

VERIFIED TRANSCRIPT

PUBLIC ACCOUNTS AND ESTIMATES COMMITTEE

Inquiry into budget estimates 2006-07

Melbourne — 21 June 2006

Members

Mr W. R. Baxter

Ms C. M. Campbell

Mr R. W. Clark

Mr B. Forwood

Ms D. L. Green

Mr J. Merlino

Mr G. K. Rich-Phillips

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Witnesses

Mr G. Jennings, Minister for Aboriginal Affairs;

Mr T. Healy, deputy secretary;

Mr S. Gregory, chief financial officer, corporate finance; and

Ms A. Jurjevic, executive director, Aboriginal Affairs Victoria, Department for Victorian Communities

The CHAIR — I declare open the Public Accounts and Estimates Committee hearings on the budget estimates for the portfolios of Aboriginal affairs and aged care. I welcome Mr Gavin Jennings, MLC, Minister for Aboriginal Affairs and Minister for Aged Care; Mr Terry Healy, deputy secretary for the Department for Victorian Communities; Ms Angela Jurjevic, executive director, Aboriginal Affairs Victoria; Mr Stephen Gregory, chief finance officer, Department for Victorian Communities; departmental officers; members of the public and media.

In accordance with guidelines for public hearings, I remind members of the public that they cannot participate in the committee's proceedings. Only officers of the PAEC secretariat are to approach PAEC members. Departmental officers, as requested by the minister or his chief of staff, can approach the table during the hearings. Members of the media are also requested to observe the guidelines for filming or recording proceedings in the Legislative Council Committee Room.

All evidence taken by this committee is taken under the provisions of the Parliamentary Committees Act and is protected from judicial review. However, any comments made outside the precincts of the hearing are not protected by parliamentary privilege. All evidence given today is being recorded and witnesses will be provided, via email this year, of proof versions of the transcript for verification. You have two working days upon receipt of those to confirm the transcript.

Before I call on the minister to give a brief presentation on the more complex financial and performance information that relates to the budget estimates for the Aboriginal affairs portfolio, I ask that all mobile phones be turned off. Minister, you have 5 minutes for your overhead presentation, and then we have around 40 minutes for questions. Thank you.

Slides shown.

Mr JENNINGS — I thank the Public Accounts and Estimates Committee for the opportunity to share with them, in accordance with our accountability to the Parliament and the people of Victoria, important endeavours that we are trying to embark upon within the Aboriginal affairs portfolio and trying to address a sorry history of disadvantage and dispossession that has been experienced by Aboriginal people, to rise up to the challenges that confront us on a daily basis with the lack of quality outcomes for Aboriginal people in their life experience. Hopefully that is something that unites the Parliament and the Victorian community in their trying to address that ongoing disadvantage.

As introductory comments to the committee, we have embarked upon, during the life of the Bracks government, concerted efforts through a framework which is pretty consistent from one year to the next in terms of the overarching principles that we try to apply. We do acknowledge the disadvantage and the damage that has been experienced through the colonial settlement of the state of Victoria and what it has meant for Aboriginal people. We do not live in denial of that. In fact Victoria, in a bipartisan way, has been the jurisdiction that has been prepared to say sorry for the experiences of the stolen generation. That is not necessarily the case around the nation, but we do not live in a state of denial in Victoria.

We believe in the importance of strengthening Aboriginal communities and in strengthening the capacity of Aboriginal people to take control of their own lives. That is very much a hallmark, a philosophical centre, of the Bracks government's approach to our engagement with Aboriginal people. In fact, that is a very contemporary issue because there are debates in as recently as this morning's press which indicate that this may not be a view shared by the commonwealth. In fact, given that the commonwealth has a prevailing responsibility for Aboriginal wellbeing across this nation, they are contemporary issues that we have to confront in terms of the roles and responsibilities of Aboriginal people and the way in which we deliver programs in cooperation and partnership with Aboriginal people, because our overriding objective is to build a positive future.

We want to make sure that we engage the appropriate respect with Aboriginal people, we build on those partnerships and we generate real partnerships rather than rhetorical ones, and that we have a spirit of collaboration and indeed we recognise our obligation as a state to get our act together and make sure that there are not any impediments to the way in which we administer programs and we coordinate our activities so we have a whole-of-government approach.

If Mr Forwood had been here I would have had the opportunity to comment for the fourth year in a row about what I have described as the exponential growth in the Aboriginal affairs budget. In fact, I have got to the situation where it certainly looks like an exponential curve to me, and Mr Forwood and I would have compared notes.

This graph demonstrates what the allocation is within the Aboriginal affairs portfolio. I draw to the attention of the PAEC that it does not necessarily include all of the expenditure; in fact, it does not include the vast majority of expenditure within Aboriginal programs that have been indicative in the last three budgets — and in fact across the whole of government this year \$75 million has been allocated to programs to support Aboriginal people.

The expenditure within the Aboriginal affairs portfolio is in three major areas. They are to improve the community engagement and representation and build new representative arrangements with Aboriginal people, with \$10.8 million over four years; we have introduced a new cultural heritage bill and we have allocated \$12.7 million over four years to make sure that we implement the effectiveness of that new piece of legislation; we have tried to ensure that Aboriginal organisations work out of community organisations which are structurally sound and safe for them to maintain Aboriginal wellbeing, and \$5.8 million has been allocated for that purpose.

With our achievements in the outgoing year, as I have mentioned, we have introduced a new heritage act, which will bring responsibility back from the commonwealth to Victoria. We have embarked upon extensive consultation to have some degree of confidence about moving to a new regime of representative arrangements. We have had some tangible results in trying to streamline the administration and the way in which whole of government works to ensure we get our act together.

We have had successes in relation to the Lake Tyers community renewal program, which has seen the reintroduction of community services and community facilities within that community. We have taken our first steps in relation to the important land and economic development strategy. So our first investment is to try to build a reconnection between Aboriginal people and land management, and the social and economic opportunities that may come from land management.

In conjunction with the City of Melbourne we now have a wonderful arts space at Birrarung Marr called Birrarung Wilam, which will be a public demonstration of the great artistic endeavours and cultural heritage of Aboriginal people. It is an opportunity for people to be immersed in Aboriginal stories along the Yarra. We have had extensive improvements to training programs, a major commitment of Aboriginal people to improve their governance capacity and a high degree of participation in governance training. We have embarked upon an extensive audit of the Aboriginal infrastructure and the facilities within Aboriginal communities and we are now well placed to make future investments in those facilities.

The CHAIR — Thank you very much. The PAEC has spoken to you on a number of occasions about the challenges in delivering a whole-of-government approach to Aboriginal Affairs given that the responsibilities cover many portfolios. Could you tell us what progress has been made in the last 12 months to ensure that there is a whole-of-government approach? Are you, as Aboriginal Affairs minister, happy with the way the whole-of-government approach is operating now?

Mr JENNINGS — I am happy that we have made major strides in getting our act together and in terms of trying to streamline our administrative arrangements and the opportunities for us to work in a collaborative fashion, for us to build programs that supplement the activities across a range of portfolios. They are major benefits, which I will tease out in a minute.

What I am not happy about is the ongoing experience of Aboriginal people in terms of quality of life and the low benchmark for the level of disadvantage experienced by Aboriginal people that we are mindful of and know that there will be a varying rate of change of some of those features. For instance, life expectancy, which is an appalling situation: Aboriginal people have a life expectancy of 20 years less than other members of the community. That unfortunate circumstance will take some time to change because the cumulative effect of having better support for mothers and children in terms of adding to the wherewithal of children, which has been a major feature of our investment strategy in the last few years, will arm those young children in their future lives and we would expect their life expectancy to grow in accordance with that investment in the quality of their early years of life.

Similarly, our investments in other aspects whether it be through a response to chronic illnesses or an effort to improve not only the mainstream delivery of health services but also to develop collaborative arrangements with Aboriginal community-controlled health organisations to address the major incidence of illness and the morbidity pattern that leads to early mortality for Aboriginal people. We would expect those to have an effect, and they are having an effect, but demonstrating that on a statistical basis will take some time to come through.

We have had a great degree of success in the last few budgets beyond Aboriginal affairs — right across government — in showing that we are accumulating a significant coordination of integrated programs that range from early intervention, the transition within school, efforts within the school system, job creation opportunities, housing opportunities and family restoration programs that are working in a concerted way to increase the wherewithal of Aboriginal families.

We also recognise the importance of economic development and connection to land. They have been features of our budget. We need to ensure that the way we go about our work through collaborative arrangements, whether it be through the human services forum or the justice forum — which have led to many successes in terms of partnership arrangements with Aboriginal people — is best integrated. We have had some success in that.

The CHAIR — Do you pull that all together in a single document at any point?

Mr JENNINGS — The Public Accounts and Estimates Committee would note that there has been a framework document we have reported on to Parliament on a number of occasions. The most recent one was tabled earlier this year and there are copies for members of the committee.

The CHAIR — Good. That is what I was hoping you would tell us.

Mr JENNINGS — You hoped to get a copy? Excellent.

The CHAIR — Which was very much to the point of my question, so thank you.

Mr JENNINGS — I did not want to short-circuit it by saying, ‘Here is a copy of a document, one I prepared earlier’. I wanted to give you an impression of what is in it.

The CHAIR — That is very helpful because when we write our estimates report that whole-of-government report is critical so thank you.

Mr JENNINGS — These are available for members of the committee; we can circulate them. What you will find is there is a very healthy correlation between what I have said to you and what is in it.

The CHAIR — I am pleased about that.

Mr RICH-PHILLIPS — I would like to ask you about the Yachad program that you spoke about last year. When you raised it last year you said it was six months into an 18-month trial. Can you now tell the committee the results of that program, how successful has it been? Is it likely to be rolled out more widely for Aboriginal people?

Mr JENNINGS — I have had some great experiences in travelling up to Shepparton and visiting the schools in which that program has been applied. It is a great collaborative effort between schools in that region, the Aboriginal community and a number of philanthropic bodies which have brought together expertise from the Hebrew University in terms of the method. It has been very successful in my view in trying to build a degree of confidence in young Aboriginal children, in particular in Reading Recovery and confidence levels within schools.

That program has continued. It came from outside government, outside the public sector. It is an initiative the government is now a partner in but it was not driven by the government. It is a community-based approach which has a number of pilots running across Australia. It has grown across Australia. One of the things the committee will note within this year’s budget, in education, is a commitment to have literacy and numeracy programs being augmented and supported by 45 trained and supported staff working within the education system here. Without necessarily saying it is exactly the same as the Yachad model, this is a model that has been picked up in the education system.

I have had many conversations with my colleague the Minister for Education and Training about the way that program could or should work to support Aboriginal people. I have certainly talked to people in Aboriginal education through VAEAI, which is the stakeholder body, and through departmental officers within education to ensure that there is an appropriate degree of focus on that program that meets the needs of Aboriginal children.

Beyond that, can I say that if I get into some degree of esoteric detail beyond that, I am probably treading on the toes of my ministerial colleague the education minister. I encourage the Public Accounts and Estimates Committee — —

Mr RICH-PHILLIPS — Too late.

Mr JENNINGS — Too late! Have you missed the opportunity? That is why you have come back to me.

The CHAIR — We can, if Mr Rich-Phillips wishes, make it a follow-up question to the education minister.

Mr RICH-PHILLIPS — Are you able to tell us the scope of the geographic spread following the pilot? You mentioned 45 educators and programs that, I take it, will be similar to but not the same as the pilot?

Mr JENNINGS — You would have noticed in my answer what I referred to as the Yachad program is one that the education system in Victoria is a partner to. In fact it was a community-based approach that actually the state partnered. What I subsequently went on to talk about was an initiative within education in itself that would take responsibility for rolling out the programs that may be similar in part to this program across Victoria which is the mainstream effort of the state of Victoria. That is where the effort will be in public education in Victoria — through the state-based approach.

Mr MERLINO — At last year's PAEC estimates hearings you were asked what action the government was taking to address the dispossession of Aboriginal land and culture in Victoria. Can you advise the committee of progress on implementation of the Aboriginal land and economic development program which was announced in last year's budget?

Mr JENNINGS — I am very grateful for the opportunity because in my introductory presentation I went through at a great rate what was a very significant issue. Firstly, we recognise the importance of ensuring Aboriginal people play a prominent role within land management and have a greater sense of control over what was traditional land in the state of Victoria. We try to provide for that management and control and underpin some social and economic development that may create jobs and lead to a greater degree of satisfaction within the life of Aboriginal people.

We committed \$9.6 million to the first three years of the Aboriginal land and economic development program — that is, to the program in last year's budget — particularly focusing in the first instance on what the tourism potential may be in south-west Victoria.

A few months ago I launched a package of those measures in the company of many talented and committed Aboriginal people at Tower Hill in Warrambool. I will just briefly outline what they are. They range from Brambuk, which is a very well-known cultural centre at Halls Gap; we have provided some support to them to add to their capacity and cultural heritage to train other Aboriginal people in cultural tourism activities. It has become a registered training provider to ensure there is a greater supply of Aboriginal people who can undertake this work.

We are providing Bunjil's Shelter, which is a very important place within the Aboriginal cultural heritage in Victoria in terms of the Bunjil story which is very important in Aboriginal spiritual values, with a new degree of protection and interpretation; it is just outside Stawell. There is the great Tyrendarra lava flow which runs from Mount Eccles to the sea. South-west Victoria is an extraordinary landscape where Aboriginal people lived on the basis of recorded history for the best part of 10 000 years. It was in a sense a permanent settlement around that lava flow. They cultivated eels and had eel traps within that lava flow. That will receive support for developing tourism infrastructure and investment.

Similarly, there are great attractions around Tower Hill itself where many people are going. We are encouraging people to stay overnight. There are the welcome to country tours that apply throughout south-west Victoria to which we provide some support. There is great artistic endeavour we see coming out; we want to create a centre in Port Fairy which is called Kaawirn Kuunawaran or Hissing Swan Arts. We hope it will be a great cultural centre in years to come.

We think there is great potential for those to come together as a very viable marketing opportunity to attract international and national visitors to south-west Victoria to get an indigenous experience. We know the vast

majority of international tourists who come to Victoria want to have an indigenous experience, and this will enable us to market such an experience for them.

The CHAIR — You answered that very comprehensively. My succinct supplementary — and it would be great if you could give me a succinct answer — is: have the great initiatives of Tourism Victoria and its promotional material on the Great Ocean Road been woven in yet? We cannot ask the Minister for Tourism because he has already been here. Secondly, does your department or other departments put KPIs on these various visitor centres on expectations of deliverables? You might like to take either on notice.

Mr JENNINGS — In fact, I would prefer to address them straight up. There has been some collaborative effort between ourselves and Tourism Victoria. We have done a lot of collaborative work over the last couple of years making investments in terms of marketing. That has been achieved.

In terms of KPIs, one of the things that underpins the development of this program is assessing business viability and what would be required to establish these businesses to be viable. It would be overreaching to have KPIs about how many people you would expect to come in the door in the first instance until we build the cumulative effort. We know we need to build.

Mr RICH-PHILLIPS — I would like to ask you about the indigenous capacity building activities that are listed on page 264 of budget paper 3. Can you tell the committee are those activities that your agency defines and runs or are they activities that individual Aboriginal communities come to AAV seeking funding support for? Do those activities include assisting Aboriginal people in developing the skills to better be involved in supplying the programs that AAV runs for Aboriginal communities so the Aboriginal community can deliver them for themselves?

Mr JENNINGS — I thank Mr Rich-Phillips for the question because there is a range of activities and training opportunities that we coordinate right across the sector. There is support that we provide to the CEO network that works within Aboriginal organisations. We have general training opportunities; if the committee likes, I could run through those. We also have a particular effort to support leadership within those organisations, to try to build best practice within the operations to make sure they are well co-ordinated to learn from one another in terms of their experiences.

We provide specific leadership opportunities whether they be through leadership programs that are funded in conjunction with VicHealth to try to cultivate and mentor new leadership capacity. Through this program we fund the Victorian Indigenous Youth Advisory Council that provides an opportunity for young people to come together to learn and be mentored in leadership capacities. We have had a series of one-off grants but they are a lesser feature of the way in which we currently administer the program.

If you had asked me a similar question a couple of years ago the allocation of funding was more skewed towards one-off grants that applied to individual organisations. In the last three years we have moved the program away from a grants-based approach to try and build a greater degree of governance training and support to CEOs and capacity across the sector.

Mr RICH-PHILLIPS — On the budget papers, does that list of 30 approved represent a breakdown of how many of those are initiated by Aboriginal communities as distinct from AAV?

Mr JENNINGS — I have the list in front of me. That is not the way in which the demarcation occurs. It is a good question if you are trying to trick me out about whether we believe in collaboration or not. We do believe in it.

Mr RICH-PHILLIPS — I was not.

Mr JENNINGS — It would have been a good question, because it might have seen whether we are trying to be top-down about it, or trying to be bottom, exclusively self-determination or exclusively leadership and or a paternal approach. Hopefully we have a meeting of minds where we tease out with Aboriginal people where they would like the expertise to be given.

The extraordinary thing is that four years ago in my experience if you used the word 'governance' within Aboriginal communities, they saw that as an imposition of state to community — so, 'The only reason we are interested in governance is to make you accountable for everything you get'.

The extraordinary thing in the last four years is now Aboriginal people in community organisations realise the governance actually allows them to do their jobs properly, to empower them to deliver better outcomes for their people and to justify growth in funding for the future. So in my experience we have been very successful in shifting that mindset over the last few years.

Because of that we see a change. In the government's programs that we have run this year we have had a whole range of people participate from a range of organisations. I have a list of about 30 organisations that have participated in governance training. If I had tried to run those programs four years ago, probably no-one would have turned up so we have been pretty successful in skewing that program.

The CHAIR — As a point of clarification for the committee, you were referring to a budget paper and page reference. Could I get that, please?

Mr RICH-PHILLIPS — I was referring to page 264, the first performance measure entitled 'Indigenous capacity building activities: number approved'.

The CHAIR — Thank you.

Ms ROMANES — Minister, I refer you to table A.21, 'Output initiatives — Victorian Communities' in budget paper 3 on page 337. There is a line item under 'A Fairer Victoria' which is 'Indigenous Community Engagement and Representation'. You made reference to that in your initial comments this morning. Can you tell us what progress has been made? What are the anticipated time lines for putting in place of the new representative arrangements for indigenous Victorians?

Mr JENNINGS — Thank you for the question. One thing I can actually say with a degree of confidence is that consultation processes which are truly engaging take a little bit longer than you might hope when you start.

A couple of years ago I travelled around Victoria and had about 40 consultations myself which led to this initiative and which also led to having some degree of confidence about reforms to cultural heritage. In this instance we subsequently followed that up after the demise of ATSIC with a round of consultations on this issue. Troy Austin, who had been the outgoing Victorian chair of ATSIC, embarked upon 52 consultations around Victoria to try to find ways in which people wanted to fill the vacuum that was created when ATSIC met its demise. We all know there were many national debates about the value of ATSIC. In fact there was some degree of criticism that was extremely valid about ATSIC across the country.

In Victoria we had the good fortune that it was comparatively functional. It was actually bringing people together. There were two councils that operated in Victoria, quite successfully bringing together representatives of the Aboriginal organisations and communities in a fairly focused, disciplined way. It was very useful to the Victorian government in providing the mandate for engagement with the Premier's Aboriginal advisory council. So we lost something in Victoria when ATSIC was dismantled.

The consultations we have embarked on said yes, Aboriginal communities have an interest in replacing a peak body across the state, which culminates in the Premier's Aboriginal advisory council. But one community after another said the fundamental thing we need is a space to come together to discuss our relative priorities, to become more empowered in leadership locally and to develop locally based plans.

That grassroots participation and capacity-building is the first order issue for us, rather than a statewide peak, because in fact there was a recognition that already through the forums such as the justice forum, the human services forum and the remnants of the Premier's advisory council, in fact high-level discussions were quite successful. But we needed that locally based capacity building.

In the budget we have a \$10.8 million investment over the next three years which will account for developing that local capacity. In the first instance we are looking at going into 14 communities across the Gippsland region and the Loddon-Mallee region and providing opportunities for those locally based, community capacity building activities to occur.

In terms of the budget measure that is there, we are looking at 14 communities this year, with the intention of over the likely three years going to 38. That will be 14 in the first year and for the budget performance measures we actually hope that at least half of those 14 — that is, 7 — will come together as functioning local participatory bodies across Gippsland and the Loddon-Mallee region.

Ms ROMANES — On a supplementary, Minister, will you use the same facilitators for all this work? Do you have a team of people you can draw on? It would demand fairly high skills and sensitivity.

Mr JENNINGS — No, we recognise that one size will not fit all or necessarily one person can do all that in-depth work. There will be facilitators in the regions backed up by work that we will be doing from our department, coordinating with the work that we hope to further streamline the synergies and cooperation between different agencies and forums, whether they be justice and human services, to augment the work that we will be doing through AAV. But definitely we will not be expecting one person to actually travel the state and bring all these communities together.

Mr RICH-PHILLIPS — Minister, the question goes back to the previous question and also your comment during your presentation that approximately \$75 million is spent on Aboriginal programs across government. Can you give the committee an indication — it does not have to be exact numbers — of what proportion of that \$75 million is spent by government in service delivery as opposed to devolved to Aboriginal communities to run their own programs? Can you give an idea of the relativities?

Mr JENNINGS — That is not a bad question. Just to clarify it, the \$75 million is not the quantum of expenditure in the given year. The \$75 million was for the initiatives that were announced in this year's budget. The break-up of those initiatives is as follows: there is just over \$26 million in initiatives in relation to the Aboriginal justice agreement mark 2, which does a range of things. It creates new Koori courts; it creates a series of diversion programs to try to keep young people out of juvenile justice institutions; it tries to provide support within the corrections system to rehabilitate and retrain Aboriginal people in custody to try to help them live more productive lives on release back into the community; and it tries to develop some community-based approaches.

Just running through the allocation of money, within my portfolio I have already outlined the investment of \$5.8 million to support infrastructure within Aboriginal community organisations. All of that money will go to Aboriginal community organisations; all of it. The \$10.8 million for new representative arrangements — the vast majority of that expenditure will be to support training for Aboriginal people locally to assist them in creating local plans, so the vast majority of that \$10.8 million will go to Aboriginal people. The \$12.6 million to implement the Cultural Heritage Act — the vast majority of that money will be spent supporting cultural heritage programs, which are community-based programs involving the work that is undertaken in the field. Some of that \$12.6 million will be to ensure that there are proper administrative arrangements within government.

There will be an allocation for local councils to make sure that they do cultural heritage assessments within their municipalities. Without being able to absolutely give you the percentages, about two-thirds is probably community-based money or certainly for Aboriginal people who are employed in cultural heritage programs. There is \$3.7 million to create a new Koori youth, alcohol and drug healing centre — that is, the building — and the service delivery will be undertaken in a partnership arrangement between an Aboriginal community-based provider and a mainstream provider. The \$2.7 million allocated to the Academy of Sport, Health and Education is to support the work done in a partnership arrangement between the Shepparton Aboriginal community and the University of Melbourne where they develop an approach to training. It is a bit hard to actually know the auspices for that money, given that it is the University of Melbourne and we lose the community control of that money, Mr Rich-Phillips, but in fact there is a high degree of collaboration and partnership in the expenditure of that money.

The \$3.9 million is part of a \$14 million effort to support families and to implement the Children and Young Persons Act. That is, of that \$14 million, \$3.9 million is to expand maternal services and provide in-home support. That money will be shared by mainstream providers and Aboriginal community providers to be able to provide that support.

There will be \$5 million to expand programs to strengthen Aboriginal families in the name of preserving them so we do not have actually have children at risk of being placed in out-of-home care, and a high proportion of that investment will be in Aboriginal-based community organisations, which will be responsible for providing those

services. Some \$5.2 million of that will be to support the receiving families of children who are in out-of-home care and to try to create greater opportunities for those children to be returned to their families. Most of that money will be spent in Aboriginal community agencies to ensure that they are geared up and resourced to comply with their obligations and our obligations that we have created for those agencies through the new Children and Young Persons Act. I think that will get us to \$75 million.

The CHAIR — Is that all clear?

Mr RICH-PHILLIPS — That is clear. My misunderstanding of the minister's earlier comment about the 75 — that is, the new initiatives?

Mr JENNINGS — Yes.

Mr RICH-PHILLIPS — What is the quantum of the total government spend on Aboriginal services? You do not need to provide detail, just an idea.

The CHAIR — That supplementary will take us pretty much to the conclusion of today. Away you go, Minister.

Mr JENNINGS — I encourage Mr Rich-Phillips to ask the Treasurer that question next time.

Mr RICH-PHILLIPS — It is too late for that, too.

Mr JENNINGS — The thing about it is that, as I think I am demonstrating to the Public Accounts and Estimates Committee, I do have a reasonable appraisal of what happens across government in relation to Aboriginal affairs. I am responsible to this committee, to the Parliament, for what I expend, and in answer to your question, which is a good question, I hope the Treasurer could give you a ballpark figure. I would not actually want to give you the ballpark figure because it is actually growing every year, and I am not spending a lot of time chasing the tail of what that expenditure may be. What I can tell you is that it is far more than what the commonwealth is spending in the state of Victoria on Aboriginal affairs.

Mr RICH-PHILLIPS — As you would expect.

Mr JENNINGS — I do not know; why would you expect that?

Mr CLARK — It is a state-devolved service delivery.

Mr JENNINGS — It is not the case in any other state.

Mr SOMYUREK — Minister, you mentioned the commonwealth, if I can stick to the commonwealth theme, it is my understanding — and I might be wrong here — the commonwealth has signed about four agreements with other states with respect to indigenous affairs. Are there negotiations currently under way in terms of bilateral agreements with the commonwealth, and, if so, what is the status of these negotiations?

Mr JENNINGS — Mr Somyurek, I reckon we are segueing very nicely from Mr Rich-Phillips to you; it is a perfect segue. It was terrific. In fact your question involves a matter where perhaps I continue to be optimistic. This is actually not the fulsome optimism that I have demonstrated with other answers, because it has been very heavy weather in trying to reach a level of agreement with the commonwealth to get it to focus on the needs of Aboriginal people. What I have indicated to PAEC in the last half hour or so is that the circumstances of Aboriginal people, while we try to be on a positive trajectory, is that we come from such a low base in terms of life experience, educational attainment, employment attainment and quality of life issues, that in fact we have got a lot of work to do. If you have a look at those headline indicators of quality of life you see it is not chalk and cheese when you compare the quality of life of Victorian Aboriginal people with that of Aboriginal people around the rest of the nation. The extraordinary situation is that each and every year, thanks to the grants commission equalisation formula, about \$665 million is taken away from Victoria in terms of GST payments specifically for the purpose of addressing Aboriginal disadvantage.

In fact, as recently as last Friday when I was at the states and territories meetings with the commonwealth on Aboriginal affairs, the commonwealth was making it pretty clear what its expectations were for the states and territories in terms of performance indicators and new arrangements. The commonwealth was actually saying, 'You

account to us for our money'. I said, 'What about the state of Victoria? We are probably the second-largest investor in Aboriginal wellbeing across this nation because \$664 million every year comes from Victoria and is redistributed around the states.' In a sense it has a degree of accountability to us as well. But I take the approach that we are in it together. As I indicated at the meeting, I am old-fashioned; I believe it is the people's money and that governments make the decision about how that money is spent.

I actually try to, rather than seeing it as a commonwealth or state issue, see it as an issue that we should work in partnership on. We have tried to work in partnership with the commonwealth. We have tried to reach a bilateral agreement, but one of the preconditions that we say in Victoria is that we require the appropriate engagement of Aboriginal people in this partnership. It is not just about heads of government signing off what suits them in terms of degree of accountability; we actually see accountability as a two-way street — more than a two-way street; more of a multilateral street, if such a concept exists — to ensure that there is an engagement of Aboriginal people in that partnership.

We have written into our form of the draft of the bilateral agreement that the commonwealth should not be wanting to enter into agreements on the basis of undertakings it is trying to extract from Aboriginal communities just to maintain its existing effort, just to maintain the base level of investment. If you have requirements for additional accountability from Aboriginal people, you should be offering additional investment, an additional resource allocation, rather than trying to create an environment where people actually have to jump through hoops just to receive their welfare benefits. That is the nature of the debate we are currently having with the commonwealth.

Mr RICH-PHILLIPS — I have a quick supplementary question, minister. Further to the federal health minister's comments today, do the agreements look at not only the what, but the how, because there seems to be a gulf between how Victoria says services should be delivered and how the commonwealth does. Does the agreement, or the negotiations, include those sorts of issues?

Mr JENNINGS — That goes to part of our problem of reaching the level of agreement. It is not for want of trying. We say to the commonwealth, 'Do not turn your back on Victorian Aboriginal people. Do not assume that we are not prepared to be fellow travellers with you on what aspect of the agenda we can agree on.' The degree of additional accountability and governance capacity of Aboriginal people is not in question. In fact, my answer to Mr Rich-Phillips earlier today demonstrated that there has been a huge turnaround in the recognition of Aboriginal community organisations, the need to improve their governance and their capacity to run their own affairs — there is recognition of that — so accountability is not in question. Improved governance is not in question.

So what is in question? The question is about whether you try to steer particular outcomes which are out of kilter with what the aspirations of local people may be. In Victoria we are positioning ourselves to say, 'Let's roll our sleeves up. Let's engage in realistic conversations about what is the way forward', which we all share a sense of responsibility for. We do it together in a coordinated fashion, in a true spirit of partnership and collaboration — and that is the challenge. The commonwealth at the moment is seeing it as bit too hard to engage in Victoria. For instance in services, shared responsibilities, they give reports that they have signed up 120 or 130 across the country of which, supposedly, one has been signed off in the state of Victoria with a local Aboriginal community, and it was redefined as a shared responsibility agreement about 18 months after it was signed.

Mr RICH-PHILLIPS — I would like to ask you about engagement with the Aboriginal community. In the budget papers the department listed that you have had 100 formal consultations with Aboriginal communities on various issues. Can you give the committee some indication — you may like to take this on notice — of how widely you advertise your consultations; typically, how many people attend them, and how broadly based are the people who attend them? As you would appreciate, at a lot of community meetings you often get a core of people from representative groups; the same people turn up to every event, but it is not necessarily a broad representation of the community. Can you provide us with some information on those aspects of your consultation programs, please?

Mr JENNINGS — That is a good question because part of our approach to community building is to try to get more than the usual suspects to attend meetings. That is exactly what we are trying to do. It is exactly the reason we are investing the \$10.8 million — to try to get a new emerging leadership group coming through local Aboriginal communities. We try to train people in the way to become activists, organisers and workers within community organisations and with their community. That is exactly why we want to embark upon that model. This

is because, whether it be in Aboriginal communities or any walk of life, there is the difficulty of trying to create an environment where people feel comfortable to come and participate in community life. With Aboriginal people you would appreciate that there are a whole range of additional impediments that mean people might not have that confidence to participate; so that is a challenge, and I acknowledge that challenge.

We try to ensure through the consultations that we work beyond Aboriginal networks, whether that be through community organisations, through government offices and through the local press and media to attract people to meetings. We have varying success in our degree of engagement — for instance, if there is a specific agenda and it relates to a specific outcome, the closer you get to that outcome being set in stone, the more people you are going to get. In fact, the further away from decisive action, the fewer people you are going to get.

Mr RICH-PHILLIPS — And after you have made the decision you will get even more.

Mr JENNINGS — Exactly; that is where I was heading. You are exactly right. Obviously you are in the right business, Mr Rich-Phillips, because you know that that is how people get mobilised. That has been our experience; so it has varied.

Just running through to let you know how we get to the 158 that we have actually said beyond 100, we have had 52 consultations around your say about your future, which I mentioned earlier which will lead to the new consultative arrangements; we had 28 consultations around the Aboriginal Heritage Act 2006; we had 12 consultations around the Indigenous Community Infrastructure program which concerns investment in Aboriginal infrastructure; we had 42 consultations around the engagement of cultural heritage management activities, and they ranged right across the state — any prominent part of Victoria has been covered by that; and we had 24 consultations around the development of the Aboriginal land and economic development program. Again, because of the focus on south-west Victoria in particular, that was where we had virtually all of those consultations.

Mr RICH-PHILLIPS — In respect of numbers, and possibly on notice, could you give us an indication of the typical attendance at those forums and consultations.

Mr JENNINGS — In terms of typical —

Mr RICH-PHILLIPS — Average.

Mr JENNINGS — You and I have agreed that it varies significantly, which is typical.

Mr RICH-PHILLIPS — Is it 10 people, 20 people, 30 people?

Mr JENNINGS — At the lower end they are close to 10; at the higher end they are up into the hundreds.

The CHAIR — Thank you very much, minister. The Public Accounts and Estimates Committee places on record its appreciation to you and to the witnesses for your attendance; also to the departmental officers for preparing extensively your briefing folders and for answering our questionnaire. They will have a little bit more work to do in following up some of the questions that will be forwarded to you in around about a week.

Witnesses withdrew.