not fully subsidised. My predecessor wrote to a whole lot of community organisations, 79 local councils and indeed different parts of government departments and agencies and NGOs and said, ‘Hey, we have this program. Bring us your ideas’. And then the Working for Victoria team worked with proponents to fund positions. The grants were then executed. People who were in organisations that had funding for positions were then responsible for the recruitment of those positions.

Members of the committee would recall those very, very early images of Melbourne emptied out when the first stay-at-home orders came and people cleaning street furniture. You know, this was preceding our knowledge of an airborne virus, so you really have to cast your mind back. They were the very, very early Working for Victoria people, and as the program has evolved so too has the breadth and depth of roles and responsibilities that have been funded through the program. There are some beautiful stories that I think the clock is not going to let me have time to tell you. But you may have heard across your electorates and from different organisations you deal with that there are some wonderful stories about organisations that have taken somebody on in a temporary role that have then been able to keep that person on because a vacancy has arisen or because resources have become available for a new position. There are quite a lot of those, which is of course terrific, and then there are others—like Mr Riordan’s question. I met a woman who works in the events industry. She does sound and light tech. She had no work at all, a child at home on her own and picked up work through a Working for Victoria program, from memory, hosted by the City of Melbourne, doing street performance. I ran into her at an event earlier in the year in Ballarat. She was back at work, her business was up and going again and she finished her time. There has actually been this task around managing the comings and goings of people as well—so some people have entered into permanent positions; some people have gone back to their business or to their old job—and so there has actually been a lot of adjustment and management of contracts on the way through as well, which I think all the people in the Working for Victoria team that Lisa leads for their work to that end.

Mr MAAS: Terrific. Thank you. In 40 seconds or so, what support did Working for Victoria provide local government over the last year?

Ms PULFORD: Of the 79 councils, 72 participated in the program. There were a small number who chose not to for their own reasons and circumstances. There have been some great examples, and in fact on your side of town, Gary and Pauline, I met some people that were with the Casey council who were reinforcing and painting some fencing in a maybe 20-year-old residential area and giving the place a freshen-up. Again, some of those people were self-employed as well, but others had lost their jobs either permanently or temporarily.

Mr MAAS: Terrific. Thanks very much.

The CHAIR: Thank you, Minister, and I will pass the call to Mr Limbrick.

Mr LIMBRICK: Thank you, Chair, and thank you, Minister and team, for appearing today. On budget paper 3, page 79, under ‘Maximising local jobs and local content’ there is a sentence that says:

Funding is provided to support the operation of Ethical Clothing Australia and the accreditation process for the Ethical Supplier Register.

How much money is that—because it is not broken down in the budget paper?

Ms PULFORD: I will take that on notice. I cannot recall precisely. It is not a significant grant, but it enables that accreditation process to continue, which in turn then supports a whole lot of enterprises to be able to

demonstrate to consumers in an area of growing consumer demand that they have met that standard. I will take that on notice and come back to you, David.

Mr LIMBRICK: Thank you. I was looking into this because I had never heard of Ethical Clothing Australia, and I was looking at the agreement that people have to sign up to to get this accreditation. They have to sign an agreement with the CFMMEU, with the Australian Industry Group and with the New South Wales business chamber, and another part of the agreement means that it will actually be the union that conducts the compliance audit with these people that have signed up to these agreements. Now, if this is going to be used for an ethical supplier register or something, doesn't that mean that effectively this is channelling money to the union and giving them veto on whether or not they are on the register?

Ms PULFORD: The CFMMEU division is the old textiles union, so that is the relationship and origin there—and well before my time in this portfolio. But this program has run for quite a number of years, and as I recall it was something that was initiated in partnership between industry and the union. Clothing and textiles manufacturing is one of the sectors in the world that has some of the most exploitative workplace practices, and local manufacturers and designers and the union I think came together with the common goal of giving consumers clarity and choice around supply chains. You would recall some of those horrific stories out of some places like Bangladesh around the conditions that people are operating in in the clothing and textiles industry. I think, Mr Limbrick, if you saw the logo, it would be familiar to you because it does appear on quite a lot of locally made products and it is something that manufacturers and designers use in their marketing because it is—not for all consumers but—for some consumers a big feature of consumer choice.

Mr LIMBRICK: Thank you. Whether a manufacturer is accredited or not—now this is only for Australian manufacturers, is my understanding; they do not accredit importers and things like that—

Ms PULFORD: Yes, that is right. I think there are similar schemes in other countries.

Mr LIMBRICK: Does being accredited on here or not exclude someone from, say, applying for a government tender?

Ms PULFORD: No.

Mr LIMBRICK: So what is the supplier register that is being talked about in the budget then? What is the purpose of that ethical supplier register that is on that same—

Ms PULFORD: So there is basically a database, a list kept, of organisations that have met that standard in terms of being able to trace—

Mr LIMBRICK: The standard set by Ethical Clothing?

Ms PULFORD: I nearly used the expression 'track and trace'—but literally trace their supply chain and how their inputs are put together throughout the supply chain. These go to questions of child labour and safe workplace conditions and the like. So that register is used by Ethical Clothing Australia to promote those that are participating and doing what we would say is the right thing by everyone in their supply chain.

Mr LIMBRICK: Thank you. Why is extra money needed to be funded from the Victorian government for this? Because it is my understanding that people that sign up to this have to pay fees in order to get accreditation, and undertake these compliance activities. Why is extra money required from Victorian taxpayers?

Ms PULFORD: Again—and I apologise I cannot recall off the top of my head the precise amount—it is not significant grant funding but it is to enable the program to continue. It is a part contribution, and the industry contribution is another part contribution. Again, if I recall, the funding is a continuation of an existing program.

Mr LIMBRICK: Thank you.

The CHAIR: Mr O'Brien.

Mr D O'BRIEN: Thanks, Chair. Good afternoon, Minister. The jobs output on page 251 of budget paper 3 is the reference. The question I have is: how is the government helping to grow jobs when at the same time it is increasing taxes on business while other states are actually lowering business taxes?

Ms PULFORD: Right. So your question around taxation is probably best to be raised with the Treasurer—

Mr D O'BRIEN: And we did. I am asking you in the context of jobs. How does that help businesses grow jobs?

Ms PULFORD: Again, the position of the government on revenue is something that has been articulated by the Treasurer and other colleagues in the lead-up to the budget and since. Certainly what the employment portfolio does in supporting job creation and employment in terms of direct support to business is wage subsidies of \$10 000 and \$20 000.

Mr D O'BRIEN: Has the department done any modelling on the impact of the new taxes on jobs?

Ms PULFORD: Sorry, on the Jobs Victoria program, or are you talking about the general vibe of—

Mr D O'BRIEN: No, on jobs across the state. We have got the windfall gains tax, we have got the mental health levy, we have got increased stamp duty and we have got the electric vehicle tax in this budget. I am just asking whether the department with respect to employment broadly has done any modelling on what those impacts will be.

Ms PULFORD: Well, the modelling is the estimates that are in the budget papers. In terms of the overall economic settings, I would encourage you to familiarise yourself with the latest unemployment data and employment data and participation rate data that I spoke to very briefly at the outset. I think that when you consider the various significant external challenges impacting the Victorian and national and indeed global economy, jobs growth is very strong and continues to be, notwithstanding the challenges we have had over the last few months. One of the biggest issues that I hear from our business community is around workforce shortage.

Mr D O'BRIEN: Given those challenges that you allude to, did you make any representations in cabinet to say, 'Hey, this is the last thing our business sector needs, an increase in these taxes'?

Ms PULFORD: I am not going to get drawn on cabinet deliberations, but thanks for the offer.

Mr D O'BRIEN: Well, whether it was in cabinet or directly to the Treasurer, there is significant impost there. Is that something that you have actually taken up on behalf of the business sector that is supposed to be helping create these jobs?

Ms PULFORD: Well, the employment data clearly shows that recovery of employment has been incredibly strong, to a point where one of the biggest challenges facing our business community is workforce shortage. Our unemployment rate continues to fall. The participation rate has recovered, the women's participation rate has recovered and in the month to May, which is the latest reporting period, there were 30 000 additional jobs created in Victoria. I know you want to have another go at talking to the Treasurer about taxes, but I have got lots of exciting things I could talk to you about in the portfolio of employment, and I would encourage you to get into that if you would like.

Mr D O'BRIEN: I might come to that in a moment. Secretary, can I ask a question that you can take on notice. At the previous hearings, it may have even been the coronavirus hearings, we got a breakdown of all the jobs support programs, business support programs that were announced last year on how much of them had actually been spent and allocated, so out of the headline figures. Could we get that on notice again this year?

Ms PULFORD: I do not know how this works - can I do a point of order about how that has got nothing to do with this portfolio?

The CHAIR: Thank you, Minister. I would also remind the member that it is not the COVID inquiry, so to follow up on questions you asked in a COVID inquiry is not appropriate. I would ask that you ask questions in relation to the portfolio we have before us and the budget papers we have before us, please.

Mr RIORDAN: The minister did outline a whole bunch of them before.

Ms PULFORD: I am from the upper house. I do not know how these lower house committees work very well, but that is how we do it in question time in the upper house.

Members interjecting.

The CHAIR: Mr Riordan and Mr Newbury, you do not have the call. Mr O'Brien.

Mr D O'BRIEN: Secretary, can I get that data for all the employment programs from last year as well updated if possible, please?

Ms PULFORD: We have presented that. I mean, that was in the—

Mr D O'BRIEN: No, no—

The CHAIR: Mr O'Brien, your time has expired.

Mr D O'BRIEN: How convenient!

The CHAIR: I will pass the call to Ms Richards.

Ms RICHARDS: Thanks, Minister. I might take you up on the offer you made to talk about the exciting elements in your portfolio.

Ms PULFORD: Oh, yay.

Mr RIORDAN: Strap yourselves in, everybody!

Ms RICHARDS: I refer you to budget paper 3, page 254, particularly the table item 'advocates, mentors, careers counsellors'. I am interested in perhaps whether you could outline for the committee the Jobs for Victoria initiative and update PAEC on its implementation.

Ms PULFORD: Yes. Thank you, Pauline. As I indicated, this represents a very, very significant increase in the support to people to find work. The economic conditions that Victoria was experiencing—and I do not want to sort of reflect on the impact of the last few weeks, because I think it is too early to say—the economic conditions that we were enjoying between February and May were very different to the ones that we were contemplating when we were putting this program together. We have had a really strong engagement from business and industry and we have had very large numbers of people, including many who were participants in the Working for Victoria program, that continue to be engaged and involved in this program. One thing that has been interesting and perhaps a little surprising—though I think this year and last year you had to expect the unexpected—is the really strong level of interest in the wage subsidies from small businesses. I think we expected that there would be fewer applications but applications for groups of people in medium and larger businesses. But there has actually been a really strong take-up from small businesses, which has been great. We are constantly engaging with different industry and employer organisations to make sure that they know that part of this is about helping people find work, but the other side of the coin is very much about helping people find the people that they need for their own workforce needs.

You asked about jobs advocates and mentors, and there are careers counsellors as well. Jobs advocates are experts in helping people navigate their way into employment, a very hands-on type of role, and we have funding that distributes across the state based on impact of pandemic and underlying unemployment experience across a whole lot of organisations, many of whom have established experience and record of delivery and then a number of others that are new that have participated in the expression of interest process and have been successful in being new service providers. So we are in this period—well, we are really coming out of this period of transition now from what was Working for Victoria and the old Jobs Vic program with the providers that we have had historically into the more scaled version of the program, so many providers continuing. You think about organisations like the Brotherhood of St Laurence. Jesuit Social Services have a very, very long history and experience. But then there are others who are newer and perhaps operating at a smaller scale or in a particular geographical region. And so advocates are placed with a range of organisations and mentors are placed with a range of organisations, those expert service providers.

What we envisaged with jobs advocates was people that were really easy to find; in fact people that were so easy to find you did not have to go looking for them they would come looking for you, in supermarkets, at community meetings, at community organisations, so very, very direct. And through the recruitment process we have actually had a number of people who were Working for Victoria participants who had lost their job or who had perhaps not had one before who have been successful in applying for roles as jobs advocates. So these are people who know very intimately what it is like to be locked out of the labour market, and they are now in turn helping people in their own language, in their own neighbourhood, in their own industry or sector to navigate their way into the workforce. So it has been very nice to meet some of those people who are part of that story. Then there are careers counsellors and then there is a phone hotline and an online presence as well, so we are trying to make it as easy for people as possible to navigate, working with industry on making sure that there are lots and lots of roles to be helping people find their way to as well.

Ms RICHARDS: Thank you, Minister. Thank you, Chair.

The CHAIR: Thank you. Mr Hibbins.

Mr HIBBINS: Thanks, Chair. Thanks, Minister, and your team for appearing this afternoon. I would like to also ask about Working for Victoria. Obviously you have described the transition between Working for Victoria and Jobs Victoria, but I would like to get some stats if that is possible. Are you able to share with the committee how many people through Working for Victoria have been working in community service organisations?

Ms PULFORD: 2500.

Mr HIBBINS: Great. Thank you. And how many are employed right now?

Ms PULFORD: Four thousand.

Mr HIBBINS: Didn't you just say 2500?

Ms BUCKINGHAM: In community services.

Mr HIBBINS: Yes.

Ms BUCKINGHAM: Yes, during the full extent of the program 2500 in community organisations, and there are currently 4000 people still in Working for Victoria jobs across the full spectrum of jobs that we funded.

Mr HIBBINS: Okay. Great. Do you know how many in terms of community service organisations?

Ms BUCKINGHAM: I could get that for you, yes.

Mr HIBBINS: Okay. Thank you. And how many are going to be able to continue their employment now, transitioning through to the Jobs Victoria scheme?

Ms PULFORD: I can answer that transition question if you like, and we can come back to you on those specific numbers in that sector. So organisations knew from the get-go, as did participants in the scheme, that positions were funded for six months and that this was a transitional arrangement through a particularly challenging period of economic downturn. The program has in many respects been replaced by the enhanced Jobs Vic service, which, whilst it does not provide a full wage subsidy, provides a whole lot of other services, and it is much more about enduring, sustainable employment outcomes rather than, 'Here's six months to keep you going for now', which was part of what the Working for Victoria program was about. So positions and their funding and when it ceases and when roles end depend on when they were executed, and typically they are six-month roles. So the last of them will end towards the end of this calendar year because there are a small number that were 12-month roles that were executed quite late in the life of the program. So we have worked with all of those organisations. They are all eligible to participate in the Jobs Vic programs—so the newer programs—as are those workers. There would be a whole lot of examples of people who have picked up ongoing work in their role or indeed have found this to be an introduction to a new sector and now they are often working in it. Of course this is a sector that is growing and for which there is great demand for passionate, good workers to do important jobs.

Mr HIBBINS: Yes. So there are no actual statistics or data in terms of how many people are actually being able to continue on?

Ms PULFORD: That would be a matter between the people who have been offered ongoing employment with their host employer and the host employer and for any decisions that organisation would make to fund.

Mr HIBBINS: Oh, okay, but it is not something the department is keeping track of or anything like that.

Ms PULFORD: We would have a sense of it, but it is something that goes sort of way beyond the reporting arrangements. The position is funded for six months, the six months is up, and then if the parties are very happy and want to continue or positions become vacant and the person is available for it, you know, that then becomes just a matter of direct employment, and that is sort of beyond our reach and our monitoring.

Mr HIBBINS: Oh, okay. But it is tracking the wage subsidy, though.

Ms PULFORD: They can do, yes.

Mr HIBBINS: They can do. Okay.

Ms PULFORD: Yes. And they are. Like, we are getting lots of interest from community organisations to participate in the new program.

Mr HIBBINS: Yes. And in terms of allocating the funding for the new program and eligibility, I mean, is one of the factors that you are looking at—obviously with a lot of community service organisations, through Working for Victoria they have been able to expand their reach or expand what they have been actually able to do. Is that a factor when considering allocating funding for the wage subsidy—ensuring that you can actually maintain that level of service that they have been able to—

Ms PULFORD: No, not really. The program is pretty much sector neutral. So we do not mind if it is retail or manufacturing, or private sector or public sector, or night shift or day shift, or in Mildura or in Mallacoota. We are interested in entering into partnerships with organisations and funding partnerships, including the wage subsidies, with organisations either by a sort of significant program—and we have got a few announcements to make in the next month or so which are some contracts being executed for some quite large sets of arrangements by industry sector—but then also a company putting on one person or two people as well.

Mr HIBBINS: Okay, thanks.

Ms PULFORD: Cheers, Sam.

The CHAIR: Thank you. Ms Taylor.

Ms TAYLOR: Thank you, Minister, department officials. I would like to explore a bit further about support for businesses and jobseekers. How does the Jobs Victoria Fund actually operate and support businesses and jobseekers?

Ms PULFORD: The fund is the vehicle that supports the wage subsidy, and so organisations that wish to make an application, they do so, they make contact—there is quite a bit of word-of-mouth, but of course we are promoting through a whole lot of networks—and then their requirement is to be employing people for six months as a minimum either as a permanent part-time or a permanent full-time role, and they need to have already commenced their employment. Then they can apply, and then we provide the funding for the wage subsidy. The wage subsidy is broken into—it is paid in stages, which is pretty typical for government grant funding agreements: commencement, midpoint, towards the end.

Ms TAYLOR: If I can move on to Aboriginal economic development, so if I can refer you to budget paper 3, pages 249 to 253, could you please explain how the government is supporting Aboriginal economic prosperity and, very importantly, self-determination?

Ms PULFORD: Yes. Thanks, Nina. This is a really important part of the work that we do in this portfolio, and in relatively recent times whole-of-government responsibility for both economic development and employment for Aboriginal Victorians has been consolidated in the one role and responsibility. So obviously I

work closely with the Minister for Aboriginal Affairs and with our Aboriginal community on our work here. As I understand—and it is not a long history I have in this area—this is a new approach that is well supported by members of our Aboriginal economic and employment council and indeed all of those in the community that they represent. So we are in partnership developing a new Aboriginal economic and employment strategy. We have got a fabulous group of people working on this, and some of the early emerging themes I think are very, very exciting. It has been wonderful to watch the transition between the first meeting, which was online not long after I came into the portfolio, and the second meeting when we all got together in February. People were fleshing out the issues, looking at all of the data and analysis that would underpin a good strategy. By the time we met in May the ideas were really developing around not only how we can deal with what is a shocking deficit in terms of Aboriginal unemployment and underemployment and really low representation in our business community but how we can really propel the next generation to be economically independent and financially prosperous.

We will continue working with the Koori caucus that is part of that council. They are engaging with community more broadly, and we look forward to hopefully finalising that around August or September this year—perhaps September. I am hopeful and I think everyone involved in it is hopeful that it will mark quite a significant change in the approach that we take. It is very consistent with the principles of self-determination that the government is deeply committed to. We will focus on areas of natural strength around resource management, around tourism, around native foods, but also some of those areas where government spending can provide jobs and economic opportunities but also new business development opportunities. But in no way at all is there any desire to limit aspirations of Aboriginal people, whether they are older or whether they are just little kids in school, to any particular sector. This is about full and proper economic participation. Yes. So I look forward to updating you all about that in the next few months.

The CHAIR: Thank you, Minister. Mr Newbury.

Mr NEWBURY: Thank you. Can I take you back to budget paper 3, page 79 again? Secretary, earlier we heard that the CFMEU effectively has oversight of the ethical supplier register in terms of accreditation, and the minister was not aware of how much money effectively was going to the CFMEU for that accreditation work. Do you know how much money is going to the CFMEU?

Mr PHEMISTER: I do not believe, Mr Newbury, it goes to the CFMEU. It is a co-production between the CFMEU and the Australian Industry Group as well as the New South Wales chamber. It is a separate entity. I am not exactly sure of the account holder. I will come back to you on the exact amount and the exact account holder, but Ethical Clothing Australia is an agreement between the Australian Industry Group, the CFMEU and I believe the New South Wales chamber of commerce.

Mr NEWBURY: But they are clearly being funded to do the work.

Ms PULFORD: No, I do not think you can draw that conclusion. The grant—

Mr NEWBURY: So they are definitely not being funded to do the work?

Ms PULFORD: Well, as I said, the particulars of the grant I cannot immediately recall in terms of the quantum, but I would be confident that the grant agreement is not with a union.

Mr NEWBURY: Earlier you mentioned that accreditation has no bearing on purchasing, and I am looking at the Buying for Victoria website which effectively says that accreditation gives you preferred provider status with the government. Are you surprised by that?

Ms PULFORD: No. No, we support ethical purchasing in all sorts of different ways.

Mr NEWBURY: So accreditation does give you preferred provider status?

Ms PULFORD: You are talking about uniforms?

Mr NEWBURY: Yes.

Ms PULFORD: Yes.

Mr NEWBURY: It is just earlier you mentioned that accreditation has no bearing on the supplier status, and the government website says otherwise. That is the point that I am just making.

Ms PULFORD: The standards that we expect and that the industry organisations and the union in the textile industry have agreed are acceptable standards would be of no surprise to anyone in the Victorian community. We are not wanting police officers or people working in hospitals to be in clothing that has come from appalling conditions in other countries where we have no sense of the supply chain. But the earlier question was around whether or not there is a prohibition on people that are not suppliers.

Mr NEWBURY: Well, anyway, thank you for clarifying.

Ms PULFORD: So I think you are sort of putting one and one together and getting three a little bit there, but as we have said, we will come—

Mr NEWBURY: The point I am making—I think I am just clarifying your earlier—

The CHAIR: Mr Newbury, could you stop interrupting.

Ms PULFORD: We can come back to the committee with the particulars of those arrangements.

Mr NEWBURY: I guess all of this boils down to, number one, a concern as to whether or not there is any government money going to a union and what amount of money that is and, in the CFMEU's case, if they have got something to do with an ethical register. The Victorian CFMEU is run by a crook, so there would be a concern—

Mr MAAS: On a point of order, Chair—

Mr NEWBURY: What, he is not a crook?

The CHAIR: Mr Newbury, you do not have the call.

Mr NEWBURY: What would you describe him as—a friend?

The CHAIR: Mr Newbury, please be quiet and stop interrupting. Mr Maas.

Mr MAAS: Thank you, Chair. Look, there are a couple of things. There are some broad-ranging assertions which are being made—

Mr NEWBURY: What is your point of order?

The CHAIR: Mr Newbury!

Mr NEWBURY: No, Labor Chair; I do not recognise your Labor—

The CHAIR: Mr Newbury, I am chairing this meeting whether you recognise it or not. Could you please allow me to hear Mr Maas's point of order without interruption.

Mr MAAS: which clearly do not fall within the scope of this hearing.

Mr Newbury interjected.

The CHAIR: Mr Newbury—

Mr MAAS: I am making my point of order, mate.

The CHAIR: Mr Newbury!

Mr MAAS: I am making my point of order here.

Mr NEWBURY: You can take up my time all you want. If you want to protect a crook, a CFMEU crook—

The CHAIR: Mr Newbury, you do not have the call.

Mr NEWBURY: that goes to your character.

The CHAIR: Mr Newbury, calm down, please.

Mr MAAS: You made broad assertions.

Mr NEWBURY: John Setka—

Mr MAAS: It is a co-arrangement with the Australian Industry Group.

The CHAIR: Mr Newbury, could you please calm down and refrain from such interjections.

Ms PULFORD: This is the textiles division. You have no idea—

Mr NEWBURY: is the boss.

The CHAIR: Mr Newbury, Minister, Mr Maas!

Ms PULFORD: I think you do not know what you are talking about.

Mr NEWBURY: He is the boss. Setka is the boss.

The CHAIR: Mr Newbury, you do not have the call. You are completely out of order and I ask that you control yourself.

Mr NEWBURY: He is the boss of the Victorian branch.

The CHAIR: Mr Newbury, I ask that you control yourself.

Mr NEWBURY: Just asserting that does not make it true.

The CHAIR: Mr Newbury, please be quiet and do not put your hand to my face—

Mr NEWBURY: He is the boss of the union.

The CHAIR: Mr Newbury, please be quiet. I am attempting to hear Mr Maas.

Mr NEWBURY: He is politically intervening.

The CHAIR: Mr Newbury, you do not have the call.

Mr NEWBURY: Labor Chair, he is politically intervening. It is obvious for all to see.

Ms PULFORD: Who is politically intervening?

The CHAIR: Mr Newbury, nobody has been able to hear Mr Maas's point of order because you continue to talk over the top of everyone. I ask that you control yourself, please.

Mr NEWBURY: If people want to run a protection racket—

The CHAIR: Mr Newbury, you do not—

Mr NEWBURY: about this issue, that is totally up to Labor—

The CHAIR: Mr Newbury, you are out of order. You have talked down your time. Mr Maas has a point of order, which I have not yet heard. Mr Maas, did you wish to continue with your point of order?

Mr MAAS: Look, really, Chair, it was just about the scope of this inquiry. It was actually—

Mr Newbury interjected.

The CHAIR: Mr Newbury, you are out of order.

Mr MAAS: I was about to say that I think that the minister—

Mr NEWBURY: How can someone have a point of order when their time has expired?

The CHAIR: Mr Newbury—

Mr NEWBURY: Chair, how can there be a point of order after time has expired?

The CHAIR: Mr Newbury, your speaking time has expired. Anyone is entitled to take a point of order at any point in time during the course of the meeting, whether the clock is running for your particular questioning time or not.

Mr NEWBURY: But the point of order related to my questioning, which has expired.

The CHAIR: Mr Newbury, nobody has actually yet been able to hear the point of order because you have rudely, consistently talked over the top of people and cannot control yourself. Mr Maas.

Mr NEWBURY: Saying silly things does not make it so.

The CHAIR: Mr Newbury!

Mr MAAS: In the interests of continuing, Chair, I will drop it—

Mr NEWBURY: What a surprise!

The CHAIR: Thank you, Mr Maas. Mr Richardson.

Mr RICHARDSON: Thank you, Chair. Thank you, minister and department representatives.

You did not fix your name tag to get on camera, mate. They are not sure who you are, so make sure when you are lining up for your political points—

A member interjected.

Mr RICHARDSON: To the hundreds of thousands of people in the union movement, there is nothing wrong with being in a union, mate.

Mr NEWBURY: But John Setka is a crook.

The CHAIR: Mr Newbury, you are out—

Mr NEWBURY: John Setka is a crook. You kicked him out of your own—

The CHAIR: Mr Newbury!

Mr NEWBURY: You kicked him out of the party.

Mr RICHARDSON: Attacking working people worked well at the last election, so just keep attacking working people. That is fine, whatever. It is up to you.

Mr NEWBURY: I will attack John Setka any day of the week, Tim.

The CHAIR: Mr Newbury, you are out of order.

Mr RICHARDSON: I want to take you to the issue of the Victorian Aboriginal Employment and Economic Council, Minister. For the committee's benefit, are you able to provide an update on the work the Victorian Aboriginal Employment and Economic Council is doing?

Ms PULFORD: Yes, I can. Though with your forbearance, Chair, I would just make the point that around the world and in Victoria historically textiles workers are some of the most exploited workers that there are. That there are standards that industry organisations like the Ai Group, the business council of New South Wales and the union are able to agree to so that consumers, whether they are government or private consumers, can be

conscious and confident that the things that they are purchasing have been sourced ethically is a good thing, and we are very, very proud to support that. I grew up watching the scandals around piecework and sweatshops here in our own community as well as in places in the world where people are paid a fraction of the cost of a cup of coffee in this country, and the idea that this is some kind of control-F search and find the word 'union' in the budget papers sort of interrogation is frankly really offensive to those people, particularly women, particularly migrant women, and I just think that stinks. Anyway, on to your question, sorry, Mr Richardson.

The Victorian Aboriginal Employment and Economic Council will continue its work over the next—well, its work will continue ongoing, but its particular focus is on concluding the strategy. The council is being supported by my department, but there is a role for us in working across government because it is a whole-of-government strategy. They are also supported by PwC Indigenous Consulting in the development of the strategy. There is consultation underway with key stakeholders, so Koori Caucus but also traditional owner groups, Aboriginal community controlled organisations, Aboriginal business owners and the Victorian Aboriginal community. I had an opportunity recently to speak with the chair of Kinaway, Karen Milward, and she was taking me through some of the history of the amazing business and therefore employment opportunities that flow from accreditation—again, a relatively recent initiative that has resulted, in spite of the pandemic, in a more than quadrupling of the number of Aboriginal businesses in Victoria. And it is wonderful to hear that so many of them, in spite of the challenging environment we have been operating in, in spite of the additional health risks posed to members of our Aboriginal community, are not just surviving but thriving. So we are really excited about the strategy, and it will be for the Koori caucus to lead its development, supported by myself and colleagues like Gab Williams and our department across all areas of economic activity and economic development and employment. But certainly I can see it coming together with an equal focus on prosperous Aboriginal businesses as well as employment opportunities for people in the private sector, the non-profit sector and in the public sector. So it is an exciting time, and I think we are all feeling hopeful we can make a difference.

Mr RICHARDSON: Thanks, Minister. In the time I have got remaining I am just wondering: for the committee's benefit, how else is the government supporting Aboriginal businesses and people looking for work?

Ms PULFORD: Yes. Thank you. I can give you some information about some of the support that we have been providing—so funding for the Koori Business Strategy, for the council and a business and economic development fund. There have also been, through the First Peoples' COVID-19 Business Support Fund, 130 of those Aboriginal businesses that were eligible. Again, there were—Mr Riordan was interested earlier in self-employed people—a number of self-employed people among those but of course employing businesses as well.

Mr RICHARDSON: Thank you, Minister.

The CHAIR: Thank you very much, Minister. That concludes the time we have set aside for consideration of this portfolio with you today. We thank you and your officials for appearing before the committee in this capacity. The committee will follow up on any questions taken on notice in writing, and responses will be required within 10 working days of the committee's request.

The committee will now take a short break before moving to consideration with you of the innovation, medical research and the digital economy portfolio.

Witnesses withdrew.

