

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into the 2026–27 Budget Estimates**

Melbourne – Tuesday 19 May 2026

### **MEMBERS**

Sarah Connolly – Chair

John Pesutto – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Richard Riordan

Meng Heang Tak



**WITNESSES**

Lizzie Blandthorn MLC, Minister for Children;

Peta McCammon, Secretary,

Danny O’Kelly, Deputy Secretary, Community Operations and Practice Leadership,

Annette Lancy, Deputy Secretary, Children and Families, and

Drew Warne-Smith, Deputy Secretary, Corporate and Delivery Services, Department of Families, Fairness and Housing.

Jenny Atta, Secretary, and

Kym Arthur, Acting Deputy Secretary, Community and Public Health, Department of Health; and

Tony Bates, Secretary,

Bronwen FitzGerald, Deputy Secretary, Early Childhood Education,

Andrea Del Monaco, Deputy Secretary, Financial Policy and Information Services, and

Joanne Wandel, Chief Executive Officer, Victorian School Building Authority, Department of Education.

**The CHAIR:** I declare open this hearing of the Public Accounts and Estimates Committee. I ask that mobile telephones please be turned to silent.

On behalf of the Parliament, the committee is conducting this Inquiry into the 2026–27 Budget Estimates. The committee’s aim is to scrutinise public administration and finance to improve outcomes for the Victorian community.

I advise that all evidence taken by the committee is protected by parliamentary privilege. However, comments repeated outside of this hearing may not be protected by this privilege.

As Chair I expect that committee members will be respectful towards witnesses, the Victorian community joining the hearing via the live stream today and other committee members.

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.

I welcome the Minister for Children, the Honourable Lizzie Blandthorn, as well as officials from the Department of Families, Fairness and Housing. Minister, I invite you to make an opening statement or presentation of no more than 10 minutes. This will be followed by questions from the committee. Your time starts now.

**Visual presentation.**

**Lizzie BLANDTHORN:** Thank you very much, Chair, and thank you to the committee for the opportunity to present on the children’s portfolio. Can I begin by acknowledging the traditional custodians of the land on which we meet and pay my respects to elders past and present and any Aboriginal people who are joining us today. Chair, I would add in addition to officials from the Department of Families, Fairness and Housing we have officials from the Department of Health and the Department of Education.

Chair, since 2023 Victoria’s children’s portfolio has worked to support equity of access and outcomes for all Victorian children and families. The children’s portfolio delivers free maternal and child health and high-quality early education and services for children and families, including children and young people at risk. Delivered locally by registered nurses and midwives with qualifications in child and family health, maternal and child health provides 10 key ages and stages consults per child alongside enhanced services and supports for families who need it most. In the past year MCH services have delivered 615,000 key ages and stages

consultations, support for 15,700 families through the enhanced maternal and child health service and assistance to over 109,000 callers to the 24/7 maternal and child health phone line.

Alongside maternal and child health services early parenting centres also provide no-cost specialist support for families, including residential stay programs, day-stay programs and in-home support. The 2026–27 state budget supports further expansion of the Victorian early parenting centre network through an additional \$6.8 million over four years and \$1.7 million ongoing for the operation of the Hastings early parenting centre. We are expanding the network from three to 13 early parenting centres across the state. This includes the first ever Aboriginal early parenting centre, Baluk Balert Barring in Frankston, providing dedicated, culturally safe support for Aboriginal families.

In 2020 we commenced landmark reforms with the aim of transforming early childhood education in our state. This is because we understood the evidence that shows just how important early education is. Since launching these reforms Victoria has made a record investment of around \$8.2 billion to deliver them. This has enabled us to introduce an extra year of kindergarten for children across the state, to start extending the hours of four-year-old kindergarten each week to deliver free kinder across those two years and to open government owned and operated early childhood centres. All of these reforms are on track or ahead of schedule, and we are building and upgrading early learning facilities. Since 2023 free kinder has saved Victorian families around \$1 billion in kindergarten fees. That is a saving of up to \$5200 for children across their two-year kinder journey. Across Victoria we are saving families a further \$355 million through free kinder by the end of this year. We are seeing the success of these reforms reflected in our strong participation rates. Last year three-year-old kindergarten enrolments grew to 73,300 children, with participation rising to 92.2 per cent up from 90.1 per cent the year before. Four-year-old kinder enrolments have reached more than 79,000 children. Very significantly, we had 4240 First Nations children enrolled in kindergarten in 2025. This is the highest number ever and a 14 per cent increase on 2024.

This year's budget builds on this investment for our next generation of learners. It includes \$498.2 million to deliver new and expanded early learning facilities. This funding will deliver up to 22 more kindergartens at government school sites, grants for up to 27 new and expanded kindergartens and another five Early Learning Victoria centres. This year we have opened another 14 ELV centres, bringing our total number so far to 18. We have six more centres to open in 2027, with each centre offering free kinder as well as spaces for supports like maternal and child health services and playgroups. This budget also provides funding for Building Blocks improvement and inclusion grants. These grants will help to improve the quality and amenity of early learning facilities across the state, supporting children of all abilities to learn and grow.

Chair, last year, following horrific events we commissioned the rapid child safety review. The review made 22 recommendations to drive improvements in child safety, all of which have been accepted and are being implemented. Nothing is more important than ensuring children's safety and wellbeing while in early childhood education and care. That is why we are investing a further \$26.2 million to support the Victorian Early Childhood Regulatory Authority to deliver an enhanced program of regulatory and enforcement activities, including more compliance checks at early childhood education and care services across the state. We are also investing a further \$16.8 million to support the continued delivery of working with children checks. These investments build on the \$137 million committed to date to the recommendations of the rapid child safety review. We are also providing targeted supports to enhance what children get out of their early learning. This includes funding to continue the early childhood language program. There is also more funding for our much-loved kinder kits to encourage children to engage with their learning from the beginning of their education journey.

Child protection and family services support children, young people and families experiencing risk and vulnerability. In 2024–25 family services supported over 19,800 families to address risk early and reduce the need for statutory intervention, including nearly 2900 Aboriginal families. During the same period we managed over 150,000 reports to child protection. The 2026–27 state budget delivers \$361.8 million over four years in child protection and family services to keep families safe and together. This includes \$164.7 million over two years to continue earlier interventions to keep families together and safe, including supports for children and young people at risk of justice engagement; \$126.2 million over four years to deliver the first stage of a modern, fit-for-purpose ICT system, replacing outdated client information management and reporting systems, enabling better outcomes for children and families; and \$70.9 million to improve outcomes for children and

young people in care. This budget also invests \$14.9 million over four years to support carers to manage increased cost-of-living pressures and sustain their caring role.

The Victorian government continues to invest in Aboriginal-led service delivery, with an additional \$5.1 million over two years to further expand the nation-leading Community Protecting Boorais program. This funding will also support capability and service development support for Aboriginal-led service delivery. One additional Community Protecting Boorais team will be funded that enables delivery of Aboriginal-led investigations of child protection reports in authorised Aboriginal community controlled organisations, and by 2027 there will be a total of seven investigation teams supporting Aboriginal children and families across the state. This funding builds on the 2023–24 investment of \$140 million over four years to reduce Aboriginal over-representation in care and the 2025–26 investment of \$24.9 million over four years, including to expand the Community Protecting Boorais program.

We are also making it easier for our workers to do their jobs with an investment of \$126.2 million over four years in 2026–27 to commence a digital transformation. This investment will remove many of the key systemic barriers to reforming the delivery of social services in Victoria and address the risks associated with obsolete technology that was first deployed in 2005, over 20 years ago. It will establish the foundations of a modern fit-for-purpose ICT system that will reduce administrative burden, enabling workers to focus on direct client work. We will start by replacing outdated systems, then lay the foundations for better ICT across child protection, family violence, state-funded disability and youth justice services. I am happy to take your questions, committee. Thank you.

**The CHAIR:** Thank you very much, Minister. We are going to Ms Benham.

**Jade BENHAM:** Thank you, Chair. Afternoon, Minister and officials. For reference, budget paper 3, page 37, the table there – and we will get to the difference in budget shortly. But I want to talk about the Commission for Children and Young People’s annual report, which found that in 2024–25, 37 children known to child protection died and of those 22 had an open child protection case at the time of death. One child had 20 prior reports to child protection. One example from the report was two-month-old Billy. His parents had longstanding drug use. His sibling had already been removed, yet the department left him there, and he unfortunately died. Minister, what exactly is the point of open cases if children are still left with drug-using parents and dying under your watch?

**Lizzie BLANDTHORN:** Thank you, Ms Benham, for your question. At the outset can I acknowledge that the death of any child is indeed a tragedy, and my first thoughts are always with the child, those who love the child and those who worked with the child. As I am sure the committee would be well aware, and as I often say in the chamber, I will not discuss individual child protection matters insofar as they relate to individual children or their circumstances. That would not be appropriate. But what I can say is that when a child who is known to child protection dies, then the CCYP does do an investigation into that, and we welcome those investigations. Those investigations quite often provide valuable insight that leads to systemic reform, and that has often been the case. Indeed I would also note, though, that often the first time a child who has died becomes known to child protection is indeed at the time of the death of the child. It might be that the circumstances that relate to the death of the child are what indeed alerts child protection to their existence. I would also make the very important point of taking this opportunity to thank our workforce, who day in, day out are making assessments of risk, weighing up the information that is before them in relation to any child and using the appropriate manuals and safer framework and other tools to make the decisions about what at any point in time, with the available information to them, is in the best interests of that child.

**Jade BENHAM:** Just on that, the manuals that you have mentioned, we understand that the people that work in this sector are overworked and it is an incredibly hard job, but in how many deaths of children known to child protection last year did child protection fail to follow the standards and advice of their own manuals?

**Lizzie BLANDTHORN:** I would pick you up on your first point, Ms Benham. We have more workers in the child protection system than ever before – an 80 per cent increase at least in funded capacity. We have case loads that have gone from 17 to 13, and there is more work than ever before in the child protection system. In my presentation you would note that I made reference to 150,000 cases at an ongoing point. We have more workers than ever before, we have lower case loads than ever before, we have a refreshed operating model,

which means we have better supervision than ever before, and day in, day out we have workers who are working tirelessly in the best interests of children. And it is absolutely difficult work.

**Jade BENHAM:** No doubt, Minister, but the CCYP report says:

This year, practice in relation to infants was found to be lacking against the standards and advice outlined in the *Child Protection Manual* in ten child death inquiries.

Do you dispute that? Do you accept that?

**Lizzie BLANDTHORN:** As I said at the outset, Ms Benham, when a child who dies is known to child protection, then the CCYP does a report. We welcome their reports. We quite often take learnings from their reports. I would pick you up on the matter which you raised, which was in particular in relation to infants, and I

**Jade BENHAM:** No. The question was: how many deaths of children known to child protection last year did child protection fail to follow? The answer is 10, according to the CCYP. Would you agree?

**Lizzie BLANDTHORN:** Ms Benham, what I was seeking to explain to you is that in each and every instance where a child dies who has been known to child protection, the CCYP will conduct a report. In many instances the first time in which a child becomes known to child protection is indeed when a child dies. I might ask Deputy Secretary O'Kelly to step you through that process –

**Jade BENHAM:** No, that is okay, because we do actually know.

**Lizzie BLANDTHORN:** if that would be helpful to you.

**Jade BENHAM:** We have got the report. I was just interested to see whether you knew.

**Lizzie BLANDTHORN:** But I just wouldn't like you to –

**Jade BENHAM:** How many deaths were there of infants known to child protection last year?

**Lizzie BLANDTHORN:** Sorry, Ms Benham, I was just completing my answer to your previous question.

**Jade BENHAM:** We know the answer.

**Lizzie BLANDTHORN:** I would not like you to mislead the committee, and if it would be helpful to the committee, I can ask Deputy Secretary O'Kelly to –

**Jade BENHAM:** The quote is from the CCYP report – is that misleading?

**Lizzie BLANDTHORN:** Ms Benham, you are –

**The CHAIR:** Excuse me, Minister –

**Jade BENHAM:** That is a legitimate question.

**The CHAIR:** Ms Benham, the minister is genuinely trying to answer your question.

**Jade BENHAM:** We have got an answer. I would like to move on.

**The CHAIR:** You have asked a very serious question. The minister is finishing her answer. You asked it.

**Jade BENHAM:** In the interests –

**The CHAIR:** The minister is trying to complete her answer. Minister to proceed.

**Jade BENHAM:** Thank you, Chair. In the interests of time, Minister –

**The CHAIR:** The minister to proceed.

**Jade BENHAM:** I would like to move on, given I have gone through more than half of my time.

**The CHAIR:** Minister, did you have anything else you wanted to add to that?

**Jade BENHAM:** Excuse me, this is my time, Chair.

**The CHAIR:** It is your time, Ms Benham –

**Jade BENHAM:** Thank you very much, exactly, and I am allowed to move on.

**The CHAIR:** but I have asked the minister to finish –

**Jade BENHAM:** I am allowed to move on.

**The CHAIR:** the answer to your question.

**Jade BENHAM:** Going to the line item on page 37 of budget paper 3, in your report there, there is a huge increase in delivering child protection care services, to the tune of \$273.1 million over the estimates. In the report, though, I think it said \$2.2 billion, and that is a lot. That is different to the figures in here: from 2025–26 it was \$4.5 million, in 2026–27 it is \$273.1 million. Why the incredible uplift?

**Lizzie BLANDTHORN:** I can come to your question there, Ms Benham, but for the record, I would not want the committee to be misconstrued. So for the record, I would appreciate that the words that you sought to put in my mouth in the previous question, either we have an opportunity to clarify now or we will clarify subsequently, because it is not appropriate, particularly when it comes to the death of any child, for you to take that information and to misrepresent it to the committee. So either you would like to continue that line of questioning now so that Deputy Secretary O’Kelly can clarify the misconception with which you may have left the committee –

**Jade BENHAM:** I am happy to receive that on notice, and I would like to talk about the budget.

**Lizzie BLANDTHORN:** or it can be provided to you separately, but it is not appropriate that you use this forum in which to make sensationalist or at times wrong statements –

**Jade BENHAM:** It is quoted in the CCYP report, Minister. It is the CCYP report on page 35:

This year, practice in relation to infants was found to be lacking against the standards and advice outlined in the *Child Protection Manual* in ten child death inquiries.

**Lizzie BLANDTHORN:** Thank you for clarifying that, and I would ask Deputy Secretary O’Kelly to take you through that, as Deputy Secretary responsible for operations, to clarify your understanding of the way in which you are presenting that to the committee. Mr O’Kelly, would you like to assist the committee member?

**Danny O’KELLY:** So with a child death inquiry, the commissioner will come up with a series of recommendations that relate to the circumstances that have resulted in the death of a young person. And we work with the commissioner’s office – the child death inquiry is an opportunity to improve our practice and to learn. What we receive from the commissioner is a series of recommendations that go to improving the way we deliver our services and the way we respond to –

**Jade BENHAM:** So the question was: how many deaths occurred because the manual was not followed?

**Danny O’KELLY:** I think it is an unfair sort of correlation between death occurring and failure to follow – and I do not think that is what the commissioner’s report is actually saying. So to draw that correlation between the decision-making of a practitioner and the death of a child is not fair, and I do not think that that is representing the commissioner’s view in their report. I think it is a long bow to draw.

**Jade BENHAM:** Okay. We will move on. Again, coming back to the budget discussion and the incredible uplift in budget allocation from \$4.5 million in 2025–26 to \$273.1 million in this financial year, can we guarantee that there will be no deaths of children under child protection this year, given that incredible uplift?

**Lizzie BLANDTHORN:** Thank you, Ms Benham, for your question. If you are referring to the output variances, the child protection and family services output, which contributes to the children’s portfolio – the output is the \$2.39 billion in 2026–27, and this is \$199.8 million greater than the 2025–26 target of

\$2.19 billion. This higher target primarily reflects the additional government investment in the child protection system. Do you have a problem with that additional investment?

**Jade BENHAM:** Not at all. I am hoping we have less deaths.

**The CHAIR:** Thank you. We will go to Mr Galea.

**Michael GALEA:** Thank you, Chair. Good afternoon, Minister, secretaries and other officials. Thank you for joining us. Minister, I would like to start with the 'Department Performance Statement', page 39, specifically, the performance output indicator 'Daily average number of children in care placements'. Minister, what is the current case allocation rate for child protection practitioners?

**Lizzie BLANDTHORN:** Thank you very much, Mr Galea. As always, I appreciate the opportunity to confront these questions in this environment and to perhaps contradict some of the misconceptions that sometimes get put in the way others might phrase the question. But at the outset, and in particular in order to discuss the allocation rate, it is really important that we highlight the growth in our child protection workforce since we have come to government. As I advised the committee previously in response to Ms Benham's question, we have had a more than 80 per cent growth in funded capacity. Again, I want to take this opportunity to thank our child protection workforce, whether they are in the statutory child protection roles or indeed in our family services system providing that vital early intervention work. It is important that we recognise that they do very difficult jobs, weighing up day in, day out the risk factors and decisions that need to be made in the best interests of children. But when you grow the workforce, like we have been able to, not only can you respond to that demand that you see, but you can improve the allocation rate in the statutory system.

As further context for the committee, because allocations cannot be seen in isolation, they must be viewed alongside the median caseload for practitioners, as, again, I referred to in my earlier remarks to Ms Benham's questions, it is important to note that the median caseload, which was 17, has now gone to 13 at my most recent update, and that is a reduction of 20 per cent. Whilst I have told the committee this before, it is also important to stress in relation to allocation rates that there is active oversight of all children within the child protection system at all times. Children are assigned to a team that is overseen by a team manager, and it is the team manager who has responsibility for the day-to-day decisions insofar as they relate to reviewing, monitoring and managing cases, including those allocation decisions.

But in answer to your question, Mr Galea, at my most recent update the allocation rate is 87.6 per cent of cases allocated to a practitioner, with 12.4 per cent of cases managed within a team. I would note that when we came to government, the allocation rate was 81.5 per cent, so context does matter. When we came, the allocation rate we inherited was 81.5 per cent, with 2691 cases awaiting allocation, and now it is at 87.6, with 2262 cases that await allocation. I would also note when it comes to the child protection workforce that indeed the child protection workforce has not been exempt from the list of frontline practitioners that the opposition would indeed cut.

**Michael GALEA:** It is quite staggering indeed, because I would say that is very frontline, Minister. On the same page there is the performance measure 'Daily average number of children in residential care placements'. Can you please talk me through the procedure undertaken when a young person in residential care goes missing?

**Lizzie BLANDTHORN:** Thank you, Mr Galea. Again, as I have previously advised the committee, when a child is in residential care, they are not in a custodial setting; rather, they are in their own home. All children who are in child protection are indeed there for that protection, and they have the same rights to move around their community as do other children of a similar age. However, I do appreciate that there are cases where young people in residential care can go missing, and when this occurs, both the department and the community sector organisation that is partnering with us in delivering the residential care take immediate action to seek to locate those children. Actions depend on the case at hand.

As I have said a number of times, every child is different, unique, with their own strengths and their own challenges, and so when a child goes missing, child protection in relation with those community partners determine the most appropriate action for each child. But in the first instance they attempt to contact and communicate with the child to facilitate their safe return, they check the likely locations where the child may be and they alert Victoria Police by making a missing persons report. These are actions that can follow one after

the other as necessary. They can apply for a children's court search warrant when the risk to the child is assessed as significant, and this provides police with the powers to search premises or to take specific action when the young person is located, authorises Victoria Police to issue a missing persons media release if that is assessed as appropriate, can alert the after-hours services young people's outreach team when it is considered that the team can assist in locating the child and also notifies after-hours services as necessary. In conclusion, Mr Galea, I would say, as always, both the department and of course our community sector organisation partners that deliver many of our residential care services for us take the necessary action when a child goes missing until that child is found.

**Michael GALEA:** Thank you, Minister. Under the same budget reference, can you outline for the committee how many children under the age of 12 are currently in residential care?

**Lizzie BLANDTHORN:** Thank you, Mr Galea. We can all agree, I am sure, that children under the age of 12, as far as possible, we would hope are not in residential care. It is certainly a focus for me and for the department, and it has been a priority of mine to ensure that that number is as low as possible and that we prioritise placements in home-based care, whether that be kinship care or foster care. There are, however, cases where the home-based care placement may not be suitable, and what might be in the best interest of a child or young person, particularly at times when there might be complex medical needs, trauma history, or indeed there could be a sibling group that we are trying to keep together – sometimes residential care is the best option or the only option for a child who is under 12. As you may be aware, I advised the committee that the number of under-12s in residential care was 42 at 20 May last year. At my most recent update on 30 April this year there were 40 children under the age of 12 in residential care. We recognise that we would like to reduce this number, but as I also acknowledged, while there has been a positive year-on-year reflection of the work that we are trying to do for this cohort, at times it is a necessary outcome.

**Michael GALEA:** Thank you, Minister. Again, with the same budget reference, what work is being done by your department to reduce and prevent exploitation of children in care, specifically sexual exploitation?

**Lizzie BLANDTHORN:** Thank you, Mr Galea. This is indeed a very serious issue, which, again, this government has done much work on since coming to government, this being the problem that it is, and we appreciate the committee's continued interest in this topic; I think it is a topic we have discussed each year. Sexual exploitation is a crime, and alongside the work of our frontline workforce and community service organisation partners, Victoria Police plays a key role in pursuing these predators and bringing them to justice. It is important to recognise where the system was at when we inherited it, and I do think that that context is really important. For the benefit of the committee, there was an article in the *Guardian* from March 2014 relating to a former community services minister titled 'Paedophile gangs preying on vulnerable children in Victoria, says minister', and it stated that:

Community services minister Mary Wooldridge said the exploitation of vulnerable children has been happening for several years.

"We have very vulnerable children and young people in out-of-home care who've been neglected and abused and they are targets of organised gangs," ...

These quotes really are sickening, and we would all expect that real action be taken. While I regret to inform the committee that it was not taken then, under this government it has been taken, and we have set up dedicated sexual exploitation practice lead roles in that time. We do not just talk about this issue, but we take action on it. As I have previously advised the committee, the 2023–24 state budget invested \$13.4 million to establish a central child sexual exploitation response team to work across the department in partnership with the sector to uplift child sexual exploitation practice and build intelligence capability and an increase to the number of sexual exploitation practice leads from 11 to 19, representing one position per department area and one in each of the metropolitan and rural after-hours services. I have met with many of these people, as have other officials obviously, and discussed with them the important work that they are doing. I draw the committee's attention to this quote:

The Department of Families, Fairness and Housing undertook significant work to tackle sexual exploitation of children in the child protection system in 2024–25. Confirmed incidents of sexual exploitation decreased ...

It was PAEC that said that, Mr Galea. Thank you.

**Michael GALEA:** Thank you, Chair.

**The CHAIR:** Thank you, Mr Galea. We are going to Mr Riordan.

**Richard RIORDAN:** Thank you, Chair. Minister, can you tell us the number of children currently today involved in child protection as well as youth justice systems for this financial year?

**Lizzie BLANDTHORN:** Mr Riordan, as I was just talking about in my previous answer, I would at the outset make the point that correlation is not causation, but I would also make the point to the committee that, according to the AIHW data, the number of children who have had a child protection interaction and a youth justice interaction is actually lowest in Victoria.

**Richard RIORDAN:** That was not the question. I just asked if you have the number, because you do report them, ultimately. Do you have them here today?

**Lizzie BLANDTHORN:** Mr Riordan, my responsibility as minister for child protection is that it relates to the protection of children. If Mr O’Kelly would like to –

**John Pesutto** interjected.

**The CHAIR:** Excuse me.

**Richard RIORDAN:** We have asked a simple question. If the minister does not know the answer, just say ‘I don’t know.’

**The CHAIR:** The interjections are enough, Deputy Chair. Mr Riordan.

**Lizzie BLANDTHORN:** Thank you, Mr Riordan. As I have said already, children and young people who are in the child protection system are there because they are children who have been assessed as in need of protection, and they are children for whom, whether it be a kinship care home, a foster care home or a residential care home, it is indeed their home. We work extensively with high-risk young people, including those who are involved in the justice system, to ensure that they get the services and supports that they need. But, Mr Riordan, first and foremost, child protection is exactly that. I am not sure if Mr O’Kelly would like to add to that.

**Richard RIORDAN:** That is fine. I have got to keep moving, Mr O’Kelly. Obviously you do not have the answer.

**The CHAIR:** Excuse me, can I just remind –

**Richard RIORDAN:** Two minutes and could not give me a simple figure, so let us –

**The CHAIR:** Mr Riordan, I am going to remind all members, and especially you before you ask the next line of questioning, that this is a really serious topic. You need to afford the minister and the witnesses before us the respect that they deserve, including the people watching the live broadcast today. Please proceed respectfully.

**Richard RIORDAN:** Thank you. And I would appreciate your support, Chair, in directing witnesses to give a simple answer and if they cannot, to move on so as not to waste time. Minister, the Treasurer’s speech promised to provide all foster and kinship permanent carers with allowance increases. When compared to other states, Victorian kinship and foster carers have only a very small increase relative to other states. What can kinship carers and foster carers expect with such a large difference between, say, Victorian and New South Wales carers in providing such an essential service?

**Lizzie BLANDTHORN:** Thank you, Mr Riordan, for your question. And at the outset I want to acknowledge the amazing work that is undertaken by our carers, and this is a question that is routinely asked in the upper house. We like to constantly recognise the work, invaluable work, that our foster carers and indeed our kinship carers provide for children who are vulnerable.

Our care allowance in the 2026–27 budget: there is obviously an investment of \$14.9 million over four years to provide cost-of-living relief to foster carers, kinship carers and permanent carers who look after those vulnerable children and young people, and this funding will deliver a 3.5 per cent indexation of the care

allowance rates for 2026–27. This increase reflects the projected change in the CPI as published in the budget papers. It will result in an increase in care allowance payments of at least \$400 per annum in 2026–27 for carers receiving the level 1 care allowance, and for those caring for children with the highest support needs this will result in an increase of allowance payments of at least \$1700 per annum in 2026–27, at level 5. Those indexed payment amounts will be published, obviously, on the department's website prior to the commencement in July 2026, and the first payment to carers at the new rate will be made in the first fortnight payment in the new financial year, with the index rate applying from 1 July 2026.

It is also important to note, Mr Riordan, that our financial allowances are not the only ways in which we support carers here in Victoria. We have a number of other supports and services that exist. We have the carer –

**Richard RIORDAN:** Thank you, Minister. You can provide –

**Lizzie BLANDTHORN:** You are not interested in those other supports, Mr Riordan?

**Richard RIORDAN:** No, I just asked how you were going with the direct payments. I have got more questions, Minister, and I need to keep moving on. An ABC investigation published in January 2026 revealed that a 13-year-old girl in Victorian state residential care was raped by two men known to child protection and fell pregnant and her sister was simultaneously being groomed by an adult man who described the 15-year-old as his girlfriend. With residential care workers aware of the grooming but powerless to stop it, the child's mother Lucy said your system is ruining lives and said the older sister was also groomed while in state care. Does the department consider two children from the same family being sexually exploited in its care a systematic failure or an isolated incident?

**Lizzie BLANDTHORN:** Thank you for your question, Mr Riordan. I am not sure if you were listening to Mr Galea's questions or indeed my answers to those on the work of our government since coming to government and inheriting the system in which the previous minister, Minister Wooldridge, had acknowledged that children and young people were being preyed upon in residential care facilities and had done very little about it. Indeed I can, for the committee, table an article that reports on exactly that, if you are still confused following my earlier answer, Mr Riordan. But what I would say, as indeed my very last quote to Mr Galea said, is I am sure the committee does understand, because the committee has previously found that extensive work has been undertaken by the Department of Families, Fairness and Housing to address the issue of sexual exploitation of children in care. This committee –

**Richard RIORDAN:** So are you saying it is systematic?

**Lizzie BLANDTHORN:** Mr Riordan, would you like me to continue my answer, or would you like to interject?

**Richard RIORDAN:** Well, I would just like you to answer the question and not –

**Lizzie BLANDTHORN:** I feel, Mr Riordan, like we are back at me, chair, and you, deputy chair, over here already. But, Mr Riordan, what is fact is that this government has taken extensive action to address the sexual exploitation in particular of children in care – and children can be at risk of exploitation, whether living in out-of-home care or other care arrangements, including if they are residing at home with their parents. But this significant work undertaken by the department was recognised by this committee in the Inquiry into the 2024–25 Financial and Performance Outcomes, with finding 58 noting:

The Department of Families, Fairness and Housing undertook significant work to tackle sexual exploitation of children in the child protection system in 2024–25. Confirmed incidents of sexual exploitation decreased from the year prior. The Department also participated in a three-year, multiagency and interjurisdictional review of its work that concluded in December 2025.

Now, Mr Riordan, I know you are a recent reappointment to this committee, but that is what this committee has previously already found.

**Richard RIORDAN:** I have not asked that question, Minister.

**Lizzie BLANDTHORN:** But what I would also say, Mr Riordan, is that in –

**Richard RIORDAN:** Could we get back to me asking questions rather than you filibustering? Could we –

**The CHAIR:** Excuse me, Mr Riordan. That is not respectful language. The minister is answering your question. You asked the question, and now you do not want the minister to answer.

**Richard RIORDAN:** No, I have heard enough. I have got more questions to get through, Chair. Minister, how many children were sexually abused in residential care in the last year? No explanation, just the number – do we have that recorded?

**Lizzie BLANDTHORN:** Mr Riordan, as I have said, children who are in residential care are often some of the most complex children known to child protection. They are particularly vulnerable, and this vulnerability can often put them at risk of predators. What is important is the work being undertaken by the department to combat sexual exploitation, and the 2023–24 state budget further invested \$548 million over four years to improve outcomes and support for children in residential care, including \$13.4 million over four years to target child sexual exploitation. This investment has enabled expansion of the sexual exploitation practice leaders to all 17 areas across the state, including two positions in three areas and the addition of two dedicated sexual exploitation practice leader positions in the metropolitan and rural after-hours service to detect issues at night and over the weekend. The department has further increased the number of sexual exploitation practice leaders from 19 to 22.

**Richard RIORDAN:** What has been the funding matched to all those extra services, Minister?

**Lizzie BLANDTHORN:** As I said at the outset, Mr Riordan, the 2023–24 state budget further invested \$548 million over four years –

**Richard RIORDAN:** So then no extra funding this year?

**Lizzie BLANDTHORN:** including \$13.4 million over four years.

**The CHAIR:** Thank you, Mr Riordan. Your time is up. Thank you, Minister. We are going to Ms Kathage.

**Lauren KATHAGE:** Thank you, Chair, Minister and officials. Just following on from the questioning of Mr Galea, Minister, and the ‘Department Performance Statement’ on page 39 regarding children in residential care, are you able to outline what measures are being taken to prevent drug or alcohol use in residential care?

**Lizzie BLANDTHORN:** Yes. Thank you very much, Ms Kathage. This is a really important question, and I appreciate you asking. This is something that I share concerns about, as I am sure members of the committee and I know members of the house have at other times. At the outset both the department’s and my expectation is that there remains a zero-tolerance approach to drug or alcohol use in the home. This has always been the case, and it is an important expectation that our community sector organisational partners remain aware of, and for the children who call residential care their home it is particularly important. The department has recognised the need for there to be further guidance for those who are implementing the policy – further guidance to the community sector organisational partners on implementing that zero-tolerance expectation – and this has culminated in the release of our updated policy, *No Drug Use is Safe Use: Understanding, Recognising and Implementing Zero Tolerance for Responding to Alcohol and Other Drug (AOD) Use – A Guide for Supporting Young People in Residential Care*. As we would all expect, the policy direction is in the title, and there is no change to the zero-tolerance approach. We stress this in the document, saying that:

The Department of Families, Fairness and Housing ( ... the department) has always applied a zero tolerance policy to the use of alcohol and other drugs by young people residing in residential care. These guidelines do not change the department’s policy position; they provide additional support and guidance for working with young people within residential care.

The document outlines important guidance. For young people in residential care, the following applies:

No Illicit drugs are allowed on premises.

All young people with substance use issues must be referred to drug and alcohol treatment services.

Young people are not permitted to have any non-prescribed inhalants in their possession or use such inhalants in residential care facilities. Items that are essential to the day-to-day operation of the residential care service and which clients could use as inhalants are to be securely stored.

Strategies relying on passive observation of young people using substances are not permitted.

Community service organisations are expected to do everything reasonable and consistent within safe work practices to stop young people from using AOD including non-prescribed inhalants, to remove drug and inhaling implements as soon as possible, and to reinforce that using AOD including non-prescribed inhalants is not permitted.

In situations where young people present to the residential care facility in a substance affected state, our duty of care remains to ensure that they are appropriately assisted. This includes seeking medical intervention where required and monitoring the young person's wellbeing.

Where necessary, police should be contacted for assistance under the provisions of the Drugs, Poisons and Controlled Substances ... Act 2003.

The document also states that the boundaries and expectations create safety, and to implement a zero-tolerance response there are four primary expectations – namely, that there be no illicit drugs, including non-prescribed inhalants, allowed on premises; children and young people are not permitted to have any non-prescribed inhalants; strategies relying on passive observation of young people using substances is not permitted; and everything reasonable and consistent with safe work practices will be employed to stop young people from using AOD, including non-prescribed inhalants. So while our zero-tolerance approach to residential care remains unchanged, we have provided that additional guidance to assist the sector in enacting the policy requirement and, most importantly, to keep children and young people safe from harm.

**Lauren KATHAGE:** Thank you, Minister. I would like to move on to the rapid review into child safety. It is very important to me and to my community, and my toddler is in child care as we speak. In your presentation you spoke to funding for child safety, and I can see on page 14 of BP3 the initiative 'Essential funding for the Victorian Early Childhood Regulatory Authority'. In relation to implementing all the recommendations from the rapid review, are you able to provide the committee with an update on the progress of implementing those?

**Lizzie BLANDTHORN:** Thank you very much for this question. Again, I did so in my presentation, but can I acknowledge the horrific events that came to light last year and the impact that that had particularly on those affected children and families but I think on all children and families, particularly those who use early education and care settings. I reflected at the time that those incidents came to light that it was indeed only 18 months since I, like you, had also had my child in an early education and care setting. Can I also acknowledge that the vast majority of early childhood workers are deeply committed, they are caring and they are absolutely doing their job in order for the wellbeing and the safety of children that they care for and that the circumstances last year were very challenging for the whole of the workforce.

We did commission the rapid review, and acquittal of the recommendations in the rapid review are well on track. Substantial progress has been made to implement Victoria's child safety reforms in response to the recommendations of the rapid review. Released on 20 August, the review made 22 headline recommendations with a total of 40 subrecommendations, and I am very pleased to report that as of this month, of the 40 subrecommendations, 31 are complete. There are just nine subrecommendations that remain underway. These are all on track to be delivered in the timeframe specified in our government's response to the rapid review.

**Lauren KATHAGE:** I understand that recommendation 9 related to the establishment of an independent early childhood regulator. Can you update the committee on the details of implementation of that recommendation in particular?

**Lizzie BLANDTHORN:** Thank you very much. I am very pleased to speak to where the establishment of the regulator is at. As you have referenced, one of the recommendations from the rapid review was the establishment of an independent early childhood regulator in Victoria that is independent of the Department of Education. We passed legislation through the Parliament, as I know you are all well aware, last year establishing the Victorian Early Childhood Regulatory Authority, or VECRA, as we refer to it. I was very pleased that we were able to stand up VECRA, which commenced on 1 January 2026.

I would note that there was already work on an independent regulator underway prior to those incidents that tragically occurred last year and prior to the work of the rapid review. This has particularly come to light in the context of the Victorian government setting up the 50 Early Learning Victoria sites. When the Department of Education was responsible for QARD but did not own or operate any early education services, there was an independence between the regulatory actions themselves and those services being delivered, but in the Victorian government setting up our own services there clearly is no longer the separation. While we had work underway to manage that in the short term, we were already doing work behind the scenes to move to an independent regulator. That is work that obviously, through the rapid review, was brought forward, and I am very pleased that we have now set up the independent regulator.

As part of the 2026–27 state budget the Victorian government has committed \$26.2 million over four years and \$5.2 million ongoing to support its ongoing establishment. This builds on our previous commitment of \$137 million to support the implementation of recommendations from the rapid review, which were announced alongside the rapid review response.

VECRA is already doing the work that we need it to do. As the regulatory authority, it is using its functions and powers to do what it needs to do to regulate the early childhood sector, and this includes provider and service approvals, assessment and rating of services under the national quality framework, investigations, compliance and enforcement activities. I note that VECRA has already been active in its enforcement actions. VECRA is also currently increasing the recruitment, onboarding and training of authorised officers throughout this year so that we can meet the commitment of within 24 months of the rapid review there having been an unannounced visit to every service every 12 months. This is on track, noting that VECRA needed the time to recruit the workforce to get to this point of an unannounced visit every 12 months. We have also made our expectations very clear to the independent regulator through issuing an updated statement of expectations, which also acquits a further recommendation of the review itself.

**Lauren KATHAGE:** Some of the recommendations were around advocacy to the federal government, so national changes that have come about?

**Lizzie BLANDTHORN:** Thank you, Ms Kathage, for this question. I only have 17 seconds, so hopefully I get another opportunity to come back to this because it really is really critical that we think about the rapid review in the context of it being part of a national reform, and I am really grateful for the role that the Commonwealth ministers have taken in this regard as well. But perhaps we can come back to that.

**The CHAIR:** Thank you, Minister. Deputy Chair.

**John PESUTTO:** Thank you, Minister and officials. In the Treasurer's speech the Treasurer promised to provide all foster kinship and permanent carers an allowance increase of around \$400 or more a year at the lowest level. There are 12,804 children in foster kinship and permanent care at the moment, paying \$400 to each carer cost \$5.1 million in that year. You have budgeted for \$3.6 million, enough for \$281 a carer. Can you clarify whether there are any carers not getting the \$400 the Treasurer promised?

**Lizzie BLANDTHORN:** Thank you, Mr Pesutto, for your question. The indexation of payments applies across the payments and it will result, as we said, in an increase in care allowance payments of at least \$400 per annum for carers receiving the level 1. Indeed, for those children with the highest support needs, it will be more than that and can be an increase of allowance payments of at least \$1700 at level 5. What I would say is that the child protection system is a very dynamic system –

**John PESUTTO:** We understand that, Minister. But is every carer getting an increase of \$400 or more?

**Lizzie BLANDTHORN:** Mr Pesutto, if I may. The system is a dynamic system and there –

**John PESUTTO:** That was not the question, Minister. I am not going to allow you to filibuster. Please answer the question. It is very simple.

**The CHAIR:** Excuse me, Deputy Chair. Deputy Chair, the minister is attempting to answer your question.

**John PESUTTO:** No, the minister is not.

**The CHAIR:** Just because you do not like the answer does not mean she is not answering it.

**John PESUTTO:** It is a simple question: will every carer get the \$400 or more?

**Lizzie BLANDTHORN:** Thank you, Chair. I am attempting, Mr Pesutto, to be helpful and to answer your question. As I said, there is an increase in care allowance payments of at least \$400 per annum in 2026–27 for carers receiving the level 1 care allowance, and for those carers for children with the highest support needs this can result in an increase of allowance payments of at least \$1700 per annum in 2026–27 at level 5.

*Members interjecting.*

**Lizzie BLANDTHORN:** Sorry, Chair, it is difficult to answer when there are interjections from the committee.

**The CHAIR:** Mr Riordan, no. The minister to proceed.

**Lizzie BLANDTHORN:** Thank you –

**Richard RIORDAN:** Point of order, Chair. There is a simple question. We have now heard the minister give that spiel twice. The simple question was: will every carer receive a \$400 or more increase? The answer is either yes or no. It is not a full-page filibuster.

**Mathew HILAKARI:** On the point of order –

**Richard Riordan** interjected.

**The CHAIR:** Excuse me, Mr Riordan, you have raised a point of order. Mr Hilakari wishes to speak on the point of order. Mr Hilakari.

**Mathew HILAKARI:** The minister is seeking to give an answer, but she has been constantly interrupted through this whole session. It is unfair to the minister and it is unfair to this committee, because there is important evidence being gathered for our report to government.

**Richard Riordan** interjected.

**Mathew HILAKARI:** So it would be appreciated – even now you cannot help yourself from interrupting through the point of order. That is the problem.

**The CHAIR:** I am going to rule on the point of order. There is no point of order. The minister is attempting to answer your question. Just because you do not like the way in which she answers it – the committee needs to hear the evidence that the minister wishes to proceed with. The minister to proceed.

**Lizzie BLANDTHORN:** Thank you, Chair. As I have said, as Mr Riordan said, twice now, in response to both the \$400 increase for those at level 1 through to the at least \$1700 for those at level 5, what I was about to go on to say before the interruptions was that it is a dynamic system. The number of carers in the system at any point in time goes up and down depending on children in the system and the needs of the system and, as usual, there will be updated –

**John PESUTTO:** That is okay, Minister. You have now veered off the question off. You have veered off the question; I am going to proceed.

**Lizzie BLANDTHORN:** I am very on point –

**John PESUTTO:** In light of regulatory changes and increasing compliance –

**The CHAIR:** Excuse me, Deputy Chair.

**John PESUTTO:** No, I have allowed a wide opportunity.

**The CHAIR:** You can afford the minister the courtesy and respect that she deserves.

**John PESUTTO:** No, she was veering off the question, and I want to proceed. In light of regulatory changes, Minister, and increasing compliance obligations across the early childhood education and care sector in Victoria, concerns are growing about the operational pressures being placed on providers, particularly following the recent announcement by G8 Education that it will close 12 services in Victoria. Can you, Minister, guarantee that no additional childcare centres in Victoria will be forced to close as a result of the increased regulatory fees and compliance costs imposed by this government?

*Members interjecting.*

**John PESUTTO:** No. I am asking about the impact of the cost. I thought we talked about respect, Chair.

**The CHAIR:** Excuse me. Deputy Chair, it would be good if you showed some leadership with respect. We are on day 3.

**Jade Benham** interjected.

**The CHAIR:** Excuse me. You have asked the minister a question. Do you wish her to answer?

**John PESUTTO:** It was your colleagues to your right who stopped it.

**The CHAIR:** Excuse me. Minister, proceed.

**Lizzie BLANDTHORN:** Thank you, Chair. I am very excited that you have asked that question, Mr Pesutto, and I really hoped you would. I just wanted to previously close off the other answer that I was not allowed to give, which is that updates will be provided in the usual way through the budget process in what is a dynamic system in relation to child protection and the allowances that are paid.

But absolutely, let me come to the question you have just asked and in particular G8. I have had raised with me by a number of members of the Parliament on the other side the closures of G8, and in particular I have even been written to by some members of the opposition in relation to some of the services at which Mr Jonathan Brown worked, which are G8 services that are on the list to potentially be closed. But let me say at the outset and what I said a number of times in relation to the child safety review – Ms Kathage asked a question which I hope to have some time to come back to in relation to the national agenda – one of the recommendations of the rapid review here in Victoria was that the first consideration should always be the safety and wellbeing of any child in our early education and care systems –

**John PESUTTO:** I agree. I am asking about the impact of cost and regulation, because we need to maintain access. Can you tell the committee: have you undertaken any consultation or asked your department for any modelling to ensure the sustainability of the sector? Yes, we all agree about the increase in standards – all agree about that. We are talking about the viability of the sector. Can you tell the committee whether you have undertaken any modelling or consultation?

**Lizzie BLANDTHORN:** Thank you, Mr Pesutto. When it comes to the modelling that has been undertaken, if we just take specifically regulatory fee increases, for example, the increased cost of the regulatory fee increases per child are from about 16 cents per week to about \$1.20 per week. Now, \$1.20 is the rate for the increased regulatory fee, which is 11 times the current fee – \$1.20 per child. If companies like G8 are unable to absorb a fee increase of \$1.20 per week per child, in the interests of ensuring that the wellbeing and safety of every child are paramount, then I make no apologies for that because –

**John PESUTTO:** No-one is asking you to apologise, Minister. Have you consulted with the sector?

**Lizzie BLANDTHORN:** The absolute first priority is the safety and wellbeing of each and every child in our early education and care system. Your side signed up to supporting that by agreeing to support the rapid review recommendations. Mr Rowswell –

**John PESUTTO:** No. I am not going to accept that, Chair. This is not about politicising a very important issue. Do not politicise an important issue, Minister. We all agree on the need for high safety – we called for it. We called for stronger measures than you did, but I am asking you: do you even talk to the sector? Do you consult with the sector? And are you aware of any other imminent closures?

**Lizzie BLANDTHORN:** Mr Pesutto, the early education and care framework – why I hope to be able to come back to Ms Kathage's question – is a national framework of quality and safety. What we want to see is a system that has at its core the priority being the wellbeing, the safety of every single child.

**John PESUTTO:** I just want a simple answer, Minister.

**Lizzie BLANDTHORN:** Mr Rowswell, on the other hand, though, has written to me opposing the closure of the very services in which the alleged paedophile worked.

**John PESUTTO:** I am just not going to accept that as part of the question I am asking.

**Lizzie BLANDTHORN:** I can table the letter if you do not accept it, Mr Pesutto, because that is exactly what he has done.

**John PESUTTO:** We have been trying to ask simple questions, Minister.

**Lizzie BLANDTHORN:** Chair, can I table the letter?

**John PESUTTO:** Have you consulted with the sector?

**The CHAIR:** Excuse me, Deputy Chair. We will accept what the minister is proposing to table. Thank you. On behalf of the committee, we accept it. Did you have a question, Deputy Chair?

**John PESUTTO:** We have had plenty of questions, but we cannot seem to get straight answers. Let me cut through it all.

**The CHAIR:** It is very difficult when you keep asking and talking over the top of each other.

**John PESUTTO:** I am just trying to think of a question that will give you a fair opportunity to give this committee a simple yes or no answer, so here I go. Minister, you have been in the position now for some time. Can you assure this committee and can you assure the Victorian people that because of your work as minister kids in Victoria's childcare system are safer today than they were the day you started as minister – yes or no?

**The CHAIR:** Not every question is a yes or no, Deputy Chair, and you will soon realise that.

**Lizzie BLANDTHORN:** Chair, I am more than happy to take the question from Mr Pesutto.

**The CHAIR:** I am going to stop you there, Minister. We are going to go back to Ms Kathage.

**Lauren KATHAGE:** Thank you very much, Chair. Minister, can I say from the outset, thank you for putting child safety above profits. It means a lot to mums like me and all the young families that I represent. Hold the line, and hopefully long may it be that that is the case. But back to what we were saying before, keeping children safe needs a national effort. We were speaking before about national implementation and changes that are required. Can you update the committee on what has happened in that space?

**Lizzie BLANDTHORN:** Yes, thank you, Ms Kathage. Indeed, it allows me to take the previous question that Mr Pesutto was asking as well, because we did last year, in response to the tragic circumstances that came to light, call for the child safety review. We were very pleased that it was something that was welcomed by the Parliament more broadly, and indeed certainly by – I know – the Leader of the Opposition, who was committed to that as well. It was something that we all agreed, that we would implement all of the recommendations.

To take up Mr Pesutto's interjection from earlier in relation to the opposition supposedly wanting to go further, the only part of the recommendations that I think we did not all see eye to eye on was where we were seeking to really join up regulation to keep children safe wherever they were, whether it be in an early education setting, in a health setting or whether it be in a setting they play, and particularly in relation to children with disabilities in disability settings. We wanted to ensure that all of that information was joined up. There was an element of that work that could not proceed because it did not have the support of the majority of the Parliament. That was indeed a shame.

But I will come back to your original question, which was about why a national approach is necessary and important. The quality and safety of children's services in early education and care settings are indeed subject to national law, and that is national law hosted here in Victoria. It is national law that is agreed between the states and territories, and the regulation of early childhood services being governed by that national law necessitates that we did need a national approach. It was pleasing last year that our advocacy following the rapid review resulted in a significant number of legislative reforms that have now been embedded in the national law. A key example of that – and the most important one, in my view – was making the safety, rights and best interests of children the paramount consideration in national law, from the boardroom to the grassroots implementation of that in the education and care setting itself.

That is particularly important when we think about those ASX-listed companies or those funded by private equity that might now be considering exiting the market because it is no longer affordable or in their best

interest from the profits that they might be making when they have to put child safety first, to go to Mr Pesutto's questions earlier. I make no apologies for that, because it is something that has been long held, certainly in our child protection system and in other ways in children's services, that the best interests of the child must be paramount. That Victoria was able to put that on the national agenda and make it key that what has to come first is the safety, rights and best interests of children being the paramount consideration in national law was, I think, a really defining moment.

We are also creating a national early childhood worker register, which came into effect earlier this year. As members of the committee would well know, when the incidents occurred last year we set up a Victorian system of being able to record where workers worked. But we are really pleased that that national work sped up and that we now have the national register. We are introducing national mandatory child safety training, again for people at all levels of the organisation that is owning, delivering the education and care; tripling maximum penalties; strengthening offences, including introducing the new offence of inappropriate conduct; and providing broader powers to respond to individual misconduct by imposing supervision, suspension or mandatory training orders.

Work is also happening nationally that did not require legislation. The rapid child safety review also recommended national actions that did not need national legislative change, for example, but where Victorian advocacy also resulted in a number of actions, like the CCTV trial in early education and care services and a rapid assessment of child safeguarding practices by the national regulator ACECQA. Whilst I have said that national consistency is important, particularly in Victoria and New South Wales we have indeed even gone further, and that is largely due to the complexity of the Victorian and New South Wales sector. It is important to note that in the last decade – Secretary, correct me if I have got my stat here wrong – we have increased in the provision by 60 per cent. Ninety-four per cent of that has been the for-profit market, which, again to go back to Mr Pesutto's questions, really goes to that importance of making sure that the regulation is significant, that it is tight enough to withstand where the motivation may actually have been profit, not the safety and wellbeing of children. That is a really critical thing both here and in New South Wales and why in particular with those regulatory fees – which, as I said, we did do modelling on, and we know exactly how much it costs per child per week for those increased regulatory fees – we make no apology for that.

**Lauren KATHAGE:** Thank you, Minister. I will hand over to my colleague Mr Tak.

**Meng Heang TAK:** Thank you. Minister, I see a reference to the working with children check in budget paper 3, page 38. Can you please outline whether you have implemented the recommendations of the Ombudsman report titled *Investigation into a Former Youth Worker's Unauthorised Access to Private Information about Children*?

**Lizzie BLANDTHORN:** Yes, thank you. I also appreciate the opportunity to speak to these matters. We have indeed acquitted the Ombudsman's report recommendations, and indeed we have gone further. As I referred to before, we could have gone further again still had the rest of the Parliament supported us in that. But, as you would be aware, the Ombudsman's report recommended that the Victorian government make a series of amendments to strengthen the *Worker Screening Act 2020*. The Ombudsman recommended amendments to enable the worker screening authority, now the Social Services Regulator – and again, I would note that while the Social Services Regulator now has the responsibility for the working with children check, it was specifically listed on the opposition's list of parts of the public service to cut. But mind you –

**Jade BENHAM:** No, it wasn't.

**Lizzie BLANDTHORN:** It was certainly reported that way in the *Herald Sun*. It was certainly reported that way.

*Members interjecting.*

**Lizzie BLANDTHORN:** Well, it certainly was reported, and I stand to be corrected. I would be very pleased to hear that it is not going to be subject to cuts. It was certainly reported that it would be. It was specifically listed.

But to come back to Mr Tak's question, the Ombudsman recommended amendments to enable the worker screening authority, now the Social Services Regulator – which the opposition have confirmed are not going to

be subject to their cuts – to obtain and consider any information relevant to an applicant’s suitability to work with children, including unsubstantiated information; to refuse an application if the applicant poses an unjustifiable risk to the safety of children, including based on unsubstantiated information; to undertake an own-motion reassessment of a person’s suitability to hold a clearance, including based on unsubstantiated information; to suspend a person’s clearance where the authority reasonably suspects the person poses an unjustifiable risk to the safety of children pending determination of reassessment; and to revoke a person’s clearance following reassessment if the person poses an unjustifiable risk, including based on unsubstantiated information.

I am pleased to advise that this recommendation was acquitted by the reforms passed by the Parliament in December 2025, which enable the regulator to consider child safety risk information in the working with children check decision-making, and this is information below the level of a charge, such as unsubstantiated allegations and police intelligence; issue an interim bar to prevent an applicant working with children while their application is assessed and determined, including based on child safety risk information; and suspend an existing working with children check clearance pending determination of a reassessment, including based on child safety risk information.

But we did, Mr Tak, recognise the need to go further than just the recommendation in the Ombudsman’s report. And that is why, in line with the recommendations from the rapid child safety review, we went further in the legislation that passed the Parliament, by requiring all working with children check applicants to undergo child safety training and testing as part of the application process; requiring organisations to verify when they have engaged a working with children clearance holder, to ensure the status of a person’s working with children check can be monitored when people move between roles and employment; and replacing VCAT appeal rights with a dedicated internal review process, undertaken by decision-makers who are trained to understand child safety risk.

**Meng Heang TAK:** Thank you, Minister.

**Lizzie BLANDTHORN:** Thank you.

**The CHAIR:** I will go to Mr Puglielli.

**Aiv PUGLIELLI:** Thank you, Chair. And good afternoon, Minister and officials. Just back onto the service fees for early childhood education services, just to clarify something, can I get a confirmation, because those funds are going to resource the regulator – correct?

**Lizzie BLANDTHORN:** Yes.

**Aiv PUGLIELLI:** Do 100 per cent of those fees go to VECRA?

**Lizzie BLANDTHORN:** That is absolutely the intention. So education ministers, formally through the education ministers meeting, made the determination around fee increases and that they should be increased and that the money should go directly back to the regulator. In different states and territories, the process and financial management Acts et cetera and equivalents thereof set up different processes for that. But it is absolutely the intention, I can assure the committee, that they go back to the regulator.

**Aiv PUGLIELLI:** Okay. And over the forwards, that is what we are going to see: 100 per cent of those funds going through to VECRA?

**Lizzie BLANDTHORN:** That is the intention, yes.

**Aiv PUGLIELLI:** Thank you. I will move on. Looking at ‘Output initiatives’, budget paper 3, page 37, the line item ‘Delivering child protection and care services’, the increase on the budget line for 2026–27 is \$273.1 million for next year and then \$1.8 million and \$0.7 million for the following years. Can you confirm what that increase is for?

**Lizzie BLANDTHORN:** The increase is for the new initiatives. If you would bear with me, we will just get that specifically for you. Thank you. So 2026–27 continues, obviously, the funding to enable the department to meet the immediate short-term placement needs of children and young people who cannot be supported in a standard care arrangement. This funding ensures the system is equipped to quickly and effectively respond to

the needs of all children placed in care. It includes the non-standard funding – and I am trying to be helpful here: am I going to what you are after? –

**Aiv PUGLIELLI:** Yes.

**Lizzie BLANDTHORN:** to deliver additional supports to children and young people with higher support needs. The measure also includes the delivery of the fire safety upgrades in approximately 50 properties in homes supporting children with complex disability support needs and the continued delivery of obligations under the family violence national framework to respond to information-sharing requests from the Federal Circuit and Family Court. It also includes money to manage civil claims and the VMIA contribution and so forth.

**Aiv PUGLIELLI:** Okay. Because my follow-up question was whether any of that relates to managing and settling compensation claims relating to abuse –

**Lizzie BLANDTHORN:** Some of it does, yes.

**Aiv PUGLIELLI:** suffered by children while in the care of the state.

**Lizzie BLANDTHORN:** Yes.

**Aiv PUGLIELLI:** Can I ask what proportion is for that purpose, those types of claims being settled?

**Lizzie BLANDTHORN:** We do not have that breakdown with us, but we can come back to you with some information if that suits.

**Aiv PUGLIELLI:** That would be much appreciated. Thank you. I will move on to another matter. Has Kids Helpline ever made a budget bid for Victorian funding?

**Lizzie BLANDTHORN:** Not directly to me, but that would be a matter for the Minister for Mental Health.

**Aiv PUGLIELLI:** Oh, right. Okay. I appreciate it. Thank you. I might move forward.

**Lizzie BLANDTHORN:** Not directly to me that I am aware of, I should say –

**Aiv PUGLIELLI:** That you are aware of. Okay.

**Lizzie BLANDTHORN:** in case there is something in the background –

**Aiv PUGLIELLI:** If it turns out that it is the case, you are welcome to come back to us.

**Lizzie BLANDTHORN:** that I do not know about. But yes, but it would be a matter for the Minister for Mental Health.

**Aiv PUGLIELLI:** How about Djirra?

**Lizzie BLANDTHORN:** Again, not directly that I am aware of. I might ask the Secretary to supplement.

**Peta McCAMMON:** The majority of Djirra's funding from the department would go through the family violence output.

**Aiv PUGLIELLI:** If I was to ask questions around Aboriginal-led child notification and referral systems, would that come through you in your portfolio?

**Lizzie BLANDTHORN:** That would come through us, yes.

**Aiv PUGLIELLI:** Is that something that you are advocating for or supporting? Where is that up to?

**Lizzie BLANDTHORN:** We have done significant work particularly in partnership with the Aboriginal Children's Forum and indeed with individual Aboriginal community controlled organisations insofar as it relates to Aboriginal children and their interactions with the child protection system. You would note in my presentation that it refers to the information in relation to things like our protecting boorais program, which is

about authorising Aboriginal organisations to not only case manage like they do in the Aboriginal Children in Aboriginal Care program but to investigate child protection notifications as well, as delegated by the Secretary. The Yoorrook Justice Commission obviously also heard evidence in relation to, in particular, unborn reports. There is some work that is happening in a number of Aboriginal community controlled organisations particularly with families who might otherwise be subject to unborn or who are subject to unborn reports as well, and there is funding across those initiatives too.

**Aiv PUGLIELLI:** Are you aware of, when I mentioned Djirra earlier, their work in this space? Is that something that the government have looked at funding potentially over the forward estimates?

**Lizzie BLANDTHORN:** We are certainly aware of their work, and the Yoorrook Justice Commission made recommendations in relation to further work that they could also be involved in. Those things remain under active consideration, as do a number of the Yoorrook justice recommendations. Secretary, I am not sure if you want to supplement that at all?

**Peta McCAMMON:** I will just add to the minister's response in relation to the working group that is established within the department which is looking at the Yoorrook justice recommendations, particularly recommendations 11 and 12, and as the minister said, particularly around unborn notifications, which obviously Djirra have a particular interest in, to make sure that the women who are subject to an unborn notification get access to legal representation. We are working through with ACCOs and Djirra and also VALS about what a potential pilot might look like where that unborn notification goes to an ACCO and the ACCO can then refer that into Djirra. That is something that we are actively working with Djirra on at the moment.

**Aiv PUGLIELLI:** Do you anticipate any announcements in that space in the coming estimates years?

**Lizzie BLANDTHORN:** We would not foreshadow any announcements here.

**Aiv PUGLIELLI:** I thought I would try anyway.

**Lizzie BLANDTHORN:** As the Secretary referred to, there is at the departmental level a working group set up. We of course remain very interested in working with those organisations that work with Aboriginal women and families and children in particular to make sure that we are providing the supports that they need. Certainly if you look at the last four years from our initial \$140 million investment in uplifting Aboriginal-led service delivery through to the continued investment over the previous years, we are absolutely committed indeed, through our Wungurilwil Gapgapduir partnership with the Aboriginal organisations and also the community service organisations that often work with Aboriginal families, to how we can uplift all of those services and support all of those organisations from the children and family services on the ground to legal representation.

**Aiv PUGLIELLI:** Thank you. I might move back to the topic I started on: budget paper 3, page 13, funding for VECRA. Can I get an assessment even just from the department, if that is useful, of the status of the small not-for-profit sector over the forward estimates? For example, are we seeing more entrants coming into the market? Are we seeing more centres opening in that space? What is the current state of play?

**Lizzie BLANDTHORN:** As I referred to in my previous answer, it is a market that has changed rapidly in the last decade, certainly in the last 20 years, and gone from being a predominantly not-for-profit council- and community-based sector to one that has, as I said, grown 60 per cent, and 94 per cent of that has been the rise of the for-profit market. Certainly when you visit particularly growth areas of Melbourne, you can see the rise of the for-profit market in those places. Jay Weatherill and Pam White made comment on this in the child safety review. It goes back to the decline of the accreditation system under the Howard government and the work that had been prior in setting that up to really a free market system of early education and care over the last decade.

I had a really positive conversation with Minister Clare from the Commonwealth in the week of their budget, and around their budget announcements they made an announcement about this. This again speaks to our advocacy through the child safety review, where our recommendation was for a time-limited national commission – and obviously the Productivity Commission has also called for a commission – that looks at stewardship of the market and really does that detailed analysis of and thinking about what the national early education and care market looks like. What Minister Clare announced in the week of their budget is that that work will happen and that there will be the opportunity for there to be some type of commission. This is on the agenda of our next early education ministers meeting – what that looks like and how we can better provide that

stewardship for a market that has really lacked that stewardship over the last decade, which has given rise to the for-profit sector, and indeed it has been in the for-profit sector that we have seen so many of these tragic circumstances.

**Aiv PUGLIELLI:** Then in the current context, where we are seeing some of these large for-profit providers close, there is that risk of a desert being created from those services leaving. What is the government's response in that next phase?

**Lizzie BLANDTHORN:** That will be an important question for the work of that commission. We have been clocked out, but I am more than happy to continue the conversation with you, Aiv, offline.

**Aiv PUGLIELLI:** Thank you.

**The CHAIR:** Thank you. We will go to Mr Hilakari.

**Mathew HILAKARI:** Thank you, Minister and officials, for your attendance this afternoon. Minister, I am hoping to talk to you about the 'Strong Families, Safe Children: Restoring Families' line item in budget paper 3, page 38. It goes to the family preservation and reunification response program. I am hoping you can outline to the committee what some of that initiative contains and what we hope it delivers.

**Lizzie BLANDTHORN:** Yes. Thank you, Mr Hilakari, for the question. This is a really exciting part of this budget, and I would hope that everyone here agrees with that, because the family preservation and reunification response, which we commonly refer to as 'the response', plays a really critical role in supporting families and getting families the supports and services they need early on and really in a way that we hope prevents their need to journey further and deeper into the more intensive range of supports or the statutory end of child protection. Our government continues to back the evidence-based approach to supporting families, and the state budget continues to invest in and boost funding for these programs. Funding for the response is a key component of the \$164.7 million over two years which I referred to in my opening presentation, and it allows for support for over 1900 families per year, most of which will benefit from the intensive supports as part of the response. It will mean that the response can be expanded to a further 120 families each year.

The response was first funded by our government in 2021, and it is an innovative approach to providing children and families with the right support when and where they need it and with the right team of people around them. Practically, it means that one practitioner can work intensively with a family for generally up to six months – sometimes more, if that is needed. The practitioner visits with the family up to three times a week to get to know them, to provide flexible support and to meet whatever their particular individual needs are. They work in a really collaborative and coordinated way with child protection and other support services. Families initially receive rapid and intensive support. It is flexible, but it is rapid and intensive, and that is followed by more sustained support and transitions to other services as they might be needed.

The key objectives really are about building the capacity of parents, carers and the community to keep children safe and together. Family preservation is about creating safety at home and preventing removal of children and placement of children in care. Family reunification is really how we can safely and rapidly get families back together. Funded community service organisations and Aboriginal community controlled organisations, to go to Mr Puglielli's question earlier, also are involved in delivering this response, and it is in partnership with child protection right across the state. There is an Aboriginal-specific response, which is also offered across the state. In working with Aboriginal families and communities, ACCOs promote culturally safe and inclusive services which can support cultural healing and acknowledge the unique needs of Aboriginal children and their families.

There is broad sector support for the program across the children and family services sector. It is overwhelmingly received as a really positive thing, and Anne McLeish, who is the director of Kinship Carers Victoria, said to me recently that the work that the government and the department has been doing over the past few years to support reunification will give rise to worthy outcomes for children and families. As well as being for kinship carers, it has a role in grandparents organisations as well, and it is certainly a program that is supported by those, I guess, villages around children and families who have disruption in their lives.

Through our providers we also hear the voices of people who have been supported by the response, and just a couple of quotes that I think, again, really share how powerful this program is. One client shared that:

The response gave me the confidence and courage to tackle what lies ahead.

It is really that support that gives people the foundation to then be able to go on and deal with those other issues. Another said:

The ways in which I have been supported are beyond what I could have ever thought possible. My family practitioner was just absolutely outstanding.

Again, this speaks to the amazing work of our workers in child protection and family services. It is really difficult work, but amazing people are doing it day in, day out. The same person went on to say:

The assistance I received during my most stressful times of homelessness, my pregnancy, my recovery through my addiction, moving into my new property, referral services, and with baby needs and advice – I will be forever grateful.

This is a program that really makes a fundamental difference in people's lives. As I said, the workforce is amazing. I just again want to take this opportunity to thank them for the work that they so carefully and diligently do in really difficult and complex situations, with each one of them being as unique as the other.

**Mathew HILAKARI:** And it does not just affect the individuals' lives and their families' lives, it goes on to have really beneficial effects for the whole of the community. One of the things that really piqued my interest in this area was supporting children at risk of engagement with the justice system, and you mentioned a few moments ago being safe at home. Young people engaged in the justice system are so often not safe in their own homes, so I am really glad to hear about the work with the family. I am just hoping you could speak to this element of the program.

**Lizzie BLANDTHORN:** Thank you, Mr Hilakari. It goes to some questions I was trying to answer earlier for Mr Riordan as well. So many of the children and young people who come to our attention for protection and care do show harmful behaviours. They are victims of trauma by virtue of coming into interaction with our system alone, and they do need help at times to turn their lives around and to keep them from those interactions with our youth justice system. That is why we are really using these programs to deliver rehabilitative support services to prevent further offending. To continue the work we started in October last year there is \$10.5 million in this budget to continue these supports for a further two years. This is really critical. Again, I want to stress that correlation is not causation: most children and young people in child protection or known to child protection do not offend. And as I said in my answer to Mr Riordan earlier, the number of children who have a child protection notification as well as a youth justice interaction is actually the lowest in Victoria compared to anywhere else in the country, according to the AIHW. But for the context for the committee when discussing these issues, I really want to emphasise that point.

Young people engaged with child protection and the youth justice system – it is a small cohort. Most young people in care services or engaged with child protection do not offend. The data shows that. We also know that for many young people who are engaged in antisocial behaviour, there are multiple unmet needs that have existed over their lifetimes, so we are intervening earlier to address these needs, to disrupt harmful behaviour and to build protective factors in children and young people's lives before they transition into adolescence.

We have developed a service model to meet the needs particularly of the cohort of children aged 10 to 11 years. This model was informed by the work of the independent review panel, which I think I spoke about at these hearings last year, which was asked to provide advice to government. That committee was chaired by Patricia Faulkner, and the panel considered research and evidence and spoke to key stakeholders across community services and across youth justice, and their guidance informed the development of the model that we are using today. Again, I know I did this last year – I am fairly sure I did – but I want to thank the panel particularly for their work and their guidance. Key to the model is the provision of intensive wraparound supports for a child and their family. It connects children back into education, into their community and into their culture. Services are tailored to the unique needs of the child and family and can include intensive family supports, behavioural change support for the child, specialised disability and mental health support. Importantly, children and families are supported both individually but also as a family group. As you acknowledged in your comments, Mr Hilakari, it is not just the child, it is not just the family who are impacted, but the community as a whole and it is really critical that that reach is broad.

The model also includes culturally safe and appropriate responses for Aboriginal children, and these responses and supports for children from over-represented cohorts will continue to be strengthened over time. While the model is in its pilot stage, there are already positive signs of the change being made in the lives of children and young people, and we will continue to offer this support to those families.

**The CHAIR:** Thank you, Minister. Thank you, Mr Hilakari. Minister and officials, thank you for appearing before the committee today. The committee will follow up on any questions taken on notice in writing, and responses are required within five working days of the committee's request.

Some of the issues discussed at today's hearing may have been difficult or distressing for those present or watching online. A range of free support services are available for those who need them. If you believe a crime has been committed, you should always report this to Victoria Police. For emergencies or urgent assistance, please call 000. For other inquiries, including non-urgent criminal matters, please call the Police Assistance Line at 13 14 44. If you believe a child is at risk and needs immediate protection, you can contact the Child Protection Crisis Line on 13 12 78. This service is available 24 hours a day, seven days a week, and is toll free.

If your family or someone you know requires additional support, the Orange Door can also help you and your family by providing support for concerns with parenting, relationships and family violence. You can contact your Orange Door for assistance and information on services in your local area, and you can look for those local services at the Orange Door's website at [www.orangedoor.vic.gov.au](http://www.orangedoor.vic.gov.au).

You can also contact Lifeline on 13 11 14. You can access 24-hour counselling and online support by contacting Beyondblue at 1300 22 4636. If you are a child or young person aged five to 25 years and you need support, you can contact Kids Helpline at 1800 55 1800.

Redress for historical institutional abuse is also available for people who experienced physical, emotional and psychological abuse and neglect as children in institutional settings in Victoria before 1990. You can contact the Redress team by phoning 1800 716 870, Monday to Friday between 9 am and 5 pm.

The committee will take a break before beginning its consideration for the portfolio of disability at 3.15 pm. I declare this hearing adjourned.

**Witnesses withdrew.**