



COMMONWEALTH OF AUSTRALIA

Official Committee Hansard

SENATE

FINANCE AND PUBLIC ADMINISTRATION
LEGISLATION COMMITTEE

Estimates

FRIDAY, 23 OCTOBER 2020

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SENATE

FINANCE AND PUBLIC ADMINISTRATION LEGISLATION COMMITTEE

Friday, 23 October 2020

Members in attendance: Senators Ayres, Dodson [by video link], Lines, McCarthy, Paterson, Scarr, Sheldon, Thorpe [by video link].

CROSS-PORTFOLIO INDIGENOUS MATTERS**In Attendance**

Senator Ruston, Minister for Families and Social Services

National Indigenous Australians Agency

Mr Ray Griggs, Chief Executive Officer

Mr Blair Exell, Deputy Chief Executive Officer, Policy and Programs

Mr Jamie Fox, Group Manager, Strategic Policy

Ms Maya Stuart-Fox, Branch Manager, Closing the Gap

Ms Debbie Mitchell, Group Manager, Social Policy and Programs

Mr Paul Denny, Branch Manager, Education and Youth

Mr Ryan Bulman, Group Manager, Economic Policy and Programs

Mr Wayne Beswick, Branch Manager, Land

Ms Chloe Bird, Branch Manager, Community Development Program Strategy

Ms Deborah Fulton, Branch Manager, Employment

Ms Anne-Marie Roberts, Group Manager, Northern Australia Development

Ms Letitia Hope, Deputy Chief Executive Officer, Operations and Delivery

Ms Jennifer Collard, Group Manager Program Performance Delivery

Mr Andrew Huey, Grant Design

Mr John Walker, Select, Support and Report

Mr Kevin Brahim, Group Manager South West Region

Mr Sam Jefferies, Group Manager Central Region

Mr Robert Wilmet, Group Manager Eastern Region

Ms Rachael Jackson, Chief Operating Officer

Mr Sam Volker, Chief Financial Officer

Mr Brendan Jacomb, Chief Lawyer

Ms Toni Williams, Branch Manager Program Compliance and Fraud

Mr Vance Khan, Group Manager Organisational Performance and Change

Australian Institute of Aboriginal and Torres Strait Islander Studies

Mr Craig Ritchie, Chief Executive Officer

Mr Michael Ramalli, Deputy Chief Executive Officer

Ms Lyndall Ley, Executive Director, Collection Services Group

Mr Leonard Hill, Executive Director, Collection Services Group

Mr Casey Millward, Acting Executive Director, Research and Education Group

Office of the Registrar of Indigenous Corporations

Mr Selwyn Button, Registrar

Aboriginal Hostels Limited

Mr Dave Chalmers AO, CSC, Chief Executive Officer

Mr Dermot Walsh, Chief Financial Officer

Mr Bob Harvey PSM, General Manager, Operations

Indigenous Business Australia

Mr Rajiv Viswanathan, Chief Executive Officer

Mr Tom Hure, Chief Financial Officer [by video link]

Mr Sean Armistead, Executive Director, Government Relations [by video link]

Ms Kirsty Moore, Executive Director, Products and Markets [by video link]

Ms Stella de Cos, Director, Business Solutions [by video link]

Department of Health

Outcome 2

Ms Tania Rishniw, Deputy Secretary, Primary and Community Care Group

Mr Gavin Matthews, First Assistant Secretary, Indigenous Health Division

Ms Kate Thomann, Assistant Secretary, Indigenous Health Division

Dr Lucas De Toca, First Assistant Secretary, COVID-19 Primary Care Response Team

Ms Michelle Craigie, Assistant Secretary, COVID-19 Primary Care Response Team

Committee met at 09:02

CHAIR (Senator Paterson): Good morning, everybody. I declare open the meeting of the Senate Finance and Public Administration Legislation Committee. Today the committee will continue its examination of the budget estimates for 2020-21 with a cross-portfolio hearing on Indigenous matters. The committee may also examine the annual reports of the departments and agencies appearing before it. Senators, departments and agencies have been provided with advice on arrangements in place to ensure that budget estimates hearings are conducted in a safe environment. This guidance is also available from the secretariat. The committee appreciates the cooperation of all attendees in adhering to these arrangements.

The committee has before it a program listing agencies and outcomes relating to matters for which senators have given notice. The committee has fixed 4 December 2020 as the date for the return of answers to questions taken on notice. The committee will begin with examination of the Prime Minister and Cabinet Indigenous portfolio agencies, as listed on the program, including the National Indigenous Australians Agency. The committee will then move on to Indigenous health issues, with representatives of the Department of Health joining officers of the NIAA at the table.

Under standing order 26, the committee must take all evidence in public session. This includes answers to questions on notice. I remind all witnesses that in giving evidence to the committee they are protected by parliamentary privilege. It is unlawful for anyone to threaten or disadvantage a witness on account of evidence given to a committee, and such action may be treated by the Senate as a contempt. It is also a contempt to give false or misleading evidence to a committee.

The Senate by resolution in 1999 endorsed the following test of relevance of questions at estimates hearings: any questions going to the operations or financial positions of the

departments and agencies which are seeking funds in the estimates are relevant questions for the purpose of estimates the hearings. I remind officers that the Senate has resolved that there are no areas in the connection with the expenditure of public funds where any person has a discretion to withhold details or explanations from the parliament or its committees unless the parliament has expressly provided otherwise.

I particularly draw the attention of witnesses to an order of the Senate of 13 May 2009 specifying the process by which a claim of public interest immunity should be raised, which will be incorporated in the *Hansard*:

The extract read as follows—

Public interest immunity claims

That the Senate—

(a) notes that ministers and officers have continued to refuse to provide information to Senate committees without properly raising claims of public interest immunity as required by past resolutions of the Senate;

(b) reaffirms the principles of past resolutions of the Senate by this order, to provide ministers and officers with guidance as to the proper process for raising public interest immunity claims and to consolidate those past resolutions of the Senate;

(c) orders that the following operate as an order of continuing effect:

(1) If:

(a) a Senate committee, or a senator in the course of proceedings of a committee, requests information or a document from a Commonwealth department or agency; and

(b) an officer of the department or agency to whom the request is directed believes that it may not be in the public interest to disclose the information or document to the committee, the officer shall state to the committee the ground on which the officer believes that it may not be in the public interest to disclose the information or document to the committee, and specify the harm to the public interest that could result from the disclosure of the information or document.

(2) If, after receiving the officer's statement under paragraph (1), the committee or the senator requests the officer to refer the question of the disclosure of the information or document to a responsible minister, the officer shall refer that question to the minister.

(3) If a minister, on a reference by an officer under paragraph (2), concludes that it would not be in the public interest to disclose the information or document to the committee, the minister shall provide to the committee a statement of the ground for that conclusion, specifying the harm to the public interest that could result from the disclosure of the information or document.

(4) A minister, in a statement under paragraph (3), shall indicate whether the harm to the public interest that could result from the disclosure of the information or document to the committee could result only from the publication of the information or document by the committee, or could result, equally or in part, from the disclosure of the information or document to the committee as in camera evidence.

(5) If, after considering a statement by a minister provided under paragraph (3), the committee concludes that the statement does not sufficiently justify the withholding of the information or document from the committee, the committee shall report the matter to the Senate.

(6) A decision by a committee not to report a matter to the Senate under paragraph (5) does not prevent a senator from raising the matter in the Senate in accordance with other procedures of the Senate.

(7) A statement that information or a document is not published, or is confidential, or consists of advice to, or internal deliberations of, government, in the absence of specification of the harm to the public interest that could result from the disclosure of the information or document, is not a statement that meets the requirements of paragraph (1) or (4).

(8) If a minister concludes that a statement under paragraph (3) should more appropriately be made by the head of an agency, by reason of the independence of that agency from ministerial direction or control, the minister shall inform the committee of that conclusion and the reason for that conclusion, and shall refer the matter to the head of the agency, who shall then be required to provide a statement in accordance with paragraph (3).

(d) requires the Procedure Committee to review the operation of this order and report to the Senate by 20 August 2009.

(13 May 2009 J.1941)

(Extract, Senate Standing Orders)

CHAIR: Witnesses are specifically reminded that a statement that information or a document is confidential or consists of advice to government is not a statement that meets the requirements of the 2009 order. Instead witnesses are required to provide some specific indication of the harm to public interest that could result from the disclosure of the information or the document.

The Senate has also resolved that an officer of a department of the Commonwealth shall not be asked to give opinions on matters of policy and shall be given the opportunity to refer to questions asked of the officer to superior officers or a minister. This resolution prohibits only questions asking for opinions on matters of policy and does not preclude questions asking for explanations of policies or factual questions about when and how policies were adopted. Officers are required to keep opening statements brief or seek to incorporate longer statements into the *Hansard*.

Aboriginal Hostels Limited

[09:05]

CHAIR: I welcome Senator the Hon. Anne Ruston, Minister for Families and Social Services, representing the Minister for Indigenous Australians; Mr Ray Griggs, chief executive officer of the National Indigenous Australians Agency; Mr Dave Chalmers, chief executive officer of Aboriginal Hostels Ltd; and other officers. Minister, do you wish to make an opening statement?

Senator Ruston: No, thank you.

CHAIR: Mr Griggs, do you wish to make an opening statement?

Mr Griggs: No—not until the NIAA section.

CHAIR: No worries. Mr Chalmers, do you wish to make an opening statement?

Mr Chalmers: Yes I do—very briefly.

CHAIR: Please.

Senator AYRES: Sorry, Chair—just before Mr Chalmers goes to his opening statement, we had a request in, which I think was agreed to, for the provision of some documents to deal with later. Is it possible for those to be provided now so that our officers can—

Mr Griggs: My understanding is they are in the process of being sent to the secretariat.

Senator AYRES: Okay. If we can have those provided as early as they possibly can be, that would be helpful. If somebody could let me know when they are coming so I can arrange for someone to come and pick them up, that'd be terrific.

CHAIR: Sure. I'll ask the secretariat to liaise directly with your office and make sure that, as soon as they receive it, it goes to you.

Senator AYRES: Sorry to interrupt, Mr Chalmers. You're free to go.

CHAIR: Yes—please continue.

Mr Chalmers: Firstly, I wish to acknowledge the Ngunawal people and their elders past, present and emerging. I thank the committee for the opportunity for AHL to appear at today's hearing and look forward to assisting the committee with its inquiries. AHL was last called to appear in April 2019, and there have been no agency-specific questions on notice or other corrections to be noted since that time. AHL did provide input into Senator McCarthy's question on notice regarding COVID-19 measures put in place to protect Aboriginal and Torres Strait Islander communities.

Senators will have noted that Minister Wyatt tabled a letter outlining a delay in the finalisation of AHL's financial statements, which has meant that AHL was not able to table its annual report in parliament this week. I might also state that I took the helm as chief executive officer in March of this year. We're a relatively new executive team, with Mr Harvey commencing in February and Mr Walsh commencing in July. Senators will also note that Minister Wyatt recently announced the appointment of Mr Anthony Ashby as AHL's new chair, following the end of Dr Sue Gordon's term as chair. So this is a period of renewal for the organisation, and I'll do my best to respond to your questions. Thank you, senators. I look forward to your questions.

CHAIR: Thank you very much. I note we will have some senators and some agencies appearing via video link today, and I ask for the cooperation of all committee members and witnesses to facilitate that. Senator McCarthy, are you seeking the call?

Senator McCARTHY: I am. Thank you. Thank you, Mr Chalmers, for your opening statement. Obviously, you are now the CEO of Aboriginal Hostels Ltd and you were appointed in February—is that what you—

Mr Chalmers: In March.

Senator McCARTHY: What is the length of your contract?

Mr Chalmers: It's a five-year contract.

Senator McCARTHY: And the amount of the remuneration?

Mr Chalmers: I can't tell you exactly, but it's about \$330,000.

Senator McCARTHY: I think it is important to understand what the recruitment process was, and this obviously occurred over the time during COVID-19.

Mr Chalmers: No, it occurred before COVID-19.

Senator McCARTHY: So, if you started in March, you were able to keep an eye on what was going on in terms of Aboriginal Hostels Ltd across the country during COVID?

Mr Chalmers: During the COVID period—that's correct.

Senator McCARTHY: What was the recruitment process that you had to go through?

Mr Chalmers: There was a recruitment process last year, which, I understand, didn't produce a candidate that the committee and board were comfortable with. I was rung then by the recruitment agency and asked if I would be willing to apply. I did. I went through the same process that other candidates had gone through. So I had to write a written application, and I was interviewed by the panel, and, subsequently, I was selected for the job.

Senator McCARTHY: Minister, to put the question to you more appropriately: were there a number of candidates for the position?

Senator Ruston: I'm unaware of the process surrounding the appointment. I'd be happy to take it on notice. Hopefully, I'll be able to get the answer back to you this morning.

Senator McCARTHY: Thank you very much. Again, Minister, has Aboriginal Hostels Ltd ever had an Indigenous CEO?

Senator Ruston: Clearly, I'll take that on notice and get back to you with an answer.

Mr Chalmers: Senator, I can help you with that question.

Senator McCARTHY: Thank you, Mr Chalmers.

Mr Chalmers: Yes, Aboriginal Hostels has had Indigenous CEOs in the past.

Senator McCARTHY: How many, Mr Chalmers?

Mr Chalmers: I don't know the number.

Senator McCARTHY: Would you or the minister take that on notice, and who they were?

Mr Chalmers: Sure.

Senator McCARTHY: So you're there for five years?

Mr Chalmers: Correct.

Senator McCARTHY: We certainly know your experience in the Northern Territory, so I'm just wondering whether there is any particular succession planning beyond that for more Indigenous employment in the Aboriginal hostels' space?

Mr Chalmers: Certainly, it's a very important issue for me to have our staff representing the community that we serve. Aboriginal Hostels, I'm proud to say, has 49 per cent Indigenous staff, which very favourably compares to the level of staffing, which is around three per cent I understand, across the public service generally. Having said that, I have set a target for my HR staff that by the end of next year we will reach a 66 per cent Indigenous staffing level.

Senator McCARTHY: How do you propose to do that? That's a fairly major—

Mr Chalmers: It's a stretch target because it's been quite difficult.

Senator McCARTHY: How are you planning to get there?

Mr Chalmers: We will have more of our positions, which are special positions, advertised for Indigenous candidates. We intend to develop training programs that will allow us to bring Indigenous people into the organisation, train them up for jobs and then employ them. My HR staff are currently developing a strategic plan to achieve the target that I've given them. Whilst it will be difficult, because, frankly, we have been in a steady decline from

a high some decades ago of 80 per cent Indigenous staffing and it's just been a gradual decline, I intend to arrest that.

Senator McCARTHY: You said in your opening statement that the annual report couldn't be tabled. I'm unaware of the reasons behind that. I'm just wondering what it was that the minister said to the lower house as to why that wasn't tabled—or even if the minister's document could be tabled here so that we're aware.

Mr Chalmers: With regard to the letter from the minister, I wrote to the minister explaining that it would difficult to table the report and that we needed a 30-day extension. The reason that that's happened is that ANAO were unable to start their audit in the normal time frame. They were delayed by a month, and that has setback our whole process by a month.

Senator McCARTHY: So would you have it tabled at the end of November?

Mr Chalmers: Yes, that's correct. I say that's correct in that we will have the report to the minister. Obviously, it's up to the minister when he chooses to table it.

Senator McCARTHY: Going back to jobs, if you've got a target of 66 per cent by the end of next year, are you talking about every layer of employment across hostels from junior staffing to senior management?

Mr Chalmers: I'm acutely aware that my executive doesn't have Indigenous representation, as is our chair, Mr Ashby. That is something that can't be remedied in the short term, because the recruiting has already taken place and we have people in place for a number of years. But I would be looking to ensure that we have opportunity for senior executives, as well as across the organisation—that we are better represented.

Senator McCARTHY: I might go to your properties across Australia with AHL. This is more in relation to during COVID. Has there been a reduction in the use of your properties throughout the COVID period?

Mr Chalmers: That's correct. We would average about 1,100 beds being occupied on any given night in a normal period. In March of this year that dropped down to about 670. It's back at 995 this week. So, we have recovered our numbers, but we did suffer a reduction in occupancy during the COVID period.

Senator McCARTHY: Would you say that that's directly related to people not travelling? What are some of the reasons you'd see for those reductions?

Mr Chalmers: In part it's because people weren't travelling, but it was also because we had to close hostels to new residents during the height of the COVID period. So, we took a range of measures in order to protect what is a vulnerable section of the community from COVID.

Senator McCARTHY: When you say 'close hostels', do you mean close them completely—

Mr Chalmers: No,

Senator McCARTHY: or just close them to new clients?

Mr Chalmers: One of the measures we took was to close them to new residents.

Senator McCARTHY: Was that with every hostel?

Mr Chalmers: I might ask Mr Harvey to comment on this.

Mr Harvey: We closed the hostels to all new visitors, apart from emergency medical facilities—so, basically for both student hostels and multipurpose hostels we closed. And we introduced a whole range of measures to deal with COVID. We effectively took about 146 beds offline. But we were also ensuring that we had social distancing, both within the rooms and within the dining area. We were very conscious of that as well.

Senator McCARTHY: When you say 146 beds offline, do you mean across all your properties?

Mr Harvey: Correct.

Senator McCARTHY: Would we be able to get a list of those properties and those reductions?

Mr Harvey: Yes.

Senator McCARTHY: And also the timetable from March until now?

Mr Harvey: Yes. Basically, in simple terms, we started to take beds offline on I think 26 March. We were preparing, as soon as the government was making announcements about COVID. So, we acted pretty quickly from about 6 March, and then I think it was on 18 March that we started to initiate a whole range of arrangements, particularly around social distancing and all sorts of other COVID arrangements—appropriate managing of staff, cleaning of facilities and training of our staff. And then on around 26 March, with the board's endorsement, we made the decision—and implemented that decision—to stop all new residents, apart from emergency medical residents. But, as you'd appreciate, the community was reacting as well. The nature of the service we operate is basically providing services for Aboriginal people who seek to access medical services and access employment or other services, or to access education. Particularly for our multipurpose and medical services, Aboriginal people were not moving around and accessing services, as was the case with the rest of Australia.

Senator McCARTHY: Did you see a reduction in—or did you have to reduce—your staffing throughout this period?

Mr Harvey: Actually, we increased our staffing, to an extent. Why did we do that? Because we were conscious that we had to put in place extra cleaning and extra management, and we were concerned to manage. But we were also concerned about our staff. So we looked at all of our staff and the level of vulnerability, and that was dictated to an extent by the principles that we were being guided by from the national Department of Health. We were looking at the age and vulnerabilities, so we looked at every one of our staff members. If they were considered to be vulnerable, we allowed them to work from home or take leave. We did those sorts of things. So we needed to have enough staff in place to manage our hostels, because we remained open, but also to just implement all the measures that were associated with COVID.

Senator McCARTHY: Mr Harvey, if I can just go back, you said there were 146 beds that you had taken off line.

Mr Harvey: Yes.

Senator McCARTHY: And Mr Chalmers has said as well that you had to close the hostels to new clients. Were any of those clients medical clients that you had to turn away?

Mr Harvey: No. If medical clients were accessing services, we didn't turn away medical clients.

Senator McCARTHY: Even if they were new medical clients?

Mr Harvey: Even if they were new medical clients.

Mr Chalmers: We took that decision to the board, Senator, and the board specifically ensured that our proposal that we would close to new clients to reduce the risk to existing clients—the board specifically said medical clients would be an exception.

Senator McCARTHY: Okay. I understand AHL is seeking to divest itself of three properties during this financial year. This is from page 51 of the portfolio budget statement. Where are these three properties?

Mr Chalmers: They have been sold, and Musgrave Park in Brisbane was one of those properties. I'll just ask Mr Walsh to help me out with the other two.

Mr Walsh: As Mr Chalmers has said, three properties were sold earlier this year: Musgrave Park in Brisbane, Chewings Street in Northern Territory, and Karinga Hostel in Adelaide.

Senator McCARTHY: What was the decision behind selling these three properties?

Mr Chalmers: Generally speaking, the board is looking to see where we have lower occupancy or the buildings themselves are not economic to retain. But, in order to give us opportunities to grow, we need to divest ourselves of properties so that we can move the operating budgets that we have for those properties to other properties.

Senator McCARTHY: And how much did you raise from the sale for each property?

Mr Walsh: From Karinga in Adelaide, \$1.081 million; Musgrave Park in Brisbane, \$1.503 million; and Chewings Street in Northern Territory, \$828,000.

Senator McCARTHY: Will all of that be invested into new properties or even purchasing other ones?

Mr Chalmers: We have, at the moment, quite a large capital reserve, and so a challenge for us as an executive team is to give the board options for where we might employ that money to better serve our clientele.

Senator McCARTHY: Are you talking about increasing bed numbers?

Mr Chalmers: Or either the construction or purchase of new hostels in areas of need.

Senator McCARTHY: Could I just ask, in relation to food across all your hostels, did you have any experiences, in particular during the COVID crisis, of issues around purchasing food or supplying food for the clients that you had in the hostels?

Mr Chalmers: I think the simple answer to that is: no, we didn't. But I'll let Mr Harvey elaborate.

Mr Harvey: We acted quickly to look at our supply chain, and we also put in place arrangements at the local level. If there was any interruption with our supply chains for hostel managers and heads of boarding to access supply, we tapped in very quickly. We had a person at the national office who was coordinating and looking at supply of goods and services, just

like the rest of Australia. There were initially some issues. We had our hostel managers actually purchase ahead of time—

Senator McCARTHY: Who are your suppliers, Mr Harvey?

Mr Harvey: There are a range of wholesale suppliers such as Bidfood and others that we use to supply goods to us. We tapped into Outback Stores as well and the supply lines that they use where they're similar to what we use. The only real challenge we had was in regard to hand sanitisers. We initially sourced some of those ourselves, but we relied on other larger suppliers, like Blackwoods, who had ready supplies of those. Initially, for a very short period of time, we were concerned about hand sanitisers and PPE supplies, but we were able to supply pretty quickly and rely on national suppliers, and we did well. Also, because of the change in the way you provide your food, we were also looking at different food delivery approaches in terms of what we provided to our guests to ensure the security of the food that we were delivering. So we adjusted to it very quickly, and I think we worked through that process quickly.

Senator McCARTHY: And do you have enough PPE? Have you got everything that you need for now and going forward as well?

Mr Harvey: Yes.

Senator McCARTHY: In terms of your numbers, in March you had 670 beds?

Mr Harvey: That was in April, actually.

Senator McCARTHY: April?

Mr Harvey: That was residents. We currently have 535 beds available—

Senator McCARTHY: I thought it was 999?

Mr Harvey: but 999 is the number—

Mr Chalmers: 995.

Mr Harvey: Sorry, 995. That is the number of residents we have currently staying with us, and 1,535 is the number of beds we currently have available across all our of hostels.

Senator McCARTHY: On top of the 995 that you're using or total?

Mr Harvey: No, the 995 are just residents who are occupying that 1,535. Effectively, we have an occupancy rate of 65 per cent at the moment.

Senator McCARTHY: Do you give yourselves a target as to when it will get back to a 100 per cent occupancy rate?

Mr Harvey: We have a PBS target of 70 per cent occupancy. We believe that, by the end of this financial year, we'll be back up to about 1,200 residents in our hostels, which is where we were at the beginning of this year.

Senator McCARTHY: Thank you very much, Mr Harvey.

CHAIR: Senator Dodson, do you have any questions for AHL?

Senator DODSON: No, thanks.

CHAIR: Senator Scarr.

Senator SCARR: Mr Chalmers, I've got two lines of question. First, what do you think is, practically, the best strategy to achieve increases in Indigenous workforce participation,

especially at higher levels and in the executive team? In particular, do you think the most effective strategy is to introduce someone to the organisation and mentor them and build up their skills within the organisation so they can be mentored into a senior executive position or is it to bring someone from another external position into a senior executive position? Or could it be either? What would be, in practical terms, the most effective strategy?

Mr Chalmers: We will use both strategies. But I think the truth is that to get senior executives in we will be recruiting broadly and looking for someone who has the skill sets already.

Senator SCARR: Alright. Rather than develop someone from within the organisation up into a senior position?

Mr Chalmers: We'll certainly look to do that, and to develop our staff and give our staff opportunities to achieve more senior positions within AHL, but because we're an APS organisation we'd be looking to equip our staff to fulfil jobs in the APS more broadly.

Senator SCARR: Okay. I note you sold the property in Queensland. That's my beautiful home state. This second question is going to be half a question and half a plug. Have you been to a fantastic secondary school in my home state of Queensland called Hymba Yumba, which is based at Springfield and has about 213 Indigenous students? It's an independent secondary school and they're actually achieving some fantastic results. I'm wondering, when you look at making capital investments in new secondary education hostels, whether or not you look around at what secondary education institutions are achieving great results and then try to couple a hostel with an outstanding secondary educational establishments such as Hymba Yumba?

Mr Chalmers: I'm sorry to say I haven't had the opportunity to visit that school. Now that you mention it I'll certainly put it on the list to go and look at. We know that South-East Queensland demographically is a growth area for Indigenous populations, and so clearly that's of interest to us to make sure that we are providing the facilities that people need. With our secondary education hostels we look very much to partner with schools to make sure that we're helping support children to go to school and get an education.

Senator SCARR: I'd love to offer you an invitation if you'd like to go along. I'll send you my details. I'd love to provide an introduction for you. I think there's a real opportunity there.

CHAIR: If there are no further questions for AHL, I thank you very much for your attendance and evidence here this morning. We look forward to seeing you again sometime.

Indigenous Business Australia

[09 32]

CHAIR: We now move to Indigenous Business Australia. I welcome Mr Rajiv Viswanathan, chief executive officer, and by videoconference Mr Tom Hure, chief financial officer.

Mr Viswanathan: And several other colleagues.

CHAIR: Okay. Good. They're the two I've been notified about, but I look forward to hearing from all of those colleagues as necessary. Mr Viswanathan, would you like to make an opening statement?

Mr Viswanathan: Yes, I would. To begin, I'd like to acknowledge the Ngunawal people as the traditional owners of the lands on which we meet today and acknowledge elders past and present and those who are emerging. It has been a privilege to be able to share details of IBA's work and results over the past four years. I thank the committee for the opportunity to appear before you today. The past four years has been a period of substantial change for IBA as we've charted a new strategic direction, launched a range of new products and solutions and significantly increased our levels of lending and investment. Our results and increased levels of productivity have substantially exceeded what we were able to achieve in prior periods. Since 1 July 2016, IBA has deployed over \$1 billion through our investment and lending activity, which is over eight times the level of government funding provided to IBA by way of capital during that period.

Shortly after my last appearance before this committee in March, the COVID-19 crisis of course escalated globally in Australia. During that time our priority has been to ensure that we do everything we reasonably can to support our customers through the crisis whilst maintaining continuity of business and ensuring the wellbeing of our staff. In doing so, we've worked closely with the NIAA, fellow portfolio bodies and our other partners to ensure that, wherever possible, we have a coordinated approach for the benefit of our customers. Early in the crisis we rapidly transitioned our staff to working from home safely. We accelerated the deployment of new technology to ensure that we could continue to support our customers effectively; stepped up our cybersecurity, digital presence and communications; communicated consistently with customers through our platforms; and implemented new mechanisms to support our staff with their wellbeing so that they could continue to deliver. As the crisis has eased and restrictions have lifted, we've progressively reopened our offices whilst also harnessing what we've learnt about working in a more agile way and better using technology.

With our staff working effectively in a new environment, we've been able to focus strongly on supporting our customers in each of our three main areas of business. For our housing solutions customers, IBA moved quicker than many mainstream lenders to offer relief to our customers, including deferrals of repayments and additional hardship support for those who needed it. We also passed an interest rate cut for all of our home loan customers to reduce interest rates to a maximum of 2.99 per cent per annum to 30 November 2020. These measures, taken together with our approach to work closely with our customers, have helped to ease the burden of the crisis for many of them. It's pleasing to note that our arrears are actually at record lows and have actually decreased since March 2020. Further, the number of customers currently receiving hardship support has significantly reduced and represents less than two per cent of our overall portfolio. It's even more heartening to note that more than 80 per cent of our home loan customers overall are actually ahead on their repayments. For our business solutions customers, again IBA acted early in the crisis and swiftly—and, again, before many mainstream lenders—to offer relief, with customers in need receiving deferrals of repayments and a waiver as opposed to just a deferral of interest for four months, as well as providing additional tailored support where required.

More broadly, we recognise that the Indigenous business sector has grown significantly over the past decade, mainly as a result of the ingenuity and resilience of business owners but also enabled by policies such as the Indigenous procurement policy; innovations by IBA and

other agencies; and other measures. It was really important to preserve these gains to the extent possible so that the sector could continue to thrive after the crisis. To that end, IBA and the NIAA worked together to design a business relief package for Indigenous businesses whether or not they were existing customers of IBA. This has been deployed over 12 months to 30 June 2021. It offers a rapid business assessment delivered mainly by Indigenous-led firms to help customers better understand their financial position, what mainstream support may be available to them and opportunities to pivot their business to survive and continue beyond the crisis. Where eligible, businesses can receive a working capital package comprising a grant loan mix of up to \$100,000 with no repayments for the first 12 months and concessional interest rates thereafter. So far over 400 businesses have been referred for rapid business assessments and over 180 have received working capital packages, with a further 50 currently in our lending pipeline for the package.

Within our investments division our tourism assets were initially impacted by international and domestic border closures, as well as the rest of the market, but they've gradually begun to rebuild as restrictions ease. However, our investment funds have continued to perform well relative to broader market indices, and in particular our Indigenous real estate investment trust delivered an income return of six per cent for the recent financial year and has achieved a 10 per cent annualised return since its inception, benefiting the more than 20 Indigenous organisations who co-invest with us in the fund. During the COVID-19 crisis we reached completion and go-live of our investment in the Centre for Appropriate Technology's Indigenous owned satellite ground station in Alice Springs, and we hope to unlock other similar exciting opportunities in the future. As we move into the recovery and rebuilding phase, IBA is reassessing its own investment strategy and exploring how to work with our partners and co-investors to identify new and emerging sectors which might present opportunities—in other words, to reimagine what's possible.

Finally, I'd like to return briefly to the Indigenous Home Ownership Program. Through the COVID-19 period, demand for homeownership has remained very high, with the vast majority of our customers being first home buyers, over 70 per cent of whom are in regional Australia. During 2020, despite COVID, we were very proud to support the 20,000th Indigenous family into homeownership since inception of the program. Aside from the intergenerational asset base this creates, a recent study by Deloitte Access Economics showed this has also generated over \$900 million in wider social and economic outcomes. This is a longstanding, prudently managed and successful program which provides a pathway into mainstream finance for many who need it, and it's important that this continue to remain strong through this period and into the future. We are therefore excited that, as announced in the recent federal budget, IBA will receive capital injections of \$150 million to fund loans to Indigenous customers to build new homes in regional Australia. In the context of rebuilding beyond COVID, this program offers a way to support Indigenous Australians to own their own new homes whilst also stimulating regional economies and helping to create jobs.

Our staff have worked incredibly hard throughout 2020 to support our customers, first through the bushfire crisis and then through COVID-19, and I'm incredibly proud of what they've been able to achieve. 2020 marks 30 years since IBA was first established, and we remain as committed as ever to our mandate: to support Aboriginal and Torres Strait Islander people, businesses and communities to pursue their aspirations for economic independence by

owning their own homes, starting or growing businesses and making investments. Thank you. I look forward to your questions.

CHAIR: Thank you very much. Senator McCarthy?

Senator McCARTHY: I will defer to Senator Ayres.

Senator AYRES: Thanks, Mr Viswanathan. I have a couple of questions about the Indigenous Home Ownership Program. I know that there's been an announcement of an additional capital injection, and I want to come to that in a moment, but I had an opportunity to review the ANAO report in 2015. I just wanted to get a sense of where IBA is up to in its response and its developing approach to the scheme. It seems to me to be quite a helpful report. Some of the criticisms or observations in it about the state of the program are foundational, I guess: they go to some quite deep issues in the way that the scheme's structured. There are four key recommendations, and I just wondered what the progress has been against those four key recommendations since 2015.

Mr Viswanathan: That report is, I think, over five years old now.

Senator AYRES: Yes.

Mr Viswanathan: We've made significant strides in revamping the program since that time. We've addressed all those recommendations. Soon after that report was issued, we looked at how we targeted the program. Over 90 per cent of the program is targeted to customers in the lowest income bands, which I think is one of the matters that were focused upon.

Senator AYRES: It is, yes.

Mr Viswanathan: That was addressed very early on, and, as I've attested to in successive meetings with this committee over the last four years, that's been reflected in really strong performance ever since that time. In terms of the recommendations about systems, we very early on introduced an online expression of interest that has significantly improved the process and user friendliness for our customers. As a result of that and other changes, we've seen record levels of demand, as I've testified to this committee. During that period, we've also had some of the highest ever years on record of lending under the program. So we feel confident that we addressed all of those items some time ago and that we manage the program very well, and we're very proud that that's been recognised through this latest funding commitment.

Senator AYRES: So the ANAO report has been important to IBA. I'm just trying to get a sense: is it that report that's been important to change, or have other factors driven the change? It seems to me to be quite a helpful intervention.

Mr Viswanathan: As an organisation, we're always committed to looking at better ways of doing things. That runs through the DNA of the organisation. That report was, I think, issued under prior management, but it was taken seriously at the time. It was responded to swiftly. We certainly took it on board, and that's been reflected in the results ever since.

Senator AYRES: I note recommendation No. 2 says—you may not have a 2015 report to hand. I think it would be forgiven if you didn't.

Mr Viswanathan: We don't, sorry.

Senator AYRES: I can read it to you. Minister, I'm not sure if I would forgive you—I'd be sharply critical of you, but—

Senator Ruston: I have some really bad news: I don't have a copy of that report either.

Senator AYRES: You don't?

Senator Ruston: I could get one, if you really wanted me to.

Senator AYRES: No, I think we can safely proceed without it. It says:

... the ANAO recommends that the Australian Government assess whether a government-run loan program is the most efficient mechanism to support Indigenous home ownership outcomes.

Has that assessment been done by the government or IBA? The response is noted, which is the most flat, neutral response you can give. Was there a formal assessment done in the wake of that?

Mr Viswanathan: I can't speak to what may have been done by the government. As far as IBA goes, though, I will say I think the results and the performance, since then, and the broader market has proven exactly the opposite. We've seen, since that time, the royal commission. We've seen a very rigorous examination of how banks do their lending. We've seen that the types of practices that IBA employs are what are recommended, in terms of being very hands on with customers, very customer-centric. Our purpose shines through, in how we work with our customers, and is reflected not just in the satisfaction results we get but also in the low level of defaults. We do everything we can to keep people in homeownership.

I would say, if you reflect on everything that's happened since 2015 and where the mainstream lenders are now moving, it is a reflection and a recognition that there are customers who haven't been supported appropriately by mainstream lenders. They have needed the type of support that IBA offers, have received that support and, in our annual customer satisfaction surveys, which we do digitally—that is another improvement made since 2015. We receive extremely high ratings, I'm proud to say that there is close to 90 per cent satisfaction. I think our net promoter score is many multiples higher than a major bank. So, I would say, the record speaks for itself.

Senator AYRES: I can see you're proud of that work here, and obviously there is excellent work going on. I'm not critical about that. I just wondered whether that formal assessment had been done. Presumably, it's not something that would be done by—you can't really assess yourself and your own program. It's natural for an agency or organisation that's invested so much to be absolutely purposeful and clear about their own role. I just wondered whether government had done that assessment.

Mr Viswanathan: I don't know more broadly in government. I do know, early on in my term—I commenced, at the end of 2016, acting—we had a follow-up review, which also recognised the importance of the program. We've also, I think, had follow-up correspondence, which I can provide on notice, indicating that the recommendations in the report itself were addressed.

Senator AYRES: Would you be able to provide that, Minister? It's really a recommendation for government. The ANAO 'recommends that the Australian government assess whether a government-run loan program is the most efficient mechanism'. Are you in a position to say whether the government responded by conducting a formal assessment or

whether the review process that Mr Viswanathan referred to is what the government relied upon or whether there was any response to the officers' recommendation at all?

Senator Ruston: I will have to take that on notice, but we'll try to get something back to you this morning.

Senator AYRES: Thank you.

Mr Viswanathan: If I could add one more thing—

Senator AYRES: Yes.

Mr Viswanathan: I think the other thing that's important to recognise is the regulatory environment. Apart from what I've said about the practices of some lenders, the regulatory environment has become tighter and tighter in that time. That shows there are many people, because of tightening credit conditions and regulatory criteria, who are not served by mainstream lenders and are not able to be. That is very much the case for our customer base. They're not just first homebuyers but unfortunately they often do not have the family intergenerational wealth to have saved the deposit necessary or have the credit history necessary to be able to go straight to the mainstream market. That is why a programs such as this, since 1975, have been important to enable customers to have that stepping stone to get into mainstream lending. They come into the program, they build a credit history and then, typically, anywhere from five to eight years, they refinance and move to a bank.

Senator AYRES: This line of questioning is not because I have reached a view that this doesn't do the things that you say that it's doing; it seems to me that there is a quite reasonable observation there from the ANAO. There must have been some response. I'd like to understand how that response has informed the government's continued support for the scheme and how it might shape our thinking about the future operation of the scheme. I'd be grateful, whether it's later today, Minister, or on notice, for any of that material. Prior to the government's announcement over the three years of an injection of capital, how much capital was allocated prior to the IHOP scheme? Is IHOP what people say?

Mr Viswanathan: We call it the Home Ownership Program but IHOP is fine.

Senator AYRES: I've seen so many acronyms this week. I was in one session this week where a senior public servant had to confess their meeting was called SPORG. I can't remember what it stood for but I've got used to all sorts of acronyms.

Senator Ruston: One thing that is probably worth remembering around acronyms is that there are many acronyms that are the same and, if you use them in the wrong context, they I can be very dangerous.

Senator AYRES: It's how you lean into and accentuate different syllables, I suppose.

Senator Ruston: Indeed.

Mr Viswanathan: I can explain how the program is funded. In terms of capital, every year there it receives a capital injection, which is roughly \$23 million, just shy of \$23 million. That's been pretty consistent amount for a long period of time. The amount of lending it does typically is closer to \$200 to \$220 million. So the vast majority of the lending is funded by the repayments on the existing loans.

Senator AYRES: So do you mean \$220 million on the book or \$220 million a year?

Mr Viswanathan: There typically would be \$200 to \$220 million of lending done each year. There is the \$22.9 or \$23 million as a capital injection from government. The balance, close to 90 per cent of the amount, is funded from repayments on the existing book.

Senator AYRES: Is that all in the Home Ownership Program or is that spread across the other—

Mr Viswanathan: That's the Home Ownership Program.

Senator AYRES: What does the government hope to achieve from the additional \$50 million a year? That is quite a large—

Mr Viswanathan: It is.

Senator AYRES: So it is a large pre-existing loans program with a capital injection of an additional \$50 million. What benefit is that designed to provide?

Mr Viswanathan: It's a \$1.2 billion home loan book and it has grown to that level under IBA's management since 2005, just to provide context. So the model of recycling capital, receiving principal and interest back, has allowed the book to grow organically over that time. The bigger the book gets, the more interest income it generates and the more people we can help. That said, demand for the program has been, as I mentioned in my opening statement, at record highs. There is a long waiting list of people who would like to get into home ownership. Because we can only recycle the capital we have, we can only achieve certain levels of lending a year.

The funding that was announced in the budget is \$150 million. That will come, I believe, in three tranches. The first is \$75 million, which will be in the back end of November this year. The \$150 million will enable us to lend money to 360 families to build homes in regional Australia. So those homes will get built, those new loans will then generate interest income, which will go back to the broader book, and allow the overall book to grow. It's a meaningful sum. It is important. It will enable a lot of families to build new homes. But in the context of our overall book, it's 360 new customers against an overall book of about 5,300 customers.

Senator McCARTHY: You said at the beginning you had over 70 per cent in regions for home ownership. So these 360 families, are they in that 70 per cent or are they additional?

Mr Viswanathan: The 70 per cent is, on average, where our lending is. These 360 customers will have to be in regional Australia and they will be.

Senator AYRES: The audit report—it's five years old—says, over the course of the 40 years, IBA has assisted over 16,000 households. Can I take it from that that there's an additional 4,000 home loans being generated over the intervening period? Is that broadly right?

Mr Viswanathan: Yes, it's all in our annual reports, but we've had a really big four years. In that period, pre-COVID, I would say, we had one year where we did almost 1,000 loans, which was almost double the average of what we've historically been able to do. We're very keen to support more people into home ownership. The improvements we made to the program, the efficiencies we've gained, have demonstrated that we can do that level of lending. What we need is the capital base to maintain that lending, and this injection goes some way towards that.

Senator AYRES: So the high water mark is 1,000 homes a year. Is there some target around that number?

Mr Viswanathan: We're ultimately constrained by the amount of capital available in any given year. In the PBS that was just published, it's \$200 million of lending that we are hoping to do in the coming year, which is 600-odd loans. We would love to be able to do 1,000 loans a year. We know operationally we can deliver that but we're constrained by the capital.

Senator AYRES: So does the additional announcement mean, on top of that 600 homes, it might be more in the next financial year depending on the capital constraints and how everything is proceeding?

Mr Viswanathan: No, that \$200 million for the year ahead takes into account the capital that is coming in, the new injection.

Senator AYRES: I mean the financial year after that? So 600, and the additional \$150 million, you say, would support an additional—I am averaging over three years—120?

Mr Viswanathan: That's correct. I would say though that in the budget year we're in, the new capital only comes in back end of November.

Senator AYRES: I am not going to tie you to these figures. I'm trying to get a sense of the scale of the announcement and what that means for the result in communities. It's circa an additional 120 homes, round about a 20 or 25 per cent increase in capacity. Is that broadly right?

Mr Viswanathan: I might do my sums and get back to you.

Senator AYRES: Would you mind? For the purpose of the discussion, I'm trying to understand what it is the government is trying to achieve here. If, on notice, you could provide some more accurate over-the-forwards sense of what the government hopes to achieve.

It's identified for regional areas. Will that mean that the proportion of home loans being issued in regional areas will increase or will it mean that you will have an additional 120 homes, circa, whatever the number ends up being. Will that 70 per cent increase or will just the overall number increase?

Mr Viswanathan: The proportion won't necessarily change, because what's important to understand is that this is one part of a broader strategy that we have. This is a great result for IBA. What's the government trying to achieve? Families into homeownership in regional Australia, building new homes, stimulating the economy and creating jobs; that's what's being achieved. In terms of what we're trying to do overall, there are multiple things we're doing to try to make sure we leverage our platform as much as we can. So, in the background, we're also looking at how we can establish new partnerships with banks. As I mentioned, the goal is that the program offers a stepping stone to mainstream lenders. If we can make the process for customers refinancing smoother, and if we can get more of those maturer customers refinancing, that's also going to unlock more capital and enable us to do more lending. There are multiple things that we're doing strategically to try to make sure we can support as many people as possible into future years.

Senator AYRES: The proportions might not change. Even with my pretty ordinary high school maths I can see that the number of regional loans will increase, but so will the number of urban ones.

Mr Viswanathan: Yes, because I think—

Senator AYRES: It's not really a regional program; it's a supplement to the capital for the whole scheme, isn't it?

Mr Viswanathan: It has that effect, but the money is targeted. The money is going to be ring-fenced—managed through a separate bucket, if you like—so these new loans will go to customers in regional areas and we'll be able to report on that.

Senator AYRES: But if you put your fist into a bucket, the whole thing rises. Minister, why does the government do this?

Senator Ruston: Do?

Senator AYRES: Claim that something's a regional announcement. I'm not critical of the decision to inject capital into the program. Why does the government say that it's a regional program when it would be more straightforward to say it's a supplement to the whole program?

Senator Ruston: What's your overall point?

Senator AYRES: Just hoping your National Party colleagues go, 'Tick, thanks very much for that, it's great!'

Senator Ruston: No, I think that's probably a little bit unfair. I do not think the overall commitment towards their supporting Indigenous homeownership and, particularly, targeted into rural and regional areas is something that can be disputed. The program design has been specific that the new product that's going to be made available will be in rural and regional areas. As a by-product, the increase in the size of the access to capital means that we have an increase across the whole of the country. As a by-product it is all well and good, but this program has specifically and dedicatedly been targeted towards the increase in homeownership, new constructions, in rural and regional areas. You can't dispute that.

Senator AYRES: No, and I haven't sought to.

Senator Ruston: Yes.

Senator AYRES: I just made the observation that the proportions aren't going to change, with 70 per cent of the lending book still being regional and 30 per cent in urban centres.

Mr Viswanathan: Just to clarify, what I meant was you can't automatically assume there's a direct correlation between the proportions.

Senator AYRES: Yes, accepted. Is there—

Mr Viswanathan: I would characterise it—

Senator AYRES: Sorry to interrupt. Minister, you said it was directed toward home building.

Senator Ruston: Yes.

Mr Viswanathan: Correct.

Senator AYRES: That is a difference, isn't it?

Mr Viswanathan: This is for building new homes in regional areas.

Senator AYRES: Have any particular areas been identified?

Mr Viswanathan: We've got demand in regional areas across the country.

Senator AYRES: Is it entirely demand driven, or is there a decision to focus on particular areas?

Mr Viswanathan: No, it will be demand driven. We've got a lot of people on our existing waiting list who are in regional Australia and who have indicated that they want to build.

Senator AYRES: Thank you. Any speculation about how many jobs will be created in regional areas because of the scheme?

Mr Viswanathan: The modelling estimated it would be over a thousand. That's based on approximately three new jobs directly created per new build, which is a statistic that's been used in other modelling as well.

Senator AYRES: I suppose in real life the modelling, and I've sat in ministers' offices before—not this lot of ministers; they don't let me in their offices—

Senator Ruston: You're welcome in my office any time, Senator Ayres—make an appointment.

Senator AYRES: when these sorts of claims are made about the number of jobs being generated. In the real world it matters whether or not a home is being built in Tamworth or Alice Springs. It depends on the maturity of the existing housing construction market. Claims will be made about the number of apprentice jobs that will be generated, but they depend on a continuous stream of work for the host employer. But you say three jobs per home is the assessment that's been made?

Mr Viswanathan: Yes.

Senator AYRES: Can you give me a comparison of the homeownership program loan interest rates and how they compare to the rest of the market?

Mr Viswanathan: At the moment our rates are capped at 2.99 per cent per annum. What's important to understand is our lending starts can even start at lower rates. The rate is frozen for a period of time and then it gradually increases, and under our policy it caps out at the average of the standard variable rate of the big four banks and the two major credit unions less a small discount. The goal of the program is to give people a start with a very low deposit. We don't charge any of the fees—establishment fees—that banks charge. We offer an introductory rate, but the idea is, as they build up that credit history, they will get to the point where there's an incentive for them to refinance to a mainstream bank. But that headline rate I quoted, which is currently applicable, is in line with the market, despite the fact that we're lending to much higher risk customers, as we should do.

Senator AYRES: And if those customers were able to secure a loan with one of the other financial institutions because of the low deposit, or whatever the other characteristics of their circumstances are, they would be facing a higher interest rate?

Mr Viswanathan: Our customers would not be able to get a bank loan.

Senator AYRES: I appreciate that point. You would assert that, having got over those obstacles, the interest rate that they would be facing would be higher in any case?

Mr Viswanathan: Not necessarily. Our rate caps, as I mentioned, on average—

Senator AYRES: I know your rate caps. However, I'm saying the alternative product out there in the commercial market—in the event that a low-income household was able to get over those hurdles and secure a loan, they might be facing a higher interest rate because the bank would factor in a different—

Mr Viswanathan: No. At that point, if they've been with us for five to eight years, they've built up their credit history. They've built up the equity in the home—

Senator AYRES: I'm not talking about people refinancing; I'm saying that the—

Senator Ruston: Senator, you're talking about a hypothetical, I think.

Senator AYRES: Yes, I am talking about a hypothetical—I'm trying to help you, Ms Viswanathan. You're offering a top rate that's broadly comparable with the average of where the major lenders are—2.99 per cent. It's not an apples and apples comparison is what I'm trying to say.

Mr Viswanathan: No it's not; not at all. We've done—and we have to do for the preparation of our accounts—a complex exercise around the valuation of our loans and the calculation of what's called a discount rate. If a customer of ours could go straight to a bank, we know hypothetically under APRA standards et cetera what they'd be charged and it's way higher than what we're charging.

Senator AYRES: Have you got figures about the number of loans that end up being refinanced?

Mr Viswanathan: Yes, it's one of our PBS targets, actually: I think about 4.5 per cent of our book each year is refinances, and we've been meeting that target. As I said, we're working on these banking partnerships.

Senator AYRES: So you do track the success of that. Could you give me on notice the last three years and how that's proceeded?

Mr Viswanathan: Sure.

Senator AYRES: I think Minister Wyatt announced \$50 million for Indigenous businesses as an initial response to the pandemic. Can you tell me how much of that \$50 million has been allocated?

Mr Viswanathan: I think, so far, \$19 million has been committed. As I mentioned, it was a package to be deployed over 12 months. The components are the rapid business assessment and then the working capital package. We're steadily working through the expressions of interest that have come in and deploying as we can—recognising that the package was meant to be a supplement to other forms of mainstream stimulus that are available.

Senator AYRES: Can you tell me, on notice, how many have applied for the EOI process, how many businesses have received allocations and what the stepping stones are from now in terms of the EOI process and when decisions are likely to be made? I just want to get a sense of whether that money's going to get out the door over the 12-month timetable that's been foreshadowed.

Mr Viswanathan: We're working very hard to do exactly that.

Senator AYRES: I don't doubt it, but, could you provide me with that information on notice? I think it will help me to understand. Chair, I don't have any further questions.

CHAIR: Thank you, Senator Ayres. I know Senator Scarr does.

Senator SCARR: Thank you, Mr Chairman. First, I should note how much I genuinely enjoy listening to your testimony, Mr Viswanathan. You've appeared in estimates a number of times whilst I've been on this committee, and I'm always struck by your genuine sincerity and knowledge across your brief. It's quite outstanding. I commend you on that. That's going to be the best question you get from estimates and in every appearance here!

Senator AYRES: Senator Scarr, you're raising the bar for how nice we have to be to witnesses!

Senator SCARR: There are a few questions I want to ask. First, how does the government's HomeBuilder package dovetail with your home lending program? One of the government's proposals in responding to the COVID-19 pandemic was the HomeBuilder grant of \$25,000, if you met certain parameters: if you wanted to build a new home or get a home-and-land package. I know from my discussions with people around my home state of Queensland, it's given quite a boost to the residential building industry. How does that program dovetail with your home loan programs, if at all? Is it making it easier for people to get a home loan through IBA?

Mr Viswanathan: As I understand it, so many people who want to build will be able to access HomeBuilder and we will take that into account. To the extent that someone can access HomeBuilder, obviously, that will reduce the amount they have to borrow for their overall build, which makes serviceability more accessible. The two schemes are certainly complementary.

Senator SCARR: Are you seeing that in terms of applications coming through and applicants who maybe couldn't meet the relevant thresholds to get a home loan but are now able to meet those thresholds by virtue of that grant? Or maybe they were going to wait an additional year and their ability to apply for a home loan has accelerated. Are you seeing any practical results of this in terms of your business?

Mr Viswanathan: It's only very early days, so at this stage we're really focusing on getting through those on our waiting list who have already indicated they were going to build. Even in the current pipeline we have over 220 families that we believe are ready to go. As we get into that—we're in the first month—we'll get a sense of whether that complementary nature is there.

Senator SCARR: I have another area of questions for you. I'm not sure if you had the benefit of listening to the evidence from Mr Chalmers, from the AHL?

Mr Viswanathan: I did, yes.

Senator SCARR: I put a question to him about the best method or strategy to increase Indigenous participation at senior executive level in a lot of these agencies. I put to him two different pathways, as I saw them: someone joining an organisation and then being mentored up through the organisation into a senior executive position, or someone coming from outside the organisation into a senior executive position. I'm interested in your thoughts in relation to that topic, given your experience over the last five or so years.

Mr Viswanathan: During my time, Indigenous employment at IBA has increased. It was down at around 20 per cent; it's up over 30 per cent now. That is just percentages. Qualitatively it's got to be a good experience for staff, as it has to be for all staff. So we've done a lot of work over that time to create a really vibrant environment to work in to try and attract people. And we would follow both strategies, outlining your framework. My colleagues haven't had a chance to speak today on the video, but we do have members who have joined our executive team externally who are Indigenous executives. One outstanding executive is on the video, but hasn't had an opportunity to speak today. I believe we're very committed to that and demonstrating that.

Senator SCARR: Is there an opportunity—and this could be described as a thought bubble, but I'm relating to some of the experiences I've had in my past life—

Senator AYRES: This could go on all day!

Senator SCARR: No, it won't, I assure you, Senator Ayres. Just reflecting on the comment from Mr Chalmers, is there an opportunity for an organisation like AHL, say, to second or partner with an organisation like IBA? If an organisation has got an outstanding employee at a junior level and they would like to give them different experiences, expose them to different issues and challenges, perhaps in a larger organisation, which necessarily will provide more opportunities for professional growth, is there an opportunity for organisations to work together to increase and foster talent?

Mr Viswanathan: We do that. We have seconded staff to the private sector over the years, including to some big investment firms during my time running the investment part of IBA, and they have come back to IBA. Certainly we've got a lot of collaboration with other government bodies. I've got someone on secondment to the Office of Township Leasing at the moment. So we're very open to that in terms of development opportunities both for our own staff and also for staff from other agencies. We've also collaborated with other agencies, Hostels in particular, with some of executive learning. Actually, one of my other colleagues, Ms de Cos, was at Hostels. I believe she went through that collaborative program and then, ultimately, ended up joining IBA where she now heads up our small business solutions program.

Senator SCARR: Excellent. Thank you very much.

CHAIR: I'm interested generally in the COVID supports that you put in place for both individual home loan customers and business customers, particularly in my home state of Victoria, which has had a disproportionate burden to bear in this COVID crisis with a long second lockdown. I'm interested in any insights you can share about how your Victorian customers, in particular, are faring and what you've been doing to support them?

Mr Viswanathan: They are certainly recipients of the COVID package. In addition to that, we've tried to do some additional marketing about what's available, and we offered some top-up funding for Victorian businesses in particular. That's being rolled out at the moment. I've got some stats that I can provide on notice about what we're doing in Victoria. We have tried hard to make sure that support is offered around the country and where it's needed most.

CHAIR: I'm interested as a senator for Victoria. I would be interested in any data that you've got that can unpack that extra support that you said you provided for Victorian

businesses, and maybe take-up rates and how that compares to the rest of the country. That would be really interesting.

Mr Viswanathan: Will do.

CHAIR: Once again, I thank you for your attendance and your evidence before the committee.

Mr Viswanathan: Thank you.

CHAIR: The committee was due to break very shortly. With the agreement of the committee I propose we go to the break now and then go to ORIC.

Proceedings suspended from 10:19 to 10:37

Office of the Registrar of Indigenous Corporations

CHAIR: The committee will now resume. I welcome Mr Selwyn Button from the Office of the Registrar of Indigenous Corporations, and I welcome again Mr Griggs, officers from the agency and the minister. Mr Button, do you wish to make an opening statement?

Mr Button: Just a short one, thanks.

CHAIR: Please.

Mr Button: I'll start by acknowledging the traditional owners of the land that we're meeting on today, the Ngunawal people, and paying respects to elders past and present. I certainly pay respects to Indigenous colleagues in the room as well.

As the registrar, we've had a fairly challenging time over the last six months. The impact of COVID has certainly played a significant role in that. One of the things that is going to continue to have a significant impact on the work that we do over the coming six to 12 months is our relation with the Corporations Act. I know there have been some conversations I've had in other committee rooms, particularly with the remote food inquiry, in relation to things like insolvency laws. The CATSI Act has a direct connection to the corps act in relation to solvency laws. So, at the moment, with the solvency laws being lapsed, we as a regulator do suspect that there are a number of Indigenous corporations across the country who are in financial trouble. Certainly, as a regulator, we would provide direct support to many of our corporations across the country.

We are working with many corporations who we know are in financial difficulties at this point in time, and we certainly suspect, come January when the laws are back in play, there may be some significant impacts in terms of some of those corporations and the need for additional regulatory measures, like special administration for many corporations. That's a bit of a snapshot of where we're at. We're certainly still growing in numbers. As at 30 September, there are 3,398 corporations across the country. The work isn't glow slowing down; it is picking up. But there will certainly be more significant impact come 21 January.

CHAIR: Thank you. I'm going to lead off. I think Senator Thorpe is joining us on the call in a moment to ask some questions as well. I was going to ask, and I still will ask, about the CATSI Act review and how that's going. But, before I do that, the observation you made in your opening statement is a really interesting one, because there's been a lot of commentary about potential delayed pain in terms of insolvencies and business failure under the Corporations Act. But, as you point out, you've got very similar responsibilities. Are you expecting to see a very similar pattern in in the Indigenous corporations sector as well?

Mr Button: Yes, we are. We have certainly already been working with many corporations that we know are in financial trouble to look at some plans—to manage debt and have some debt recovery plans over the next six to 12 months. So there's some active work that's going on. We know that it's going to have a big impact on many corporations, so we are starting the process early to make sure that we're at least on top of. The difference for us, particularly with the CATSI Act and there being a special measure under the Racial Discrimination Act, is the fact that we have special administration as one of the vehicles in our regulatory kit bag so that we can then look at some regulatory intervention to support the corporations and get them back on their feet. That's something I think we'll be looking at using come January 2021.

CHAIR: That will hopefully allow you to save some corporations that would otherwise not be able to go on.

Mr Button: Yes, it certainly will. In saying that—and we have had some experiences, certainly during the COVID period—there have been some corporations in which the debt has got too great. We have had one liquidation recently, and there is one that we're working with at the moment that looks like it might be heading down that path. But there are certainly only very small numbers. As I said, our remit is very much about getting corporations back on their feet and making sure that, if they're going into special administration, we're then handing it back to the members.

CHAIR: We wish you well on that task, and I'm sure at future hearings we can see how that has gone. I want to turn now to the review of the CATSI Act. We've talked about the CATSI Act many times before at this committee. But, since the last time you appeared, the review process has started. Can you give us a sense of where we're up to in that process and what we have learned so far in the consultations that have occurred?

Mr Button: Yes. What I can do is talk broadly about the review. As you would understand, as a regulator, I'm not allowed to review my own act and to look at changing legislation. That is being led by the agency. In terms of the response to looking at the specific detail of the review itself, what I can do is provide a broad overview of where things are at—what's been the difference, and certainly what we've done significantly since the work had started in 2017.

If I go back to 2017, there was a technical review that was undertaken in 2017. It focused on the technical specifications, it focussed on modernising the CATSI Act and it certainly focussed on the alignment with the corps act and Charities Act to make sure that, as a modern regulator, there was a direct alignment with what was happening with ACNC, with ASIC and with others around the place as well. That then led to an amendment bill. An amendment bill was then presented back through this committee and others for some legislative change. Unfortunately parliament was prorogued, and we didn't get that through at the time. So we've restarted the process now.

The difference in the approach this time from the previous approach is that it's very much focused on the CATSI Act as a special measure. The conversations that I've had—and this is certainly a significant observation through the review process for me in having discussions with stakeholders throughout the country—is that there still appears to be a limited understanding of the CATSI Act as a special measure as declared by the Racial Discrimination Act. Essentially, it's legislation that's designed for the benefit of Aboriginal and Torres Strait Islander people. So we want to make sure that, at least through the review

process and our future work with ORIC, it is about highlighting the fact that it is a special measure, highlighting the fact that it is about benefiting Aboriginal and Torres Strait Islander people and working out what those things are that we're doing in our regulatory role that go to the heart of ensuring we're benefiting Indigenous communities in the future as well.

CHAIR: Can you share any of the themes that have come out of the consultation, or would you prefer I direct that to the agency?

Mr Button: I would prefer you direct that to the agency.

CHAIR: Understood. That's entirely fair enough. Mr Huey, I see you've come to the table to hopefully assist us with that.

Mr Huey: Yes, the consultation process this time has been fairly broad. We've had 41 public consultation sessions, three individual virtual consultation sessions with industry stakeholders and a further ten individual virtual stakeholder consultations with key parties. We received 141 chapter survey responses, and 41 written responses were received, in terms of the formal submissions. We also received three other responses submitted through a web feedback form process and received eight email responses. The review has also been supported by a steering committee and a stakeholder reference group, so this has given us quite a broad, cross-sectional representation and given us the ability to gather a fairly broad range of views from people. Naturally, the report is being prepared and will be provided to the minister in the coming weeks. We expect that will then be taken forward through the government's normal processes, through cabinet et cetera.

What we generally found was that there was strong support for the continuation of the CATSI Act, which was very positive. There's a number of positions that were a little bit variable in terms of the levels of support, which is not dissimilar to what emerged previously. Things around increasing remuneration reporting and reporting around performance of senior executives were probably the slightly more topical issues. Things like related-third-party transactions, strengthening that and simplifying some of those processes, certainly had strong support. And there's a number of other similar areas, which are really around tidying up the act and streamlining it wherever possible. Providing greater support for corporations emerged as an important issue, in terms of capacity building and corporate-governance support. We also explored issues like reducing the requirements in relation to AGMs for smaller corporations. That was an issue we explored previously, and, similarly, we've been exploring issues around the size, particularly of corporations, and how we can better manage reporting on organisations in terms of looking at the size classification structure. They're probably several of the key issues that have emerged. But, generally, overall there's been quite broad support from stakeholders and, naturally, some dissenting views along the way. But, in the report, we're trying to make sure that that reflects both those views and presents the information that we've gathered through both the consultations, in terms of the virtual consultations, and also through the surveys and submissions that we've received.

CHAIR: It is some time since the act has been reviewed, isn't it? Obviously, there have been proposals for amendments in the last parliament, but when was the last review done?

Mr Huey: The act's been in place now for about 12 or 13 years. There hasn't actually been a formal review of itself in terms of—

CHAIR: Ever?

Mr Huey: There's been a number of reviews. There was a review in 2016 which was broader, which was more of ORIC's operations and the CATSI Act to some degree. Then there was a technical review of the CATSI Act, which was a very legal, technical review, whereas this review is much broader, as Selwyn said, and it's really focused on the relevance of the act in terms of going forward, and whether it should be retained as a special measure under the Racial Discrimination Act. And, if it is retained—as you'd be aware, Chair—the act currently doesn't have any review provisions, so that's one of the other issues: whether or not there should be a review provision if the act is retained and what the relevant period for review would be going forward.

CHAIR: Just to be clear where we are in this process: the consultation has concluded. That phase is done. You're in the report-writing stage, and you'll hand the report to government, and then it's up to government to respond or release the report in due course and take action.

Mr Huey: That's correct, Senator. We'll recommend to government that the report is released, but we just need to go through the normal government policy processes there.

CHAIR: No doubt this issue will be returning to this committee, perhaps in a different guise, not estimates, but if there's any legislative change we'll look forward to perhaps discussing it further with you then.

Senator THORPE: Mr Button, how many Indigenous corporations are there in Australia?

Mr Button: As at 30 September we had 3,398 across the country.

Senator THORPE: I understand that there are small, medium and large corporations. Of those 3,000 corporations, could you give us a breakdown of how many small, medium and large corporations there are? And what defines small, medium and large?

Mr Button: I don't have the breakdown in front of me, Senator. I can get that back to you and provide that to the committee post today. But the size classifications are determined by level of income.

Senator THORPE: What is the parameter of income that defines small and medium, compared to large?

Mr Button: The level of income is low, compared to when we look at the Charities Act, the ACNC and, certainly, the Corporations Act. For us, the level of income is determined as \$500,000 and above for larger corporations. Medium-sized corporations are between the bracket of \$100,000 and \$500,000, and then smaller are below that. The sizes themselves are certainly not reflective in the sense of their alignment with other regulatory bodies. That's been some of the conversation, or one of the suggestions, that we put into the review process—asking questions about size classifications and if they should change to meet other regulators as well.

Senator THORPE: I put it to you that a Victorian Aboriginal corporation is classified as medium and their revenue base is at \$5 million. Is that a fair interpretation of medium size in your view?

Mr Button: Without understanding the revenue stream—there are corporations where revenue streams are across a range of entities that are attached to a particular corporation, and where those revenue streams come from different areas and different entities which

sometimes aren't part of the group reporting structure. In some cases, what it might look like in terms of an AGM report or a financial report that is provided to members at an AGM process may have some differences to what is sitting in the financial reports.

I'll draw on the example of prescribed body corps. They're probably a good example of where the financial reporting sometimes differs from that of the overall group of entities that exist around native title itself. That's because the actual money for native title may be going into a separate trust—a Pty Ltd trust—as opposed to the PBC itself. So we determine the size and the classification based upon the income going into the actual corporation, not into those other entities if they have no obligation to report to ORIC.

Senator THORPE: Okay. So it could be a \$200 million or \$200 billion corporation and still be considered a medium or small entity in regard to your processes?

Mr Button: Yes, because it's based upon the income that comes through the actual corporation as opposed to the other related entities.

Senator THORPE: How many of those over 3,000 corporations are active and how many are inactive?

Mr Button: There are many inactive corporations. I don't have the numbers here in front of me. It's a good question. We do have many corporations which are inactive and going through a process of deregistration. Over the last month, we've actually looked at deregistering three corporations across the country. One of the challenges that we have in relation to deregistration or inactive corporations is that many of the corporations still have assets. If a corporation has assets we can't deregister it, because we then have to look at either transferring those assets to another corporation or working out what we do with the corporation and the assets that it holds.

There are several landholding bodies with no activity happening at those corporations. We actually have a lot of those in WA, where there are lots of landholding bodies. No activity is generated and there's no revenue or income generated through the trust and the body itself. They're inactive in the sense of the reporting that comes back to ORIC and back to my office. That's purely because, in a sense, they're trustees for the land, although nothing happens on those particular lands; no activities are occurring to generate income or revenue. But I can certainly come back with some more specific numbers for you about inactive corporations, and even provide some breakdown in terms of landholding bodies which are inactive. We do have some specific numbers about knowing what that looks like these days.

Senator LINES: Can you do that by state?

Senator THORPE: Yes, please.

Mr Button: We can do that by state.

Senator THORPE: If I could receive that on notice, that would be great.

Mr Button: Yes, not a problem.

Senator THORPE: Could you talk me through a little bit more detail on what steps you take to deregister an active corporation?

Mr Button: When we go through the process of deregistering, certainly what we have to do is an asset search, to see whether or not they do have any assets. Once we've discovered that a corporation is eligible for deregistration and has been inactive for a period of time, we

then write to the board and the contact people to communicate with them about the process of deregistration. The process of deregistration does have to go to a general meeting vote. In some instances, we've actually run those meetings and called those meetings to bring people together to look at the deregistration process. It requires the majority vote, obviously, to make sure that we can then go through a deregistration process. Then we work with them, post that general meeting and post a vote in favour of the deregistration, to work out what we do next in essentially shutting down the corporation. If there are assets attached to a corporation that we are deregistering, it is then a process of talking to that board of directors and members about where we transfer the assets, if they still have some assets.

Senator THORPE: Thank you. So how do you ensure transparency and accountability to the Aboriginal community when corporations are deregistered? I'm hearing from communities that they don't know what's going on with their corporation. They haven't heard from them. They can't get into the corporation because they've been denied membership; it's a closed shop. Corporations were set up on behalf of the community, and the community don't have any say. So how do you ensure transparency and accountability back to the people who it's meant to be serving?

Mr Button: That's fundamentally the reason why as a special measure, under the Racial Discrimination Act, we have what's called the public register, and that public register has all of the corporate information for corporations. That is placed on the ORIC website and made available to all members and to the Australian public. A key role for ORIC is our maintenance and upgrade of the public register. We talk to corporations regularly—we talk to contact persons fairly regularly—to make sure that we can get the most updated information from each corporation and put it on the public register. We have a 1800 line as well. When we do get calls, we're often referring people to go and have a look at the public register to find the information that's necessary for their corporation. If they don't have any luck in finding it there, we'll work with the person and with the corporation to work out what information is necessary. So at least we're still protecting members' rights in relation to access to information for the corporation they're a member of.

Senator THORPE: Thank you. My next question is around probity checks and if there are any sorts of probity checks conducted by ORIC to ensure that ORIC is registering appropriate traditional owners or prescribed bodies corporate, PBCs. How do you check that they are traditional owners of that part of the country that you're incorporating them on? There are many disputes across the country where, for the people who are with the corporations, their connection to country or their traditional owner status is being questioned. What probity checks does ORIC do to ensure that that doesn't happen?

Mr Button: Thank you for the question. That one is the reliance upon the interface with the Native Title Act, particularly for native title determinations. We will register corporations and native title bodies, but the specific title of 'prescribed body corp' will not be placed upon a corporation unless we receive notification from the court and from the Native Title Tribunal that there is a particular determination and the trusteeship of that determination has been given to a specific corporation. We then change the name of that corporation to make sure that they are listed as a prescribed body corp who are then the trustees of the land post the determination process.

Senator THORPE: Besides the native title process, is the broader community or traditional owner groups involved in any of the decision-making or legitimacy or questioning around that process?

Mr Button: We do have many questions that come to us and many queries that come to us, in relation to naming and naming conventions of corporations. In many of those cases, we work with the local community and the corporation itself to work out the correct naming conventions. We have had to have conversations in relation to disputes and complaints about naming conventions of corporations. Sometimes those things are unresolvable. But we do work with the local traditional owner groups and others to work out if they have issues, in relation to naming conventions, how we resolve that, and how we overcome those challenges as well. There isn't a hard and fast rule, but it is very much about attempting to respect the wishes of those whose name that corporation carries, to make sure, at least, that it's an appropriate naming convention for that particular corporation.

Senator THORPE: How many officers does ORIC have around the country, and where are they?

Mr Button: Overall, we've got 40 staff. My office is in Brisbane. We have staff located here in Canberra. We have staff in Darwin, Perth, Broome and Coffs Harbour, and we've got an outposted person in Sydney. We have staff located in most states and territories. We also have a person in Cairns.

Senator THORPE: None in Victoria?

Mr Button: We don't have any staff members in Victoria.

Senator THORPE: Is there a reason for that? Is it the number of corporations?

Mr Button: There's no specific reason for that. I guess we just haven't had—when we look at the numbers of corporations across the country, the largest number does sit in northern Australia. Sheer volume and size of corporation and activity around working with corporations does happen in northern Australia as opposed to the southern half, but numbers are growing in the southern part of the country.

Senator THORPE: Does that mean there will be a review on whether an office will be set up in the southern parts of the country to meet that demand?

Mr Button: That's certainly something we can take on, looking at the allocations of resources we have within ORIC, to work out what it might look like in the future, dependent upon demand.

Senator THORPE: I have a couple of questions around the CATSI Act review, and thank you for the update on the review of the act. I understand that as a regulator you shouldn't be reviewing your own act. Do you have a view on whether the CATSI Act should have been reviewed independently of the government?

Mr Button: I guess that's probably stepping into the space of providing a view on government policy and legislation, so I might choose not to answer that one.

Mr Huey: I'm happy to answer that question for you. The review's been undertaken by the National Indigenous Australians Agency. We've been very conscious of keeping the registrar, who's a statutory officer, at arm's length from the review process. The registrar has participated as an observer in a number of the processes, which has been useful, from our

perspective. Naturally, the registrar, at the end of the day, has to work with the legislation if any amendments are taken forward through the policy process, in the future, and we want to ensure that whatever proposals are taken forward to government and eventually taken out, hopefully, through an exposure draft et cetera as part of the legislation process are workable for the registrar in fulfilling his role.

Mr Button: That has been the extent, I guess, of ORIC's role in the process: providing the expertise, in relation to the implementation of the act and its workability. If we're looking at proposed changes, the conversations exist around, 'Is that workable, can it be implemented and what might it look like, on a day-to-day basis, working with corporations?'

Senator THORPE: How do you ensure that grassroots Aboriginal and Torres Strait Islander communities have their say on the review of the CATSI Act, given they're the ones ultimately affected by it?

Mr Huey: As I outlined before, it has been a fairly broad consultation process. We actually had a phase 1 consultation process where the minister announced the review. At that time, we placed on our website a number of surveys to gather initial feedback to guide the second phase of the review. We also accepted submissions at that first phase, so all of that information was used in developing the draft report, which was then published as phase 2 of the review. We've promoted the review over a range of mechanisms, including social media and through our department's website. The minister has promoted it through media releases and other information. ORIC has provided information to its members, as well, through its regular communication processes. We've also worked with our regional presence, in our offices across Australia, to promote the review on our behalf and raise awareness of the review. We've had a very diverse group of people participate in the review, which has been very positive. We've also reached out to the various peak bodies that the agency facilitates: the voice, Closing the Gap and the northern Australia reference group et cetera—just to try and make sure we get as broad a representation and view as we can from people across Australia.

Senator THORPE: Are you able to quantify the number of Aboriginal and Torres Strait Islander people who have provided feedback, rather than who you've mentioned? The offices obviously aren't in the southern parts of this country. I'm more interested in how grassroots communities who don't get a seat at the table contribute to the review and what emphasis has been put on accessing those grassroots communities, rather than social media, a media release and a website.

Mr Huey: The virtual public consultation sessions were basically a preregister-type design, so they were available to all people—to participate as part of that process. We have had a range of traditional owners and certainly a range of Indigenous corporations participate as part of that process. We've also received submissions from a number of Indigenous people. We did not specifically ask people to self-identify as part of that process, but we can certainly provide overall numbers, as we did before, in terms of the number of sessions that have been held for various forums and things. We were particularly conscious of trying to make sure we did engage with organisations of various sizes, traditional owners and other Indigenous people as part of this process.

Senator THORPE: Thank you. I have one final question. Does ORIC have any coordination or communication with other types of entities, such as the associations act and

others, where Aboriginal organisations have chosen not to come down the ORIC pathway but still receive state and federal funding via the associations act or a company limited by guarantee? They're obviously not as open and transparent as the ORIC process, but is there any kind of coordination with those other organisations and corporations under those incorporated statuses?

Mr Button: In terms of the Commonwealth regulation space, we do liaise regularly with ASIC and ACNC about specific details in relation to regulation because, as I mentioned earlier, a lot of our corporations do also have subsidiary entities that are regulated under the Charities Act or regulated by ASIC. So we do have regular conversations with other regulatory bodies about those entities. The only interface we have with state and territory regulators is, essentially, when there is a transition, because part of the process for us is supporting the transition from a state or territory associations act across to the CATSI Act. We've had a number of them as well over the last few years, where we've worked directly with the regulator and worked directly with the members in the corporation to get an understanding of the change and the difference and what's necessary. So that's really the only time that we will have those conversations with state and territory regulators in that space.

Senator THORPE: Thank you. No further questions from me, Chair.

CHAIR: Thank you very much, Senator Thorpe.

Senator LINES: Could I ask for something on notice? You talked about actively working with groups to deregister. Can you give us a list of groups that you are currently working with to deregister them, by state?

Senator AYRES: There are questions we have for ORIC, but, given the time and that I'm anxious to get to the agency, that we'll put those on notice, Mr Button, and provide them to you shortly.

Mr Button: Not a problem at all.

CHAIR: As there are no further questions for ORIC, other than those on notice, thank you, Mr Button, for your attendance and evidence here today.

National Indigenous Australians Agency

[11:10]

CHAIR: Welcome. I understand you have an opening statement.

Mr Griggs: Good morning Chair and Senators. Dhawura nguna dhawura Ngunawal. Yanggu ngalamanyin dhunimanyin, Ngoonawalwari dhawurawari Dindi wanggiraldjinyin. This is Ngunawal country. Today, we are all meeting together on Ngunawal country. We acknowledge and pay our respects to the elders. I also extend that respect to Aboriginal and Torres Strait Islander senators and witnesses present this morning.

This year, of course, has been dominated by the response to the COVID-19 pandemic, and it has been a significant one for the entire Public Service. The agency has played its part as part of a broader team of government and non-government stakeholders, to minimise the impact of COVID-19 on Aboriginal and Torres Strait Islander people. We have been, and continue to be, acutely aware of the risks that COVID-19 presents to Indigenous communities, particularly those in remote and very remote Australia. The results of this team effort to date have been very impressive, but, as always, complacency remains the biggest

threat. As an agency we continue to play our part to keep Indigenous Australia as free from COVID as possible.

In our appearances before the Senate Select Committee on COVID-19, we covered our efforts in responding to the pandemic, but I think it is worth highlighting for this committee some of the specific activities that we were involved in. We seconded 82 staff to other departments, predominantly to Services Australia and the Department of Social Services as part of the broader APS surge effort to address the immediate calls for assistance. Internally, more than 600 of our staff pivoted to focus on managing the consequences of the pandemic. We undertook a coordination role in facilitating the introduction and subsequent removal of the remote travel restrictions. We established a remote food security working group, bringing together key parties in the remote retail and supply chain sectors to rapidly address issues impacting food security in remote communities. And we worked closely with all of our more than 1,150 funded organisations delivering just over 2,000 activities, to adjust payment schedules and apply flexible arrangements to ensure they remained viable, were supported to continue their service delivery, where it was safe to do so, and were prepared to resume services when local restrictions allowed.

Since our last appearance, we have also made substantive progress on a number of nationally significant government initiatives. In July, the new National Agreement on Closing the Gap was finalised. This was the result of 18 months of sustained work with state and territory governments, the Australian Local Government Association, and the more than 50 members of the Coalition of Indigenous Peak Organisations. This is a historic achievement, being the first time such an agreement has been developed in genuine partnership with Aboriginal and Torres Strait Islander community controlled service-delivery organisations. It was a robust, lengthy and, at times, difficult negotiation, as you would expect in negotiating an agreement of this importance.

With more regular reporting and broader accountability, I am confident this agreement will positively change the way governments work with Aboriginal and Torres Strait Islander people. Our efforts are now directed towards supporting the development of the Commonwealth's implementation plan under the agreement. This will outline the actions that departments and agencies will take to deliver on the elements of the agreement.

Our work in supporting the development of options for an Indigenous voice has also been a significant undertaking during this period, and is progressing well. Since the commencement of the process, in October 2019, we have facilitated more than 70 co-design group meetings, working group meetings and member discussions across the three co-design groups. Through this series of meetings, the 52 group members have discussed, contested and developed a range of options and models. The co-design groups and the Senior Advisory Group have finalised proposals and recommendations in an interim report which captures the robust deliberations throughout the process. This report will be delivered to the Minister for Indigenous Australians today for government's consideration. This will mark the completion of the first stage of the process.

On the matter of the Aboriginal flag, which I know is of great public interest: our discussions with Mr Harold Thomas and the licensees to resolve the current divisiveness of this issue are continuing. We note the recommendations from the Senate Select Committee on the Aboriginal Flag and wish to assure this committee that we're seeking to resolve this matter

in a timely, fair and reasonable matter. As I have stated in evidence to the Aboriginal flag inquiry, these discussions are complex and delicate, and they're based on goodwill and trust. Mr Thomas has asked for these discussions to remain confidential at this point, and NIAA intends to continue to respect this.

Organisationally, we are continuing the reform journey to maximise the effectiveness of the agency, investing in and developing our people and ensuring our structures best position us to enact the government's policies to improve the lives of Indigenous Australians. We continue to reform grants management by establishment of a Grants Management Unit to manage the transactional elements of the process and free up our regional community engagement staff to better focus on the needs of the community. Following the establishment of the Grants Management Unit, we restructured the way some of our regional offices operated and merged our two North Queensland regions into a single region.

We have been working at giving effect to the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy through the introduction of two new initiatives for the agency's Indigenous staff. One is a mentoring and professional development program for our younger staff and the other is a management development program. These programs will help build the capability of our Aboriginal and Torres Strait Islander staff, supporting the next generation of Indigenous leaders to reach their potential and see their perspectives represented at all levels across the APS, in management and in senior leadership positions.

Our first full year as an executive agency has seen significant and tangible progress, and that has been covered in our inaugural annual report, which was tabled this week. We look forward to continuing our contribution to improving the lives of Aboriginal and Torres Strait Islander people. I thank the committee and welcome questions.

CHAIR: Thank you, Mr Griggs, and or tabling your opening statement. I'll ask the secretariat to distribute it to senators.

Senator DODSON: Mr Griggs, I understand that some documents have been tabled. I'm actually in Perth, so I haven't seen them and, if my questions are a bit redundant, I apologise in advance. I don't apologise about the redactions, that appear to be pretty generous within the documents provided. How many times has each of these working groups met, Mr Griggs?

Mr Griggs: Are you referring to the voice process?

Senator DODSON: Yes.

Mr Griggs: The Senior Advisory Group has met on 12 occasions. The National Co-Design Group has met on 12 occasions. The Local & Regional Co-Design Group has met on 15 occasions. There was a linkages working group, which was made up of members of all those groups; that met twice. And the co-chairs of all the different groups have met on seven specific occasions.

Senator DODSON: What work is the Senior Advisory Group currently doing? I understand you said that the report has been given to the minister today. What are they doing currently—today?

Mr Griggs: They're not all engaged in any process today. They've finished their work in terms of going through the interim report. There will be ongoing work for all three groups through the next phase of this as we continue to refine some of the issues and some of the options that are in the interim report.

Senator DODSON: Okay. My understanding is that this will go to the minister, then it goes to the government, the government will decide what options and models it prefers and then it goes back out under some consultative system to the public and the First Nations—is that correct?

Mr Griggs: That's broadly correct.

Senator DODSON: Has the national design group had discussions at any time about the matters to deal with constitutional recognition, a question that may pertain to that and the referendum process itself?

Mr Griggs: That's not within the national group's terms of reference.

Senator DODSON: I understand that. My question was whether they'd had discussions. I couldn't imagine 60 people coming together and not having a discussion about it.

Mr Fox: The government's position is that the focus of the co-design group should be on developing the options for an Indigenous voice first and then consider constitutional recognition afterwards. There's been no formal discussion in the groups about constitutional recognition, although obviously in conversation the topic has been canvassed. I can't really go into the details of the conversations that were conducted during the national co-design group, but certainly there have been discussions amongst the members of, in fact, all three groups.

Senator DODSON: Given that \$7.3 million, as I understand it, was given out for this process for an Indigenous voice to the parliament—that's in the budgetary documents. Is this process about an Indigenous voice to the parliament—will the recommendations deal with that—or is it an Indigenous voice to the government?

Mr Griggs: Inevitably it will be both. Some of the commentary that has occurred that has alluded to the fact that it is not an Indigenous voice to the parliament is incorrect.

Senator DODSON: So we can be assured—well, it's subject to what the government decides, of course.

Mr Griggs: Of course. What I can assure you is that the design principles that were used in the national group were based on—you may recall box 2.1 in the joint select report that you co-chaired with Julian Leeser, which is the design principles for an Indigenous voice. They are the design principles we have been using throughout the process.

Senator DODSON: I don't think that committee ever contemplated that you couldn't walk and chew gum at the same time, but it looks like that was the decision made by the minister at some stage when he set these committees up. There could have been co-design discussions in relation to the referendum question and the putting of a referendum to the Australian public. But that's not the course you've elected to go down. The minister now has the report, I understand. How long is the minister going to hold it before he takes it to the cabinet or whoever he takes it to in the government?

Mr Griggs: Ultimately that's a matter for him. My understanding is that he's very keen to move the process on very quickly.

Senator DODSON: Once government decides it, how long will the consultation period be before we can expect to see any legislation?

Mr Griggs: The consultation period should run until around the end of March/April and then we'll need to collate the feedback from that process, work with the co-design groups and

senior advisory group to finalise the report, because the report that's been provided today is an interim report, and then it will go back for government consideration.

Senator DODSON: Maybe June, July or August somewhere?

Mr Griggs: I don't think that's an unreasonable range of times.

Senator DODSON: It's only when parliament's sitting, I suppose. So we can live and hope that there will be some legislation before the parliament by the end of next year—is that right?

Mr Griggs: I don't think I should speak to a legislative timetable, but I know that the minister is very keen to see this through.

Senator DODSON: Going back to the local and regional co-design groups, can you tell us what they have been doing in this period?

Mr Griggs: The main focus of the local and regional group has been to develop a set of principles. As you well know, Senator, in terms of local and regional there is no one-size-fits-all model that can be applied. It needs to work with the local conditions. That's what the group has been focused on. Ms Hope is the co-chair of that group. She can provide some more detail.

Ms Hope: Before I start, I'd like to acknowledge the lands on which we meet today and pay my respects to elders past, present and emerging, and of course extend that respect to my Aboriginal and Torres Strait Islander colleagues here in the room and online and to all of the Senators.

The local and regional group have spent a lot of time deliberating about a principles based practice framework, as the CEO suggested. Some of their considerations have been the fact that there are lots of existing governance structures, community organisation structures and traditional owner groups across the country. What they've been primarily focused on is making sure that their deliberations don't unpick or untangle any of that but actually provide a principles based framework so that governance can evolve across the country. It's not supposed to duplicate anything and it's certainly not supposed to knock anything out.

Senator DODSON: Have they considered their relationship to the state governments and the local governments, because I notice they're signatories to the national agreements and Closing the Gap? Have they considered their relationship to the other governments as well as the Commonwealth?

Ms Hope: Yes, that is correct. Quite a comprehensive environmental scan was done to look across all of the various different governance agreements not only in the Commonwealth but across the state, local and traditional owner framework. They have considered those. There is also a senior officers group, which Mr Fox can talk to you about, in terms of the conversations across jurisdictions.

Mr Fox: There has been a senior officials group with whom we've been working as an agency rather than the local and regional group per se. We've met with a number of officials, both bilaterally state by state and as a collective, on a number of occasions during this process because we recognise that whatever structures the government ends up setting up are going to have to work very closely with state and territory governments as well in order to make sure

that we work in a complementary way to those existing structures, as Ms Hope was just articulating.

Senator DODSON: This may be a question back to Mr Griggs. Mr Griggs, if you wouldn't mind helping us understand how the implementation plans to close the gap are going to coalesce, intersect or interrelate to local and regional entities in terms of the execution to achieve those outcomes?

Mr Griggs: I'll get Mr Fox to talk about implementation plans. The implementation plans are obviously at a higher level.

Mr Fox: We're working, as you reflected, on the Closing the Gap implementation plans. The Closing the Gap process is complementary to but will not replace the Indigenous voice structures that we have been working towards. While governments are very excited about the prospect of working to implement the national agreement that Mr Griggs referred to in his opening statement, we don't see the role of the implementation plan in any way avoiding or being different to—let me go back. It will not be a group that will be the voice, but it will complement and work alongside whichever structures we create with the voice.

Senator DODSON: Can you explain to me where the accountabilities are going to lie in relation to achieving the outcomes for the public sector inputs?

Mr Fox: Sorry, I just missed the last part of that, Senator. Can you repeat that question?

Senator DODSON: Well, this is [inaudible] public sector expenditure [inaudible] for various programs or various funding arrangements. Where does accountability reside at a regional and local level for the outcomes that are intended to be achieved?

Mr Fox: In the Closing the Gap agreement?

Senator DODSON: Yes, or in any other objective.

Mr Griggs: Senator, you broke up a little bit during that question, but my understanding is that you're asking about accountabilities for the programs themselves, from the public sector perspective.

Senator DODSON: Well, from the regional entity that, if it ever gets to legislation, is created under the voice.

Ms Hope: Senator, there isn't an intention that the regional entities will do program administration—I think that's what you're asking—or service delivery. That's not their intention.

Senator DODSON: No, but they should have a role of accountability, making sure that whoever is supposed to be delivering the services—

Mr Griggs: They're not.

Senator DODSON: They're not delivering the services, but do they have an accountability role or is that retained by the bureaucracy?

Mr Fox: We would imagine that the voices would be very much holding the bureaucracy to account in that process.

Ms Hope: And service delivery.

Mr Fox: And in service delivery as well.

Senator DODSON: You're imagining that, but is it in fact in contemplation that that will be the reality?

Mr Fox: Sorry, you broke up again. I missed that. I beg your pardon, Senator; I missed that part again.

Senator DODSON: Well, I'll have another go. It may not be your fault; it's just the technology, I think. Can you hear me now?

Mr Fox: Yes.

Senator DODSON: The question is: what authority in the accountability arrangements will these regional authorities have to ensure that there are outcomes commensurate with their objectives for the regional communities?

Mr Fox: Those are details that will need to be worked through as they get established, and I'm sure those will be inputs in their consultation phase. The models haven't been developed to that level of detail yet, but that will be part of the consultation phase that we'll go through.

Senator DODSON: Okay. I don't think I have any further questions. Thank you.

CHAIR: Thank you very much, Senator Dodson. With the agreement of the committee, I might preference senators via videoconference to get that out of the way. Senator Thorpe, are you there and ready to ask your questions?

Senator THORPE: Yes, I am. Thank you, Chair.

CHAIR: Okay. You have the call.

Senator THORPE: Thank you. I have a couple of follow-up questions from what Senator Dodson raised. In regard to that regional design for this voice to government or to parliament or both, my first question is: are you aware of any campaigns or dissenting voices in the communities across the country about a voice to parliament or a voice to government?

Mr Griggs: We're aware that there are a range of views across the community, both Indigenous and non-Indigenous, about the issue. We've been tasked to follow up the recommendations of the joint select committee on constitutional recognition, which Senator Dodson and Mr Leeson co-chaired, and to co-design models and options of a voice for consideration.

Senator THORPE: Are you aware of any campaigns in particular against the voice to parliament for reaching government for constitutional recognition?

Mr Griggs: Beyond some of the actions around the Uluru statement, I'm not aware of any particular campaigning against the current process that we're engaged in. There might be some who disagree with the process, but I'm not aware of a formalised campaign.

Senator THORPE: There are a number of campaigns happening, around the country, from traditional owners with strong dissenting voices towards constitutional recognition and parts of the Uluru statement. Given that you're not aware of those, I don't suppose you would be including those voices into these conversations or decisions around the voice to parliament or government. In that case, would you be willing to open up your scope to bring some of those dissenting voices into the room, to have a conversation around why there are dissenting voices?

Mr Griggs: The second stage, the engagement and consultation phase, I think, is the ideal opportunity for those voices to be heard. That's the purpose of that phase of the process.

Senator THORPE: How will those consultations be done?

Mr Griggs: That's still subject to government agreement. We'll have to be guided by the COVID situation, at the time, but we want to maximise a range of interactions, face to face and virtual, across the country. The final agreement on that has not yet gone before government.

Senator THORPE: In terms of the governments' track record, they usually only consult with corporations and organisations, and not all Aboriginal or Torres Strait Islander people in this country are members of corporations or organisations. They have traditional law or governance still maintained in their communities, so they don't participate in white man's corporate governance style of running their own communities. So will there be an emphasis on ensuring that grassroots Aboriginal people who aren't part of these corporations or who've been denied access to these corporations get a voice in this, and how will they get the voice in this?

Senator Ruston: Senator Thorpe, can I put on the record that I don't accept what you've just said, in relation to the consultation processes undertaken by this and previous governments, about excluding members of the Australian public from being able to have access through this consultative process. I would emphasise that the consultation process will start at the end of the year, in relation to making sure that every Australian has the opportunity to put forward their views about this very important issue around a voice. It is absolutely the intention of government that anybody who wishes to have their views heard will get the opportunity to do so, and I would like to refute the fact that consultation processes exclude people.

Senator THORPE: Thank you for that, but I also refute your response. There are grassroots Aboriginal people around this country who have been denied access to decisions in this country that have been made, for them, without them. If you don't know that, you're out of touch with what's going on in grassroots communities around this country. We wouldn't have the statistics we have today if grassroots people were at the table self-determining their own destiny. So I don't agree with what your response has been.

If we talk about the Uluru meeting, that was an invite-only process. There were hundreds and hundreds of Aboriginal people across this country, in every state and territory, who were not allowed to go to that meeting to discuss their future in a self-determining way.

CHAIR: Minister, can I jump in. Senator Thorpe, if you don't mind, can I encourage you stick to questions rather than statements. There's plenty of opportunity to ventilate those issues in the chamber but, for estimates, if we could stick to questions and answers, please,

Senator Ruston: To follow up, Chair: I'm particularly interested, Senator Thorpe—and there's a bit of a reverse situation here, where maybe you could provide us with examples of people whom you think have been denied access to the process or are likely to be denied access to the process of consultation around the voice so we can make sure those people are identified and given the opportunity to do so. It is not the intention of the government to exclude any Australian from being able to have their views heard on this very important

matter. I put that to you, if you could provide that to us to so we can ensure that that doesn't happen.

Senator THORPE: Absolutely. They will probably not identify as Australian; they would be First Peoples who would provide that information to you—thank you for that offer to get grassroots to the table. My next question is around Closing the Gap. How much Commonwealth public money is needed so the Closing the Gap agreement can achieve all of its aims over the 10-year life of the agreement?

Mr Griggs: Senator, it's impossible to answer that question, given that we're still in the process of going through and developing implementation plans at the Commonwealth level, state and territory level and with the Coalition of Peaks. We're all developing our implementation plans—which is one of the reasons that the agreement wasn't a funding agreement because, until you actually develop your implementation plan, you can't really start talking about those dollars in that detail.

Senator THORPE: If you don't know how much money we'll need for the agreement to be successful, how do you know that what the government has contributed towards the agreement in this budget is anywhere near enough?

Mr Griggs: As I said, we're working through both state and territory governments, with the Commonwealth government and the peaks, as to what the implementation plans look like and what the particular activities will be in those implementation plans to address both the full priority of reform areas and the 16 socioeconomic targets. That work has to be done. There's no point in splashing a number around when you don't know what the actual activity will be.

Senator THORPE: Will there be a process of prioritisation across all government portfolios to see where money can be moved to to prioritise the Closing the Gap targets? \$46 million over four years is not enough.

Mr Griggs: Senator Thorpe, I think we need to be fair here. The \$46.6 million is for priority reform to a specific reform in the agreement which goes to strengthening the capabilities of the community controlled sector. It's a co-contribution with the state and territory governments providing money to that as well. It is for a specific purpose: it's for one particular area around strengthening the community controlled sector's capabilities.

Senator THORPE: Will there be further money contributed to Closing the Gap; and where will it come from

Mr Griggs: That will be a matter for government once we've finalised the implementation plans and understand the implications of them.

Senator THORPE: How many Aboriginal community controlled organisations received funding from the Indigenous Advancement Strategy?

Mr Griggs: I'd have to take the exact details of that on notice.

Senator THORPE: How many non-Indigenous organisations received money from the Indigenous Advancement Strategy?

Mr Griggs: I think at present around 67 per cent of organisations funded under the IAS are Indigenous. That's increased from about 33 per cent in 2015. If those numbers are wrong, I will correct them on notice. So we've had a significant increase—almost a doubling of the

number of Indigenous organisations that receive funding under the IAS. It's around 67 per cent.

Senator THORPE: Why are white organisations getting black money?

Mr Griggs: This is government funded activity.

Senator THORPE: It's an Indigenous advancement strategy and you've got, what, 33 per cent of non-Aboriginal corporations getting Aboriginal money. How much money, in total, do the non-Aboriginal corporations get out of the IAS money?

Mr Griggs: It's a similar ratio, I think, so around a third of the allocation. What we're trying to do is provide the best service possible. Where there is no ability or no existing Indigenous provider to provide that, then we will get the best provider to provide it.

Senator THORPE: Like giving money to the Farmers Federation to fight a native title group over land—is that something you would fund?

Mr Griggs: We've traversed that issue at estimates before.

Senator THORPE: Could you give us a figure on how many white organisations get this money, which is meant to be for Aboriginal and Torres Strait Islander people and communities?

Mr Griggs: I reject the characterisation of this.

Senator Ruston: Chair, I'm finding the line of questioning that's coming from Senator Thorpe quite unusual in the sense of the budget expenditure on programs is about program outcomes and the delivery of program outcomes. The characterisation of budget expenditure as 'black money' and 'white money' I'm finding somewhat offensive. The intention of the expenditure is clearly targeted at delivering outcomes for targeted groups in our community.

CHAIR: Thank you, Minister. I appreciate your perspective on that. I don't seek to restrict Senator Thorpe's questioning. It's a matter for her to determine how she wants to ask her questions.

Mr Griggs: Senator, I said I'd correct myself if I was wrong: it's 67 per cent of all the activities, so just over 2,000 activities in the IAS are delivered by Indigenous organisations; and 60 per cent of the funding goes to Indigenous organisations.

Senator THORPE: So 40 per cent goes to non-Aboriginal organisations? I'm asking this because there are a lot of non-Aboriginal corporations that are getting black money, or Indigenous money, or Aboriginal money, or First Nations money—or whatever people feel comfortable using—and it's not reaching the people on the ground. We're talking about major corporations here, which have enough money on their own, that are accessing IAS funds, and with the trickle-down effect it does not get to the people. I think it's a very relevant question that I've been asked to ask on behalf of Aboriginal people in this country.

Senator Ruston: Sorry, I don't understand your question.

Senator THORPE: My question is in relation to the 40 per cent of white, non-Aboriginal corporations that receive Indigenous money from this strategy. How much is it, in total, and how do their programs—or whatever they're doing with the money—get to the people on the ground? Where's the accountability to, and transparency for, the Aboriginal people in this country when white organisations or corporations are getting a piece of the pie?

Mr Griggs: I don't accept that characterisation that they're getting a piece of the pie. They're delivering a service to achieve outcomes, as the minister said, under the IAS. As I said before, if we have the ability to use an Indigenous organisation for a particular purpose, we absolutely strive to do that. As I said, over the last three or four years, we've nearly doubled the percentage of Indigenous organisations that we fund. So I think we are very much on the right trajectory in that respect.

Senator THORPE: In the information that was sent, there's a breakdown of who gets what and what they're doing with the money; is that correct?

Mr Griggs: Are you talking about the information we tabled this morning?

Senator THORPE: Yes.

Mr Griggs: That information replied to a specific set of questions from Senator Ayres relating to IAS funding decisions or grants that were executed in a specific time frame.

Senator THORPE: Can you provide on notice further information about who is getting what and what programs they are running in communities, or is that not open for community information?

Mr Griggs: I'm trying to put my arms around that particular question, Senator, to give you the specificity that you want. Are you seeking a breakdown of non-Indigenous service providers and what services they provide?

Senator THORPE: Yes.

Mr Griggs: We can take that on notice.

Senator THORPE: Thank you. On 2 November 2018, *The Guardian* reported that former Minister Scullion approved a grant of \$150,000 to the Northern Territory Seafood Council, of which he used to be the chairman. He provided \$170,000 to the Northern Territory Amateur Fishermen's Association and \$165,000 to the Northern Territory Cattlemen's Association, so they could all put forward an argument on how Aboriginal people claiming their rights to country would impact these non-Aboriginal corporations or organisations. What has been the fallout of this swindle, given that yesterday the Prime Minister asked the head of Australia Post to stand down over \$13,000 worth of inappropriate gifts when the minister handed out almost half a million dollars to his mates? Can you guarantee that all of the projects that have been funded since by the Indigenous Advancement Strategy are actually advancing the interests of Aboriginal people?

Mr Griggs: That is absolutely the intention of the program.

Senator THORPE: So are Aboriginal and Torres Strait Islander people actually involved in a meaningful way in determining who gets funding awarded to them from their strategy?

Mr Griggs: In the sense that we work with a wide range of stakeholders, including peak organisations—we work with our regional presence. About half of our organisation is not in Canberra; it's around the country. They're in communities every day. We probably work in around 400 communities in any one year. One of the things my team does is go into those communities to identify opportunities to talk to members of community—not just to corporations and not just to organisations—about what their issues are and what their needs are and, wherever possible, try and find opportunities where we can assist if we need to.

Senator THORPE: How do you ensure integrity in the program?

Mr Griggs: In what sense?

Senator THORPE: I've just given some really good examples of Minister Scullion looking after his mates with IAS funds. How do we make sure that that doesn't happen again and that there is integrity in the program, given what we've seen in the past?

Mr Griggs: Mr Exell, did you want to take that?

Mr Exell: I was trying to come in before to your earlier question—which I think is relevant for this one as well—when you were talking about, and the minister was talking about, an outcome orientation. That is something that we in the IAS in NIAA look very carefully at. Every activity has an agreement which articulates those outcomes. They have key performance indicators. There is regular monitoring and assessment of those activities. We have an evaluation system and process that looks to what is working and what is not, just in the context of that activity, then looks at what is the context of that area. We have a performance system that underpins not only the activity but our overall investments.

To go to your second question around that joint process: we've talked earlier around the Closing the Gap exercise—and we're talking about the implementation plan—and one of the strengths of that exercise is that it does bring together a different range of people to talk about investments, and I would say—we've been talking exclusively here about the IAS—part of support for Aboriginal and Torres Strait Islander people is more than just the IAS; in fact, the much larger quantum of funding for Aboriginal and Torres Strait Islander people comes outside the IAS. That is, again, the strength of the Closing the Gap refresh—that it reaches beyond just the IAS to all the mainstream funding. And we're working in partnership through this implementation plan to look at the exercise for how we can improve those allocations and that decision-making process that goes to Priority Reform 1 of that shared decision-making process. So, to come to your question there about how can we have surety: that process of the Closing the Gap, and we talk about that reach—and Senator Dodson was talking about the reach—from local and regional all the way through to national, is encompassed and being thought about through that exercise.

Senator THORPE: My next set of questions are around Aboriginal deaths in custody, given it's a crisis that this country is facing as well as the pandemic and a climate crisis. Do you know how many Aboriginal deaths in custody there have been since the Royal Commission into Aboriginal Deaths in Custody?

Mr Exell: We do have that number: 442. My colleague has the specific details.

Ms Mitchell: Senator, the number, unfortunately, of deaths in custody since the royal commission is 442. That's 284 deaths in prison situations and 158 in police custody.

Senator THORPE: Is this a regular tally that is taken by the NIAA? Is this part of the recommendation by the Royal Commission into Aboriginal Deaths in Custody—are you keeping that tally as a result of that recommendation?

Ms Mitchell: It's a state and territory responsibility to maintain that data, Senator.

Senator SCARR: I think the Australian Institute of Criminology also tracks it from a national perspective, doesn't it?

Ms Mitchell: They do.

Senator SCARR: I think that was one of the recommendations from the royal commission, is that correct? Sorry to interrupt.

Mr Exell: Thank you, Senator, I was just trying to scroll down to find out.

Mr Griggs: That number is actually drawn from the AIC report.

Ms Mitchell: It is, yes.

Senator THORPE: How many of those are acceptable to the NIAA, given that there have been more and more deaths since the royal commission? And what is the NIAA going to do about the remainder of the recommendations that have not been implemented?

Mr Exell: Senator, the first question is an unfair question. The second part, the role of NIAA, is to work with states and territories; our Commonwealth department colleagues; organisations, including Indigenous organisations; corrections and police to look at the issues that contribute to those deaths in custody. As you may be aware, and as this committee has discussed on a number of occasions, NIAA doesn't have all the levers and all the controls on the issues. What we are focused on, particularly, is looking at the social and economic dimensions that lead to Indigenous Australians' contact with the justice system. Our investments work across a range of areas, in particular, social and emotional wellbeing investments. Indeed, the evidence is pretty clear that participation in work, education and life are all aspects that prevent contact with the justice system. There are different parts of the Commonwealth and, indeed, most of the levers are at the state and territory level in terms of specific law and justice programs. However, we work with all those parties to look at what we can do to contribute to reducing the numbers of Indigenous Australians in prisons and in contact with the police, which leads then to those tragic deaths. We can talk more, if you like, about some of the specific programs, but that gives you an overview of the role of NIAA, working with our colleagues across the country.

CHAIR: Senator, just a time warning.

Senator THORPE: I understand it's an unfair question. It's certainly unfair for the 442 families that are still grieving these deaths—and the systemic racism that goes on in this country.

In terms of the recommendations in the royal commission and everything that you've just said, do you think there are policies and legislation that impact on moving forward and stopping these continued genocidal acts of deaths in custody?

Mr Exell: In part you're asking me to speak on behalf of states and territories and their own laws, policies and practices. We think there are some elements that can be improved. I'm not speaking on behalf of or speaking for them, but I note the Western Australian government recently made some changes to their systems that we think will make some improvements in reducing the number of Indigenous Australians in contact with the justice system. Again, I'm going to come back to the commitment through the Closing the Gap exercise that has targets around this area. Justice and the justice area was brought forward as a priority area for consultations and discussion about what are the different aspects that can reduce the number of Indigenous Australians in incarceration. That's work that's underway right now. Again, consistent with the points that you were making around joint processes, we want to commit to that and work through that process before I roll out a list of things that we specifically think

we should or shouldn't do. Yes, we think about it; we think about it carefully, but the point of those conversations and that partnership is that we do that together.

Senator AYRES: Chair, can I just ask for an indication on time? I'm aware that Senator Dodson and Senator McCarthy have a long list of questions to go. This is much more time than would normally be allocated to a Greens senator on a committee. I'm anxious that everybody gets an opportunity to ask their questions, but I'm also conscious that we have a short finish today at three o'clock, when there's a compulsory adjournment. I want to make sure everybody gets to ask their questions. Can you seek an indication of time and can we make sure that we—

Senator THORPE: That was my final question.

CHAIR: I was going to offer the call back to Senator Dodson, if he's still connected on the video-conference. If not, I can go to Senator McCarthy in the meantime, and then go back to Senator Dodson when we've established that he's there. Senator McCarthy.

Senator McCARTHY: I'd like to go back to the voice, given we still had some questions around that before we move on to some other topics. This will be on behalf of Senator Dodson, given that we had some technical issues. I just want to go to the document in relation to the agendas for the co-design meetings. Given that the agendas are at a very high level and are unlikely to contain much of substance, why were the redactions necessary?

Mr Fox: The material that we redacted included descriptions of the likely content of the advice to government, which has not yet been considered by government.

Senator McCARTHY: So are you claiming public interest immunity in relation to those documents?

Mr Fox: The intention is that those documents will be provided to the cabinet.

Senator McCARTHY: But they haven't been provided yet.

Mr Fox: They've been provided to the minister with a view to being submitted to the cabinet.

Mr Griggs: No, not for the agendas.

Senator McCARTHY: Sorry, Mr Griggs. Could you just repeat that.

Mr Griggs: There is no intention to claim public interest immunity on the agendas. We are happy to review the redactions.

Senator McCARTHY: You will review?

Mr Griggs: We'll review the redactions.

Senator McCARTHY: Okay, thank you. Given the public nature of the design process, what's the harm they say will arise if the full documents are produced?

Mr Fox: Sorry, are you referring to the agendas again, Senator?

Senator McCARTHY: Yes.

Mr Fox: I think Mr Griggs has just indicated we'll review those redactions.

Senator AYRES: Just on that issue—sorry to interrupt, Senator McCarthy—can you review those redactions over lunch and give us a view after lunch about whether you can provide the full documents?

Mr Griggs: Of course.

Senator McCARTHY: I just go back to this: if the document has only gone to the minister, it's certainly not a cabinet document yet. Is that correct?

Mr Griggs: And we're not claiming that.

Senator McCARTHY: Okay. I wanted to be absolutely certain of that. Thank you. That's my questions on behalf of Senator Dodson on the voice. I'll just go to a couple of other topics for a little while.

CHAIR: Please do.

Senator McCARTHY: Thank you. I will follow up on some of the questions raised earlier. I'd like to go to CDP first. Who can I get up to the table for CDP?

Mr Griggs: Mr Bulman will come up.

Senator McCARTHY: Thank you. On 23 March this year, CDP activities were suspended at the direction of the minister. Did CDP providers have their payments reduced in line with the suspension of activities?

Mr Bulman: Just to be clear: on 23 March, we suspended all face-to-face activities. This was in response to health risks from COVID-19. CDP service providers still provided other safe services like employment—helping people with employment, CVs et cetera. For the service providers, what we did was to provide them with base funding. They're usually outcome orientated funding mechanisms for service providers. We set a base limit of 85 per cent of the average for their previous year for the elements of their funding agreement which were impacted around delivering activities et cetera.

Senator McCARTHY: What's the base limit?

Mr Bulman: Eighty-five per cent of their historic payments. That was calculated for each service provider.

Senator McCARTHY: Can you just give us an idea of what that is, though?

Mr Bulman: It varied from region to region and provider to provider. Some CDP providers are quite small; some are quite large. Each CDP provider, in any other day of business, receives money based on the outcomes they deliver—for example, the number of people on their case load, the number of jobs they achieve, the number of activities—

Senator McCARTHY: Sorry. Just so that I'm clear: because of COVID, 85 per cent of their initial funding was their baseline?

Mr Bulman: Of a component of their initial funding.

Senator McCARTHY: Okay.

Mr Bulman: They were still receiving on top of that funding where they achieved an outcome, for example, for supporting a jobseeker into employment through that period. We put that in place so they were able to retain all their staff, maintain all their vehicles and keep the lights on in the business.

Senator McCARTHY: If 85 per cent was provided to these providers, what has happened to the money that the government withheld?

Mr Bulman: Sorry—'withheld'?

Senator McCARTHY: Well, if you gave 85 per cent, where did the rest of it go?

Mr Bulman: The money comes out of the IAS. The 85 per cent is an average calculation from the historic delivery. Some months a company, a service provider, might have achieved less. There are swings and roundabouts in the month by month payments. We calculate—

Senator McCARTHY: But this decision was based on COVID. Is that correct?

Mr Bulman: Yes. That's right. To make sure they are able to—

Mr Griggs: It goes back to what I mentioned in the opening statement. For all our funded organisations we adopted an approach where our objective was to make sure that we kept as many people employed as possible, that we kept as many of the organisations viable as possible and able to resume their normal operations as soon as they could, as soon as it was safe to do. So I think the CDP providers were treated no differently to any of the other funded organisations under the IAS.

Senator McCARTHY: Okay. We will go to questions on the documents in terms of IAS and your comment at the start, Mr Griggs. But I might just keep going with CDP at the moment. How much funding does that represent overall in terms of cost? You say 85 per cent but can I just get a figure, Mr Bulman?

Mr Bulman: Ms Bird may have the—

Ms Bird: The contingency payments—which is how I have referred to them—between April and September for CDP providers totalled \$19.8 million, GST exclusive, each month.

Senator McCARTHY: Each month?

Mr Griggs: That was the aggregate to all 60 providers—60 regions.

Ms Bird: 60 regions.

Senator McCARTHY: Okay. So, just on that—and I know you went a little bit further, Ms Bird—but do you have an average amount expressed as a percentage by how much provider payments reduced?

Ms Bird: Trying to calculate a reduction is—the basis of that's difficult. We can have a look at it but, effectively, because CDP providers are paid on, as Mr Bulman was describing, a demand-driven outcome-based payment, you would need to look at what your anticipated workload would be to calculate the reduction. As Mr Bulman indicated, we took a period of time and calculated an 85 per cent of that average payment, drawing on the IBISWorld employment service industry benchmarks, to get some established figures around what the ongoing commitments are that the providers have to pay—things like rent, wages, fixed operating costs and so on. We had a look at that and analysed it with a view to ensuring they could continue operating and could resume services to the full degree possible at the time that it was deemed appropriate.

Senator McCARTHY: You say 'for a period of time'. Could you just give me an indication—was that something that you thought about in March, that it would be for six months or 12 months? How did you work out that period of time?

Mr Bulman: Do you mean how did we calculate the average, or how long did we anticipate the—

Senator McCARTHY: Both.

Mr Bulman: Anticipating how long the contingency arrangements would be in place—when we put them in place, we were watching the health advice regularly but we didn't know if it was going to be one month or six months, depending on how COVID changed around the regions. In calculating the average payment, we looked across a four- or five-month period, trying to take into account regional variance, for example. There's a lot of difference in the amount of revenue providers received, depending on wet season or other seasonal variations and their location. We used that, like Ms Bird said, to analyse industry benchmarks about where providers' money goes and how much they need to maintain vehicles, staff, et cetera, keeping in mind that for a period we asked them to stop delivering face-to-face activities in the way they have been doing for the last couple of years. So we said: 'While you're not delivering those activities, we want to make sure you retain staff, keep your vehicles and other activity and machinery alive and well. Keep the lights on. Start doing work around risk planning and contingency planning so you can develop a safe way to deliver CDP when we resume services.' But the nature of their business changed dramatically.

Senator McCARTHY: But it's a fair comment that you've spent less on CDP overall as a result of having to go through—and this is every department, I suppose, in terms of COVID. So does that extra amount of money go back to the IAS?

Mr Bulman: Yes, it sits within the IAS, that's correct.

Senator McCARTHY: Has the NIAA requested legal advice on the legality of CDP?

Mr Bulman: Sorry, I don't understand. On the payments—

Senator McCARTHY: Just on CDP itself. It's a yes or no question. Have you received any legal advice on the legality of the CDP?

Mr Griggs: Senator, as you're aware, there's a matter underway around CDP and we can't really comment on—

Senator McCARTHY: Would that be a yes, then?

Mr Griggs: There's a matter underway.

Senator McCARTHY: Is NIAA confident the CDP is compliant with Australian law?

Mr Bulman: All programs that we establish, we ensure they align with Australian law. But, as Mr Griggs indicated, there's a matter underway.

Senator McCARTHY: So at the moment your confidence might be a bit shaky. Is that what you're saying?

Mr Griggs: No, that's not what Mr Bulman was saying.

Mr Bulman: Not at all.

Senator McCARTHY: You are confident that it is in line with Australian law?

Mr Bulman: My confidence levels aren't really relevant, I don't think. The matter is, we deliver a program—we've designed a program—that's in line with Australian law and we'll continue to deliver it.

Senator McCARTHY: According to data from the 2018-19 National Aboriginal Torres Strait Islander Health Survey, more than half of working age Aboriginal and Torres Strait Islander people in very remote areas were neither working, studying, nor receiving a social

security payment. Is the NIAA concerned these people are not engaging in the CDP when, on the face of it, they should be the target market for CDP?

Mr Bulman: I don't think that report indicated that those people weren't engaged in CDP. If you're on income support or on a working age payment, and you've got activity-tested requirements under the social security system, you'll be referred into the CDP. The CDP service providers can then provide support to those people, whether it's helping them with a resume or a CV, linking them to jobs or doing activities in their community—the same as other jobseekers across Australia receive support through their job service provider.

Senator McCARTHY: I'm going to put the remainder of my questions on CDP on notice.

CHAIR: Thanks, Senator McCarthy. That would assist. I appreciate that.

Senator McCARTHY: I do have another topic, though.

CHAIR: Please, do move on to the other topic, yes. Just noting we'll break at 12.30.

Senator McCARTHY: Just going back to Closing the Gap, if I could. \$46.5 million is budgeted to support priority reform 2 under the new National Agreement on Closing the Gap. Will the federal government be funding actual programs into the future that will support the peaks and community orgs to close the gap?

Mr Griggs: As I also said to Senator Thorpe, in terms of other funding, we are in the process of developing, both at the Commonwealth level and at the jurisdictional level, implementation plans and activities in conjunction with our coalition of peak partners to work forward on what the activities are going to look like. Clearly, the funding implications of that are something we can't talk about until we understand what the implementation plans look like.

Senator McCARTHY: Did the Commonwealth's contribution come from the IAS?

Mr Bulman: I think it did, yes.

Ms Stuart-Fox: The funding is from the IAS.

Senator McCARTHY: As the \$46.5 million is to be met by existing resources of the NIAA, what support or programs will no longer be supported?

Mr Exell: There wasn't an active process here, if you like, of trade-offs, as I think you are suggesting. We planned for expenditure within the IAS, so there was no IAS offset, if you like; it was part of their funding pipeline.

Senator McCARTHY: So how is the Commonwealth making sure that all of its agencies and institutions are aware of the agreement and are implementing the new way of working with Aboriginal and Torres Strait Islander people?

Mr Griggs: Obviously all the ministers are aware, because this matter was considered by the cabinet before it was agreed. From a bureaucratic perspective, we have the secretary's committee on social Indigenous policy, which I'm a member of. In fact, we are meeting in the next week or so to talk about the implementation plans. Mr Exell chairs an interdepartmental committee on Indigenous affairs, which has been engaged extensively throughout this process of making sure that other departments and agencies understand what's required to implement this agreement and to develop the implementation plans.

Mr Exell: I co-chair that with Department of the Prime Minister and Cabinet, which supports that whole-of-government view and perspective. We have under that deputy secretary level committee, a branch head working committee that also works to communicate. Ms Stuart-Fox has been involved in giving presentations and working with other departments.

Senator McCARTHY: Sorry, but how are agencies changing their way of doing business?

Ms Stuart-Fox: We are in a process of rolling out workshops that are target by target. For each target area, we bring together all of the agencies that play a role in delivering programs and measures that contribute to that.

Senator McCARTHY: How often do you bring them together?

Ms Stuart-Fox: We are currently doing a round of workshops for all the different targets to do a stocktake of what they are doing at the moment, to explain to them the obligations under the national agreement and to identify what more they can do to implement the priority reforms. That will then be collated and provided back to agencies for them to test the line with ministers to lead up to the development of the Commonwealth's implementation plan.

Mr Exell: As Mr Griggs noted, we met about two weeks ago at the deputy secretary level. A part of that conversation was specifically about the transformational aspects of the prior reforms. We talked in depth about what that means for changing the way we do business. I can say there is a very positive attitude across the Commonwealth level in being serious about those commitments. That is a seriousness that has been transmitted from the Prime Minister through ministers, so it is something we are looking very hard at. We also have engagements at the jurisdictional level with similar mechanisms. We not only have the partnership working group under the Close the Gap itself but we also have, from our perspective, regular catch-ups with senior officials, where, again, we talk through the elements and the implementation. So there is a pretty comprehensive architecture that sits under this to give effect to those transformation aspects.

Senator McCARTHY: I would like to go to deaths in custody, please. Minister, with the Black Lives Matter protests across Australia this year, the Prime Minister and certainly other senior ministers did come out giving commentary not in favour of the protests. Ministers and premiers were meeting for COVID, so there was a real coordination at that highest of levels. We called for the highest of levels to also coordinate that kind of gathering of the Prime Minister and premiers around Aboriginal deaths in custody. Is that something the government will look at?

Senator Ruston: I am confused about the question. As you rightly point out in this forum, Indigenous deaths in custody, first of all, are a matter for the states and territories. The role that the federal government, I believe, plays is very much around those targets and why we are seeing such high levels of incarceration and interaction with the justice system of Indigenous Australians. The commentary around the protests about black deaths in custody back during the height of the COVID pandemic, I think, was more around the gatherings of large numbers of people that presented significant health risk. I don't think anybody, or certainly nobody that I spoke to or any commentary that I heard from any of my colleagues, in any way diminished the importance of the matter that the protests were speaking to.

Senator McCARTHY: But these were premiers of those particular states and territories who agreed for the rallies to go ahead. The core of the question is the fact that, through COVID, the Prime Minister, premiers and chief ministers have shown they can come together over one particular issue. The question is: would they also come together to deal with the fact that we have high rates of incarceration and deaths of First Nations peoples in jail?

Senator Ruston: Clearly, absolutely. This whole process is around many of the issues that sit within the Closing the Gap agreements. But more broadly, within the arrangements that sit between states and territories arrangements, absolutely this is something that needs to be done.

Senator McCARTHY: But would it be as high as that, to have a gathering of premiers and the Prime Minister to deal with the issues around black deaths in custody, as we have seen coordinated at the highest levels with COVID?

Senator Ruston: It is a matter of utmost importance to the government. Clearly through the national cabinet and other fora there exists with the relationships between states and territories and the Commonwealth many opportunities for the issue of the kind of magnitude and seriousness you wish to be discussed. Clearly, it is not for me to be setting the agenda for those meetings but I can absolutely assure you that Closing the Gap targets and the role that the federal government needs to play in supporting those changes, particularly when they sit within state jurisdictions for the actual delivery, is something that is of the utmost importance to this government.

Mr Exell: At the time of the launch of the Close the Gap refresh, or the Close the Gap national agreement and the joint council before that in July, unsurprisingly, I understand there was considerable discussion through the joint council. The area of justice was elevated within the priority reform areas. That has led to an earlier focus on that part. It would have been a high priority anyway, but it was elevated to a higher priority. If I recall, there was a meeting just last week, which brought together 60 colleagues across the jurisdiction of the coalition of peaks to focus on how we move this forward. Certainly within the context of that conversation, which was relevant ministers from across the jurisdictions, it was elevated up in that agreement and in its focus.

Proceedings suspended from 12:29 to 13:32

CHAIR: The committee will now resume.

Senator DODSON: My questions are in relation to Juukan Gorge. Mr Griggs, was the minister made aware of the call from the PKKP lawyer on 20 May 2020 and of the imminent destruction of the Juukan Gorge shelters?

Mr Griggs: Senator, I'm not aware of the internal communication channels within the minister's office. I would go back to my evidence that I gave to the inquiry.

Senator DODSON: Is there anyone who can answer the question?

Mr Griggs: I don't believe anyone in the agency has knowledge of what internal communications there were in the minister's office.

Senator Ruston: Senator, I'm more than happy to take that on notice for you.

Senator DODSON: Thanks, Minister. Can you also take on notice whether the minister or anyone from his office immediately or independently raised the issue with Minister Ley or anyone from her office?

Senator Ruston: Sure; happy to.

Senator DODSON: It would be nice if we had an answer, but if you could take it on notice, Minister.

Senator Ruston: I don't know off the top of my head, but I'm sure that the staff in both offices will be listening and, hopefully, they'll get that information to me as quickly as possible.

Senator DODSON: Thank you, Minister; I appreciate your cooperation. Did the minister or anyone from his office—again, this may be on notice, Minister—receive or make any contact with Rio Tinto prior to the destruction of the Juukan rock shelter?

Senator Ruston: I'll take that on notice.

Senator DODSON: Has any consideration been given to transferring the administration of the Aboriginal and Torres Strait Islander Heritage Protection Act to sit back within the Indigenous Affairs portfolio?

Senator Ruston: I'm not aware.

Mr Griggs: Not to my knowledge.

Senator Ruston: I'm not aware of that, Senator, but we will attempt to get you confirmation.

Senator DODSON: It's just that in evidence given to the committee that's inquiring into this, the lawyer had gone to the Indigenous affairs minister, believing he was the relevant minister, when in fact he wasn't; Minister Ley was. Can you explain to me the \$2.2 million over four years—I presume it's either to the agency or to someone else—to help understand or promote the ATSI Heritage Protection Act? I think it is budget paper 2, page 51.

Mr Griggs: Is that in the environment department's budget papers?

Senator DODSON: I thought it was in yours.

Mr Exell: Senator, was that \$2.2 million or \$2.2 billion? I wasn't sure.

Senator DODSON: It would be great if it were billions, but I don't think it is.

Mr Exell: That's what I why I thought I'd better check.

Senator DODSON: I think it's \$2.2 million.

Mr Exell: It's not in our budget papers.

Senator DODSON: It's over four years, so it's not a lot of money.

Mr Griggs: I am suspecting that it's in the environment's budget papers; it's not in ours.

Senator DODSON: Maybe you might take that on notice, Mr Griggs, and just clear it up for me, if you wouldn't mind.

Mr Griggs: Certainly.

Senator DODSON: If I could go to a couple of matters under deaths in custody which relate to the custody notification matters. Can you tell me if the government is going to sustain that contribution once the period of funding is ended for the states?

Mr Exell: Thank you for the question. The offer that was made was for three years of initial funding on behalf of the Commonwealth. The aim for the Commonwealth is that jurisdictions pick up this responsibility themselves. Most of the agreements are still in the first or second year of that partnership, so that is a question that we will be coming to. We've been clear with our jurisdictional colleagues that the offer is for an initial three years and we would like them to pick up the funding on an ongoing basis.

Senator DODSON: Does the offer still remain on the table to Queensland and Tasmania, who I understand have not yet legislated?

Mr Exell: It does, Senator. The Tasmanian government wrote back to our minister in July to confirm interest, but discussions in terms of implementation have been delayed due to COVID-19. So that's still there. Queensland has not yet taken up the offer.

Senator DODSON: Unfortunately incarcerations don't stop because of COVID, I must say. When is the government going to respond to the ALRC's *Pathways to justice* report which was tabled back in March 2018?

Mr Exell: Senator, as you know, there isn't a formal requirement for the government to respond to that report. As we discussed in previous committee hearings, the government and certainly NIAA is working with our state and territory colleagues on the practical implementation of many aspects of that. CNS, for example, was one of the recommendations that was part of that report. I would also note—this is something we're very conscious of—the Closing the Gap process. As I said earlier—sorry, I think you dropped out then—that's a partnership approach to looking at where different approaches or reforms can be implemented or considered. So ALRC and the recommendations from the royal commission are all part of that consideration process as well.

Senator DODSON: I might flip across also to a question that I'd raised with the secretary, going back to the report on the voice. I think, Secretary, you said the report from the committees was with the minister—is that right?

Mr Griggs: I said it would be provided to the minister today.

Senator Ruston: My understanding, Senator, is that the report isn't with the minister yet. So, just to make sure that we correct that for evidence given this morning, the minister did not have the report this morning.

Mr Griggs: And I didn't say that.

Senator Ruston: No, but I think there was commentary—not from you. Just to make sure that it's correct on the record, he may well have it now.

Senator DODSON: So we have no way of knowing whether the minister has it or not?

Senator Ruston: His office may well have it. But, as to whether the minister has sighted it or not, I would think it is probably unlikely at this stage given the report was only provided to his office today.

Senator DODSON: So it has been provided to his office, that's—

Senator Ruston: If it hasn't, it's imminent. Clearly, the minister is very keen to receive it, because he wishes to move as quickly as possible to be able to get it through the necessary processes to get it for consultation this year.

Senator DODSON: Is there any intention for this report to be made public as soon as possible?

Mr Griggs: I think that will be ultimately a matter for government.

Senator Ruston: There are some processes that it has to go through, but I can absolutely assure you that it's the minister's intention to get the matter out for consultation before the end of the year.

Senator DODSON: I think that might be all I've got in relation to these matters. Thank you.

Senator Ruston: Just to confirm, there is currently no consideration being undertaken in relation to bringing the ATSI Heritage Protection Act into Indigenous Affairs; it will remain in Environment.

Senator DODSON: Maybe once we understand what the \$2.2 million is meant for, it may be useful to see how much more effectively it may operate. Thank you.

Senator AYRES: Mr Griggs, thank you for the material that you provided to the committee after a request from me in advance. I do appreciate the work that the agency and staff of the agency have done to prepare that work. We will have some questions on notice that we'll provide. I thank you for all of that work. I think we had a good discussion at the last estimates about the grants program, and I think the information that you provided refined some of that work. I also want to indicate that I am keen to engage with your offer about how detailed grants information is provided in a way that's useful to the committee—practical for the agency but gets us to the transparency and engagement that we need to have. So thank you very much for that.

I noticed in the letter in relation to IAS future funding that you say there's a commitment to:

... developing a policy and investment framework to sharpen its—

that is, the agency's—

focus on improving outcomes of Aboriginal and Torres Strait Islander peoples.

That sounds like a change in the way that organisations are funded out of the IAS. Could you just tell me what you mean by 'sharpened focus'?

Mr Griggs: I'll get Mr Exell to talk you through the detail—he's largely the architect of this piece of work. It's actually about the evidence base and the policy evidence base for decisions around funding in the IAS. That's essentially what is driving it, and having a more robust approach to that. But I'll let Mr Exell talk you through it.

Mr Exell: Thanks. Earlier today I think you quoted an ANAO report. So, in thinking about your question, the 2017 ANAO report on the IAS found:

... the processes to aggregate and use this information are not sufficiently developed to allow the department to report progress against outcomes at a program level, benchmark similarly funded projects, or undertake other analysis of program results.

That was from a 2017 ANAO report. As part of that kind of thinking, and as Mr Griggs stated, we've been thinking hard about that evidence base, including theory-of-change-style thinking which gives us a stronger basis for the decisions that we take in the IAS.

As part of that work, in 2019 we started to pull together a proof of concept across our children's and schooling programs. We then used that to develop an approach across a range of our other programs to help underpin decisions about why we fund things. In the IAS there are generally more requests and more proposals than we're able to support. All of those are good activities. In this world we have to look at prioritisation and the evidence base that supports that prioritisation from a community need, as well as an evidence and information base about why we support things. That's really critical to our work.

What has also been part of our thinking—and I know I keep coming back to this, but it demonstrates how strong it is in our thinking—is the Closing the Gap refresh agenda. It has helped to underpin our thinking as part of when we look at those targets: what are the drivers or outcomes that relate to those targets? We know it's not a single thing. The more we did this work, the more we realised that investments are interrelated. When you fund one aspect you're actually picking up things that relate to a range of other sectors or areas. So it's really helped us—it's not finalised, but it's well advanced—to strengthen that decision-making for the IAS, which then, indeed, is reaching more broadly across the Commonwealth. And it helps us in our Closing the Gap thinking as well.

Senator AYRES: That work really commenced in 2019—

Mr Exell: That's correct. Your question was around external assistance. I guess that helped us to give a surge to that work, which is now ongoing in the agency—particularly around a comprehensive, evidence based look at our programs. It then looked at research and evaluation, and across the board internationally for evidence around better ways with school attendance, for example, and early childhood development. We're now continuing that thinking inside the organisation.

Senator AYRES: And the changes to the investment strategy?

Mr Exell: Sorry, as I said, we haven't yet finalised the formal policy architecture. We're working through that. Part of that thinking is: how best do we support/fund? What are our grant processes that can underpin that? That considers issues about the overall length of funding, length of agreements that are issued and aspects that our partner organisations have been talking about as well. So we're still working through that process.

Senator AYRES: And there's this external agency. I think you referred to them in the letter, Mr Griggs, as Nous Group. So you have some external support to do that—

Mr Exell: That's now finished.

Senator AYRES: That was my question, really. The trajectory of having external support and then building internal capability is pretty important to sustaining that—

Mr Griggs: That's exactly how we approach this. In fact, I think that Nous led the first three of the theory-of-change work that we did. I think we've done 11 now and we've led the rest of those. Our capability has grown through the course of that. From my perspective, it's exactly the right sort of approach that you want to take with external assistance.

Senator AYRES: Has there been any organisational or structural change? Has this new focus meant more staff, or a different kind of staffing arrangement? Has your staff footprint—for example, in evaluation of work— remained substantially the same?

Mr Exell: Mr Griggs may want to comment on this more broadly, but, in parallel with this work, we went through an organisational structure change, and I think we talked about it in previous estimates in October last year. I wouldn't say it was directly related to this work. That was looking at our footprint, and how we give effect to our partnerships and our engagement across the country. It was in parallel, the thinking around: our policy engagement is not just in Canberra; it is actually at all levels, be that local, regional, state or national. This underpins the work.

Mr Griggs: There's a strong educative piece to this in terms of regional staff: they can look at the theories of change, they can understand—so, when they're looking at a proposal in a particular area, they can go to that theories of change, they can see what the literature is and what produces good outcomes, and that helps inform them, as part of our process, when they're making that initial assessment.

Senator AYRES: You keep using the expression, 'theories of change'. It must mean something in an internal context, in the way that you talk to each other about this. What do you mean?

Mr Exell: Yes, we do use that term. In fact, it's not just common to us, it's more broadly in terms of development thinking or planning programs: you look at the kind of outcome that you're after and you look at the range of factors you know contribute to that ultimate outcome, and a 'theories of change' is the elements that you change that lead to that ultimate goal. But what you find as you work through that process is, unsurprisingly, wicked problems, no single solution—you actually have a range of issues that contribute, but you need to think about it from a broader perspective, not a single perspective. I know that's not brand-new thinking, but going through that exercise for us about the evidence base is really what we did. It remains critical, that evidence base, for decisions for us.

Senator AYRES: I think the committee will be watching closely the development of that work, because that has, as you say, a strategic implication—that is, much more purposeful allocation of grant money to achieve outcomes that are consistent with and informed principally, I imagine, by the Closing the Gap framework.

Mr Exell: Senator, if I can jump in: that's exactly why it hasn't been finalised, because it was pretty important that process was finished before it was finalised.

Senator AYRES: So it has an implication for strategy and purpose, but it also has a governance implication, doesn't it?

Mr Exell: Yes.

Senator AYRES: From the material that I reviewed the first time that we had this discussion, looking back over the history of these allocations, I would observe that the very best reading of them was that you would say that they were responses to someone's assessment of whether the application was a good idea or not—and I think there was some more colourful language used earlier on to describe some of them. That's vastly different to having a strategic framework that you evaluate them through. So while I'm interested in what's happened up to a period, I'm much more interested in watching the progress of this work, measured against that framework, and what the implications are not just for a strategy but for governance as well.

Mr Exell: If I can quote the 2020 ANAO performance audit report—

Senator AYRES: Is this where you're going to tell me it's got better?

Mr Exell: it has the potential to strengthen the coordination of the strategic direction of the IAS, which is essentially what you just said, yes.

Senator AYRES: It's almost as if I'd read it! But I haven't read it. So you're still a little way away from having evaluation tools. It sounds like you're talking to staff about how this is all changing. Has it changed for them in terms of the way they approach their evaluation task or how they engage with grants applications, with people who are interested in applying for grants?

Mr Exell: We've talked in previous committees about evaluation frameworks. Just to declare: we have an existing evaluation framework. Evaluations continue for us. Earlier we talked about work on performance from an activity. This will give us a stronger basis to have a sum-of-the-parts story; that is our intent through the exercise. Your question goes to a bit of organisational change. That's a process we are going through. We had a round of consultations early; we reached out through the regions and had meetings in Canberra to support this approach and to look at those decision points where we could strengthen the use of evidence and experience. I say that very deliberately, because it's not just that you can take an evidence base from one place and then apply it somewhere else; the experience is very different. We talk about evidence and experience needing to inform our decisions. Now we're in the process of looking at the right points, be that process or culture, about how we make that stick for an organisation.

Mr Griggs: Our regional staff, by necessity, are close. You want them engaged in the community. But sometimes they get too close. This at least gives them a mechanism to step back and say, 'This is the bigger piece of the strategy we're trying to achieve', and objectively look at this work and see how it applies in their place based situation.

Senator AYRES: What's the timetable? Have you got one of those terrible diagrams—the one with all the colours that says when different things are going to be implemented? What is it called again?

Senator Ruston: It's called a Gantt chart.

Senator AYRES: I've tried to forget all this stuff and here it is, back again! Do you have one of those that describes what progress you are going to make over the coming 12 months?

Mr Exell: You will be thrilled to hear we have a whole range of Gantt charts not just for this but for many of the topics that we've been talking about today.

Senator AYRES: They're very good for keeping people on task, yes.

Mr Exell: That project planning, project implementation—there are a range of things we have been talking about today. I will have to take on notice whether we've got—

Senator AYRES: If there's something that can tell the committee what the timetable is for the implementation of this work—I don't want to see all your internal work on that; I understand that's a bit of a process. But if there's something that helps us with that—

Senator SCARR: Please send as many as possible to Senator Ayres!

Senator AYRES: Thank you. I have two more questions—not on this, thank you, Mr Exell. Over the lunch break, Mr Griggs, you were going to work out whether you would be able to provide the unredacted version of the documents that Senator McCarthy and Senator

Dodson were talking about—the voice related meetings. Are you in a position to provide those?

Mr Griggs: I've asked for more advice, so I can understand the implications. I absolutely commit to provide what I can, but I do want to look at it in a more measured way, if that's fine.

Senator AYRES: So you will provide that on notice, subject to a public interest immunity claim or a cabinet-in-confidence claim?

Senator Ruston: I'm not making an immunity claim.

Senator AYRES: That's what I thought I heard. How would you construct an argument to say it shouldn't be provided?

Senator Ruston: My understanding is that there were a wide range of individuals who put forward their time to undertake these consultative groups, and that there were undertakings given to those people. So it's a matter of making sure, through the process of assessment that Mr Griggs will go through, that we are not in breach of any undertakings we gave to those people. If we're not, all the material will be released. It's just a double-checking to make sure that there's nothing that—

Senator AYRES: I think it's open to the committee to take the view that, notwithstanding the undertakings that might have been given to people, we're entitled to see that information.

Senator Ruston: That may well be the case.

Senator AYRES: That's right. But I think if you intend to make that argument, then we'd want to hear a lot more about the basis for that argument. I don't want to get a letter in a few weeks time saying, 'We've decided not to provide it to you.'

Senator Ruston: We understand entirely what you're saying. I think it's just a case of: for the sake of a few more hours, we would be keen to do that. Also, understanding that we can't go in camera with Senate estimates committees, we may come back and seek to provide you with information in camera, which we can't do under this format. If you can just give us a few more hours to work through with the minister's office—but please be assured this is not an attempt to be obstructive; it's an attempt to be thorough and respect the process and any undertakings we've given to anybody. I clearly understand that if we came back and made a claim to say that we weren't providing them—

Senator AYRES: It wouldn't be on the two normal bases; there is a separate discussion that would—

Senator Ruston: We understand that the robustness of that argument needs to be very clearly demonstrated.

Senator AYRES: Thanks, Minister. Similarly, the voice interim report—I think where we left it before lunch was that the minister would make a decision about whether or not the interim report and the timetable would be released. I have to say to you that I think the government might sustain a proposition that is not consistent with where the community would think 'the more information, the better'. I can see that it's sustainable in the committee environment to say, 'Well, it's a document that's to inform the minister and the cabinet process', but I don't think that's publicly sustainable. When you're consulting with the minister

about this smaller issue, I'd like to hear back pretty quickly what the position is in relation to the interim report.

Senator Ruston: I will certainly take that on notice. I understand the minister has already made his position clear. He hasn't even had the opportunity to consider that report.

Senator AYRES: I think you said he has been provided it or is about to be provided it.

Senator Ruston: Clearly, we need to give him the opportunity.

Senator AYRES: Given all that, I really think that that is not a position that should be adopted. Thank you.

CHAIR: If there are no further questions for the agency in this section, I thank you very much for your evidence and your attendance here today. The committee will now move to the Department of Health.

Department of Health

[14:04]

CHAIR: I welcome Ms Tania Rishniw, Deputy Secretary, Primary and Community Care Group, and other officers of the Department of Health to join the officers of the National Indigenous Australians Agency for this session on Indigenous health issues. Ms Rishniw, do you wish to make an opening statement?

Ms Rishniw: I don't have an opening statement. But I would like to acknowledge that we meet today on Ngunawal country and pay my respects to elders past and present.

CHAIR: Thank you very much.

Senator THORPE: My question is around mental health funding. How much funding is provided in the budget for the mental health of First Nations people?

Ms Rishniw: There are a range of budget measures that have been announced throughout this year, particularly in relation to COVID-19 mental health response, the mental health response to bushfires, the mental health response to suicide prevention and the interim advice from the national suicide prevention adviser. There are a range of funding that goes through PHNs. Approximately \$30 million goes through PHNs for mental health funding for Aboriginal and Torres Strait Islander mental health. Specifically, we funded Gayaa Dhuwi \$100,000 to develop culturally appropriate mental health and wellbeing resources in response to COVID-19; \$3.5 million to PHNs to improve Aboriginal and Torres Strait Islander mental health services in communities in response to mental health issues; and we also provided \$500,000 to the Victorian Aboriginal Health Service, to Yarning SafeNStrong helpline, to provide Indigenous access to a culturally safe assistance 24/7 phone line for Aboriginal people in Victoria. There was also \$1.3 million specifically provided to Aboriginal and Torres Strait Islander community controlled health organisations in response to particularly the South Coast bushfires during the bushfire season. But, as I said, that's very specific funding. That is on top of the broad based primary care funding that we provide through the Indigenous Australians' Health Program through the community controlled health sector.

Senator THORPE: How much of the funding in total was provided to Aboriginal community controlled organisations to deliver mental health services to their own communities, not to mainstream services that get Aboriginal money but to Aboriginal organisations? You mentioned the \$500,000 that went to the Victorian Aboriginal Health

Service, but that's based in Melbourne. Regional and rural communities in Victoria have to travel to Melbourne for mental health services. How far and wide are Aboriginal community controlled health services funded for mental health services?

Ms Rishniw: I might need to take that on notice in terms of giving you a detailed response. I would make the point that the Yarning SafeNStrong helpline is a 24/7 helpline for Victorians wherever they are, whether they're in the city or regional Victoria. That is a helpline specifically. I would also say that in terms of Indigenous Australian's health program funding for primary care, about 83 per cent of our funding goes directly to Aboriginal community controlled organisations directly. On top of that, there's mental health funding. But I'll take that on notice and provide a detailed breakdown. There have been a range of packages delivered this year as the pandemic has evolved and our response. So we'll provide that on notice.

Mr Matthews: To add to that, I think Ms Rishniw also did indicate that around \$30 million each year goes into the Primary Health Networks for Aboriginal and Torres Strait Islander mental health, and a good chunk of that is provided through the PHNs to Aboriginal community controlled health services for the delivery of mental health services. So there are arrangements under that to get resources directly through the PHNs into community controlled health organisations, which supplements the broader comprehensive primary health care that our Aboriginal community controlled health services provide nationally. Of course, they can also access other things—the telehealth, in particular, and also the recent changes to increase the number of mental health sessions that can be provided. And all those things can be accessed through the community controlled sector. So there are a range of things that come together around that.

Senator THORPE: You say a chunk of the \$30 million goes to Aboriginal community controlled services from the PHNs. Could you detail what 'chunk' means?

Mr Matthews: Yes. I don't have the figures with me today, but we can take that on notice and provide that.

Ms Rishniw: Certainly, it's the vast majority of that money.

Mr Matthews: I can't remember exactly, but it's well more than half. Quite a significant proportion goes to community controlled organisations.

Senator THORPE: Thank you. My next question is around the Royal Commission into Aboriginal Deaths in Custody. It was reported from that that there was a lack of culturally appropriate mental health and psychiatric care for Aboriginal and Torres Strait Islander people in community. Recommendation 150 is to ensure that Aboriginal and Torres Strait Islander people get the same level of health care in prisons as any other person does in the community. How much money is being given to the states and territories to allow this to happen?

Mr Matthews: Working back from that, I think the provision of health care in prisons is generally considered a state and territory responsibility, so, through the arrangements between the Commonwealth and states, that's the normal pattern. There isn't specific funding necessarily for health care in prisons as such; it's just that the states and territories, through the federal financial relationships, are resourced, and generally one of the areas they take responsibility for is in detention settings. So the provision of health care generally in

detention settings is the responsibility of states and territories, so the Commonwealth doesn't directly provide further assistance over and above those arrangements in detention settings.

CHAIR: We've lost you, Senator Thorpe. There's a bit of a delay. What I might suggest is that, since we have the agency until three, I'll give the call to Labor senators for now, and we might try to come back to you either with a more stable connection or via a phone connection. Senator McCarthy, you are seeking the call?

Senator McCARTHY: Thank you. Are you aware of the recommendation coming out of the royal commission into youth detention that Medicare benefits be made available to children and young people in detention in the Northern Territory?

Mr Matthews: Yes.

Ms Rishniw: Yes, we are.

Senator McCARTHY: Can you confirm that the level of health care that people experience in prisons affects their ability to reintegrate into the community following release as well as their life-long health outcomes?

Ms Rishniw: We're certainly aware of the need for good health care and access whenever you find yourself.

Senator McCARTHY: So can you confirm that the Aboriginal community controlled health organisation Danila Dilba, which provides health care at the Don Dale Youth Detention Centre, requested Medicare benefits be made available to children and young people in detention?

Mr Matthews: Yes, they did make that request.

Senator McCARTHY: What was your response to that request?

Mr Matthews: As has probably been reported publicly in recent days, the response was, as we were previously discussing, that the provision of health care in detention settings is, generally speaking, the responsibility of the states and territories. We do resource the Aboriginal community controlled health sector nationally and we have strengthened that funding, over recent times, to ensure there is a good base of comprehensive care there. That does work outside of detention settings but we're very strongly supporting jurisdictions to make arrangements with those services to provide that level of care inside jurisdictions. We are aware that some jurisdictions are moving in that direction, which is a positive thing. There are some arrangements here in the ACT, and Danila Dilba is making some arrangements, as we understand, with the Northern Territory government for that type of provision.

Senator McCARTHY: But Medicare is a federal issue. What steps are being taken to ensure that that particular recommendation is going to be implemented?

Mr Matthews: From memory, the government response to the royal commission, at the time, was to reject that particular recommendation because, whilst Medicare is a general provision nationally, the provision of health care in prisons is the responsibility of states and territories.

Senator McCARTHY: Have any other Aboriginal community controlled health organisations received the legislative exemption that Danila Dilba applied for?

Mr Matthews: Not for detention settings, no.

Senator McCARTHY: What have they received them for?

Mr Matthews: For example, we do allow community controlled health organisations to bill Medicare generally, and we provide resourcing directly to community controlled health organisations for comprehensive primary health care so that they have stable resourcing going in. Then we provide exemptions to allow them to bill for Medicare services over and above that block funding that we provide, which is an additional revenue stream that community controlled organisations can take up and many do use.

Senator McCARTHY: How many, then, have received it?

Mr Matthews: I would have to take that on notice. There are quite a lot. There are many—

Senator McCARTHY: If you could take that on notice: how many and the organisations that have received it.

Mr Matthews: Yes, I'd be happy to. We could probably provide a table. Generally speaking, we want to encourage community controlled organisations to bill Medicare because it does provide access to a revenue stream to provide services, and that revenue is in addition to the block funding, the grant funding as such, that we provide to the community controlled health sector. But, as I said, that is outside of detention settings.

Senator McCARTHY: Would you agree that unlocking Medicare benefits for child and youth detention would be of modest cost?

Mr Matthews: I'm not sure we could provide a comment, necessarily, on that. I don't have any modelling. It's not something I'm aware of, in the time that I've been here, so I couldn't confirm whether it is—and that would come to a judgement about what's a modest or a significant cost, which is probably arbitrary and a matter for government.

Senator McCARTHY: You've taken on notice the organisations that have received this exemption.

Mr Matthews: As I said, I'm pretty sure—

Senator McCARTHY: Excuse me, can I just finish the question?

Mr Matthews: Sure.

Senator McCARTHY: Why was Danila Dilba's request denied?

Mr Matthews: The point I was just going to clarify was that, I'm fairly certain, Danila Dilba does have the exemption, generally, to bill for Medicare services. I think they do bill reasonably significantly for Medicare services, which is in addition to the funding that we provide Danila Dilba. I think we've resourced Danila Dilba directly for about \$9.6 million or somewhere around that order annually for that, and they do bill for Medicare services on top of that, for some amount of money, as they do that. But that is for services outside of detention settings. So they are not able to bill for provision of services inside a detention setting or in an adult incarceration setting. It's outside of detention settings. They do have that exemption but it cannot be used inside detention settings, is the provision.

Senator McCARTHY: Can you not confirm that children and young people in detention face significantly larger and more complex health challenges than the rest of the population?

Mr Matthews: As Ms Rishniw said, I think we accept that health care for everybody who needs the level of health care they need is something that—I think everybody would have that view. Equally, the states and territories have responsibility for the provision of that care inside those settings.

Senator McCARTHY: Before I move on from this, are there steps in place to actually look at this as a far broader issue in terms of youth and their health specifically, and child detention, especially around this particular recommendation?

Ms Rishniw: I think that's a matter for government given that Medicare—

Senator McCARTHY: Minister, could you answer that?

Ms Rishniw: doesn't usually provide any funding within detention or prisons, as we've discussed, because that is a state and territory issue.

Senator McCARTHY: That's not the question. The question is: is there a decision being made as to whether to consider this particular recommendation of the royal commission into youth detention around the use of Medicare?

Senator Ruston: Unfortunately I'm going to have to take that on notice. I'm not aware of the deliberations that are being undertaken by the minister on this particular issue, but we'll certainly get back to you with a response to that.

Senator McCARTHY: Thank you, Minister. You'll take that as a question on notice?

Senator Ruston: Yes.

Senator McCARTHY: If I could go to the National Suicide Prevention Trial—is it still running?

Ms Rishniw: Yes, Senator. As you might be aware, there were 12 sites selected for the National Suicide Prevention Trial. Earlier this year the minister announced an additional year's funding to enable them to continue while an evaluation was undertaken.

Senator McCARTHY: Could you remind the committee of where there trials are?

Ms Rishniw: Certainly, and I can table an update on the trials, because—

Senator McCARTHY: That would be good, thank you.

Ms Rishniw: I know Senator Dodson often asks as well.

Senator McCARTHY: Yes, and I'm sure he would if the fire alarm hadn't gone off over in WA.

Ms Rishniw: Indeed. The Suicide Prevention Trials are delivered through a PHN region. They are: Brisbane North, Central Queensland, the Sunshine Coast and Wide Bay region, particularly Gympie, Maryborough and North Burnett. In country South Australia, Port Pirie, Whyalla, Port Augusta, Port Lincoln and the Yorke Peninsula are all encapsulated in that region. In the Northern Territory, it's the greater Darwin region. In country WA, they are: the Kimberley, covering nine communities, and the Midwest region covering Geraldton, Carnarvon, Mount Magnet and Mullewa. On the NSW north coast: they're the Clarence Valley, Tweed, Byron, Lismore, Kempsey and Bellingen local government areas. In north west Melbourne, it's the whole of the PHN region. In South Perth, it covers Rockingham, Mandurah, Kwinana, Murray and Waroona. In Tasmania, it covers Launceston and the north west, with a particular focus on Burnie, the Central Coast, Devonport and Break O'Day. In

North Queensland, it's the Townsville region. In western New South Wales, it's the Burke, Cobar and Walgett areas. Hopefully that adds up to the 12.

Senator McCARTHY: What are the outcomes of the trial?

Ms Rishniw: The trials are underway and, as I said, we haven't had the evaluation, which is why the government announced another year's funding to continue those trials. The greater Darwin and Broome regions have a specific focus on Aboriginal communities in those areas, but most of the suicide prevention trials have a focus on Aboriginal communities within those areas as part of their broader remit. In terms of updates specifically, we have community liaison officers, but there have obviously been changes in how engagement happens at community level, given COVID. Certainly, if you take, for example, the Kimberley suicide prevention trial, the community liaison officers working through KAMS, the Kimberley Aboriginal Medical Service, have changed the way that they engage with community and different support is provided through that.

Senator McCARTHY: The trials began in 2016?

Ms Rishniw: Let me take that on notice, Senator. I do think they started in 2018—

Senator McCARTHY: It was announced in 2016.

Ms Rishniw: That's right, but I think they commenced in 2018.

Senator McCARTHY: So why hasn't there been an evaluation done at all so far?

Ms Rishniw: The evaluation is ongoing, but part of it has obviously been to build the community engagement through these trials and to co-design and co-develop how they would work in community to get engagement and looking at the best practice evidence that informs these trials.

Senator McCARTHY: So you say there's ongoing evaluation?

Ms Rishniw: The PHNs are actually looking at the better practice and the evidence, and then there'll be a formal full evaluation, but the evaluation has commenced.

Senator McCARTHY: But what is that ongoing evaluation? You must be getting a sense of whether or not what you're doing is on track? You must have something that's guiding you.

Ms Rishniw: They've targeted a whole range of activities within communities, looking at how they impact on the engagement of community, whether they're actually having an impact on suicide and suicide prevention, obviously—that is a long-term data issue as well—and an evaluation of both engagement and activities delivered and that they are having an impact at the local area. So it's not a simple issue to evaluate.

Mr Matthews: And my understanding is that, in the evaluation, there's been work to ensure that there's been engagement in the design and the delivery of that evaluation as well to make sure that it's supported by the communities in the trial sites.

Senator McCARTHY: What investment is there in this budget with a focus on preventing child and youth suicide?

Ms Rishniw: There is the suicide prevention trial extension. That was an investment of an additional \$13.4 million, and that's going to the trial sites. So each of the trial sites is getting an additional \$1 million to continue that investment and that work. And the University of

Melbourne is doing the evaluation, which is due for completion by the end of this calendar year.

Senator McCARTHY: In 2017, the then Indigenous health minister Ken Wyatt said, 'We need a special focus on Indigenous suicide.' Is a national Aboriginal and Torres Strait Islander suicide prevention strategy under development?

Ms Rishniw: It is. There is a national suicide prevention strategy under development. Gayaa Dhuwi (Proud Spirit) is currently developing that. And it has been renewed. The implementation plan and the strategy are due by December 2020.

Senator McCARTHY: Is there additional funding for Aboriginal and Torres Strait Islander clinical mental health services and support?

Ms Rishniw: There has been a range of clinical support and, as I mentioned earlier, particularly in response to COVID, we've directly funded Aboriginal community health organisations but also Gayaa Dhuwi to develop very specific resources. A range of projects have also been funded between the PHNs to deliver PHN suicide prevention. There are the suicide prevention trials that I mentioned before, including \$3.9 million from 2016-17 to 2021-22 to fund the Centre of Best Practice in Aboriginal and Torres Strait Islander Suicide Prevention at the University of Western Australia. There has been a range of investment in research particularly through the Million Minds Mission that is specifically focused on what is best practice and what is research that will prevent, particularly, child and youth suicide. That investment is spread across a range of different organisations and different research bodies. There's the next practice child wellness centre of excellence which received funding in 2019-20. There's also Adapting Compassion Focused Therapy for Indigenous Community Wellbeing which was funded in 2019-20 and the Red Dust program expansion which will receive \$1.2 million over three years from 2019-22.

Senator McCARTHY: Ms Rishniw, you've given us the figures for Red Dust. What are the figures for the clinical mental health services and support?

Ms Rishniw: The child wellness centre of excellence or the University of Sydney?

Senator McCARTHY: I've asked you about additional funding for Aboriginal and Torres Strait Islander—

Ms Rishniw: Clinical support?

Senator McCARTHY: Yes.

Ms Rishniw: Particularly through the PHNs?

Senator McCARTHY: Yes.

Ms Rishniw: As we mentioned before, around \$30 million goes through the PHNs to specific clinical support for Aboriginal and Torres Strait Islander—

Senator McCARTHY: Can you break that down?

Mr Matthews: I can do that for you. Mental health funding through primary health networks in 2020-21 is \$29.6 million, in 2021-22 it is \$30.1 million and currently extending that out to 2022-23—

Senator McCARTHY: Mr Matthews, you gave \$29.6 million as your first figure. Could you break it down—and you can take it on notice if you need to—in terms of each organisation and state and territory jurisdictions?

Mr Matthews: We can break that down on notice. That's the money that goes through the primary health networks. That was related to the question what is a reasonable portion of that that goes into the community controlled sector—

Senator McCARTHY: That's right.

Mr Matthews: Yes. That breakdown is the same question that we took on notice for you.

Senator McCARTHY: Thank you. This week an 11-year-old girl died after self-harming in WA. One in four deaths of Aboriginal children are by suicide. Last year the WA coroner found government-run suicide prevention programs were not adequately adapted to Indigenous culture and suggested that they be redesigned. Is there a redesign occurring?

Ms Rishniw: We became aware of that death through the media. Obviously any life lost to suicide is a tragedy, particularly at the age of 11. That's exactly why we're working with Gayaa Dhuwi to look at redesigning the prevention strategy with a specific cultural focus and a cultural element. Similarly with the suicide prevention trials in the Kimberley and Darwin and across the board, working through a culturally competent and community based lens is an absolute focus. In terms of redesign, that's exactly that co-design and redesign process—

Senator McCARTHY: That's going on. In terms of the Northern Territory, obviously through the news you would have heard about the coroners court case that's going on about the suicide of our young people. Are you doing the same thing in terms of redesign and looking at that whole issue of Indigenous culture in terms of the appropriate reach, if you like, for families and kinship groups around this?

Ms Rishniw: And settings, exactly. Once again I would hope that all of our services would be informed by the work that Gayaa Dhuwi and the centre of best practice in WA are doing. I should also mention that—

Senator McCARTHY: Are you using the WA model for each of the other states and territories or are you working, for example, in Darwin with cultural groups in the Northern Territory?

Ms Rishniw: Absolutely. PHNs and those suicide prevention trials are working directly with community to look at what works best and what works for that community. The Kimberley, as I mentioned, covers nine different communities. That's exactly the point of those community liaison officers. They are working through the Kimberley Aboriginal Medical Services to make sure that services that are provided are appropriate, sensitive to the community, sensitive to kin and clan ship groups and address the issue within that setting. I should also mention that the interim report from the National Suicide Prevention Adviser, Christine Morgan, is specifically looking at what is her advice in terms of working with community and making sure that any advice going across the board for suicide prevention in Australia takes account of what is culturally appropriate and best fit and gets the results that we need to stop suicide in communities and across the country.

Mr Matthews: You'd expect that the evaluation of the suicide prevention trials would also look at those issues. That would provide another source of information into that process.

Ms Rishniw: Absolutely.

Senator McCARTHY: Thank you for now, Chair.

Senator THORPE: The Mental Health Commission's blueprint for mental health and suicide recommends the amassing of services; the establishment of teams that are ratio based, in terms of clinician-to-client ratio; and for Aboriginal community controlled health services to be empowered to fulfil the social and emotional wellbeing needs of Aboriginal and Torres Strait Islander people. Has your department looked at this blueprint? I know you're working with another group to look at what works in communities and what will be culturally appropriate, but are you aware of the Mental Health Commission's blueprint that did a thorough consultation process with Aboriginal community controlled services?

Ms Rishniw: We're definitely aware of the blueprint, and we work very closely with the National Mental Health Commission and with Christine Morgan as its CEO. That is absolutely part of the evidence base for us, working with PHNs and Aboriginal community controlled health organisations and making sure mental health services are working within communities and within organisations.

Senator THORPE: Are you able to elaborate on what actions have been taken to implement these measures that have come out of the blueprint?

Ms Rishniw: Rather than going to the specifics, I will say that the blueprint and the investment made through, for example, the suicide prevention trials that I outlined previously as well as work with Aboriginal community controlled organisations—for example, during the bushfires and specific funding that actually goes to addressing healing within a community on the South Coast—takes those principles and applies them. It also goes to inform the work that has been commissioned around better practice advice. I mentioned the work Gayaa Dhuwi is doing in providing resources that inform how services are delivered and how clinicians and organisations across the country make sure mental health services are appropriate.

Senator THORPE: Thank you. One of the lines from the blueprint is around the need for expanded community based mental health services, particularly in metro and regional areas. As I said earlier, Aboriginal people, particularly, have to travel to Melbourne for these services, or go mainstream. A mental health plan has been developed and was recently funded, but after 20 years of no funding—it obviously isn't enough—COVID has only exacerbated this need. How is the department meeting this need, or implementing that particular strategy?

Ms Rishniw: The funding that we've already mentioned is going through PHNs and working with Aboriginal community controlled health organisations to make sure that the mental health needs of Aboriginal people, wherever they are, are being adequately met—or at least we're improving the way we're meeting them. Recently, particularly through COVID, we've invested \$29 million in creating 15 community mental health hubs, particularly in Victoria, in recognition of the lockdown conditions and making sure that we had accessible services for people where and when they needed them. That was absolutely designed with Aboriginal community controlled health organisations and those needs in mind as well. One of the things that was recently announced by government is an expansion of Better Access mental health telehealth services and mental health access for people with a mental health

plan, designed to improve access across the board and eligible for people with a mental health plan, which provides an initial 10 and then an additional 10 sessions that are MBS funded.

Mr Matthews: In addition to that, obviously that relates a little bit to the earlier discussion, if you recall, because, of course, those MBS items—the majority of our organisations have the capacity to, effectively, bill Medicare for that, so they have access to those sessions, to use those for people. That is something that's universal, and, obviously, the Aboriginal community controlled sector can access those. We're hoping there will be good uptake of that. That's also in addition to, as I said, the resourcing that we provide into the community controlled sector and one of the reasons why we've also been strengthening the Aboriginal community controlled sector recently, where we have injected a new funding model that commenced from 1 July this year that puts an additional \$90 million into that sector over three years. Then we have a current funding round, actually, that's just closed, that will provide an extra \$33 million over three years into the community controlled health sector to expand the reach of those services. So there are a few things that, we would hope, come together in this area.

Ms Rishniw: We're also working with headspace to make sure that headspace youth services are also providing culturally appropriate care for young people, when and how they seek it. The government funded a social media campaign through headspace that specifically urged the uptake of mental health services when and how young people needed them. We're seeing that about nine per cent of clients going through headspace are actually Aboriginal and Torres Strait Islander young people.

Senator THORPE: With the COVID-19 Indigenous funding you mentioned earlier, what was the process to apply for this funding, or was the funding awarded directly to organisations?

Ms Rishniw: The specific funding was awarded directly to key organisations who had a record of delivery, given how quickly we needed to get the funding out there to respond to COVID issues—so, as I mentioned, the resources that Gayaa Dhuwi was preparing to specifically address mental health and wellbeing for Aboriginal people across the country, the Victorian Aboriginal Health Services' Yarning SafeNStrong to bolster that helpline 24/7 and then for PHNs to work and commission with Aboriginal communities, bolstering existing services in areas that were under public health restrictions.

Senator THORPE: What accountability measures are in place to ensure this funding meets the needs of the people?

Ms Rishniw: In terms of accountability, the normal standard of accountability in terms of public funding and PHNs' commissioning services with organisations stands. The other thing that I should mention right at the start is that, at the start of the pandemic, early in March, we convened a COVID-19 Aboriginal and Torres Strait Islander advisory group that actually has looked at advice ranging from public health to biosecurity restrictions, mental health and funding, and we've worked with that group. That is co-chaired with NACCHO and the department and has a range of members—including Aboriginal and Torres Strait Islander public health officers, members from the ACCHO sector and state and territory governments—to provide us with advice on how best to address COVID issues across the board with Aboriginal and Torres Strait Islander people. So they very much hold us accountable.

Senator THORPE: I have two more questions. As part of the coronavirus response, Aboriginal and Torres Strait Islander organisations like Kimberley Aboriginal Medical Services, Danila Dilba Health Service and others organised a huge peacetime repatriation of our people back to country quickly to protect them from coronavirus. How much money did the Department of Health contribute to the repatriation operation?

Ms Rishniw: I'll ask Dr Lucas De Toca, who can explain as one of the co-chairs of that COVID Indigenous advisory committee that I mentioned earlier. The Commonwealth government provided a range of funding in terms of preparedness for communities to deal with COVID, repatriation and also retrieval services but primary care services as well. There was \$5 million provided to 56 regional and remote organisations to support the COVID preparedness activities in 121 remote communities. We also provided \$8.3 million through NACCHO, the National Aboriginal Community Controlled Health Organisation, for community controlled organisations to be able to respond flexibly to COVID. Then there was \$52.8 million that was provided for early evacuations, aeromedical retrievals and mobile respiratory clinics, but Dr De Toca can take you through a bit more detail if you'd like.

Dr De Toca: As Ms Rishniw mentioned, there are a number of funding streams that were provided to support flexible and rapid responses in Aboriginal communities and Aboriginal community controlled organisations. Initially, with the announcement of up to 150 general practitioner-led respiratory clinics, \$6.9 million was provided to NACCHO so that the National Aboriginal Community Controlled Health Organisation could have the flexibility to fund community controlled health service member organisations with fairly broad and flexible arrangements so that they could put in place what they needed to do in order to be prepared, respond to the pandemic and facilitate culturally safe access to COVID-19 testing. Some of the activities that are involved in community preparedness, repatriation activities et cetera could be eligible under that flexible funding round that was then complemented with an additional \$1.4 million with the announcement on September 18 up to the total \$8.3 million that Ms Rishniw mentioned.

The \$5 million that was provided for community preparedness grants was also deliberately flexible to support solutions that were community based. What the government was recognising, guided by the Aboriginal and Torres Strait Islander advisory group, was that Aboriginal community controlled health organisations and many Aboriginal communities were already quite advanced and well ahead in COVID preparedness from very early on this year. What we understood the role of government was on this was to provide the resources to actually put into effect the plans and the preparations those communities were already undertaking. Those flexible grants have been used for a variety of means to facilitate digital connectedness for elders and other vulnerable community members that were staying at home for the purchase of equipment for video calls, some of the repatriation and the facilitation of community preparedness.

The \$52.8 million for a range of aeromedical retrieval and evacuation activities has supported the return to community of people who were evacuated early. Part of the community preparedness in the majority of remote communities is to fly out potential or suspected COVID cases to make sure that there's a minimisation of the risk into community. That need has now been significantly reduced because of the successful rollout of the point-of-care testing program that has really enable communities to have results with a really rapid

turnaround. The other key element that was applied to enable community controlled organisations like Danila Dilba Health Service and the Kimberley Aboriginal Medical Services to do what needed to happen in the local communities—and no-one knows what their needs are better than those organisations—was to provide flexibility within the Indigenous Australians' Health Program funding, the comprehensive primary health care funding and other grants so that services could use potential underspends that they had in their funding and some of their remaining funding for the financial year in a flexible manner for COVID related activities. So, it is a combination of specific funding streams for remote community preparedness and cultural safety grants through the National Aboriginal Community Controlled Health Organisation. The other measures for earlier retrieval and the flexibility within the Indigenous Australians' Health Programme—comprehensive primary healthcare funding—were designed to essentially let those community organisations do what they do best and with their local knowledge decide what the priorities are and to put those plans into effect.

Ms Rishniw: I should say, from the department's perspective, that we've been honoured and pleased to work so closely with communities and with community organisations and are really pleased to see that so far during the pandemic those measures have worked well.

Senator THORPE: Thank you for that response. My last question: the Australian health sector response plan for coronavirus recommends, on page 31, that diversionary programs be implemented to reduce overcrowding in prisons. What advice is being provided to the government by the department for the responsible reduction of overcrowding in prisons? And did this include the responsible release of some people from prison—people on remand, for example?

Ms Rishniw: I'm going to have to take that question on notice, as that would generally be advice that would be provided or at least discussed through the Australian Health Protection Principal Committee, or AHPPC, and between chief medical officers and public health officials. I wasn't privy to those discussions or any advice that was going through. But obviously that forum includes our chief medical officer, who was at the time Professor Brendan Murphy, who is now the secretary, and now acting CMO Paul Kelly and includes all the state and territory jurisdictions. That was the mechanism, and still is the mechanism, for providing advice through the national cabinet to states and territories. So, I can't answer in terms of any advice that I'm aware of, but that really is a matter that would have gone through AHPPC.

Senator THORPE: Okay, then perhaps I could ask for that to be answered on notice. And thank you for your responses today. That's all from me.

CHAIR: Thank you, Senator Thorpe. Thank you for persisting through those technical difficulties. If there are no further questions for the department, I thank you all very much for your attendance and your evidence here today. That concludes the committee's cross-portfolio hearing on Indigenous matters. I'd like to thank the minister and officers who've given evidence to the committee today. I'd also like to thank Hansard, Broadcasting and the secretariat for their assistance throughout the week. And I want to give a particular special thankyou to the cleaners who've assisted this week. Those of you who are watching from home might not realise, but throughout the week cleaners have been intermittently coming in—frequently coming in—to clean the room to make it COVID-safe for all of us, which is

really above and beyond the call of duty. So, I want to record the committee's appreciation for their assistance.

Committee adjourned at 14:53