

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into the 2025-26 Budget Estimates

Melbourne – Thursday 5 June 2025

MEMBERS

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Jade Benham

Michael Galea

Mathew Hilakari

Lauren Kathage

Aiv Puglielli

Meng Heang Tak

Richard Welch

WITNESSES

Natalie Hutchins MP, Minister for Treaty and First Peoples; and

Terry Garwood, Deputy Secretary, First Peoples–State Relations, Department of Premier and Cabinet.

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

I ask that mobile telephones please be turned to silent.

I begin by acknowledging the traditional Aboriginal owners of the land on which we are meeting, the lands of the Wurundjeri people. We pay our respects to them, their elders past, present and emerging, as well as elders from other communities who may be here with us today.

On behalf of the Parliament the committee is conducting this Inquiry into the 2025–26 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, any comments repeated outside of this hearing may not be protected by this privilege.

All evidence given today is being recorded by Hansard and is broadcast live on the Parliament's website. This broadcast includes automated captioning. Members and witnesses should be aware that all microphones are live during hearings and anything said may be picked up and captioned, even if said quietly.

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

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

I welcome the Minister for Treaty and First Peoples, the Honourable Natalie Hutchins, as well as Mr Garwood from Premier and Cabinet. Minister, I am going to invite you to make an opening statement or presentation of no more than 5 minutes, after which time the committee will ask you questions. Your time starts now.

Natalie HUTCHINS: Thank you, Chair, and thank you, committee, for having me here today to talk on the Treaty and First Peoples portfolio. I would like to commence by acknowledging the traditional owners of the land on which we are all meeting, the Wurundjeri people, and pay respects to their elders past, present and emerging. I particularly acknowledge the Aboriginal people in the room and online today.

Visual presentation.

Natalie HUTCHINS: I just want to point out the image that is on the screen up there before we flick, and that is the Munarra centre, which is in Shepparton. It is the first of its kind in terms of a self-determined education and jobs placement centre managed and run by Aboriginal people there, so a pretty special place.

The Allan Labor government is continuing to invest in supporting First Peoples, building on a significant investment in previous years. This includes Closing the Gap and funding to support organisations and the two trusts delivering services to First Peoples to support traditional owners in their operations and negotiations with the state, to celebrate First Peoples culture through events and programs and also to invest in infrastructure so organisations can service in a self-determined way.

We will continue to celebrate First Peoples work and culture towards closing gaps. We are investing \$13.4 million in this year's budget to support the Victorian government's formal Closing the Gap implementation partner Ngaweeyan Maar-oo to include funding for the Koorie Caucus secretariat and policy development and sector-strengthening activities. There is \$3.8 million to also provide support organisations and run our events. There are also investments in the Koorie Heritage Trust, which is funded to deliver services for stolen generations, and the Koorie Youth Council, to support First Nations young people. I recently got to visit the trust, and they are doing absolutely amazing work there. We will continue the program of First Nations

cultural events and awards, including the Victorian Aboriginal Honour Roll, the Victorian Aboriginal Remembrance Service and NAIDOC Week events, which are around the corner. We will continue to support traditional owner corporations through this year's budget, with \$1 million to continue funding for traditional owner corporations to engage on a more equal basis with the state in negotiations under the *Traditional Owner Settlement Act 2010*, which operates as an alternative to native title, and \$1.6 million to support the Wamba Wamba Aboriginal Corporation, which was appointed as a registered Aboriginal party by the Victorian heritage council in the middle of last year.

We are continuing to support First Nations organisations to deliver critical services to communities across Victoria, with \$5.4 million to continue the Aboriginal community infrastructure program, known as ACIP, to address critical First Nations community infrastructure needs and continue the first mortgage removal program and removal of Victorian government encumbrances on programs owned by First Nations organisations. There is also \$2.7 million to enable Lake Tyers and Framlingham trust communities to carry out their day-to-day operations, provide services to residents and support social and economic wellbeing. That is outlined under the *Aboriginal Lands Act*, and you can see some of the upgrades that have happened at ACCHOs across the state in terms of the ACIP funding there.

We have continued to deliver significant work in 2024–25 on truth and treaty. Our key achievements include the statewide treaty negotiations with the First Peoples' Assembly commencing in November 2024, and we had a wonderful ceremony to begin that at the Darebin Parklands on Wurundjeri country. The Victorian government and First Peoples' Assembly have issued joint statements from the negotiating table to keep Victorians informed. This includes updates in January and March this year to outline the subject matter that is being negotiated during the treaty negotiations. We have been implementing the accountability mechanism and working on that under the *National Agreement on Closing the Gap*.

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

Jade BENHAM: Thank you, Chair. Morning. Also, when we are talking about the Aboriginal community infrastructure fund, Murray Valley Aboriginal Co-op really need an upgrade. I will just get that on the record. Thank you.

First of all, Minister, referring to budget paper 3, page 168, why is the funding for traditional owner engagement and cultural heritage management being cut almost in half? In 2024–25, \$69.3 million; 2025–26, \$35.7 million.

Terry GARWOOD: I have not got that page. Sorry, Ms Benham. If you are looking at the department output summary, page 121 of the DPS, you can see the traditional owner engagement and cultural heritage management programs. You are right to identify that figure has moved from \$70 million in 2024–25, and in the budget is \$35.7 million. The reason for that – and I think it might be noted down the bottom in the explanatory notes, but I can just speak to it more generally – is there was a specific allocation of funds that were provided to the Wotjobaluk people through Barengi Gadjin. That was a specific allocation for that year under the recognition and settlement agreement that we signed with them. So there was a specific allocation and that was for that particular year, and that means that it did not continue for the next year so our funding went down as a result of that.

Jade BENHAM: Was that for specific cultural heritage management plans or investigations or reviews?

Terry GARWOOD: No, it is more generally under the *Traditional Owner Settlement Act*. If you look at this here, it talks about traditional engagement and cultural heritage management programs, so it is more in the traditional owner engagement space. Under the *Traditional Owner Settlement Act* we have got four recognition and settlement agreements as an alternative to pursuing the native title through the Federal Court and the Commonwealth process, and that was a specific allocation that went to Barengi Gadjin/Wotjobaluk and the various tribes.

Jade BENHAM: Okay. So that is winding up.

Terry GARWOOD: It is not winding up; it was a one-off payment.

Jade BENHAM: It was a one-off. Right. Okay. But that continues on with no additional funding? That now continues –

Terry GARWOOD: A settlement amount was provided to them.

Jade BENHAM: It was a settlement amount.

Terry GARWOOD: It was a settlement amount that was provided to them under the recognition and settlement agreement that we have with them.

Jade BENHAM: Okay. Thank you. There have been many recognised Aboriginal parties that have said that they are under-resourced and struggle to complete cultural heritage surveys in prescribed timeframes. Is there any consideration to how that might be alleviated with the funding that has been allocated?

Natalie HUTCHINS: Certainly we hear the challenges that some of our traditional owner corporations are having with staffing levels, and that is a huge challenge in any sector at the moment, but it is a challenge there. One of the things that we have committed to in our funding is to stepping up the number of people that are able to go through our cert IV training in being a cultural heritage manager, which is something that we want to see more qualifications in so that our traditional owners can engage their own people to fill those roles, and that has been a bit of a shortfall in the past in terms of that skilled labour. That is something we have committed to more positions out of this budget to funding, but certainly we recognise that it is not just our traditional owner groups that are struggling with this. We have heard it from our ACCHOs, and all organisations are struggling with attracting labour in to stay, and that is something that as a government across different portfolios we are trying to work on.

Jade BENHAM: How many additional cultural heritage managers will be required to be able to streamline this process, and is there a budget allocation for that?

Terry GARWOOD: Each of the registered Aboriginal parties – of which there are now 12 across the state, and that covers about 75 per cent of the state through RAPs; the rest of state is the responsibility of my department, because there has not been agreement about who should be the registered Aboriginal party for those areas – are funded around about \$800,000 thereabouts –

Jade BENHAM: For all of their staff?

Terry GARWOOD: Yes, for all of their staff and their operating costs. They also receive funds from the Department of Energy, Environment and Climate Action and generate their own level of revenue et cetera as well. They have got a level of capacity internally, but it is a challenge. The most significant challenge is in particular in Melbourne, where probably 60 per cent of the CHMPs are actually required, obviously because of the amount of development that is here. We work very closely, in the case of Melbourne, with Wurundjeri and the Bunurong, and the Wadawurrung people in terms of Geelong, just trying to make sure we support and assist them in every way possible. We have provided additional resources from time to time when that is required, but the demands do fluctuate a bit. But broadly speaking the system is working well, but it is challenged by the amount of development that is occurring, and as the minister indicated, we will look to try and provide some additional support whenever we possibly can, including trying to increase the number of trained Aboriginal heritage advisers, so that you have got people that are skilled with the resources to carry out the task. It is a challenge for us, but in the *Aboriginal Heritage Act 2006* it is actually a joint responsibility of registered Aboriginal parties and the government. We work together to deliver that system and protection.

Jade BENHAM: If the government is funding the RAPs to about \$800K each, and there are still sometimes really exorbitant charges for cultural heritage management plans being charged, is that revenue raising or is that to help supplement? Why are there charges? Is there a framework for what kinds of charges can be laid on these plans?

Terry GARWOOD: Yes. If you look on the department's website, you will see a whole lot of guidance material that is provided both to private industry and to RAPs giving guidance about prices and giving guidance about the timeframes.

Jade BENHAM: It is just guidance, though, isn't it?

Terry GARWOOD: It is guidance.

Jade BENHAM: At the end of the day, the RAPs can charge – or the cultural heritage management –

Terry GARWOOD: It is guidance, yes, but I have to say it is a competitive market that is out there.

Jade BENHAM: So the money that is charged to developers or anyone needing a CHMP, where does that money then go – straight back to the RAPs?

Terry GARWOOD: It goes to the RAPs, yes, where they charge.

Jade BENHAM: Okay, and they then – for operating costs or to distribute –

Terry GARWOOD: To employ more people, that kind of thing, yes.

Jade BENHAM: Okay. Is the Allan government still committed to completing a cultural heritage review?

Natalie HUTCHINS: Yes. There has been a lot of work done with traditional owners and councils and the recommendations that have come out of that, and we are working with them to implement that.

The CHAIR: Thank you, Minister, I will go to Mr Hilakari.

Mathew HILAKARI: Thank you, Minister. Thank you, Mr Garwood. I really appreciate you being here this morning. I am just hoping in the first instance that you could update us on the treaty process and where it is up to, and of course I refer to your presentation.

Natalie HUTCHINS: Thanks for the question. Treaty is a negotiated agreement, obviously, between two parties. We have not seen anything like this in Australia before, but we are one of the few nations that do not have something like this. Would we have preferred to have done this on a Commonwealth level? Yes, we would have, but that was not an option eight years ago when we started this process. We have gone down the track of taking the opportunity to make Victoria a better place in its relations with First Nations people, and that has really included a big investment in both truth-telling and treaty. The state's First Peoples' Assembly has had now two iterations of independent elections. It is in its second term. The state and the First Peoples' Assembly began treaty negotiations on 21 November last year, obviously at the start with a pretty amazing ceremony. Since then we have been able to agree on protocols we will follow in negotiations – that is very important as well – and on the topics that we will focus on or have been focused on, and we have been releasing information via public statements since we started that process.

In terms of the treaty itself, the principles and objectives for a statewide treaty have been agreed. The legal recognition and the effects of a statewide treaty are being looked at. Dispute resolution under the treaty has been determined and processes for negotiating future iterations of statewide treaties are also part of the plan. The creation of an ongoing First Peoples representative body is one of the key focuses coming out of negotiations. Evolving the current First Peoples' Assembly into an ongoing representative body is a priority that has been put to us by the First Peoples representatives, and governance and oversight of a representative body has been very much at the forefront of our discussions. The role of a representative body in decision-making in relation to Victorian government programs and also services to First Nations people has been a big focus, with a particular focus on Closing the Gap targets as part of that, and interaction between a representative body and the Victorian Parliament and government is ongoing as well. We want to see improved accountability on both sides, but particularly from government, on the mechanisms of accountability that we put in place as we go on around closing the gap and how we can continue to do that really important work.

We are also continuing to implement the findings of Yoorrook, and we are yet to receive the handing down of the final report from them. We have negotiated in regional settings as well as here in Melbourne, because we think it is really important to make sure that we honour some of those places where colonialism started and we acknowledge and honour the individuals lives that were lost during that time and really return with renewed hope for a better future through the treaty. The negotiations followed nearly a decade of preparation work, legislation through this place and also, I guess most importantly, that process of truth-telling that has been underpinned. Treaty will achieve, we think, really practical changes in the first iteration of having a statewide treaty.

Mathew HILAKARI: And I am hoping that was a photo of you on the Yoorrook walk for justice at the end of your presentation, maybe, or at least it is mentioned in your presentation that that will be handed down by the middle of this year, which is fantastic.

Natalie HUTCHINS: No, that was actually a photo at a place called Convincing Ground at Portland where we did –

Mathew HILAKARI: So it was Portland, at least.

Natalie HUTCHINS: Yes, and it was part of the negotiations day down there. But I acknowledge the great work that has been done by commissioner Travis Lovett, who is walking –

Mathew HILAKARI: Right now.

Natalie HUTCHINS: the pathway from Portland to Melbourne.

Lauren KATHAGE: Is he?

Natalie HUTCHINS: Yes.

Mathew HILAKARI: It is amazing. I think it is going to travel from Werribee to Footscray on one of the trips, and I look forward to joining him. I want to take us to your presentation and budget paper 3, page 3 as well, related to the Aboriginal community infrastructure program. There is \$5.4 million allocated. I am just hoping you could talk through some of the work that has been done for communities through this program.

Natalie HUTCHINS: Thanks. This is a program I am really proud of. And as you can see in the slides that I referred to earlier, the Munarra centre was one of those that received some funding through that, but also projects that have really been able to deliver some of the best outcomes this state has seen in closing the gap, whether that be in health or education. We cannot underestimate the power of a good location for people to work in and visit and how powerful that can be in delivering a good service. I was blown away by the design of that Munarra centre at the Shepparton campus and the fact that it was not only delivered by an Aboriginal builder, but designed as well. So that was a pretty important part of its development. But it has put a flag in the ground for future economic growth and prosperity for First Nations people in the Shepparton region.

The ACIP grants have really been about delivering self-determination infrastructure that can advance social and cultural needs of community. Since 2018 the program has delivered around \$50 million worth of enhancements to improve the lives of Aboriginal Victorians through uplifts and upgrades of facilities. In August last year I visited the Aboriginal community elders centre in East Brunswick to announce the 22 recipients for the 7th round. That is a facility that was probably built in the 80s, would you say, and is in desperate need of some very simple upgrades, particularly pathways and accessibility for the elderly there, but delivers the most fantastic outcomes for the aged care of Aboriginal residents.

I also earlier this year visited the Winda-Mara Aboriginal Corporation in Heywood, where a \$1.5 million grant was provided by ACIP for a brand new integrated health service and clinic in the heart of town – the most amazing facility in that it is not just delivering general practice but is also a real hub for community to come together and an outpost for family violence survivors to be able to get information and resources and support. There are also specialists located there around mental health and wellbeing as well as some other essential health services like optometry and a whole range of things. There is nothing like having embedded community resources like that one, so I think this program is making a difference to Aboriginal communities and lives.

Mathew HILAKARI: It sounds like a great program. I am glad this government is supporting it. I just wanted to take you to removal of first mortgages. If you could just talk us through how many have been removed under the program, and a little bit more about the program itself?

Natalie HUTCHINS: I am not sure if members of the committee are aware, but government has held the first mortgage over so many of the Aboriginal organisations' properties across the state for a long time. What that means in practice is those organisations cannot get an upgrade, because they do not hold the mortgage. They cannot sell the property, and they cannot refinance the property to do the upgrade. Basically they have been caught in a cycle for many, many years, so the government's first mortgage removal program is about saying that we will transfer that first mortgage over the property back to the organisation for it to have the

autonomy to grow and plan going forward. Where we have done this we have seen some incredible outcomes. The program enables First Nations organisations to meet the social determinants that are required for their organisation, whether that is the need for housing or education or improved ability for the organisation to respond to changing demands. Since 2017, 42 first mortgages held by the state, particularly by the minister for Aboriginal affairs, over the properties have now been removed and collectively relinquished almost \$15 million in financial interest, and in 2023–24 four mortgages held by me were removed from properties owned by First Nations organisations.

The CHAIR: Thank you, Minister. We will go to Mr Puglielli.

Aiv PUGLIELLI: Thank you, Chair. Good morning. I am just looking at budget paper 3, page 171 – the department outputs. A key reform recommendation from the *Yoorrook for Justice* report, 1(d), was:

... to begin and diligently progress the establishment of a dedicated child protection system for First Peoples children and young people ...

We understand the government was consulting with groups like the Victorian Aboriginal Legal Service, Djirra and others about this reform, including around issues of permanent removals of children. Can I ask, Minister, are those discussions ongoing, and where is this recommendation up to?

Natalie HUTCHINS: Thank you for the question. Yes, work is continuing to be done in regard to that first round of justice recommendations that Yoorrook have handed down, and that will continue to happen concurrently with the second lot of recommendations that we anticipate will be coming forward in the coming weeks. I guess the initial response that we had to the recommendations that were passed down in the justice space really looked at categorising those recommendations into ‘accepted’ or ‘to be implemented’ – I think there were a number where it was indicated that they could not be. But certainly working in the justice space is something that I will continue to do, and I am working closely with the Attorney-General around those. I do not know if there is any other specific work you wanted to mention.

Terry GARWOOD: Mr Puglielli, I will just say that we remain concerned about the number of Aboriginal children in out-of-home care. The results are not what we want for Victoria and for those families in particular. It is an area of focus both for my department and the Department of Families, Fairness and Housing as well and our partners in the Victorian Aboriginal childcare agency and other community-based organisations. We are absolutely committed to coming to address those figures. They are frankly appalling, and we need to come to grips with them and we are. There has been significant investment through the child protection system and through the minister in that space, and you can expect to see continuing action in that area.

Aiv PUGLIELLI: Thank you. Just to follow on from Mr Hilakari’s question earlier, should Victorians expect to see a statewide treaty by the end of the 2025–26 financial year?

Natalie HUTCHINS: I would like to say yes.

Aiv PUGLIELLI: Great. Thanks.

The CHAIR: Thank you, Minister – right on time. Minister and Mr Garwood, thank you very much for taking the time to appear before the committee today. The committee will follow up any questions taken on notice in writing, and responses are required within five working days of the committee’s request.

The committee is going to take a short break before beginning its consideration of the portfolio for prevention of family violence at 10:20 am. I declare this hearing adjourned.

Witnesses withdrew.