

# **PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE**

## **Inquiry into the 2024–25 Budget Estimates**

Melbourne – Tuesday 21 May 2024

### **MEMBERS**

Sarah Connolly – Chair

Nicholas McGowan – Deputy Chair

Michael Galea

Mathew Hilakari

Lauren Kathage

Bev McArthur

Danny O’Brien

Aiv Puglielli

Meng Heang Tak

**WITNESSES**

Vicki Ward MP, Minister for Employment; and

Tim Ada, Secretary,

Lill Healy, Deputy Secretary, Skills and Employment,

Julian Lyngcoln, Deputy Secretary, Economic Policy, Projects and Coordination, and

Laura Trengove, Executive Director, Employment, Department of Jobs, Skills, Industry and Regions.

**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 2024–25 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 made 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 this afternoon 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 Employment the Honourable Vicki Ward as well as officials from DJSIR. Minister, I am going to invite you to make an opening statement or presentation of no more than 5 minutes, and this will be followed by questions from the committee. Your time starts now.

**Vicki WARD:** Thank you. Thank you, Chair, and thank you, committee, for the opportunity to present on the employment portfolio. I would also like to begin by acknowledging the Wurundjeri, the traditional custodians on whose land we are gathered today, and I pay my respects to elders past and present.

**Visual presentation.**

**Vicki WARD:** Now, the labour market has had another year of strong performance. Employment has grown by 3.3 per cent over the past year, with over 117,500 Victorians securing employment. The unemployment rate is low at 4.2 per cent, and Victoria's labour force participation rate remains high at 67.3 per cent, reflecting jobseekers' confidence. Many Victorians have benefited from our strong labour market, with unemployment historically low for women. The proportion of women in work in the last 10 years has been 57.2 per cent on average, and it is now 60.3 per cent.

Since 2016 Jobs Victoria has placed more than 71,000 people into a job, including 60,000 since mid 2020. The Jobs Victoria mentor service is currently supporting more than 4000 people experiencing long-term unemployment. Jobs Victoria mentors provide work readiness supports and guidance with priority cohorts. As we know, the employment service system is primarily the responsibility of the Australian government, and the release of the employment white paper and the final report of the Workforce Australia inquiry last year placed reform opportunities for the Commonwealth employment system on the national agenda, which we welcome. The Victorian government has welcomed these developments. The merits of the Jobs Victoria approach to employment service delivery received national recognition in the final report. It recommended that elements of the Jobs Victoria model be leveraged to shape long-term national reforms. This reflects the strength of the Victorian approach and that of our longstanding service delivery partners. How the Australian government responds to the report will shape how it meets its obligations as the primary provider of employment services and income support. Last week's federal budget suggests incremental steps towards the reform of the national employment service system, and it is a positive first step, but there is clearly more that needs to be done. We are

working closely with the Commonwealth to explore partnership opportunities. We want to ensure that long term the national service system better supports the needs of Victorian jobseekers, employers and the wider community.

2023 was also an exciting year for Victoria's social enterprise ecosystem, with the opening of the purpose precinct at the iconic Queen Victoria Market. This is Victoria's first dedicated social enterprise precinct and a further demonstration of Victoria's leadership in the sector. Our social enterprise strategy notes that there are more than 3500 social enterprises trading across Victoria, and they employ an estimated 60,000 people across our state and contribute \$5.2 billion to the Victorian economy. The Social Traders impact report notes that since the implementation of Victoria's social procurement framework \$425 million has been spent with Victorian certified social enterprises. Eighty-three per cent of surveyed Victorian social enterprises acknowledge the positive benefits of the framework.

The Victorian government has also been working with the Commonwealth to ensure they are also recognising the impact of a strong social enterprise sector. We were encouraged to see announcements made in the federal budget last week, including \$21.9 million to provide paid employment places through social enterprise for people with high barriers to employment, and \$1.5 million of this funding to the certification of an expected 500 work-integrated social enterprises. This directly reflects a model developed by the Victorian government through its partnership with social traders.

The Victorian government's sick pay guarantee pilot has successfully trialled a nation-first approach to supporting casual and contract workers in more than 600 jobs. It has provided access to sick and carers pay for 130,000 workers since its launch in May 2022. As sufficient evidence has been gathered to evaluate the potential benefits of the program, the pilot will end on 30 June 2024. Evaluation of the sick pay guarantee pilot is now underway, with outcomes expected to be available in 2025. The Victorian government will share findings from the sick pay guarantee pilot evaluation with the Commonwealth government, which is responsible for the national workplace relations system. As the first state to provide sick and carers pay for casual and contract workers, the Victorian government is immensely proud of the pilot.

We continue to deliver the Yuma Yirramboi Strategy, which seeks to support wealth creation opportunities for Aboriginal Victorians. One of the many valuable investments made under Yuma Yirramboi is our support for 11 traditional owner corporations to set their own self-determined economic development priorities and to stand up Aboriginal economic hubs in Bendigo, Gippsland and Ballarat. In supporting wealth creation and achieving Aboriginal economic parity, we have got \$8.6 million over three years for the programs to address economic disparity for Aboriginal communities, including Yuma Yirramboi, supporting our commitment to closing the gap.

**The CHAIR:** Thank you, Minister. The first 7 minutes are going to go to the Deputy Chair.

**Nick McGOWAN:** Thank you. Thank you, Minister, and welcome to PAEC on the other side of the table.

**Vicki WARD:** Thank you. It is a bit different.

**Nick McGOWAN:** It is. I notice that the jobs output has a budget of \$51 million in 2024–25 – I am sure this has not escaped your attention – compared to \$173 million for 2023–24, so we have quite a significant cut. Can you detail for us what programs under the portfolio are now underfunded or have lapsed in 2024–25?

**Vicki WARD:** Yes, thank you. The lower 2024–25 target primarily reflects the conclusion of the sick pay guarantee pilot.

**Nick McGOWAN:** Are there any other programs that are discontinued?

**Vicki WARD:** The Secretary might want to talk to that. There are some minor reductions that you will see across a couple of different areas that the Secretary can speak to.

**Tim ADA:** Mr McGowan, there are a number of ongoing programs that have a smaller proportional budget in 2024–25 compared to 2023–24. It includes the Jobs Victoria Mentors; Skills Solutions Partnerships; strengthening the Victorian industry participation policy, which has lapsed; putting local jobs first, boosting jobs through government procurement. So there are a number of programs that have lapsed, and then there are a

number of programs, including the Jobs Victoria Mentors, which have a smaller proportional budget in 2024–25 than in 2023–24.

**Nick McGOWAN:** So the Jobs Victoria Mentors, how much less is that compared to the year before – or last year?

**Tim ADA:** The difference between the target budget in 2024–25 compared to the expected outcome in 2023–24 is about \$170 million.

**Nick McGOWAN:** That is the gross figure, though, right? Does that take into account also the sick pay?

**Tim ADA:** Yes, it does.

**Vicki WARD:** With the jobs mentor program, that does not run for the 12-month period, so that would reflect the difference in funding for that.

**Nick McGOWAN:** Okay. Can you go through the lapsed programs? How many are there? Unless there is a very, very long list.

**Tim ADA:** The Victorian Aboriginal Economic Strategy is lapsing. The Skills Solutions Partnerships is lapsing. Putting local jobs first, boosting jobs through government procurement, is lapsing. Strengthening the Victorian industry participation policy is lapsing.

**Danny O'BRIEN:** Sorry, can you speak up?

**Tim ADA:** Sorry. The strengthening the Victorian industry participation policy is lapsing. They are very small amounts of money.

**Nick McGOWAN:** Are you able to provide that detail and tell us how much money each program represents in terms of a funding saving?

**Tim ADA:** We can provide that, yes.

**Danny O'BRIEN:** Can I clarify something, Deputy Chair?

**Nick McGOWAN:** Please.

**Danny O'BRIEN:** You are saying that the savings are partly due to the sick pay guarantee, but last year when we asked you – and Mrs McArthur actually asked you – what the budget was for 2023–24, it was \$80 million. She asked what happens when the funding runs out, and you said that is a matter for the government and 'the intent of this program was a two-year pilot'. My recollection was there was not any funding allocated beyond the end of June this year.

**Tim ADA:** For Jobs Victoria?

**Danny O'BRIEN:** No, for the sick pay guarantee.

**Tim ADA:** When the original budget allocation was made for the sick pay guarantee, I think in the 2022–23 budget, there was no funding allocated in 2024–25. The government, I think, at the start of the 2023–24 financial year made a decision to extend and expand the pilot, Mr O'Brien, and that accompanied a decision to rephrase some money for sick pay guarantee into 2024–25.

**Danny O'BRIEN:** How much was that?

**Tim ADA:** Do you know the question? \$106 million –

**Danny O'BRIEN:** \$106 million. Righto, thank you.

**Tim ADA:** – which largely talks to the size of the reduction in this output in 2024–25.

**Danny O'BRIEN:** Thank you.

**Nick McGOWAN:** Just in terms of employment, I know one of the conundrums we have in this budget is that at precisely the time it is projecting that unemployment will increase, we are seeing significant job cuts to different portfolios and certainly cuts to some programs. How do you reconcile that, Minister?

**Vicki WARD:** Sorry, so just to be clear, you are talking about there are economic conditions where we are seeing a very small rise in unemployment, so how that is being reflected in the sense that we do not have as many public servants as we used to?

**Nick McGOWAN:** I suppose what concerns me, Minister, is that at the same time the government is projecting – no matter how small those rises are, projecting any job losses, for every person that is very important of course – that there will be job losses, that is more people unemployed, the government is actually cutting jobs and cutting programs.

**Vicki WARD:** There has been a decrease in the amount of public servants that we have within the department, and all of those people are treated very respectfully and are given support when they do leave employment with the government.

**Nick McGOWAN:** Let me take one example in Ballarat, because our regional and provincial areas are sometimes the first to sort of feel the brunt of these changes in the economy. Ballarat has gone from 2.9 per cent unemployment in July 2023 to 7.2 per cent in February of this year. That is against the statewide average of 4.2 per cent. Do you have any explanation for what is happening in Ballarat specifically and what is being done now to try and rectify that?

**Vicki WARD:** Yes, it is interesting in Ballarat. You are seeing figures that have kind of moved around a little bit. We know that, for example, regional unemployment is 3.7 per cent across the board, which is incredibly low. What we have seen in Ballarat is that we have had unemployment that was, I think, in January around about 7 per cent and is now down to 5 per cent. We have got a number of supports that are in Ballarat help people find work, but to give you a little bit more data on Ballarat, Mr Lyngcoln may be able to extrapolate further.

**Julian LYNGCOLN:** Thanks, Minister. Yes, so as you have said, we have seen relatively low unemployment rates in regional Victoria generally and less than the state number. In Ballarat though there was that sort of peaking at 7.2 per cent in January 2024, as the Minister said. That has since dropped again in the March quarter. What is lying behind that are a few factors. One is we have actually seen an increase in the participation rate. In the period from February 2023 to March 2024 participation rose from 56.2 to 60.7 per cent, so there were more people in the workforce looking for work. If there are not jobs that match that, you will see an increase. We also have seen more people within the population move into working age. Once people become of working age they move into the workforce, and if there are more of those than those coming out at the other end hitting retirement age, you get an increase in the overall pool, and that has been the case in Ballarat as well.

**The CHAIR:** Thank you. I am just conscious of time. I am a strict timekeeper. I am going to move on. The next 7 minutes is going to Mr Galea.

**Michael GALEA:** Thank you, Chair. Thanks, Minister, Secretary and officials for joining us today. It is good to have you back, I should say. I know Mr O'Brien is very excited to have you back – even if on the other side of the table – with us today. Minister, I would like to start also by talking about the sick pay guarantee for all casual and contract workers. As we know, the two-year trial is now coming to an end. I know of course that was an initiative that the state government did – one of the many things that we did in the vacuum of federal leadership during the pandemic – but it was a good program to have for Victorian workers at the time. I am just wondering if you can talk to us little bit about other success, or are there any observations you have seen through the sick pay guarantee?

**Vicki WARD:** Thank you, Mr Galea, and thank you for that very kind welcome. The sick pay guarantee has been a really important pilot, and you are right to say that it was nation-leading. It was the first in the nation where we have actually taken this approach to see how we can support people who are in casual or in contract work. It was particularly important as we came out of those lockdown periods during the pandemic and our economy was reopening. While we had high vaccination rates, we still wanted to keep people as safe as possible and wanted to ensure that there was limited spread of any virus in the community, because we did not

want any halt on that economic recovery and that increase to our employment levels. So we worked with the sector, we worked with employers, we spoke to unions and we spoke to the community. I think there were around about a thousand submissions that came in to help set up the sick pay guarantee and get it started. We started it up in March 2022.

I suppose more for regional colleagues – we had a family trip to Portland that year, and it was interesting for me to see the shifting in shops during the time that we were there, where they would close because everybody had COVID. Somebody had come to work unwell, transmitted the disease and shut it down. So while that meant for that business that there was a period where they were not able to trade, people were not necessarily getting payment because nobody could come to work if there were other casual workers who would be affected. It also affects that town's economy when you have got a stop, start, stop, start, stop, start, stop for business happening. So we saw the harm that could occur to businesses when a casual or contract worker who could not afford to miss work went to work and risked their own and their colleagues' health.

The government did step in, as we have across much of the employment services, to fill, as you said, the void that was left in a number of ways by the previous government when it comes to employment services. The pilot provided casual and contract workers with sick leave entitlements – access to up to 38 hours of sick and carers pay a year paid at the national minimum wage. Now, we committed to the pilot program to assess the system and to get the evaluation, and that is what we are heading into now. We do need to evaluate this pilot, and we do understand what it has meant for our economy, what it has meant for businesses and what it has meant for workers.

We have got some interesting data already. We have got 130,000 casual or contract workers who did sign up, giving them access to sick or carers leave. This is almost 15 per cent of all of the casual workers that we have got in this state, so it is quite a good sample size. We have approved over 340,000 claims, with the average claim being for around about 10 hours. We found that 92 per cent of all claims were for sick pay rather than carers pay and 91 per cent were casually employed and 9 per cent were contract workers. I think you will see that 92 per cent of claims being for sick pay rather than carers pay also reflects the fact that around about 40 per cent of people were under 25 who were signed up to it. We know that the pilot showed a benefit in making businesses safer, with around 41 per cent of workers saying that they would have gone to work without this payment. I think that this is a really important statistic, because it does show that it is quite likely that it did help keep workplaces safe. So we will now take all the data available and begin to assess the effectiveness of the pilot. It is critical that we do understand the difference that this Australian-first pilot had on reducing workplace illnesses and injuries and keeping businesses safer and improving productivity.

We will rely on these findings, and we will continue our advocacy to the Commonwealth on this program. I know that the previous minister, Minister Carroll, has spoken with the federal government on this. I have met with the federal government on sick pay guarantee, and having this evidence base behind us will really strengthen our arm in the conversations that we have with them in the future, because really the Commonwealth do have primary responsibility for employment and industrial relations regulation. I really also want to give a shout-out to the DJSIR team, who were able to process these applications so quickly. Over 90 per cent – 90 per cent was our target – were processed within five working days, which I think is a really tremendous effort and really helped give those people who had signed up to the program the security that they needed.

**Michael GALEA:** Thank you, Minister. Really interesting stats there, and I am very keen to see the results of that evaluation once that is done as well. I realise it is early days in looking through the data, but do you have a sense of the industries that most benefited from the program?

**Vicki WARD:** Yes. Thank you. You would not be surprised that it really falls mainly to those really highly casualised workforces. There were also workforces that tended to skew, as I said, towards younger workers. Around about 30,000 sales assistants and retail workers signed up for the program. This includes things like carpet measurers, clothing sales assistants, an ice-cream van vendor, primary sales assistants –

**Michael GALEA:** An important job.

**Mathew HILAKARI:** A sweet job.

**Vicki WARD:** Yes, I reckon. I see what you did there. It includes retail sales assistants as well as around about 20,000 hospitality workers. That includes bar attendants, baristas, food and beverage attendants, hotel concierge workers and waiters and waitresses. Over 40,000 workers who signed up were aged between 18 and 25, and many of them were represented by two occupations. The second highest occupation, though, was carers and aides. Those occupations included roles such as childcare workers, dental assistants, early childhood workers, hospital orderlies, integration aides, personal care assistants and teachers aides. As you can see, there is a real diversity of occupations that are represented that will add to the data that we have got and help inform our evaluation. It is really useful and helpful data; it is data that the department has not had access to before, so to be able to understand how this has worked for such a diverse cohort of people is really useful.

**Michael GALEA:** Awesome. Thank you, Minister. And – my time is up.

**The CHAIR:** Apologies, Mr Galea. We are going to go to Mr O'Brien.

**Danny O'BRIEN:** Thank you, Chair. Good afternoon, Minister and team. Minister, you posted on 29 August last year:

Sometimes you are too crook to go to work but you do; otherwise you won't have food on the table.

You then stay sick for longer and make those around you unwell.

It's a hard choice: go hungry or go to work sick.

Given this scheme has now been scrapped, are we back to making those hard choices?

**Vicki WARD:** Thank you, Mr O'Brien. I appreciate your question and I appreciate the concern that you have got for those workers who have signed up for the sick pay guarantee. I would not say that this has been scrapped; I would say that our pilot has concluded and we are now undertaking the evaluation. It was always determined to be a pilot program, and this is what it has been.

**Danny O'BRIEN:** But the previous minister extended it in August last year to March 2025. Why is it now being scrapped early?

**Vicki WARD:** That is right. We have got, as I said, considerable data; 130,000 people have signed up to the sick pay guarantee pilot. This gave us, as I explained to Mr Galea, substantial information that helps us really evaluate the effectiveness of this program, what it has meant for community, what it has meant for workers and what it has meant for employers.

**Danny O'BRIEN:** So you are scrapping it literally because you have got enough data now?

**Vicki WARD:** We are scrapping it because we have the information that we need to help us evaluate the program and help us add value to the conversation that we will have with the Commonwealth government.

**Danny O'BRIEN:** But given that the previous minister extended it only in August last year to March 2025, and your comment that I just read out was also from August last year – we are only eight months after that and suddenly we are not going as long as we wanted to. Is it just a savings measure?

**Vicki WARD:** What is interesting with the data that we have accumulated, Mr O'Brien, is that when we had the last PAEC, I think we were talking about how around 60,000 to 70,000 people had signed up. We now have a considerably higher number of people who have signed up to the sick pay guarantee. That does give us considerable data, and as you have heard me explained to Mr Galea, it is across so many different cross-sections of the workforce. We are able to really understand what the program has meant, and we will be talking to employers, we will be talking to industry, we will be talking to the unions and we will be talking to community to get that anecdotal evidence as well as the data evidence that we have accumulated through the data that we have got from those over 130,000 people who have signed up.

**Danny O'BRIEN:** You have just given some reasonable detail on what has already been found from the trial. Why does a pilot evaluation take until next year?

**Vicki WARD:** As I am sure you respect, Mr O'Brien, you need to have rigorous data. You need to really understand your –

**Danny O'BRIEN:** But you just told us you have got that. You have cancelled it early because you have got all that.

**Vicki WARD:** I have given you a layer of the data. There are multiple layers that will come into this data and into this evaluation, and having those conversations with industry, with the workforce, with employers and with the community is really important in understanding what this program has meant. So we have got some provisional data, Mr O'Brien, but it is not the entirety of the data. Conversations do take time. Data takes information to –

**Danny O'BRIEN:** Okay, but when you say 'conversations', will the evaluation involve conversations, or is it simply an external evaluation by a consultant?

**Vicki WARD:** Yes, look, thank you for your interest in this, Mr O'Brien. I will ask Ms Trengove to talk further to how the evaluation process will unfold.

**Danny O'BRIEN:** Very briefly, if you could, sorry.

**Laura TRENGOVE:** Not a problem. The evaluation will look at a range of impacts on the workers, employers and community of the pilot. Particularly we are interested in the productivity impacts of having the pilot available to a really significant portion of Victoria's casual and contract workforce.

**Danny O'BRIEN:** Okay, but there will be a public consultation process about it?

**Laura TRENGOVE:** We will be doing focus groups, we will be doing worker surveys, employer surveys. We will be talking to different stakeholders and accessing their networks to understand the impacts.

**Danny O'BRIEN:** And will that evaluation be publicly released when it is completed?

**Laura TRENGOVE:** The findings will be made available in early 2025.

**Danny O'BRIEN:** Okay. Can you tell me, while I have got you there, what the total cost of the program was far?

**Laura TRENGOVE:** Yes, I am happy to talk to that. \$245 million was committed to the pilot, and as part of the government's budget decision this year, \$108 million over the forward estimates is being returned to consolidated.

**Danny O'BRIEN:** How much, sorry?

**Laura TRENGOVE:** \$108 million over the forward estimates.

**Danny O'BRIEN:** I thought you said \$106 million before.

**Laura TRENGOVE:** That is in 2024–25.

**Danny O'BRIEN:** Okay, right, so \$108 million in total, so basically \$137 million was spent.

**Laura TRENGOVE:** Yes, well, we are still yet to see the final position this financial year.

**Danny O'BRIEN:** Okay. Minister, were employer groups and Trades Hall both consulted about the cessation of the pilot?

**Vicki WARD:** All pilots have an end date.

**Danny O'BRIEN:** Yes, but this one was not meant to end until March 2025. It has now been brought forward a long time.

**Vicki WARD:** As I have said earlier, Mr O'Brien, we did look to the data that we had accumulated in terms of how many people were participating in the program and made a decision accordingly.



**Danny O'BRIEN:** Is the intention from what you are saying about sharing this with the Commonwealth that Victoria will not run this as a permanent program?

**Vicki WARD:** You are kind of putting the cart behind the horse in that we actually need to do an evaluation before any decision would be made about what we would do in terms of our representation to the Commonwealth, which we will do. But in terms of –

**Danny O'BRIEN:** You have said you have spoken to the Commonwealth minister.

**Vicki WARD:** Yes.

**Danny O'BRIEN:** Was it to say, 'We are dropping this. We would like you to pick it up'?

**Vicki WARD:** No, that was not what I said to the Commonwealth.

**Danny O'BRIEN:** What did you say then?

**Vicki WARD:** My conversation with the Commonwealth was, 'We are doing a really interesting pilot, and you should be paying attention to what we are doing.'

**Danny O'BRIEN:** Just because it is interesting, not because we want you to pick it up.

**Vicki WARD:** No, because it has the potential to be useful, and also, as I have explained to you, there is an evaluation that will go with it. When we have got the findings of the evaluation we will be sharing them with the Commonwealth, and that is exactly what I said.

**Danny O'BRIEN:** But I mean, everyone from the previous minister to yourself to probably everyone on this side – the former Premier, the former minister Ms Stitt – have all said how wonderful this is, this is great Labor Party business. Now we are saying we are going to wait nearly 12 months to see whether we think we should go on with it, having cut \$106 million from it in one go.

**Vicki WARD:** I did not realise that you are such an advocate for it, Mr O'Brien.

**Danny O'BRIEN:** I have had it rammed down my throat, Minister, so I am very aware of how committed the Labor Party were to this pilot up until the point when they dropped like a hot spud.

**Vicki WARD:** It goes to the point that you have just made, Mr O'Brien, about the fact that it is a pilot. Pilots do have an end date, and pilots need to have an evaluation so that you can understand the effectiveness of the pilot. That is the process that we are undertaking. It is important to understand what has been good and what has been positive about it but also understand what negatives there may have been in it as well.

**Danny O'BRIEN:** Thank you.

**The CHAIR:** Okay. We are going to go straight to Ms Kathage.

**Lauren KATHAGE:** Thank you, Chair, Minister, officials. I want to ask about an initiative there on page 4 of budget paper 3, the Yuma Yirramboi stage 1. On page 4 there is a bit of a list of what is going to be addressed through that. It seems like on the one hand there is individual and community wealth but then on the other hand there is the broader support of government commitments around closing the gap, self-determination, treaty. How is it managing to do all of that?

**Vicki WARD:** Thank you very much for your question, and thank you very much for your interest. I am wearing my T-shirt, which I picked up on Gunaikurnai country visiting the hub in Morwell, which I will talk to shortly. There are some really fantastic things that are happening within the Aboriginal economic development work and particularly around Yuma Yirramboi.

Yuma Yirramboi is the Wurundjeri Woiwurrung language, and it translates to mean 'invest in tomorrow'. This is exactly the principle behind Yuma Yirramboi, which is creating that tomorrow which is of prosperity, which is of economic development of our First Nations people in Victoria. It supports wealth creation and achieving economic parity for Aboriginal Victorians within a generation. The initiative targets place-based Aboriginal

economic growth, and it offers supports for established and emerging Aboriginal businesses to expand and increase Aboriginal employment.

What is key is that the new funding continues to be based on the Yuma Yirramboi strategy. There are six self-determined strategic pillars – sorry, that is a lot of S’s – which have been determined by community. That is to elevate Aboriginal culture to realise economic benefits, support Aboriginal people throughout their careers, enable Aboriginal business growth, create wealth and grow the Aboriginal estate, generate jobs to reach employment parity, and be accountable and transparent in reporting outcomes. The Yuma Yirramboi Council and in particular the Koori caucus are crucial to the success of this strategy and ensuring true self-determination. The council’s Koori caucus provides expert advice to the Victorian government as well as on ways to improve Aboriginal economic outcomes and enable shared decision-making. An important component within our state’s closing the gap strategy is the recognition that power needs to be shared, and the Yuma Yirramboi Council brings together the Koori caucus and Victorian government executives to ensure that this takes place. The median income for working-age Aboriginal Victorians is around about \$34,000, whereas for non-Aboriginal Victorians it is \$42,000. There is a gap there that we really do need to fill, and we need to have the strategies to enable our Aboriginal communities to strengthen and grow.

As we continue our path towards treaty readiness, Aboriginal economic development is a crucial step. The Yoorrook Justice Commission’s issues paper on economic prosperity stated that economic development is critical for self-determination of First Peoples in Victoria and is an essential element of the treaty process. Without full and fair economic participation, justice cannot be achieved and the human and cultural rights of First Peoples will not be realised.

In this context the 2024–25 budget invests an additional \$8.563 million into Aboriginal economic development in Victoria. While this will create further opportunities in Melbourne for many city-based Aboriginal businesses, this funding will be especially important in creating opportunities in regional Victoria, continuing to stimulate regional Victorian economies. By funding regional traditional owner corporations, they can expand their commercial capacity. We have seen this through the appointment of economic development coordinators through to the creation of regional economic hubs, like Murran in Geelong. I would encourage everybody to go and check it out. We have seen a range of businesses benefit from funding through Yuma Yirramboi’s building capacity of Aboriginal business sector program, and I do really mean a range. First Nations owned businesses, like Dexterity station, which is a beauty business in Ballarat; the Coaching Directory, which is a consultancy in Aireys Inlet; and Thomas Memorials in Warrnambool have received support through Yuma Yirramboi, and this is just the tip of the iceberg. As you have noted in your question, the Victorian government and the Victorian Aboriginal communities have a shared vision to achieve economic parity for Aboriginal Victorians within a generation. Aboriginal communities identifying, creating and developing businesses and economic opportunities is integral if we are to achieve this objective. Funding is provided specifically to grow Victoria’s self-determined Aboriginal economy through \$2.436 million for the Aboriginal economic pathways initiatives, \$5.834 million for the traditional owner fund over three years and \$327,000 to allow the Yuma Yirramboi Council to continue its important work to create a more prosperous and inclusive Victoria.

**Lauren KATHAGE:** Thank you. You mentioned a few regional locations there. How is this strategy building on the support that has been provided through the regional package?

**Vicki WARD:** Thank you. It is a good question because they do marry up together. It is crucial that this funding continues the progress that we have already made through Yuma Yirramboi and works with what we will deliver through the regional partnerships. Already funded through Yuma Yirramboi are three economic hubs supported by the traditional owner corporations, and that includes Murran, which I just mentioned – they are the one in Geelong that you should all go and check out – a business and cultural hub led by non-profit organisation Ngarrimili in Geelong. I had a really great time visiting them with Christine Couzens late last year, coming to have a look at the hub that they have opened. We met with Bek Lasky, the CEO, who took us through the space and showed us the potential that it has to spread economic benefits really widely. I can see that as being an important destination point for Geelong. With Murran it could be the retail store, where someone who has just stepped off the street or even a cruise ship can pick up artisanal wines, hand creams, a piece of art or clothing. It could also be someone who pops in for a coffee at the cafe, stepping into an environment that is rich with Aboriginal culture and feels very welcome and feels very secure. More recently, the Dumawul Cultural Tourism and Creative Arts Hub in Bendigo opened, created by traditional owners Djaara from the Dja Dja Wurrung people. One of the great things this space provides is the opportunity for social

enterprise Dumawal to grow and increase its offering of cultural tourism in both products and tours, and it really helped reflect the local heritage but again become another destination point for Bendigo that goes beyond the immediate community of Bendigo but actually contributes to that visitor economy. On a visit to Morwell in March – as I said, with my T-shirt – I had the opportunity to sit down –

**Lauren KATHAGE:** Thank you, Minister.

**The CHAIR:** Apologies, Minister. I will stop you there. I will go back to Mr O'Brien.

**Danny O'BRIEN:** Thank you, Chair. Minister, can I continue on the sick pay guarantee – in fact, sorry, Secretary, I am going to ask you a question. Has the department prepared any analysis as to how the sick pay guarantee could have been funded long term, or could be funded long term?

**Tim ADA:** I do not believe so, Mr O'Brien. I am not aware that we have. Lill or Laura? No.

**Vicki WARD:** That would be putting the cart before the horse.

**Danny O'BRIEN:** I am glad you mentioned that, Minister. I think you might have said 'the cart behind the horse' before, which is actually where the cart goes.

**Vicki WARD:** Oh, well. Thank you.

**A member:** Let the record be amended.

**Danny O'BRIEN:** It probably allows me to ask a lot more questions.

**Vicki WARD:** I may have said it or it may have sounded like it because I was sucking on a Butter Menthol, so you can cut me a little bit of slack.

**Danny O'BRIEN:** Secretary, have any ministers, current or previous, asked for any analysis on how to fund it going forward?

**Tim ADA:** No, I am not aware, Mr O'Brien.

**Danny O'BRIEN:** Have there been any discussions with Treasury and Finance about how the program might be funded longer term – as a permanent policy initiative, I mean?

**Tim ADA:** Not to my –

**Danny O'BRIEN:** What is the answer, sorry? I heard words.

**Lill HEALY:** Sorry, Mr O'Brien. I am not aware of any of those discussions having taken place.

**Danny O'BRIEN:** Okay. And on the pilot, was there a formal evaluation of any sort undertaken to tell you that you had enough information, you had enough data and we could stop the pilot early?

**Lill HEALY:** Mr O'Brien, the internal statisticians have advised us that we have enough data. It was not a formal evaluation to conduct the evaluation, but our internal advice is that both the quality and the quantity of the data is sufficient for a robust evaluation now to occur.

**Danny O'BRIEN:** Okay, so that was just internal departmental work – no formal work?

**Lill HEALY:** Our statisticians, yes.

**Danny O'BRIEN:** Okay. Minister, there is concern, as you would be aware, I am sure, from employer groups that a permanent sick pay guarantee could be funded by new taxes on business. Is that something you are considering?

**Vicki WARD:** No.

**Danny O'BRIEN:** Will you rule it out?

**Vicki WARD:** Would I rule out, I am not going to rule out – you are going to verbal me here, Mr O’Brien, because –

**Danny O’BRIEN:** I am just asking questions, Minister.

**Vicki WARD:** I know where you will go. There is an evaluation that is underway. We are not making any recommendations. We need to go through the evaluation. We need to collect the data. We need to go and have the conversations. We need to do the assessments so that we can understand what the value of this program actually means. In terms of making any future commitments, I am not in a position to do so because we need to really see the evaluation and what the recommendations are that come from that evaluation. And as I said to you, it is a conversation that I will be taking to the Commonwealth because I do see that this is a role for the Commonwealth to play. I know that in the previous conversations that you have had here with the previous Minister for Employment they spoke about international jurisdictions where it was mainly the national government that was implementing a comparable version of the sick pay guarantee. It is a role for a federal government to play, so you might want to take that question to the federal government if they would choose to implement this.

**Danny O’BRIEN:** Well, I would do that, but you told me in the last session that you are not ruling out continuing it, basically. You had a statement that you had not actually asked the federal government –

**Vicki WARD:** I did not say I am not ruling it out. What I said is that I am waiting for the evaluation.

**Danny O’BRIEN:** Given the evaluation, and you just mentioned of course that you need to see whether it is value for money – those are the words you might have used, whether it was valuable – will the evaluation consider ways it could be funded in future?

**Vicki WARD:** The evaluation is around determining how well the program ran, what were the benefits of the program, any challenges –

**Danny O’BRIEN:** But surely it will make recommendations as to what happens now.

**Vicki WARD:** and any challenges that others may have experienced in the program. These are all things that will be a part of the report as it is written.

**Danny O’BRIEN:** But presumably you are not doing an evaluation just for the hell of it to look back. You are doing the evaluation to decide whether anything happens from here going forward.

**Vicki WARD:** You would have to look at the evaluation to decide whether it is something that you want to go forward with.

**Danny O’BRIEN:** Okay. This is going to be a great evaluation – I can just see. Minister, I am just a little bit perplexed. We have already had in these hearings the Minister for Industrial Relations, the minister for jobs and the Minister for Employment. What is the difference between the minister for jobs, the Minister for Employment and the Minister for Industrial Relations, particularly when the two of you are in the same portfolio?

**Vicki WARD:** Yes. Well, we do different things, and you are asking us different questions, so I think that that reflects –

**Danny O’BRIEN:** What is the difference between jobs and employment other than plural and singular?

**Vicki WARD:** No, we are responding to different things that are happening in our communities. For example, the minister for jobs – did you ask the minister for jobs this question?

**Danny O’BRIEN:** Ran out of time, Minister.

**Vicki WARD:** You ran out of time.

**Danny O’BRIEN:** Would have loved to have done this, but –

**Vicki WARD:** The minister for jobs works across to create jobs – to give job opportunities.

**Danny O'BRIEN:** You look after them once they have got a job – is that right?

**Vicki WARD:** I look after them at various points of their job journey and their career journey. As you have seen from the things that we have been talking about, including our presentation, which spoke to mentors, we are about helping people find their jobs, be in their jobs and stay in the jobs. The minister for jobs is working towards creating more jobs, as you would know, and I am sure she spoke ad infinitum about the many tens of thousands of jobs that are being created in this state.

**Danny O'BRIEN:** Thank you. The Deputy Chair might have one.

**Nick McGOWAN:** Minister, the budget includes just over \$500 million in new funding for training and higher education workforce development output. Can you share with us how that will actually specifically fund work towards employing Victorians in industries with skill shortages?

**Vicki WARD:** I am really sorry, Mr McGowan. I only heard part of that. Your voice –

**Nick McGOWAN:** That is okay, I can repeat that. The 2024–25 budget includes \$556 million in new funding for training and higher education workforce development output. Specifically, what I am interested in is how that funding will work toward employing Victorians in industries with skills shortages.

**Vicki WARD:** Absolutely, and it is really important that we are always focused on how we can address skill shortages. But in terms of how that would be delivered, it would be something that you would need to ask Minister Tierney.

**Nick McGOWAN:** You cannot give us a breakdown of the \$550 million and what that funding delivers?

**Vicki WARD:** It falls within Minister Tierney's remit, not mine.

**The CHAIR:** Who will appear this evening.

**Nick McGOWAN:** Okay. The Victorian skills plan – is that also your remit or is that Minister Tierney?

**Vicki WARD:** No, that is Minister Tierney as well, Mr McGowan.

**Nick McGOWAN:** Minister Tierney.

**Danny O'BRIEN:** Ask her about jobs and employment. I did earlier, and I think it went pretty well. It is very clear now.

**Vicki WARD:** Yes, but as we determined, industrial relations is not for me either.

**Nick McGOWAN:** The greatest of challenges is perhaps facing jobseekers in the CALD communities across the forward estimates – can you explain for us how this budget will address those concerns and those issues in those communities?

**Vicki WARD:** Yes, sure, Mr McGowan, happily. Now, one of the things that we have got –

**The CHAIR:** Apologies, Minister.

**Vicki WARD:** Sorry, I would have gone on a really good conversation about our mentors. We have got 4000 people participating in the mentor program – 3000 of those are from CALD communities.

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

**Meng Heang TAK:** Thank you Chair, Minister, Secretary and officials. Minister, if you can take us back to your presentation, could you please explain the support the Jobs Victoria mentor service is currently providing? We have heard that up to 4000 people are experiencing long-term unemployment. How does this result in meaningful long-term employment?

**Vicki WARD:** Yes. Thank you, and thank you for kind of following on from where Mr McGowan was. Firstly, I will wish you happy birthday. It was your birthday yesterday.

**Meng Heang TAK:** Thank you so much.

**Vicki WARD:** You did not get told?

**Danny O'BRIEN:** You are all lacking transparency!

**Vicki WARD:** I am really sorry.

**Danny O'BRIEN:** Happy birthday, Meng.

**Meng Heang TAK:** Thank you.

**Vicki WARD:** Mr Tak, thank you for your question. I came down and visited you at Afri-AusCare, and I really want to thank you for that opportunity, because it is a terrific organisation doing really good work. The program, and especially the work that Afri-AusCare do, is enjoyed by your community, and I think they are very appreciative of the work that they do. Thank you for having me out there. It was really good to see firsthand the wraparound services that Selba and everybody down at Afri-AusCare are offering. The Jobs Victoria mentor program focuses on people who are long-term unemployed, which is defined as not having a job for 12 months or more, but it also does include those people who are at risk of long-term unemployment. That could be someone who, you know, has not completed school who is struggling with literacy, somebody who is struggling with the English language or somebody who is newly arrived in the community. It can also be people who may be neurodiverse or people who do not necessarily have the social networks that will help them find employment. One of the major benefits of the mentor services is that they are tailored, flexible and local. They are also designed to meet each person's needs and aspirations and work with them to get a job that is right for them. This could be by helping them with their resumes, their job applications or their interview preparation, and it is about getting some confidence and getting work ready. I have seen in a number of programs that I have been to visit just how important confidence is. It is almost the fundamental thing that most people need when they have had long-term unemployment – actually getting their confidence back – and once they get their confidence back it is just beautiful to see how happy they are with themselves, how proud they are of themselves and just how much they can achieve just with that little bit of air pumped in their tyres. It makes such a huge difference.

I do want to give a big shout-out to all of our mentors for the work that they do, because it is really heartwarming, good work. Not only is it about working with people one on one to get a job for a new career, but mentors work with the jobseeker for the first six months of their new job, so that is supporting them while they are in the job, helping them navigate a new environment, new relationships and new challenges. Mentor programs are running across five LGAs with the highest potential demand for employment services. These were ranked according to relative socio-economic disadvantage and unemployment levels, and this concentrates services in the most disadvantaged communities, ensuring support is available for those who are most in need.

There is no doubt the Victorian government has had to fill some of the gaps in the Commonwealth employment service based on what we have seen over the last 10 or so years. We know that our mentor program supports many long-term unemployed people who are ineligible for Commonwealth supports or where those supports have not been meeting their needs. There are so many success stories that have come out of this program, such as a female worker in Brimbank who had previous experience in customer service and administration but found herself unemployed for more than a year after experiencing ill mental health. Working with a Jobs Victoria mentor and with support on resume updates and interview techniques to build her confidence, she was able to secure a job in administration and engagement with Victoria University. Her mentor continues to provide her with mentorship and support to ensure that she is progressing well and feeling confident. Stories like these are pretty common across the program. They are just people who need a little bit of help, a little bit of support, to get back on track.

**Meng Heang TAK:** Thank you, Minister. Thank you again for dropping by the City of Greater Dandenong.

**Vicki WARD:** It was a great visit.

**Meng Heang TAK:** The mothers groups were also very pleased to see you at the time. Minister, do we know how many jobseekers have accessed the mentor program in my communities in the City of Greater Dandenong?

**Vicki WARD:** Thank you. The data is collected based on local government areas. For Greater Dandenong over 1000 locals have signed up. That is a great reflection of the hardworking local organisations that are operating in your community, and it talks to those real grassroots organisations, like Afri-AusCare, which do have those links into community. This is similar to Brimbank, which has also got over 1000 people signed up, and Hume, which has just over 1100. In the regional areas, Latrobe had over 380 people sign up and Shepparton had around about 350 people sign up.

**Meng Heang TAK:** Thank you. It goes without saying: do you have any examples of people who have been supported in my community, what type of support they were provided and what the outcomes were?

**Vicki WARD:** Thank you. I have had some really good examples come from your community. There is one that I heard of recently about a guy called Hassan, which I would really like to talk to. He had been working with a mentor from Jesuit Social Services. I think of this as a really nice contrast, where we have got a really big organisation like Jesuit Social Services, for example, but then we have got the more grassroots organisation like Afri-AusCare. Both of these kinds of organisations are involved in our mentors program, which really helps get out into the community and get the support out there where it is needed. Hassan is in his 50s and he was originally from Afghanistan. He was finding it very daunting, very overwhelming, to apply for jobs due to his limited English skills and lack of social and professional networks in Australia. Recognising his determination to find work, a Jobs Victoria mentor worked with Hassan to develop his English skills and to grow his confidence. The supported language program was quite innovative and included – I love this – watching Hassan’s favourite Persian TV show with English subtitles to help him build up his communication skills.

**Meng Heang TAK:** Thank you.

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

**Aiv PUGLIELLI:** Thank you, Chair. Hi. I think Eltham residents are well represented on this panel today.

**Danny O’BRIEN:** Is that a declaration of a conflict of interest?

**Aiv PUGLIELLI:** Well, I live in Ivanhoe now, so perhaps not personally.

**Vicki WARD:** I think that we would probably have everybody with a connection to the Eltham Wildcats. Would that include you?

**Aiv PUGLIELLI:** No, not quite. Not personally, anyway. Anyway, with the little bit of time I have, just nine months ago the then employment minister claimed:

Insecure work has terrible consequences, and we know how important it is for people to have the support and certainty they need to stay home and recover if they are sick or caring for a loved one.

Now the sick pay guarantee has been cut. Casual workers desperately need support in an increasingly insecure workforce. You have said to us today that you have got the data now, so the program has ended. If the evaluation of that data shows the benefits of the scheme, will you reintroduce it?

**Vicki WARD:** Thank you very much for your question, Mr Puglielli. I guess it kind of goes to where Mr O’Brien was going as well, which is that this will be an evaluation, and we will look at the evaluation once it comes through and take our advocacy to the Commonwealth government. We do see changing employment conditions with the Commonwealth government and the legislation that they are introducing. We are seeing greater supports for casual workers and for contract workers – for the gig economy workers – so we are in a different legislative space than we were a couple of years ago when we did bring in the pilot. You are right – there are still vulnerable workers in our community – but there is a slightly different landscape to what there was a couple of years ago.

**Aiv PUGLIELLI:** Thank you, Minister. I think we are all very keen to see this evaluation. Minister, you gave an earlier account of a trip to Portland. You described a scenario where workers without access to the scheme would go to work, they would risk their own health –

**Vicki WARD:** No, it was not access to the scheme. I was in Portland before the scheme began.

**Aiv PUGLIELLI:** Sorry. Thank you for correcting me. Nonetheless, people who were forced to go to work sick would be risking their own health and the health of their colleagues. Now that the sick pay guarantee is ending, is that what we are going to see – workplaces passing around infectious illnesses, putting people at risk?

**Vicki WARD:** I do not know that we will. But as we know, all pilots do have to have an evaluation period, and pilots come to an end. We do have to understand, as I have said previously, the benefits of this program and what it has meant for workers as well as for employers. This is exactly the phase that we are now moving into.

**Aiv PUGLIELLI:** Thank you. You have indicated that we are in a different legislative space now to when the scheme was introduced. Nonetheless the cost-of-living pressures have not changed in that time. If anything, it is getting worse and is being felt most acutely by people with casual and insecure work. Again, last year the minister claimed that people should not be forced to choose between going to work sick or putting food on the table. Now with the reality that people are dealing with, that the sick pay guarantee is gone, what would you advise casual workers to do when they get sick?

**Vicki WARD:** I would advise casual workers to talk to their employer and negotiate becoming permanent part-time or permanent full-time, and we do know that after an employee has worked with someone for 12 months or more they do have that opportunity to be able to have that negotiation. That is exactly what I would do. I also of course would encourage them to join their union.

**Aiv PUGLIELLI:** Thank you. Just moving forward to budget paper 3, page 139, we saw recommendation 73 from last year's Workforce Australia inquiry report, which states:

The Committee recommends that the Australian Government urgently explore (in advance of the next Victorian and Commonwealth Budgets) the striking of an agreement with Victoria for a demonstration partnership for the delivery of the Jobs Victoria program and the integration of that program into the Commonwealth system on a fixed-term basis in regions of high disadvantage.

Are you working with the federal government on that recommendation made in last year's Workforce Australia inquiry report?

**Vicki WARD:** As I said earlier, we have had conversations with the Commonwealth. I have had conversations with the Commonwealth and will continue to have conversations with the Commonwealth. What has been most interesting has been the committee that Julian Hill chaired on Australia's workforce network and how it needed to change how it was approaching supporting workers getting to work. The recommendations that have come out of that have been really interesting, have been very useful and have been very positive about Victoria and the work that we are doing in Victoria. If you just want to bear with me for a tick, I will be able to give you some more information once I remember where I have actually put it, because I have got something where the report actually talks about what we have achieved as a state government and what the Commonwealth government could learn from. Just give me a sec.

**Aiv PUGLIELLI:** It can always be on notice if need be.

**Vicki WARD:** It could be on notice, but I reckon I am just about there. Chapter 16 outlines an approach to transitioning, including urgent and short-term actions as well as the preparation of a road map transition plan by the end of 2024. Demonstration partnerships should integrate the successful Jobs Victoria program and Tasmanian jobs hub network. When I was in Canberra a couple of months ago it was really clear how influential – or how interested the Commonwealth was in what we have done in Victoria, and that was from my own experience. But I believe the department had a similar experience in talking with the Commonwealth department. We had a launch evening with a social enterprise activity that was happening at Parliament, and it was clear from the conversations that were going on how interested the Commonwealth is in the work we are doing, whether it comes to this particular work or whether it comes to our social procurement practices, whether it comes to our social enterprises. There is a lot of innovative work that has been happening in Victoria over the last few years, which the new Commonwealth government is very interested in, because it can see that



we are having good outcomes. It can see that we are really having good results and that we are making a difference in how people approach employment and how people feel about being in employment. We can see that with the rate of growth of employment that we have achieved in this state, which is incredibly high. We have got the second highest rate of employment in the country – just behind WA, and not by very much.

**Aiv PUGLIELLI:** Thank you, Minister – good to have that context. We have been talking about this dialogue between the state and the fed. We heard similar from the Minister for Women about this notion of writing to federal counterparts. Will you commit to writing to your federal counterparts to instate the sick pay guarantee from the federal level?

**Vicki WARD:** Once we have had an evaluation, we will then take that up to the Commonwealth and have that conversation. I am not going to be writing to the Commonwealth or even talking to the Commonwealth until we understand what the data says and what it looks like, because we want to have an informed approach. We want to be able to have the information at our fingertips to be able to advocate.

**The CHAIR:** Thank you. Mr Hilakari.

**Mathew HILAKARI:** Thank you, Minister, Secretary and department. I did really enjoy your presentation, and I particularly wanted –

**Vicki Ward** interjected.

**Mathew HILAKARI:** Of course I did. It is fantastic to see.

**Vicki WARD:** I love your work.

**Mathew HILAKARI:** I did want to take you down memory lane to the Eltham Wildcats, but I thought, you know, we had better not go there. But I just do note we had an Indian basketball team come out recently, and the Eltham Wildcats did very good against them, so a big shout-out to my old club. But I will take us to the social enterprise sector –

**Nick McGOWAN:** What club is that?

**Mathew HILAKARI:** Eltham Wildcats.

**Nick McGOWAN:** That is your old club?

**Mathew HILAKARI:** That is my old club.

**Nick McGOWAN:** I did not know that. I missed the point.

**Mathew HILAKARI:** Yes.

**Vicki WARD:** Yes, all right, you can catch up in 10, 15 minutes –

**Nick McGOWAN:** It takes a long time to get from that end of the table to this end.

**Mathew HILAKARI:** This is filibustering my time now. This is outrageous!

I will take us to social enterprises – finally – and the social enterprise sector. I am just hoping you can talk through some of the broader effects on the economy as well that are undertaken by the great support of the sector.

**Vicki WARD:** Yes, absolutely. Thank you, Mr Hilakari. Thank you very much for the question, because social enterprises are one of my favourite things to talk about.

**Mathew HILAKARI:** I could tell that.

**Vicki WARD:** I really appreciate your interest, because they are awesome and they do amazing things. The investment that they have in people is incredible, but it is the economic – what would you say? They are such a strong economic contributor to our state economy as well. So when you are looking at around about 3500 social

enterprises in Victoria, when you are looking at them employing up to 60,000 people, you are talking about a really considerable employment block. But it is also the I think \$5.2 billion that they contribute to the Victorian economy every year.

**Mathew HILAKARI:** It is huge.

**Vicki WARD:** It is huge – it is absolutely huge. And it is really good work, because it is money that continues to be invested in people and creating opportunities for people. This is the thing that I really love so much about social enterprises – it is the diversity of what they do, the services that they provide, the things that they make, but it is really those wonderful opportunities that they provide to people. It goes to what we were talking about earlier when I was saying that confidence is the key here to helping people get into work. The confidence that people who are in social enterprises develop when they are in that incredibly supportive environment is just really fantastic to see.

We know that social enterprises are great at removing barriers to employment, and by removing these barriers we really do change outcomes for people. It is really clear that we have a very strong and a very vibrant social enterprise sector, and I really love being with this sector and supporting the continued growth and exploration of further opportunities in Victoria. We lead the country in our efforts to support the social enterprise sector, and it is really terrific to be working with the Commonwealth government. As I was just saying to Mr Puglielli, to see the support that the Commonwealth government has got for what we are doing is really, really terrific. We really want to leverage the capacity and economic opportunity of the sector. It is a testament to both the work Victoria is doing and the social traders that we have that we have attracted this interest.

As a government we are working with the sector to grow economically, and these businesses are also making important social contributions. We are supporting a range of initiatives that support the sector, initiatives like the Purpose Precinct, which was terrific to open in November last year. I am hoping that you have all gone to the Victoria market to check out the Purpose Precinct, and if you have not, you really need to. It is terrific. It is in one of the alleyways of the Queen Victoria Market. It is set up to showcase over 100 of our local social enterprises, where you have got a number of things on offer. You can go, you can buy so many different things and support a social enterprise, which is a really wonderful economic addition to the Victoria market, where you can see that there is yet another attraction that has been offered to that. Again, it contributes to that destination space and really helps people not just in employment directly there in the Victoria market, but it will also drive further business and business growth for those who are showcased there, further enhancing their opportunities to have more employees as well. So there is a really lovely ripple effect that comes from the Purpose Precinct.

It has been backed by a \$4 million investment by our government and designed by leading social enterprises in our state, which are Good Cycles and Streat, two really fantastic social enterprises. Good Cycles sells, repairs and services bicycles while also creating employment pathways for young people. I have met some of their people at the Victoria market. Just seeing how excited they are about working for Good Cycles and how good it makes them feel about themselves is really terrific. We have also got Streat, which is giving young people the support and skills they need to reach their potential through a range of hospitality and horticulture enterprises. Streat do a number of different things, but one of the things I really love about what they are doing is the cafe they have got at Parkville College, which really gives young offenders an opportunity to learn new skills and to find a new pathway as they come out of Parkville back into the community. It is a confidence builder, but it is that really important skills builder, which is terrific.

Being located in the absolutely iconic Queen Victoria Market, which welcomes thousands of domestic and international visitors each week, means that our very own social enterprises are on display to the world, helping them continue to grow economically and showcase their skills and crafts. The precinct itself, as I said, has over 100 social enterprises, and it really is a positive economic effect. The social enterprises themselves should not be underestimated. Some of these are real powerhouses. They do incredible things. It means that these enterprises can continue to offer the opportunities to Victorian jobseekers who often have faced barriers to employment. As I was saying before to Mr Tak, there are so many barriers that people can experience, and social enterprises can often provide that really nurturing environment that can help people find their way, develop the skills that they need and improve their CV. It really does open up so many different opportunities. It means that these enterprises can continue to offer opportunities to Victorian jobseekers who have often faced barriers.

The Purpose Precinct is home to social enterprises like Free to Feed, which is a wonderful social enterprise in Fitzroy North which I had the pleasure of eating at when I visited not so long ago. It is a really fantastic social enterprise. I would recommend people go in there to check out their menu, because it is absolutely good. Their model creates empowering employment opportunities for people seeking asylum and refugees through the creation of shared food experiences. It is terrific because they all learn each other's recipes. They all learn different traditions from each other. It is a really lovely environment. And you have got HoMie Clothing, a fantastic homegrown social enterprise which I am really looking forward to visiting soon to learn more about how their social enterprise is supporting young people affected by homelessness and help them get the employment they need.

**Mathew HILAKARI:** Thank you, Minister.

**The CHAIR:** Thank you, Minister. Thank you, Mr Hilakari.

Minister and officials, our time has come to an end for this portfolio. Thank you very much for appearing before the committee this afternoon. 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.

The committee is now going to take a very short break before beginning its consideration of the prevention of family violence portfolio at 3:30 pm.

I declare this hearing adjourned.

**Witnesses withdrew.**