

VERIFIED VERSION

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into Budget Estimates 2017–18

Melbourne — 30 May 2017

Members

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Ms Fiona Patten

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Ms Harriet Shing

Mr Tim Smith

Ms Louise Staley

Ms Vicki Ward

Witnesses

Ms Jenny Mikakos, Minister for Youth Affairs,

Ms Kym Peake, Secretary, and

Ms Anne Congleton, Deputy Secretary, Community Participation, Sport and Recreation, Health and Wellbeing, Department of Health and Human Services.

The CHAIR — I declare open the public hearings for the Public Accounts and Estimates Committee inquiry into the 2017–18 budget estimates. All mobile telephones should now be turned to silent.

I would like to welcome the Minister for Youth Affairs, the Honourable Jenny Mikakos, MLC; Ms Kym Peake, Secretary, and Ms Anne Congleton, Deputy Secretary, Community Participation, Sport and Recreation, Health and Wellbeing, Department of Health and Human Services.

All evidence is taken by the committee under the provisions of the Parliamentary Committees Act, attracts parliamentary privilege and is protected from judicial review. Comments made outside the hearing, including on social media, are not afforded such privilege.

Witnesses will not be sworn but are requested to answer all questions succinctly, accurately and truthfully. Witnesses found to be giving false or misleading evidence may be in contempt of Parliament and subject to penalty.

All evidence given today is being recorded by Hansard, and you will be provided with proof versions of the transcript for verification as soon as available. Verified transcripts, presentations and handouts will be placed on the committee's website as soon as possible.

All written communication to witnesses must be provided via officers of the PAEC secretariat. Members of the public gallery cannot participate in the committee's proceedings in any way and cannot photograph, audio record or videorecord any part of these proceedings.

Members of the media must remain focused only on the persons speaking. Any filming and recording must cease immediately at the completion of the hearing.

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

Ms MIKAKOS — Thank you, Chair, and thank you to the committee members. Through our new youth policy and delivery of core youth programs the Andrews government has increased its investment in initiatives that support and empower young people in Victoria. Since 2015–16 we have invested over \$52 million in programs that have enabled young people to participate in community and economic life. Under the Andrews government our annual investment in youth affairs has grown by over 30 per cent to a total output cost of \$19.3 million in 2017–18. Our government's youth policy, *Building Stronger Youth Engagement in Victoria*, was launched on 29 June 2016 following consultation with 2000 young people and extensive consultation with the youth sector. The policy focus is on young people aged 12 to 24 years and reflects the government's commitments to engage more effectively with young people in developing government policies, services and programs.

The policy includes a youth engagement charter that guides the way government engages with young people. This policy will improve youth engagement, with new opportunities for government and young people to work together on ideas and innovative solutions. A range of flagship projects were detailed in the policy, including a youth summit and the establishment of the Victorian Youth Congress. Here we have refocused the direction of the youth portfolio and have implemented a number of new programs to re-engage young people in some of our most vulnerable communities. This includes the Empower Youth program funding to support young Pacific Islander people and an Aboriginal youth mentoring program.

A further \$4.3 million in new funding over the next three years is also being provided for a new youth space in Morwell to support young people in the Latrobe Valley. The youth space will deliver a range of integrated programs, activities and services that connect young people to education, training, employment and the broader community. For the 2017–18 state budget we have committed a further \$5.8 million over the next four years to strengthen the engagement and empowerment of young people in Victoria, especially young Aboriginal people, young people from rural and regional Victoria and young people from diverse and socially and economically disadvantaged communities. There is \$2 million over two years for the Regional Presence Project delivered by the Youth Affairs Council and the Centre for Multicultural Youth. This project delivers youth advocacy programs and referrals in Swan Hill, Warrnambool, Morwell and Ballarat, plus surrounding areas. There is funding of \$1.8 million over two years to continue the Aboriginal youth mentoring program in its current

locations and to expand it into other areas. This important program supports young Aboriginal people to connect to their culture, enhance their skills and engage with education, jobs and training.

We are also providing \$2 million over four years to support young people to participate in their communities through Scouts Victoria and Girl Guides Victoria. The funding will support young people from culturally diverse and socially and economically disadvantaged communities to develop their leadership skills and engage with their local communities through scout and guide activities. Thank you, Chair. I look forward to the committee's questions.

The CHAIR — Thank you, Minister. Now we have government questions for 9 minutes until 11.53 a.m. In your presentation, Minister, you talked about investing in Victoria's young people, and in 17–18 there is an investment of \$19.3 million in the youth affairs output. Can you just outline to the committee in a little bit more detail how that money is to be expended and where you will be looking at expending those moneys?

Ms MIKAKOS — Thank you very much, Chair, for that question. I am very pleased that through the 2017–18 state budget we have committed a further \$5.8 million over the next four years to strengthen the engagement and empowerment of young people in Victoria, especially young Aboriginal people, young people from rural and regional Victoria and young people from diverse and socially and economically disadvantaged communities. In 2017–18 young Aboriginal people in Victoria will benefit from a further \$1.8 million investment over two years to continue the Aboriginal youth mentoring program in five locations and expand the program into a number of other areas. Funding will be provided to Aboriginal community-controlled organisations to deliver this mentoring program in their communities and will support young Aboriginal people to enhance their skills, reinforce their connection to culture and strengthen their engagement with education, training and jobs, and I am very pleased that the Youth Affairs Council of Victoria and the Koori Youth Council will be funded to continue to provide necessary expertise, resources and training to underpin the delivery of this initiative.

There is also funding of \$2 million over the next two years to be provided to support the Regional Presence Project, which supports four regional offices in Victoria. The Centre for Multicultural Youth has regional offices in Ballarat and Morwell, and the Youth Affairs Council of Victoria's regional offices are in Warrnambool and Swan Hill. I have had the opportunity to visit most of these offices, and I can assure committee members that they provide a very important link between young people — particularly disadvantaged and disengaged young people — in those communities and relevant services in those regional catchments.

The Centre for Multicultural Youth offices in Ballarat and Morwell will continue to support young people from multicultural backgrounds and facilitate youth-led activities that bring young people together to create a sense of connection. They also advocate for young people, broker support between young people and local service providers and provide mechanisms for young people's voices to be heard in community forums and activities. The Mavic offices in Swan Hill and Warrnambool will continue to provide young people with increased access to youth services, more opportunities to participate in youth forums and youth-led activities, and greater connections to community.

Finally, there is \$2 million over four years to be allocated equally between Scouts Victoria and Girl Guides Victoria to increase leadership development and community participation of young people from culturally diverse and socially and economically disadvantaged communities, especially those in rural and regional Victoria, and this funding will build on the work of the existing scouts and guides program that is being provided to employ community engagement officers at both Scouts Victoria and Girl Guides Victoria. These workers will target rural and regional communities and in particular localities with diverse young people and young people and families living in areas of socio-economic disadvantage. The initiative will also increase the participation of young people in scouting and guiding activities through the establishment of new groups and growing existing groups.

For example, with the scouts and the funding that they received as part of this initiative last year, I understand that they established the first Islamic partnership with a scouting group. Scouts Victoria formed a partnership with the Australian International Academy in Coburg to establish a school-based scouting program for Muslim boys, and there have been similar outreach programs and new programs established by the scouts on public housing estates. This is really a very new way for the scouts and the girl guides to engage with young people in the community who previously would not have been involved with those particular organisations.

Ms SHING — Minister, just to pick you up on the sentence that you finished there around capturing more young people who would not otherwise necessarily come to agencies for support or engagement, I would like to go to the \$4.3 million that has been allocated for a new youth space in Morwell and in particular to ask about how this in fact builds upon the work being done already by the Centre for Multicultural Youth and the youth council on the way in which the youth policy is intended to operate, because it seems as though, particularly for disadvantaged areas that have got a lot of social and economic challenges and CALD challenges and distance challenges like those in the Latrobe Valley, we need to synthesise the way in which we use resources, to use them well and also to co-design solutions with young people. How is that better achieved through the allocation of this \$4.3 million beyond what is already happening in that part of the world? Ms Congleton, you may wish to add to the minister's answer in this regard.

Ms MIKAKOS — Sure. Thank you very much, Ms Shing, for that important question and also for the great personal commitment you have to supporting young people in your local community as well. As you know very well, on 5 April I had the great pleasure of announcing this \$4.3 million in new funding over the next three years for a new youth space in Morwell. Funding is being provided to refurbish an existing community facility in Morwell into a contemporary, accessible and friendly youth space, and there is also operational funding as part of that: \$2 million for the capital; \$0.5 million in operational funding to be provided to organise the design layout, establishment and operation of the new youth space; and a further \$0.9 million per annum over the 18–19 and 19–20 financial years for an innovative approach to service delivery to really look at integrated programs, activities and services in the youth space to particularly draw in vulnerable and disengaged young people in that community, to rebuild their active involvement in social and community life and critically to create clear pathways for these young people into education, training or employment.

You have been a terrific advocate in terms of advocating to the Victorian government, the Andrews government, around more employment and economic opportunities for that local community, and this is going to be a very important way to draw in those young people and help link them up with those future economic opportunities. That is why it is really important that we are working with the Latrobe Valley Authority, the local council there, service organisations like the Centre for Multicultural Youth that you mentioned, YACVic obviously as the peak body and others to make sure that this youth space will be very vibrant and relevant to the needs of those young people.

Ms SHING — So how does that go above and beyond the work that is already being done there? In the Latrobe Valley we have a situation whereby there are some young people who are very highly engaged, who do get a lot of tailored support and encouragement, and then there is another cohort which are more in the reactive space of being clients or consumers of services but not necessarily accessing them from a proactive perspective. What work does co design have or collaboration with young people have in the design of this to get more young people engaged where they would not otherwise have been engaged, because that is a perennial problem, particularly where we are looking at intergenerational issues of a lack of engagement?

Ms MIKAKOS — Thank you for that really important supplementary question because this is really at the heart of our whole youth policies engaging young people — that they are actually involved in driving the decisions about service delivery that impacts on their lives. So co design with young people in the Morwell community will be a critical part of delivering this new youth space. We want it to be for young people but led and driven by young people, so I look forward to continuing to engage with them and my department to make sure that this space is really relevant to their particular needs. I look forward to continuing to engage with you as well, Ms Shing, in delivering this fantastic youth space for the Morwell community.

Ms SHING — You will not really have a choice in that regard, Minister. Fantastic. Thank you very much for that.

Ms STALEY — Minister, I refer to BP3, page 86, and the Regional Presence Project. It notes that the purpose of this project is:

to support young people to engage with work.

The March quarter update of youth unemployment revealed a 3.3 per cent increase in over 12 months in Gippsland to 15.7 per cent. How do you explain the skyrocketing Gippsland youth unemployment rate?

Ms MIKAKOS — Okay. Thank you, Ms Staley, for that question. In relation to youth unemployment more broadly I can advise you that the Victorian government is taking action in a number of areas to help young people gain sustainable employment. From November 2014 to April 2017 Victoria's 12-month average youth unemployment rate decreased by 1.3 percentage points to 13.2 per cent.

Ms STALEY — Minister, I asked about Gippsland.

Ms MIKAKOS — I am going to come to that, Ms Staley. During this time an additional 27 500 young people in Victoria have been employed. In contrast, between December 2010 and November 2014 youth unemployment rose by 2.5 percentage points and the number of young unemployed people increased by 11 800 people. We have a range of initiatives to support young people right across Victoria, in particular also in regional communities from the programs that I can touch upon in my own portfolio area. Right across government, with \$8.2 million over two years allocated for apprenticeship support officers to support up to 17 500 first-year — —

Ms STALEY — The Regional Presence Project that I asked about is in Morwell, and yet its purpose is to support young people engage with work. I have just given you the large increases in youth unemployment in that area. The Regional Presence Project there, what is it doing to fix this unemployment problem?

Ms MIKAKOS — Okay. The Centre for Multicultural Youth has two regional offices. One is in Morwell, and one is in Ballarat. I have had the opportunity to engage with them at both of these centres. I was just at the Ballarat one a couple of weeks ago. They do provide supports for young people in those communities — and the surrounding areas, I should point out; it is not just in those towns to link them into local employment programs and to link them into local training programs and other relevant facilities in those communities. The point that I make to you, Ms Staley, is that is one program. That is one initiative in the budget. There are many initiatives right across government that are designed to lift employment opportunities for young people in Gippsland and right across regional Victoria.

Ms STALEY — I might pick up on Ms Shing's previous question and I will go to BP3, page 265. They are the performance measures. There has been a marked decline in the decision-making opportunities target, so in 2015–16 there was an actual of 2890. The expected outcome for this year was 1775, and the target for next year is 2300. Minister, your targets are going backwards. Could you explain why it is that the capacity for young people to have decision-making opportunities is being diminished by your department?

Ms MIKAKOS — Thank you, Ms Staley, for that question. In fact that is not the case at all. The way that the participation is counted for many of these initiatives — which are delivered, in fact, by community sector organisations, not directly by the Victorian government — is there typically is time lag in relation to how these are counted. My understanding is that the information about the 2016–17 performance will not be available to the end of July 2017, so in accordance with past practice the department has used the target for these measures as the expected outcome for the current financial year. We do have more and more young people participating in these programs every year, programs like — —

Ms STALEY — But the outcome has fallen.

Ms MIKAKOS — FReeZA and Advance, which is a volunteer-based program, and many other programs that we do fund through this portfolio — incredibly popular ones.

Ms STALEY — Minister, could you explain why the expected outcome in 2017 is lower than it was in 15–16? That is not timing. Why is the expected outcome lower?

Ms MIKAKOS — Ms Staley, the department does not expect that the 2016–17 performance of any of these measures will be significantly different from 2015–16.

Ms STALEY — The first measure which was quantity, which was to do with participation on the same performance measures, the actual was 292 391 in 15–16 and the expected outcome for 2016–17 was 200 000. The target for 17–18 is 235 000, below the actual of 15–16. How is that moving forward, Minister?

Ms MIKAKOS — Ms Staley, I have already addressed this point, but the point that I make to you is that these are a preliminary estimate only. As I have explained, the department's advice is that they do not expect the 2016–17 performance of any of these measures to be significantly different from 2015–16. Because we do not

have this information until the end of July this year, in accordance with past practice the department has used the target for these measures as an expected outcome for the current financial year.

Ms STALEY — And then you have set a target for 2017–18 that is substantially below 15–16, actual.

Ms MIKAKOS — I will ask Ms Congleton to supplement.

Ms CONGLETON — Thank you, Minister. As has been indicated, the target for 17–18 has been lifted over the 16–17 outcome and the 16–17 budget, recognising that what we see is overperformance, and we anticipate that we will again see quite considerable performance against these measures.

Ms STALEY — So you are suggesting that in fact the 17–18 target, as published in the budget, is going to exceed the 15–16 actual, which was my question.

Ms CONGLETON — The 17–18 target has been lifted, recognising that we have seen overperformance over a number of years. But as the minister mentioned, we are still working on estimates because the data is collected for a calendar year, so we are yet to get all that information in.

Ms STALEY — So the budget is wrong?

Ms CONGLETON — No. On best estimates we believe that for the 17–18 target the count of 235 000 is the best estimate. We are continuing to monitor, and across all of these indicators — —

Ms STALEY — I am sorry. My question is: it is below the 15–16 actual, is it not?

Ms CONGLETON — Yes, the target is below the actual, but we do see generally overperformance.

Ms STALEY — Minister, are you concerned that timeliness is the percentage of programs delivered within agreed time lines, and that has also dropped? I see that you are again setting a lower target than what was able to be achieved in 15–16. Which projects fell behind their time lines in 16–17, and what was the impact of those delays?

Ms MIKAKOS — Thank you, Ms Staley, for that question. In fact the budget papers do indicate that the 2016–17 expected outcomes is expected to meet the target for that financial year.

The CHAIR — Order! I would like to thank the witnesses for their attendance, the Minister for Youth Affairs, the Honourable Jenny Mikakos, MLC, and also Ms Peake and Ms Congleton. There were no questions taken on notice.

Witnesses withdrew.