

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Division 65: Corrective Services, \$744 752 000 —**

Mr M.W. Sutherland, Chairman.

Mr D.T. Redman, Minister for Corrective Services.

Mr I.D. Johnson, Commissioner.

Ms H. Harker, Deputy Commissioner, Adult Custodial.

Mr I.A. Giles, Deputy Commissioner, Community and Youth Justice.

Mr S. Robins, Deputy Commissioner, Offender Management and Professional Development.

Ms A. Dominish, Acting Assistant Commissioner, Corporate Support.

Mr G. Kessar, Acting Director, Finance.

Mr J. Partridge, Principal Policy Adviser, Minister for Corrective Services.

Ms Kathleen Csaba, Departmental Liaison Office.

[Witnesses introduced.]

**The CHAIRMAN:** Member for Cockburn.

**Mr F.M. LOGAN:** I refer to the table under the heading “Major Spending Changes” on page 781 where there are two amounts that I need clarified. Firstly, I refer to the line item “\$300 Million Savings Across Government”. In the forthcoming financial year and out years there are obviously moneys that will be saved or negative amounts. The efficiency dividend is at the bottom of that list, which also has a payback from the department to consolidated revenue in the next financial year of \$12.7 million. Why are there what appear to be two dividend savings? This is the only department I have found in the budget papers that has those two amounts separated in the way they are.

**Mr D.T. REDMAN:** Thank you, member for Cockburn, and welcome to budget estimates. The \$300 million savings across government was a targeted saving strategy through government, whereby agencies were asked to submit any targeted savings ministers believed they could put up. Also some across-government savings were part of that. I will deal with the \$300 million savings and give the member appreciation for where the numbers come from into the budget year and the out years. There are two areas of savings; one specifically within the Department of Corrective Services. There will be a reduction in the number of prisoners attending funerals. We are making a saving on prisoners —

**Mr F.M. LOGAN:** I do not need the details, minister. My question is: why are there two sets of efficiency dividends?

**Mr D.T. REDMAN:** There is a targeted \$300 million savings across government whereby ministers were asked to identify areas in which they could make savings. Some of those are across government; for example, fleet savings, reduced government expenditure on travel, reduced expenditure on legal services—a range of things across government.

**Mr F.M. LOGAN:** When was that?

**Mr D.T. REDMAN:** For the 2012–13 budget

**Mr F.M. LOGAN:** Is it part of the efficiency dividend?

**Mr D.T. REDMAN:** No; it is not.

**Mr F.M. LOGAN:** In addition to the efficiency dividend, does another dividend savings have to be found?

**Mr D.T. REDMAN:** Yes; a targeted \$300 million was identified across government as part of an overall saving. All ministers were asked to submit their ideas. There was also an across-government initiative for savings around leasing term extensions, reducing refurbishment expenditure, fleet savings, reducing general government spending on paper and printer consumables by 50 per cent over three years and general government spending on travel by 30 per cent over three years. That is across government.

**Mr F.M. LOGAN:** The only reason I ask is that I looked at the other departments and they do not have it structured this way.

**Mr D.T. REDMAN:** I do not know why.

**Mr F.M. LOGAN:** As the minister knows, the Treasurer indicated the efficiency dividends, but he did not say, “On top of the efficiency dividends further savings will be requested of departments.”

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** I am highlighting to the member that there are some savings across government that are different from the efficiency dividend. The efficiency dividend, as the member knows, is two per cent in the 2012–13 budget year and we are working through a process to identify that.

**Mr M.P. WHITELEY:** I refer to “Significant Issues Impacting the Agency” on page 782. The fourth dot point refers to the public protection strategy that identifies offenders who pose a risk to the community and that sex offenders may be required to wear global positioning system tracking bracelets. Can the minister tell us how the public protection strategy will determine which sex offenders get released; is it the same as the prisoner classification scheme; and how many offenders will be part of the electronic bracelet program?

**Mr D.T. REDMAN:** Thank you, member for Bassendean. The point is that any sex offenders who are released are released at the direction of the courts. It is not DCS that makes the call about whether they are released. I have numbers, but not immediately in front of me, of the number of sex offenders. There are currently 18 sex offenders classified as dangerous sex offenders under the act, who have been released into the community under a range of conditions. That has been processed. I am sure it was the same when the member was in government. The courts direct that to happen. With the legislative change, we will be offering the opportunity to allow the courts to direct, as a condition of release of a dangerous sex offender into the community, that they have to wear a GPS bracelet that will allow their location to be identified 24/7. It is this government’s support for a level of enhanced safety to our community.

[10.40 am]

**Mr V.A. CATANIA:** Under the heading “Asset Investment Program” on page 785 of the *Budget Statements*, there is mention of a maintenance and infrastructure upgrade program. Can the minister provide details about that program?

**Mr D.T. REDMAN:** The member will be aware of a \$2 million figure in the budget to support infrastructure and maintenance upgrades. Because the prison system up to this point has not had certain units free of prisoners—which is always a good position when key works and maintenance is to be done; a number of cells are in dire need of a lick of paint—we will do that. The sum of \$2 million is identified in this budget to the Department of Corrective Services to put effort into giving those units a tizzy-up. Part of it will be around painting, tiling, floor coverings, cabinet work, and things that have been in dire need of change up to this point. I highlight that we will engage prison labour where we can. As the member is well aware, prisoners do a lot of work with industries onsite. I have been out to Bunbury, for example, where prisoners are building trailers in the industry section. In many cases their skills are high. It is an opportunity for us to use this maintenance work to enhance and develop their skills beyond their current point. It is important for two reasons: one is obviously there is a benefit to the system. There is a cost saving in doing it. The second reason, perhaps more importantly, is that prison officers are regularly looking for work for prisoners to do. If we can use a maintenance budget here of \$2 million, which we have been able to secure for this purpose, to get an enhanced skill set to upgrade those units whilst in the very good position of those units being empty, which means we do not have to work around the prison population, that is a fantastic outcome for the taxpayers of Western Australia and of course a fantastic outcome for the prisoners in that they will hopefully have a skill set more enhanced than what it was in the hopes that when they finally leave prison they will get jobs and properly engage with society.

**Mr F.M. LOGAN:** I have a supplementary question. Exactly how much of that \$2 million will be spent on the three prisons the minister has identified—Acacia, Albany and Casuarina? What does the minister expect to achieve with \$2 million across five units?

**Mr D.T. REDMAN:** I have not got exactly what it will achieve, but it will be on all those three—Casuarina, Acacia and Albany. We are in a situation, as the member knows, with the rollout of the new units, in which units will be free. That was hence an opportunity.

**Mr F.M. LOGAN:** Yes, I know. What will the \$2 million do?

**Mr D.T. REDMAN:** It is about getting in and painting; floor coverings, cabinet work and so on. All that type of work can be done by prison labour.

**Mr F.M. LOGAN:** Across three prisons for \$2 million?

**Mr D.T. REDMAN:** Across three prisons.

**Mr F.M. LOGAN:** I just want to know what it will be spent on.

**Mr D.T. REDMAN:** Two million dollars is a reasonable amount. I cannot tell the member how far it will go. I will pass over to the commissioner.

**Mr I.D. Johnson:** In relation to the refurbishment, one of the key areas for us is the wet areas. Obviously, when they are fully occupied there is no opportunity to get in and fix them as those areas are used 24/7. We feel the

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

\$2 million will be focused on the wet areas in all three of those prisons. Also, as the minister has outlined, the work includes painting, floor coverings, cabinet work, much of which can either be manufactured within prison industries or carried out by prison labour under vocational officers' supervision. We will be stretching the \$2 million as far as we possibly can, but the key area for us is the refurbishment of the wet areas. This is an opportunity that may not present itself for long, and we need to get those fixed.

**Mr F.M. LOGAN:** The commissioner will certainly be stretching it.

**Mr I.D. Johnson:** We always try to stretch things as far as we can.

**Mr F.M. LOGAN:** I know that. Good luck with the one wet area that is done! The reason I ask, minister —

**Mr D.T. REDMAN:** Is this a question, member?

**Mr F.M. LOGAN:** Yes, by way of supplementary—it relates directly to this question. Two million dollars is not much when dealing with very large buildings, such as the ones that have been closed down, and will be closed down as the new units open. Exactly what will the minister get for \$2 million? If, as in the case of Albany, things are so bad with that building that it was required to close and all the prisoners were removed, how can a portion of \$2 million address those problems, because it is only going to get a portion of it?

**Mr D.T. REDMAN:** Can the member clarify the question, please?

**Mr F.M. LOGAN:** Why was that unit closed in order to put people into a new unit? The way it has been explained to me is it required maintenance and upgrade. To what extent was that maintenance and upgrade required? Why was it so important that it required the closure of the entire building, and how can a portion of \$2 million address that significant need?

**Mr D.T. REDMAN:** We are in a lucky situation in which, with the new units that we have rolled out and the extra bed capacity that this government has put into the prison system broadly, we were able to empty out and close down some units. That has presented an opportunity to put work into those units. The member knows as well as I do that over time the prison population tracks up. I have little doubt that at some point in time those units —

**Mr F.M. LOGAN:** It has since you have been minister!

**Mr D.T. REDMAN:** During the member's term of government, it went up by 1 500, too. As the population goes up, the prison system —

**Mr F.M. LOGAN:** You have record numbers, minister. We never got there—nearly 5 000.

**Mr D.T. REDMAN:** Prisoner numbers tracks up, member. The call from the Prison Officers' Union, quite rightly, is to make investments in the prison sector. That is exactly what this government is doing. I am interested to see what the Labor Party has in its budget going into the next election. In its previous term, the Labor government certainly did not make investments. While those units are empty, we have a chance to do some work. Using prison labour, \$2 million in my view has a chance to go a long way. I cannot articulate exactly how far that will go but it is better than nothing. It is a chance to refurbish those units while we have an opportunity to do so.

**Mr F.M. LOGAN:** If there is an incident, minister —

**The CHAIRMAN:** Is this another question?

**Mr F.M. LOGAN:** It is a supplementary question.

**Mr D.T. REDMAN:** Which part of the budget is the member referring to?

**Mr F.M. LOGAN:** The very same one—the maintenance upgrade of those units. The minister has defended his argument about putting those prisoners in there to do that work. The minister has literally just told the committee that. As the minister said on radio yesterday, normally prisoners who use tools and learn skills are in a contained, confined environment of a workshop where they are closely monitored and closely guarded. If they are put into a construction site or maintenance site facility and someone gets injured by way of one prisoner attacking another prisoner with one of those tools, or attacking a guard, will the minister take responsibility for that?

**Mr D.T. REDMAN:** I am not going to take on board the point the member is making, but I will highlight that what is being proposed here is exactly what happens in prisons on a daily basis. I took as ignorance the member's comments recently around prisoners being in charge of drills and hammers and whatever else. We have a prison industry, as I am sure the member is well aware from the prisons he visited, which means that prisoners every day are out there. As one walks through, prisoners are mowing lawns, they are doing all sorts of stuff. They are running horticultural enterprises, they are cooking in kitchens where there are knives and forks

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

and all those other things that I am sure the member would see as potential weapons. But I might add that I have every confidence in the Department of Corrective Services and the prison officers to manage the risk. Their daily business is about managing risk and ensuring that before a decision is made, the risk assessment around that is appropriate to the prisoners. We have prisoners on section 95 release who go out into the community and do these things, including in the regions working on some hospital grounds.

**Mr F.M. LOGAN:** Serco wanted them in the hospitals!

**Mr D.T. REDMAN:** I am talking about Mt Barker and Geraldton. We are talking here about activities that are part of the daily course of business in prisons around keeping prisoners engaged. Hopefully over time that will enhance their skill set and wrap around them a little bit of self-pride so that when they transition out of our prisons back into the community, we hope that that is where they stay.

**Mr V.A. CATANIA:** In regards to the investment program, the minister talked about maintenance. Can the minister provide a progress report on the investment program going into Corrective Services?

[10.50 am]

**Mr D.T. REDMAN:** As a natural extension to some of the maintenance work that we have had the opportunity to do, we have a very significant capital asset investment program. Over the term of this government since 2009, \$655 million has been spent on capital asset investment, and when that comes to fruition a targeted 2 500 new beds will have been added to the system. That will take time, and I have had a lot of calls from the Prison Officers Union, in particular, that quite rightly say that we need to ensure that we are investing in this department and the sector, and we are. It is the most significant investment that has happened for decades. Interestingly, during the previous eight years of the now opposition being in government it added fewer than 300 beds. I think we can hold our heads high on investment in this sector.

We want to ensure that our prison system has the capacity to not only cater for the growth in numbers that we expect and can see tracking out over time, but also ensure that there is a balance between, for example, prisons and work camps. Investment in work camps, for example, helps with the transition of prisoners back into the community. It is the first step out of prison into a less secure environment for prisoners who have earned a level of trust to be able to work in and engage with the community, and to make reparation and build self-esteem. The program includes new units at Hakea, Casuarina and Albany, which will add 640 beds to the current complement. West Kimberley Regional Prison will open before the end of this year; it will have 150 new beds and it is a purpose-built facility that takes into account the cultural needs of the highest proportion of the prison population in the north—our Indigenous population. There is also the Acacia expansion, which is now in train and will add another 387 beds. Also, the good member for Kalgoorlie talks to me on a regular basis about the new 350-bed facility in the eastern goldfields. On top of that, we have opened three new work camps—namely, Wyndham, Warburton and Dowerin. We have also made an announcement in the member for North West's electorate about a new work camp at Roebourne to replace the work done just out of town at the Decca station work camp. Those prison officers say fantastic work is being done, but they are in second-rate or third-rate facilities; we want to enhance what they are doing up there and hopefully build a stronger link with the mining sector to help pathways to jobs.

In terms of progress, the Hakea, Casuarina and Albany units are complete, as are all work camps, with the exception of Roebourne. The West Kimberley facility will open later this year, and the build completion target for Acacia and the eastern goldfields is 2015. The member can see that we have made a very significant investment in the prison system, and from the perspective of prison officers it will enhance their safety. If they have good facilities to work in, they, hopefully, will have a much safer environment than in the past.

**Mr D.A. TEMPLEMAN:** I refer to the third line item under "Service Summary" on page 782 of budget paper No 2, "Contribution to Responsible Financial Management". The department is expected to find savings of \$12.7 million in the next financial year, and then \$93.8 million over the full four years of the budget. Can the minister explain how this is going to be achieved given that the history of the department is that it does not always come in on budget?

**Mr D.T. REDMAN:** I thank the member for Mandurah for the question and welcome him to the chamber.

As the member will know that is exactly the same figure as the efficiency dividend in the "Major Spending Changes" table, so that simply refers to our target of two per cent over the 2012-13 budget period. As the member knows and as I think I mentioned to the member for Cockburn—his first question was exactly that—we are working through the process of identifying what that will be and trying to ensure that where we do make changes, they are in low or little-impact areas such that we can carry on the good business of Corrective Services in Western Australia.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.A. TEMPLEMAN:** The minister needs to find significant cuts.

**Mr D.T. REDMAN:** Can the member explain what he means by “significant cuts”?

**Mr D.A. TEMPLEMAN:** An amount of \$93 million over four years is significant; if that is not significant to the minister, that is fine.

**Mr D.T. REDMAN:** I take it that the member has just added up those figures across the forward estimates; is that what the member has done?

**Mr D.A. TEMPLEMAN:** Yes. I would ask the minister to provide a list of where these savings are going to be achieved, and a list of each saving. Can the minister provide that?

**Mr D.T. REDMAN:** I will just highlight the member’s reading of the budget papers, and it seems that the member for Cockburn also has his understanding of the financial reporting wrong. The figures going into the out years are cumulative figures. That means that the first figure, for 2012–13, is a two per cent efficiency dividend, and then there is one per cent in the out years; and, of course, it is a cumulative figure so over the full period of the forward estimates we are looking at \$34.7 million. We need to weigh that figure against the appropriations over the forward estimates, which are more than \$2.5 billion. That is the correct reading of the efficiency dividend.

**Mr D.A. TEMPLEMAN:** If the minister is saying they are only small, where is he going to make those efficiencies, and can he provide a breakdown of those savings and how they will be achieved?

**Mr D.T. REDMAN:** The short answer at this point in time is no. As I highlighted in my answer to the first question that the member for Cockburn asked, which was, I think, prior to the member for Mandurah coming into the chamber, we are working through the process of identifying where the two per cent savings can be made in the 2012-13 budget. We are not now at the point of any decision on that; of course, that work is happening now because we are on the precipice of that financial year.

**Mr D.A. TEMPLEMAN:** When does the minister expect to announce where these savings will be made?

**Mr D.T. REDMAN:** In the near future I expect that the Department of Corrective Services will supply advice to me around where we can meet those savings in order to minimise the impact on the core business of the Department of Corrective Services while ensuring that it remains an efficient business in managing custodial and community corrections in this state.

**Mr D.A. TEMPLEMAN:** I am interested to know, according to the appropriation, the base cost to house a prisoner in Western Australia?

**Mr D.T. REDMAN:** I will help the member with the reference in the budget papers, which is on page 784 of budget paper No 2 under “Efficiency Indicators”. The daily cost of keeping an offender in custody for 2012–13 is budgeted to be \$315. Keeping prisoners in prison is a very expensive business, which is why I highlight the importance of investing to reduce the level of recidivism. If the member wants to ask a question on that, I am happy to go into detail about that.

**Mr F.M. LOGAN:** On the point that the member for Mandurah just raised about the cost of keeping prisoners on in prison, we can compare the \$315 a day to keep an adult offender in custody with the \$49 it costs to manage an offender through community supervision. The sixth dot point of “Significant Issues Impacting the Agency” on page 783 shows that the number of adult offenders sentenced to community-based supervision has dropped by 23 per cent in one year, yet the differential to the community of keeping a prisoner in jail instead of keeping them on community service orders is 84.4 per cent. Why is that happening?

**Mr D.T. REDMAN:** I am assuming that the member’s policy in government would be to let them out?

**Mr F.M. LOGAN:** Just answer the question, minister.

**Mr D.A. TEMPLEMAN:** Do not be smart!

**Mr F.M. LOGAN:** Do not be smart; just answer the question! Do not worry about what we will do; we will announce that in due course.

**Mr D.T. REDMAN:** The member is making the point that it costs more to keep people in prison than it does in community corrections—absolutely that is the position! When a government takes the position of being strong on crime, which this government has, the notional outcome of that is more people in prison.

**Mr F.M. LOGAN:** Does the minister defend the dropping of sentencing offenders to community service orders by 23 per cent, even though it costs taxpayers 84 per cent more to keep offenders in jail? Is that okay by the minister? The government will just build more jails! All right!

**Mr D.T. REDMAN:** I will make this point —

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr F.M. LOGAN:** That is okay; that is the law and order strategy, is it?

[11.00 am]

**Mr D.T. REDMAN:** I will make this point. Whilst we have made significant investments in custodial infrastructure in this state, it is a very costly business keeping prisoners in prison.

**Mr F.M. LOGAN:** We can see that!

**Mr D.T. REDMAN:** The community will rightly be the measure of the policy settings that we take from a legal perspective. The minute we change legislation around fines and taking people to court, it has an impact on how many people will be held in custody. The community will make a judgement about whether the law and order decisions of this government are appropriate in terms of public safety. A consequence of those —

**Mr F.M. LOGAN:** But the community —

**Mr D.T. REDMAN:** Please; I am trying to answer the member's question. A potential consequence of those decisions is an increase in the prison population, and that is an expensive business. I highlight that this government is making some very strategic investments in trying to reduce the level of recidivism. We are not saying, "Lock 'em all up and stick 'em all in jail"; we are also rolling out more than \$44 million in regional youth justice services. I recently announced \$7.5 million for Outcare's Live Works program, which is about keeping young Indigenous men out of jail. I think this government's policy settings are sound, and I stand by them. The premise of what the member is saying is, "Let them out on the street".

**Mr F.M. LOGAN:** What the community does not know, but should know, is that it costs \$315 a day to keep an adult in jail, but only \$49 a day to get them on supervision orders. That is what the minister is not going out there and telling people. He knows what the community would say then.

**Mr D.T. REDMAN:** I look forward to the member's media release.

**Mr V.A. CATANIA:** I refer to the bottom of page 781 and the line item, "Sustainable Funding and Contracting with the Not-For-Profit Sector". Can the minister describe the Department of Corrective Services' involvement with re-entry services and work for not-for-profit organisations?

**Mr D.T. REDMAN:** I thank the member for North West for the question; it is a very appropriate time to highlight this. A second ago I touched on the importance of engaging with the not-for-profit sector. Probably the largest program within this sector is the re-entry link program. It is contracted by the department to organisations across the state. The service provides support to prisoners and their families by assisting with their re-entry into the community. It operates in every prison and work camp across the state; prisoners are eligible for support three months prior to release and six months post-release. Participation in the program is, of course, voluntary, and the program works with a number of other agencies to assist with a number of things. It assists in dealing with matters relating to social exclusion. If someone has been locked up and in the custodial system for some time, it is not right to allow them to walk out those gates and just say, "Right, you're out, fend for yourself". It is really important to provide some wraparound services such that they can be given the best chance of staying out of prison and that all those things that are important to them are supported. Part of that is delivered through the not-for-profit sector, and dealing with social exclusion is one aspect. Linking them with family and community support is also very critical and, as I said, this work does not just happen when they walk out the door. It is also important to link them with job networks, find permanent accommodation and develop life skills. There is a range of other service agreements with the not-for-profit sector around youth services, transporting prisoners back to their communities upon release, parenting and accommodation services, spiritual welfare and prison visits. The department has a total of approximately 82 contracts with the not-for-profit sector, with a total annual contract value of some \$22 million. I highlight two things here: one is the importance of having wraparound services for prisoners who are transitioning back into the community. The other is that in many cases the not-for-profit sector has the best capacity to deliver these services. Whilst that remains an efficient way of doing business, we as a government will support it.

**Mr F.M. LOGAN:** I refer to page 785 of the *Budget Statements*. Given that the minister continues to refer to the building program, I refer to the second paragraph under "Asset Investment Program", which makes reference to 640 beds and the five new units that have been commissioned at Casuarina Prison, Hakea Prison and Albany Regional Prison. How many of those units are open now, and how many currently have prisoners in them?

**Mr D.T. REDMAN:** To provide a summary, Albany Regional Prison commenced moving prisoners into the new unit on 24 February, so that has prisoners in it. Casuarina Prison's new units became operational on 31 March; prisoners moved into units 3 and 4 during April.

**Mr F.M. LOGAN:** All the units at Casuarina?

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** Yes. In respect of Hakea Prison, the new unit 11 became operational in March 2012, with prisoners moving into accommodation soon after. Unit 12 is scheduled to become operational in mid-June.

**Mr F.M. LOGAN:** How many prisoners are in those units?

**Mr D.T. REDMAN:** I will take that as a supplementary question—the specific number of prisoners in those units.

**Mr F.M. LOGAN:** Also by way of supplementary information, how many total extra beds does the new Albany unit provide?

**Mr D.T. REDMAN:** Does the member mean net, or in addition to unit 3, which is being refurbished?

**Mr F.M. LOGAN:** Yes, with the addition. One is open and one is closed.

**Mr D.T. REDMAN:** We are building a unit that has 128 beds; we are taking the opportunity, with the rebuild, to close some units to carry out refurbishment work, which we have just talked about.

**Mr F.M. LOGAN:** So how many net extra beds do you have?

**Mr D.T. REDMAN:** If we add 128 beds to the number of beds in a prison, we get an extra 128 beds.

**Mr F.M. LOGAN:** But we do not have that, because the minister closed a unit. I can advise the minister: there are nine extra beds. How much money did it cost to build Albany?

**Mr D.T. REDMAN:** We committed to an extra 640 beds some time ago when the prison population peaked in March 2010 at —

**Mr F.M. LOGAN:** How much did it cost to build Albany, minister?

**The CHAIRMAN:** Member, I think that is a supplementary question. I will stop the questions for a minute so that we can go back and confirm what the supplementary information is.

**Mr D.T. REDMAN:** The supplementary information I am undertaking to give is what the current prisoner number is in the new Albany unit.

**Mr F.M. LOGAN:** No, across all five units.

**Mr D.T. REDMAN:** The number of prisoners as of today, 29 May 2012, in the five new units; there are two at Casuarina, two at Hakea and one at Albany.

[*Supplementary Information No B4.*]

**Mr F.M. LOGAN:** I asked the minister how much Albany cost, in reference to page 785.

**Mr D.T. REDMAN:** I will take that question as supplementary information; I do not have the answer to hand.

**Mr F.M. LOGAN:** I am sure the commissioner could have a stab at it!

**Mr D.T. REDMAN:** The member would rather a stab than the accurate figure?

**Mr F.M. LOGAN:** I would like to have the full figure, and I thought the minister would know it, given that he has been crowing about it in Parliament for so long.

**Mr D.T. REDMAN:** The rough cost of the new units is \$72.7 million, but I provide that ballpark estimate at the member's request.

**Mr F.M. LOGAN:** That is fine; \$72.7 million for nine beds.

**Mr I.M. BRITZA:** I refer to page 782 and the last dot point under “Significant Issues Impacting the Agency”. It refers to regional youth justice services. As the policy of rehabilitating juveniles is current, has there been any improvement in diversion and custodial rates since the expansion of these services into the Kimberley and Pilbara regions?

[11.10 am]

**Mr D.T. REDMAN:** I thank the member for the question. This is a really good point that the member asks about, because this is about the focus in two areas that I think are critical if we look at the corrective services area in Western Australia. One is around investing in our youth—in our kids. If we are going to invest in an area, investing in kids to ensure that they do not finish up in our justice system is a good investment. The second one relates to some of those isolated areas in particular in which we have a very high level of Indigenous involvement in our youth justice system. Some 70 per cent or so, I think, of those who are in detention are Indigenous. Hence this government has made an investment of \$43.86 million of royalties for regions funding over 2010–11 through to 2013–14 for the expansion of regional youth justice services to the West Kimberley,

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

East Kimberley and Pilbara regions. I think the member for North West is very familiar with that and would have been a part of some of that. The regional youth justice services commenced in the West Kimberley in January 2011, in Broome, Derby and Fitzroy Crossing; in the East Kimberley in April 2011, in Kununurra, Wyndham and Halls Creek; and in the Pilbara in July 2011, in South Hedland, Roebourne, Karratha and Newman. Although those services have been operating for a fairly short time, some of the early indicators of success include some of these numbers. I think this is really interesting to see, because the impetus to make these investments came on the back of some good numbers in Kalgoorlie. So it is investing in youth—Indigenous youth in particular—as a strategy to divert them from the justice system and to hopefully wrap around some services that ensure that for the most part they stay out of the justice system. I am talking about the Kimberley and Pilbara regions here.

The number of young persons cautioned by police in the three regions has increased by 4.5 per cent. What that tells us is that police are choosing to give a caution rather than insist that the young persons go into detention or have a charge. A caution means that once that happens, the regional youth justice services move in, provide a wraparound service for those kids, find out where they live, find out all the support services, find out why they are not at school, and actually start to engage at a point. The increasing number of police cautions is actually a good measure because it means that fewer young people are going into detention, and detention is what we need to avoid.

The juvenile justice team and court conferencing referrals for young people in the three regions have increased by 36 per cent from January 2011 to 31 March 2012. Distinct lodgements in the Children's Court for young people in the West Kimberley, East Kimberley and Pilbara regions have decreased by 6.7 per cent. Community-based orders open for young people in the West Kimberley, East Kimberley and Pilbara regions have decreased by 13.7 per cent. Bail status of young persons from the West Kimberley, East Kimberley and Pilbara regions, on completion of their first hearing, has increased by 9.1 per cent. The number of distinct young persons—this is a particular class of person—admitted and remanded to custody from the West Kimberley, East Kimberley and Pilbara regions has decreased by 16 per cent. From my perspective, that is one of the most important target indicators. We want to reduce the number of young people finishing up in detention. Targeting resources to young people is a critical point of investment as a point of injection of resource, and we need to see a shift as a product of that spend, and I think a decrease of 16 per cent in those areas is giving very good early indications. The number of distinct young people sentenced to detention from the West Kimberley, East Kimberley and Pilbara regions has decreased by 19 per cent. That is a fantastic outcome. I also add that 50 per cent of all the staff who are involved in these three regions are Indigenous. I think that is fantastic.

**The CHAIRMAN:** Minister, we are 12 minutes into this division, so I might move on to the member for Cockburn.

**Mr F.M. LOGAN:** I draw the minister's attention to the completed works on page 786 and the three work camps—Warburton, Wyndham and Dowerin. The estimated total cost is \$29.2 million for all three work camps. Did those camps come in on budget; and, if not, what was the final cost? This may need to be provided by way of supplementary information, because I know that the minister will not have the figures here, but can the minister provide a breakdown of the operating costs of those three work camps?

**Mr D.T. REDMAN:** Thanks, member. In terms of the budget for those three work camps, the original budget in 2011–12 for Warburton was \$2.961 million, and the total budget finished up at \$15.636 million.

**Mr F.M. LOGAN:** How much was the original?

**Mr D.T. REDMAN:** Warburton was a challenge.

**Mr F.M. LOGAN:** What was the original budget?

**Mr D.T. REDMAN:** Excuse me, but unless I am directed otherwise by my team here, I am standing by those figures. So, yes, there was a significant increase in the final budget. For the wheatbelt, the original budget was \$3.086 million, and the final budget was \$4.1 million. For Wyndham, the original budget was \$3.24 million and the final budget was \$9.39 million.

**Mr F.M. LOGAN:** Can the minister confirm what the cost of the work camp at Warburton was?

**Mr D.T. REDMAN:** It was \$2.961 million.

**Mr F.M. LOGAN:** By way of supplementary information, can the minister tell me how many prisoners are currently in each of those work camps?

**Mr D.T. REDMAN:** As the member can imagine, it changes, but I will give the member the 25 April figures. As at 25 April, the total population of each of the work camps was: Millstream, nine; Walpole, 10; Warburton, 18; the wheatbelt, nine; and Wyndham, nine. That is a total of 55. I will make this point in addition to that, which

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

I think is important. I have asked the Department of Corrective Services to fill the work camps, and it is in the process of doing that. Just as a highlight, I gave the member the figures a second ago as at 25 April 2012. As at 28 May—yesterday—the total number in work camps was 88. So there has been a significant increase. They are basically all minimum-security, section 95—release prisoners because they do go and work in the community. We have increased the work camp capacity significantly, and I think it is important to get the benefit of that, so we are considering strategies for that, and there has been a significant jump already. But we are also looking at other strategies to increase the work camp population. I will make this point as well. We have a number of foreign nationals in our prison system. Some of those are Indonesian people smugglers and so on. If I can use the Indonesian people smugglers as an example, for the most part they are perfect prisoners—they work hard, they stay out of mischief, and they do all the right things and so on. Although I do not support putting into work camps foreign nationals who will be deported when they get out of prison, the whole target for work camps is to ensure that we use that as a strategy to transition people back into the community and ensure that they have the right support services and so on so that they can start building up a bit of self-confidence. So although I do not support the principle of saying that if someone will be deported the day they come out of prison, we should not be putting them into work camps, because work camps have a different target —

**Mr F.M. LOGAN:** Minister, I am not worried about your views on deportation and immigration; I mean, you are the Minister for Corrective Services.

**Mr D.T. REDMAN:** We will move on.

**Mr F.M. LOGAN:** Just by way of supplementary information, just on this one point, if we look at the cost blow-out for Warburton alone, from \$2.9 million to \$15.636 million, for 18 prisoners, as the minister has told the house, that is \$868 000 per prisoner.

**Mr D.T. REDMAN:** Member, I just make a point of clarification, which is where the member's additional question has come from. The figure that I have cited to the member of \$2.96 million for Warburton was the 2011–12 component. The total is \$15.6 million. That is what it cost. The commissioner has quite rightly highlighted that challenge to me. I just want to clarify that the Warburton project has been completed under budget. The shortfall in the budget for the wheatbelt work camp—I understand that was slightly over-budget—was met by savings from Wyndham and Warburton. The Wyndham work camp was actually completed under budget. What I was reading to the member was the 2011–12 figure against the total figure. The Warburton work camp is still an expensive work camp because of the location.

[11.20 am]

**Mr F.M. LOGAN:** I accept that there has not been a cost blow-out, and the minister has reiterated that. The point I am making is that it is still a total of \$15.6 million for what the minister has just told the house is 18 prisoners. That works out to be \$868 000 per prisoner. Would it not have been a lot cheaper to keep them at Cable Beach resort?

**Mr D.T. REDMAN:** Can I very carefully couch a response —

**Mr F.M. LOGAN:** You could have flown them up there.

**Mr D.T. REDMAN:** Can I very carefully couch a response —

**Mr F.M. LOGAN:** A five-star resort in Bali would have been cheaper. Where are the benefits to the taxpayer?

**The CHAIRMAN:** Member!

**Mr D.T. REDMAN:** Can I very carefully couch a response to the member?

**Mr F.M. LOGAN:** Where is the benefit to the taxpayer?

**Mr D.T. REDMAN:** Can I very carefully couch a response to the member?

**Mr V.A. CATANIA:** You would just let them run free, wouldn't you?

**The CHAIRMAN:** Member for North West, that is not necessary.

**Mr F.M. LOGAN:** I wish you'd run free out of here, you boofhead!

**The CHAIRMAN:** Members!

**Mr V.A. CATANIA** interjected.

**The CHAIRMAN:** Member for North West, I think the minister has eight advisers; he hardly needs you chipping in to help him. Minister, you have the floor. Would you please answer the question, and please give him a break to answer it, member for Cockburn.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** Thank you very much, Madam Chairman. The coroner made a number of recommendations from the inquiry into the death of Mr Ward. Of note was the issue of the transport of prisoners or those in custody in isolated areas. I think even the former government supported the principle of putting a work camp at Warburton. A number of prisoners reside in Eastern Goldfields Regional Prison and what was once called Mt Morgans Work Camp. Can I add that the work camp out there was not only a work camp for the traditional section 95-type release engaging people back into the community, but also a short-term custodial facility for six people to stay in. It has staff accommodation and there is room for six prisoners to be held in the lands to avoid having another circumstance such as the tragic death of Mr Ward. I think this is a sound investment and is one that I hope will mean that we do not have a tragic repeat of what happened in the Ward matter some time ago.

**Mr M.P. WHITELEY:** Under “Major Spending Changes” on page 781 is the line item “New Young Adults Facility — Reflows and Cost Estimate Savings”. My question is quite detailed. I am having some trouble understanding what this means. I will tell the minister what my understanding is and he can tell me if I am wrong. I read it that there was anticipated to be a saving of \$10.5 million in the current financial year but that it is now only \$1.8 million. That is a shortfall of \$8.75 million in savings. In the out years there is an estimated outflow of \$713 000, \$1.1 million and close to \$1.6 million, totalling about \$3.3 million from the new adult facility. My understanding is that the saving is \$8.75 million less than the anticipated saving and that in the out years there is \$3.3 million in net outflow. Am I correct?

**Mr D.T. REDMAN:** I do not believe the member is correct. If I get off the path, I will ask the commissioner to intervene. This part of the budget papers is major spending changes. The numbers must be shown against what is normally cashflowed to be spent against the young adults’ facility in capital, and it probably even has a recurrent component. Because of the timing of when resources are spent, the initial budget commenced in 2011–12 with \$11.9 million and outgoing amounts of \$12.5 million with no escalation. However, the start date was pushed back to November 2012 following infrastructure upgrade delays at Banksia Hill Detention Centre. The young adults’ facility is in the Rangeview Remand Centre, which is what is being refurbished. Of course, the consequence of that is that the infrastructure program has been pushed back. What the member sees in the 2011–12 estimated actual under major spending changes is actually the savings in that year. It is not a cost or taking away from it; it is actually a saving in that year. The \$1.8 million is also a saving in that year. The other figures are changes to what was in the previous budget papers around capital spends. We have signed a contract with Serco to be the provider of services to the new young adults’ facility and we have recurrent savings in the start-up times. The commissioner has just pointed out to me that this is recurrent savings in the start-up of the agreement with Serco. There is a net saving to the government because of the later start.

**Mr M.P. WHITELEY:** Is the minister saying that it is basically just a difference based on timing and that the \$713 000 and \$1.1 million —

**Mr D.T. REDMAN:** Yes.

**Mr M.P. WHITELEY:** I get the point about the first two years. Is that delayed expenditure from prior years?

**Mr D.T. REDMAN:** Is the member asking whether there is delayed expenditure from prior years?

**Mr M.P. WHITELEY:** Yes.

**Mr D.T. REDMAN:** As I understand it, the date of the start-up for Serco was going to be a particular date but now it is a later date. Therefore, there is a saving in what the government would have paid to Serco for the contract of services.

**Mr V.A. CATANIA:** I refer to page 783 and an earlier question asked by either the member for Cockburn or the member for Mandurah regarding the number of adult offenders sentenced to community-based supervision orders and the report of a 23 per cent decline in those figures over the last two years. Obviously the expense incurred by Justice is quite enormous if there has been a drop. Does that mean that prisoners have been held back in jails? What does the minister put that down to? I am quite concerned that the member for Cockburn is saying that we need to increase the number of community-based orders to save a dollar rather than hold back these offenders when they really need to be in jail. Could the minister elaborate on that? I want some clarification on what has caused the decline in community-based orders.

**Mr D.T. REDMAN:** It is hard to put a finger on exactly what actions have caused that consequence. The member knows that over time the prison population tracks upwards. The prison population peaked in 2010; it is only recently that we have had the highest prison population—in fact, the highest prison population was on 22 April this year. It is therefore pleasing that we have made the capital investment to ensure that we have beds for that. A number of things have contributed to that. One could be a change in legislation around what people get fined for and the severity of those fines. If there is a custodial implication for that, it could put more people in

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

jail. It could be something the police are doing to target particular areas or issues. That can increase the level of people coming through our prison system. One of the big changes recently was the change to the chair of the Prisoners Review Board. The change of chair before the last change meant that the level of paroles went from 90 per cent of parole applications being granted to about 20 per cent. The implication of that is that significantly more people are ending up in prison. A new chair has been appointed recently; namely, Robert Cock, QC. It will be interesting to see what impact his leadership will have on the number of prisoners who are granted parole. If we look at some of the cohorts accounting for the recent growth in the state's prison population, we can see a jump of 21 per cent in female offenders and a jump of 12.2 per cent of Aboriginal offenders, although that is not a big number. The number of offenders on remand has lifted by 26 per cent; offenders remanded without bail set is up 24 per cent; prior imprisonment offenders is up 15 per cent; offenders convicted of violent offences is up four per cent; offenders convicted of break, enter, steal offences is up 26 per cent. A number of things can cause that to happen. One of the two relationships that are interesting is the fact that as the prison population jumps or spikes, the number engaged by community corrections reduces. As the member said, there has been a 23 per cent drop in the past 18 months to two years in the number of offenders engaged by community corrections. So there seems to be a bit of a relationship between the two. I too am a little anxious about the member for Cockburn's position in saying that because it costs more for people to be in jail than it does for them to be on a community corrections program maybe we should be letting them out. I can tell the member that that will not be the position of this government.

[11.30 am]

**Mr F.M. LOGAN:** Why do you let them out without probation so they can go straight back and do more crime? That is a smart way of doing it!

**Mr D.T. REDMAN:** The member knows that is done with the Prisoners Review Board.

**Mr F.M. LOGAN:** That is exactly what the government is doing! They are left in there, they come out and then they immediately start back committing crime again under this government!

**Mr D.T. REDMAN:** The member knows that decision is made by the PRB and that is independent of me.

**Mr F.M. LOGAN:** This is a very simple question, minister. I refer to the proceeds from prison canteen sales on page 791.

**Mr D.T. REDMAN:** The member is getting into the heavy stuff now!

**Mr F.M. LOGAN:** I am getting into the heavy stuff! As I said, this is a nice, simple question. I assume this includes the sale of tobacco products. If that is the case, can the minister tell me whether each prison has an individual licence to sell tobacco or is the licence held by the Department of Corrective Services; and if so, how? If the department is exempt from having to hold a tobacco licence to sell cigarettes, can the minister show me where in the Tobacco Products Control Act it gains its exemption?

**Mr D.T. REDMAN:** I will take that question on notice about the licence; I am not sure about the status of it.

**Mr F.M. LOGAN:** I ask the question because the department is selling tobacco to prisoners. The minister does not know whether he has a licence to sell tobacco?

**Mr D.T. REDMAN:** No, I do not know.

**Mr F.M. LOGAN:** Does the minister know what the fine is if he does not have a licence?

**Mr D.T. REDMAN:** I will just pass over to Heather Harker, Deputy Commissioner, Adult Custodial.

**Mr F.M. LOGAN:** The fine per day in the tobacco act for selling tobacco without a licence is quite severe.

**Mr D.T. REDMAN:** Member, I am seeking a response.

**The CHAIRMAN:** Just before that, minister, do we have some extra information?

**Mr D.T. REDMAN:** It would depend on whether the member for Cockburn is happy with the response, I suspect.

**The CHAIRMAN:** Certainly. I will hold my breath on that one then. The minister has passed the question to his adviser Heather Harker.

**Ms H. Harker:** Whilst I cannot say categorically whether it is either the department or the canteen, I would certainly assume that the department itself does have the licence. But I think that is something we will need to check. I would not expect that it would be at individual canteen level.

**Mr F.M. LOGAN:** I just point out, minister, that if the department does not have a licence, it is up for a big fine—a seriously big fine.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** I understand the question the member is asking.

**The CHAIRMAN:** So, do we have a question on notice, minister?

**Mr D.T. REDMAN:** Is the member looking for a question on notice?

**Mr F.M. LOGAN:** No, no; I just asked the question. I would like to have that information; thank you, minister. I would like that information by way of supplementary.

**Mr D.T. REDMAN:** Member, I just asked that.

**The CHAIRMAN:** The member for Cockburn would like that information.

**Mr F.M. LOGAN:** I would.

**The CHAIRMAN:** So, can we have for Hansard, minister, a repeat of what we are giving Hansard?

**Mr D.T. REDMAN:** Yes. What the member for Cockburn is seeking by way of supplementary information is: who is the holder of the relevant licence as it pertains to the sale of tobacco under the tobacco act system?

**Mr F.M. LOGAN:** Under the tobacco act.

*[Supplementary Information No B5.]*

**Mr F.M. LOGAN:** I have a further question that relates to the number of FTEs employed in the department. On page 784 there is a reference to the number of full-time employees in both the adult corrective services and youth justice services. Can the minister advise, given the announcement by the Treasurer of a freeze on employment across the government sector, whether it applies to DCS as well? Will there be a freeze on the employment of prison officers?

**Mr D.T. REDMAN:** Currently the Department of Corrective Services has an FTE cap of 4 428, and our current staffing level is at 4 359.

**Mr F.M. LOGAN:** Just by way of supplementary, does that cap remain in place in light of the announcement by the Treasurer?

**Mr D.T. REDMAN:** Yes. The thing that needs to be understood is that currently there is a daily average population—DAP—formula or model for determining staff numbers against prison population and growth. Clearly if there is to be a significant growth in the prison population, there has to be a commensurate support of staffing level to population.

**Mr F.M. LOGAN:** By that, is the minister saying that has occurred?

**Mr D.T. REDMAN:** Presently there is a cap there, and if there were to be a change to that, I would have to get the Treasurer's concurrence, as I probably would do anyway.

**Mr F.M. LOGAN:** Does that cap the minister refers to relate to —

**Mr D.T. REDMAN:** The whole of Corrective Services, which is —

**Mr F.M. LOGAN:** Yes, but given the minister said the cap relates to the number of prisoners in the system —

**Mr D.T. REDMAN:** No. The cap is a cap on all government agencies, other than I think a handful of front-line service agencies.

**Mr F.M. LOGAN:** So the cap does include DCS?

**Mr D.T. REDMAN:** It does, yes.

**Mr F.M. LOGAN:** The point I was asking about, and as the minister said himself, is that the employment level relates to the number of prisoners held. That is why I asked whether DCS was exempted from the cap, because obviously prisoner numbers have increased quite dramatically. I presume DCS would then be exempted from the cap.

**Mr D.T. REDMAN:** The answer is no, we are not exempted from the cap. We have an approved cap of 4 428 and as I said, we are presently operating at 4 359. The member would appreciate, and I think it is the point he is making, that prison populations change.

**Mr F.M. LOGAN:** Yes.

**Mr D.T. REDMAN:** I will use a way-out example. If the prison population went up by 20 per cent, it would be an unreal expectation to suggest that that cap would remain.

**Mr F.M. LOGAN:** If it went up to, say, 5 100 from where it is now —

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** The member is asking me to give a particular trigger point; I cannot answer that now. The point I am making is that —

**Mr F.M. LOGAN:** Would you go back to Treasury and say —

**Mr D.T. REDMAN:** Of course. As the prison population rises, there will be trigger points both industrially and as a matter of safety, and at some point we can expect that over time that cap will be tested.

**Mr I.M. BRITZA:** The first dot point on page 782 under “Significant Issues Impacting the Agency” mentions “cultivating a work ethos and employment skills in offenders”, which I am sure some would say would be very difficult. However, can the minister give an example of this?

**Mr D.T. REDMAN:** Thanks, member for Morley, for the question. I think that one of the best examples is the Fairbridge Pinjarup program. Has the member visited Fairbridge?

**Mr I.M. BRITZA:** No.

**Mr D.T. REDMAN:** It is well worth a visit.

**Mr I.M. BRITZA:** I will do.

**Mr D.T. REDMAN:** The people involved in that program do a fantastic job. It is a joint initiative between Fairbridge, BIS Industries—which basically provides services and logistics for the mining industry throughout Australia—and the Department of Corrective Services, and caters for adult Indigenous prisoners. Prisoners undertake accredited training targeting mining-related work. So it is very specific in that mine and related industry employment opportunities are being targeted in the program. It helps prepare offenders for the transition from prison to those full-time work commitments. The prisoners work in a simulated mine site. They get an introduction to mine-site operations, heavy equipment and what is loosely called the industry culture—the work ethic and all the things that go with the mining sector—and obviously there is a focus on safety. On completion of that program, they achieve a certificate II in surface extraction operations, so they get a qualification, and guaranteed employment with BIS Industries on a WA mine site as well as being enrolled in a certificate III traineeship after release from prison. As the member can see, the mining sector is obviously the growing sector in Western Australia. It is an opportunity, because many of those companies have targeted Indigenous employment ratios, to take offenders in—if I can use the pun, a captive market—and give them some specialist training in a business relationship here that we have with Fairbridge to help transition them into that employment. Furthermore, there are Aboriginal mentors who also provide support at the site by mentoring prisoners throughout the term of their training, and also in that transition to employment. There have been three courses to date, with the program funded for two courses a year over three years. Each course commences with about 10 participants. Again, that is a very good example of getting the private sector engaged with DCS working with Fairbridge, which is a very well-respected group, to help transition a target audience, Indigenous men in particular, through to working in the resources sector.

[11.40 am]

**Mr I.M. BRITZA:** I have heard of some Indigenous people in a program—I do not know whether it is this one—in the mining sector especially who have progressed to a certain point even though they are qualified. Does the department have a program through which they can find out whether the Indigenous people are advancing further than just menial or bottom-line tasks?

**Mr D.T. REDMAN:** One of the significant points about that program was that they were guaranteed work through that path; it ensures that, at the end of the day, they finish up with a job. I was recently at Decca station, which is run by Roebourne Prison, to the north east of Roebourne in a fairly isolated environment. Roebourne is made up of a significant Indigenous population. They are there learning a range of skills. I even stuck the welding helmet on to see what they were doing. The prison office there is doing fantastic work. Rio Tinto and a couple of other mining companies are closely involved. I think we can do a better job of that, largely around facilities. While they had all the protective gear, which they should have, and the skill sets, I think the facilities let them down. That is an investment we can make. If I use that Roebourne example; since August 2008, 65 Indigenous prisoners have taken part in the Rio Tinto work-ready course. Fifty-eight Indigenous prisoners have completed the course, 26 have been directly released into full-time work, a further 20 former prisoners have gained employment and seven participants have been returned to prison. It is not perfect, but it is a good investment in that space. The other one touched on a little while ago was Live Works, which is about targeting the skills needed with some mentoring wraparound support to get prisoners to take up that employment and stay there. If we had the perfect button to push, we would have pushed it. It will take a long time and it is challenging but we cannot drop the ball.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr F.M. LOGAN:** I refer to the cost per day of keeping a prisoner, on page 784. The cost per day rises from the actual in 2010 through to 2013.

**Mr D.T. REDMAN:** Which line is the member looking at?

**Mr F.M. LOGAN:** The adult figures. The minister could explain the youth figures as well because they have gone the other way. Adult corrective services show there has been a jump in the cost of keeping prisoners from \$292 to \$315 per day from the actual in 2010–11 to the forward estimate for next year. Consequently, the amount for youth justice services has gone the other way. Can the minister explain?

**Mr D.T. REDMAN:** I will paraphrase the question so that I have it right. The first is: why the jump in the cost of adult custodial over the period of the budgets here? I have put a finger on a couple of reasons. One is that West Kimberley Regional Prison will open later this year. Because of its geographic location, appropriately so, for 150 offenders as distinct from Broome, which has 100, that will add a cost to running it. Of course, that will add to it because, as the member knows, anything that happens in that area is high cost. We accept that by virtue of the geographic outcome. The young adult facility is also coming on stream. In other words, we have extra facilities for adult custodial in the new young adult facility, which will be managed out of the Rangeview Remand Centre, so bear in mind that will be an extra.

**Mr F.M. LOGAN:** That is a cost saving is it not; it has been contracted out?

**Mr D.T. REDMAN:** It is also an extra facility. The other thing taken into account in this figure is the district allowances. Those working in those areas get, I might say by the wonderful intervention of royalties for regions supported by the member —

**Mr V.A. CATANIA:** That is my next question —

**Mr D.T. REDMAN:** I will not go into too much detail. What I found interesting was that, when I visited Roebourne recently—I strongly encourage the member to visit because it is good to look through how the management of that is dealing with the challenges there—prior to the increase in the district allowance, it was hard to staff. It now has people lined up who actually want to go there. It is a fantastic outcome for the north of Western Australia that people are actually choosing to take that up. There are also increases in Government Officers' Housing costs; it is expensive in those areas.

**Mr F.M. LOGAN:** Is that passed on to Corrective Services?

**Mr D.T. REDMAN:** No; people who are in GRO housing pay the normal rates to GRO housing, but, of course, Corrective Services needs to provide the facility. The point is that we heavily subsidise GRO housing.

**Mr V.A. CATANIA:** I refer to the large increase in district allowances, and might I say the Pilbara and the Kimberley are the two that have been well remunerated, for obvious reasons; namely, the cost of living is much higher and it is harder to attract and retain staff. The minister touched briefly on the rate of turnover in places such as Roebourne and perhaps Broome. Can the minister elaborate on that and how, since he has come to government, the district allowance has increased by probably \$11 000 through royalties for regions? Perhaps he can elaborate on how that is changing the way in which the department is able to recruit people to these traditionally hard-to-staff places.

**Mr D.T. REDMAN:** Thank you, member for North West. As the member can imagine, Corrective Services, not unlike the Department of Agriculture and Food in many ways, operates across a pretty big regional footprint. For the pay date 24 May 2012, 719 staff were paid district allowances. That is what they are paid. That gives the member an idea of the number of staff who are in that space. For his town of Karratha, which is in the member for North West's electorate, from 1 July 2010, the district allowance went from \$9 839 to \$15 922 on 1 July 2011. There has been a significant jump.

**Mr V.A. CATANIA:** I think in 2008 it was \$3 500.

**Mr D.T. REDMAN:** It was significantly less than that back then. Absolutely. The point is that what has changed as a consequence of this allowance is that people are now choosing to go to some of the hard-to-staff areas in the state. Roebourne Prison has been a classic example of that. From talking to the prison officers up there, I know that they are really impressed with what is happening in that prison. They are choosing to live in that community. The government has made fairly significant investments in the Karratha community to build a city in the north. Brendon Grylls was there recently to open a nine-storey development on the main street. That gives a bit of a vision of how things are transformed. That means there is a very normalised community. Added to that is a district allowance that incentivises service staff to work in those areas, so people are lining up to go there. I think that is a great outcome. It is certainly paying dividends in Corrective Services. We have a bunch of happy staff up there and I am really pleased about that.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr V.A. CATANIA:** I have a supplementary question. Does the minister see this sort of investment not as pork-barrelling but righting the wrongs of the past?

**Mr F.M. LOGAN:** You said it.

**Mr D.T. REDMAN:** I take it the member for Cockburn says it is pork-barrelling; in other words, giving people incentives to live in some of the hard-to-staff areas.

**Mr F.M. LOGAN:** It is pork barrelling.

**Mr V.A. CATANIA:** Is the member saying they do not deserve it?

**The CHAIRMAN:** Member for North West, member for Cockburn and minister, thank you very much!

[11.50 am]

**Mr F.M. LOGAN:** I take the minister to page 786. It is just an inquiry question, minister, so don't get too worried!

**Mr D.T. REDMAN:** What have the other ones been?

**Mr F.M. LOGAN:** It is just an inquiry question. It is about the building infrastructure amount that is allocated as part of the "Works in Progress". I cannot see where the other amount is, but I am comparing that with the amount allocated on page 785. The second-last paragraph states —

... \$6.7 million has been provided in 2012–13 to undertake the highest priority works across the prison system.

Can the minister explain a little more about those high-priority works costing \$6.7 million? How does it relate to works in progress? I cannot find where in these budget papers \$6.7 million is. I presume it is part of another amount. The minister has highlighted it as a key issue. I want to know how one relates to the other and where the actual line item of \$6.7 million is. By way of supplementary, what does the minister expect to spend that money on?

**Mr D.T. REDMAN:** Member, I have been advised that the figure of \$6.7 million in the second-last paragraph on page 785 relates to maintenance work across the prison system.

**Mr F.M. LOGAN:** Yes; I am aware of that.

**Mr D.T. REDMAN:** The other figures the member is talking about, in referring to the table, are capital items.

**Mr F.M. LOGAN:** No. The first line item under "Works in Progress" on page 786 is "Building Infrastructure and Maintenance". They are both amounts of maintenance. I want to know how the two relate to one another, and where I would find the \$6.7 million and what it is being spent on.

**Mr D.T. REDMAN:** Just to clarify the question: the member is saying \$6.7 million has been provided in 2012–13 to undertake the highest priority works relating to the ongoing maintenance and infrastructure upgrade program.

**Mr F.M. LOGAN:** Yes.

**Mr D.T. REDMAN:** On the next page, the member says he cannot draw the link between that and the capital works program. Obviously, the capital works item is listed against a particular project. On the previous one, it is describing an investment across the prison system in the space of maintenance, as I understand —

**Mr F.M. LOGAN:** No, that is not how I read it. Under "Works in Progress" on page 786 is the minister's wording, "Building Infrastructure and Maintenance—Adult Custodial"; it is not actually building anything.

**Mr D.T. REDMAN:** Member, let me have a go. I will ask my advisers to intervene if they think I have it wrong. On the capital works page, "Works in Progress", "Completed Works" and "New Works" set out the capital works program across the state. In other words, we build a new prison and it is written down as a particular prison and that is what it goes into, "Works in Progress", and so on —

**Mr F.M. LOGAN:** "Works in Progress" covers maintenance, too. It is not just building programs.

**Mr D.T. REDMAN:** Building infrastructure and maintenance for community and youth justice, yes. I am assuming that embedded in those capital works under "Works in Progress" will be a certain resource that the department has within its maintenance budget to do work on prisons and work camps, including office infrastructure, I might add—I imagine it is not just prisons; custodial facilities and community youth justice centres and so on—in the highest priority areas.

**Mr F.M. LOGAN:** That was the minister's stab at it; can I have the proper information now?

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** I will pass to the commissioner, if he could make a comment about that as well.

**Mr I.D. Johnson:** Maybe for clarification: part of it is obviously ongoing maintenance, which is the general wear and tear experienced throughout any infrastructure. Part of that relates to upgrading. It is all embedded within that line item. If the member wants a breakdown of what that money has been spent on, it covers right across the adult custodial environment, community and youth justice, and it ranges from sewerage maintenance to the purchasing of an outreach centre in Meekatharra. There is a whole raft of expenditure across maintenance, infrastructure, new infrastructure and equipment. It would be quite detailed.

**Mr F.M. LOGAN:** In the minister's budget papers he has highlighted the relationship between \$6.7 million and the rapid growth in the prison population. That \$6.7 million is provided in 2012–13 to undertake the "highest priority works" across the prison system. If the minister is saying that that is included on page 786 in the total estimated costs of building infrastructure and maintenance of \$11.47 million, why is there only \$2.5 million in 2012–13 estimated expenditure?

**Mr D.T. REDMAN:** The member's target is the point of \$6.7 million. I will undertake, by way of supplementary information, to get exactly what makes up that \$6.7 million and get some clarification around the relationship between that and the capital works program on page 786. I understand that has some maintenance work embedded in it. As the member well knows—he was a minister—there are lots of different ways the figures can be cut. Depending on what is presented, it is cut in a particular way to highlight a particular point.

**Mr F.M. LOGAN:** I agree, minister, but the point I am trying to get to is this: the reason these things are highlighted—for example on page 785 under "Asset Investment Program"—is that the minister is proud of what he is going to do. The minister has highlighted that \$6.7 million has been provided in the next financial year to undertake the "highest priority works" across the prison system yet he cannot find where that money is in the year!

**Mr D.T. REDMAN:** We can find where the money is. I am undertaking to do it. There is a level of —

**Mr F.M. LOGAN:** No, don't undertake to do it—show me the line item where the \$6.7 million is.

**Mr D.T. REDMAN:** Member, it would be embedded across the board —

**Mr F.M. LOGAN:** Where? Just show me!

**Mr D.T. REDMAN:** I do not know if the member has ever worked in an organisation, but if there is a budget called a "maintenance budget", that covers a range of things.

**Mr F.M. LOGAN:** I will tell the minister what I have done: I have been through many budget papers. I would like the minister to show me where it is. That is all I am asking.

**Mr D.T. REDMAN:** Member, there are lots of different ways to cut the budget to say this is where this particular money is going. We do not have the detail here to say where a \$6.7 million identified maintenance budget goes if it —

**Mr F.M. LOGAN:** But the minister has highlighted it.

**Mr D.T. REDMAN:** Absolutely.

**Mr F.M. LOGAN:** He is proud of it; the minister has highlighted it!

**Mr D.T. REDMAN:** The point is the member is making some global statements about the budget which —

**Mr F.M. LOGAN:** I am asking a simple question about where the money is. That is what we are here in estimates for.

**Mr D.T. REDMAN:** If the member has a look at the budget for Casuarina, it is about that thick. Of course there is a component in there that is maintenance and a range of other spends. We would have to drill down to that level in every single organisation.

**Mr F.M. LOGAN:** I draw Madam Chairman's attention to why we have estimates. We have estimates, which the minister seems to have completely missed the point about, to test the budget; to go through the budget line item by line item. I am asking a very simple question. The budget papers highlight and are very proud of the fact that \$6.7 million will be allocated in the next financial year to a particular program. I am trying to find where that \$6.7 million is as a line item. That is not too much to ask, minister. That is what estimates hearings are about.

**The CHAIRMAN:** I think we understand.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** The member quite rightly understands that he is entitled to get the drilled-down information related to any item here, and I am happy to give it. This information is not to the level we can provide here because of the complexity of the budget right across a system that has an annual appropriation of over \$650 million. I will provide the information. I will paraphrase what the member is after. He is after a more detailed description of the figure of \$6.7 million identified on page 785 of the *Budget Statements*; exactly what that expenditure is likely to go into in 2012–13.

**Mr F.M. LOGAN:** Also by way of supplementary information, tell us where it is.

[*Supplementary Information No B6.*]

[12 noon]

**The CHAIRMAN:** Minister, I think you have clarified what you are supplying. We are staying with Corrective Services. I have the member for Cockburn again, and then the member for North West.

**Mr F.M. LOGAN:** No; let the member for North West go. You cannot say that I do not let the government try to spin this out!

**Mr V.A. CATANIA:** I do not believe a word anyone says about the member; he is a good bloke!

**Mr F.M. LOGAN:** He has always said that.

**Mr V.A. CATANIA:** I refer to the third dot point under “Asset Investment Program” on page 785, which refers to the —

initiation of the replacement and upgrade of the radio communications system throughout regional Western Australia in partnership with Western Australia Police and the Fire and Emergency Services Authority;

Could the minister elaborate on how that program will not only benefit the minister’s department and emergency services, but also, obviously, impact on people travelling on the highways of regional Western Australia? Also, can the minister elaborate on how that will be funded and what program it is under?

**Mr D.T. REDMAN:** I am going to ask the commissioner to answer that. I was very pleased to hear that royalties for regions money largely went into that program, and that a whole range of emergency services, including police, supported the need for a better level of communication infrastructure to support key services—of course, Corrective Services is a key service. I will ask the commissioner if he would not mind making a comment about how that is going and the investment that has been made.

**Mr I.D. Johnson:** The bottom line for us is that we were facing the ageing infrastructure of our own radio network, and so the cost to us to go out to the market and develop our own project and evaluation process would have been millions upon millions of dollars. We were able to leverage off what the police had already done in their project to implement a digital radio network. So, rather than reinvent the wheel, we were able to, like I say, leverage off that, thus saving, initially, millions of dollars, but also quite a considerable amount of time in actually moving from our analogue system to a new digital radio network. In relation to the police system, one of the major factors delaying a project of that nature is the acquisition of sites to place the radio masts on to give greater coverage; because we have prisons throughout the state, we were able to say to police that they could place their infrastructure within our footprint. That saved an enormous amount of time for police, as well as expanding their radio network. It also means that we have interoperability, should it be needed in a major event. The other pleasing thing to note is that the Fire and Emergency Services Authority is also looking at a partnership, so the three, I suppose, major 24-hour-a-day, seven-day-a-week emergency-type services will have access to the same network. I believe that will be a first in Australia—I do not think any other jurisdiction is anywhere near that—and of course as it rolls out throughout the state, community safety will obviously be greatly improved, as will the safety of our members. Not only is it an improved system with improved efficiencies, but it is also encrypted, which means that somebody cannot just rock down to Dick Smith and grab themselves a scanner and listen to what is being said. There will be a number of long-term benefits for the state and the individual organisations. The interoperability is a major factor. I think if we look at past inquiries into major events, one of the issues that always arises is communications between the authorities that respond to such an event. I think the fact that we can now have the three, when FESA comes on board, on the same system is an absolute bonus.

**Mr F.M. LOGAN:** I draw the minister’s attention to page 788, and the employee benefits line item on the “Income Statement (Controlled)” table, which obviously relates to the wages bill that the Department of Corrective Services has to meet. Could the minister explain that entire line to us, because the 2010 actual was \$397 million, the estimated actual for 2011–12 is \$416 million, and then in the next financial year it goes to \$453 million—up nearly \$40 million. Then over the out years to 2015–16 it goes up by nearly \$100 million.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

Why is there such a small increase? I presume they are enterprise bargaining agreement increases, but why is there such a small increase between 2012–13 and 2013–14? An explanation about the whole thing would be helpful.

**Mr D.T. REDMAN:** I am going to pass it back to Mr George Kessar, director of finances, to make some comments about the employee benefits line at the top of page 788. I will just paraphrase, so that the member knows what Mr Kessar is going to look at: the differences in the employee benefits figures under “Cost of Services” and some of the reasons for some of those differences. I know there is a footnote that refers to some calculation methodology that might change some of those figures, but I will ask Mr Kessar if he could make some comments about that.

**Mr G. Kessar:** The basic differences would be the inflationary factors. There is no change in the number of full-time equivalents, there has been no change in accounting policy that would have resulted in that, so it is mainly just the inflationary factors.

**Mr F.M. LOGAN:** With due respect to the minister’s adviser, I can see that that might be explainable, but I cannot see exactly how it could be explainable because these are —

**Mr D.T. REDMAN:** Would the member like me to provide additional information?

**Mr F.M. LOGAN:** Yes. I say that, with due respect, because there is only a \$2 million increase between 2012–13 and 2013–14, but over the four years there is a \$100 million increase, and, obviously, that is not explainable by cost-of-living increases. Can the minister provide that by way of supplementary information? I do not want to put the minister’s adviser on the spot.

**Mr D.T. REDMAN:** I am pleased that the member is not expecting to have a detailed response given now.

**Mr F.M. LOGAN:** No, I do not. That is not the right answer, so I do not want to put him on the spot.

**Mr D.T. REDMAN:** We will provide, by way of supplementary information, clarification on the differences in the years from 2012–13, as the budget estimates, through to 2015–16 in the forward estimates, and the differences in the employee benefits as outlined on page 788 under “Expenses”. I will clarify those changes.

*[Supplementary Information No B7.]*

**Mr F.M. LOGAN:** On page 786, under “Works in Progress”, are line items relating to information and communications technology upgrades.

**Mr D.T. REDMAN:** Which line item, member?

**Mr F.M. LOGAN:** Basically all the items that relate to ICT upgrades on page 786 under “Works in Progress”—IT systems life extension and upgrades and ICT infrastructure upgrade. I could have a stab at it, but I would prefer the minister to give me the answer. The estimated total cost is \$18.7 million, and then the extension and upgrades will cost another \$6 million, making a \$25 million upgrade to the department’s computing system. Can the minister explain why that is being undertaken?

[12.10 pm]

**Mr D.T. REDMAN:** This relates to the asset investment program in relation to the Department of Corrective Services IT system. It is about life extension and upgrades to the system. In the 2011–12 budget there is \$2.095 million. The first year of the 2011–12 capital projects was life extension work on the TOMS system, which is the backbone system used in the Department of Corrective Services, and that was \$1.595 million. A total of \$490 332 was spent to 23 April. The estimated spend at 30 June 2012 is \$695 000, and an estimated \$900 000 of the \$1.595 million in the 2011–12 allocation will be carried over to the 2012–13 financial year. The full 2011–12 allocation was not spent due to the need to establish project governance, and the upgrade work not being commenced until funding was formally released by Treasury. The total capital allocation of \$4.25 million is still required to complete the entire program of work for the TOMS life extension project.

In respect of the business system upgrades, \$500 000 is to be spent this year. Funding is being used to ensure that vital upgrades to the non-TOMS systems are carried out to maintain technological currency of systems and to meet compliance and operational standards. As the member will appreciate, the department relies quite heavily on its IT system, particularly within the prison system. Putting in resources to ensure the life extension of those programs is becoming all the more important. This work was done to achieve that in the current year’s budget, and I assume that what is in the out years reflects what is anticipated will be the necessary ICT spend to support that system.

**Mr F.M. LOGAN:** I will ask my next question by way of supplementary information, because there is no way the minister will have this information to hand. I refer to the tables on page 788 under “Income Statement

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

(Controlled)”. The first table includes the cost of services and the total income statement, and there are some notes at the bottom of that table. Note (d) refers to a series of expenditures from the regional infrastructure and headworks fund being spent across the out years. Can the minister provide, by way of supplementary information, a breakdown of what that is being spent on? There is no way the minister will have that information in front of him.

**Mr D.T. REDMAN:** Member, that is a royalties for regions line item, income from state government. I will clarify that there are a number of things happening in the Department of Corrective Services that have a royalties for regions funding source. Some of those are capital; as the member knows, the Roebourne work camp was one of those. There is an allocation of \$44-odd million for regional youth justice services over the four years of forward estimates. In response to a question from the member for North West, I talked about the early success of that program. Those figures reflect both capital and recurrent funds that go into a range of royalties for regions-related capital and recurrent expenses in the Department of Corrective Services budget. Note (d) refers to specific royalties for regions funds; there are currently three funds, and a new one to be developed, under royalties for regions. Two are referred to under note (d): the regional infrastructure and headworks fund and the regional community services fund. The third one is not referred to because that is obviously where they are sourced from, depending on what the projects are related to. Does the member need more clarification on that?

**Mr F.M. LOGAN:** Yes, by way of supplementary information.

**Mr D.T. REDMAN:** To paraphrase, the member is referring to page 788 and royalties from regions under “Income From State Government”, in the 2012–13 budget estimates and the three extra years of forward estimates out to 2015–16 —

**Mr F.M. LOGAN:** No, I am referring to note (d), which outlines the way in which that money is being spent. I would just like a breakdown of the figures that are provided there.

**Mr D.T. REDMAN:** For what year?

**Mr F.M. LOGAN:** All years that are listed there.

**Mr D.T. REDMAN:** I think this comes back to the point I made to the member earlier on, but these are for particular projects. For example, regional youth justice services is a project that goes out for the four-year forward estimates; it does not go beyond that because, as with a lot of such projects, it will be reviewed before it is extended to see whether it achieves what it sets out to achieve. If we take a particular fiscal year, we will get a particular figure for recurrent funds, and that note shows that there are funds for each of the different years. If the member is happy for me to provide the projects for which those funds are coming into Department of Corrective Services to achieve, I am happy to provide that through supplementary information.

**Mr F.M. LOGAN:** I am glad the minister has explained it that way, because a certain amount of money has been allocated for each year under those specific headings —

**Mr D.T. REDMAN:** When the member says “allocate”, some of it actually goes back to 2010–11. That is talking about an announcement that would have been made back then of royalties for regions funds into the Department of Corrective Services, and it will be extended into the out years.

**Mr F.M. LOGAN:** I understand that, minister, but the point I am making is that, given that there is money allocated per annum, I assume that it is allocated for specific projects.

**Mr D.T. REDMAN:** I will provide to the member the specific projects that those royalties for regions funds relate to, and the term of those funds as they are anticipated to be expended.

*[Supplementary Information No B8.]*

**Mr I.M. BRITZA:** I refer to the first dot point on page 783. Any reduction of prisoner numbers is an excellent result, but a decline by 23 per cent in adult offenders sentenced to community-based supervision orders is extraordinary. A significant proportion of these, 57 per cent, are “low end” orders, and that is excellent considering that we are often criticised for sending low-end offenders to prison. Can the minister explain these remarkable figures of decline?

**Mr D.T. REDMAN:** I made the point earlier in response to a question from the member for North West that we seem to have a relationship between the prison population and those who are in community corrections. There are some 4 500 offenders engaged with community corrections at this time; the incarcerated prison population is about 4 960, so the Department of Corrective Services engages with roughly 10 000 people. There was a particular spike in the prison population in March 2010, and we have responded to that with a fairly significant

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

capital investment program; there are a range of reasons for that, which I have talked about before, and that is still tracking up. We feel confident that we will be able to manage that population with the asset investment plan we are putting in place.

At the same time, we have seen a drop of 23 per cent over two years in the number of adult offenders involved in community corrections. About 60 per cent of those are classified as low-end offenders; they are not high risk and are therefore not in need of high-level supervision in respect of engagement with community corrections staff. Others are in need of higher level supervision, but we have seen a 23 per cent drop in low-end offenders. There are a number of reasons for that; one reason is that there has been an increase in the prison population. If we put people in prison, they will not be under community corrections orders and hence will not be engaged by community corrections. But the fact of the matter is that that is what is showing through as a drop.

[12.20 pm]

One of the other factors that was in play was the activities of the Prisoners Review Board—the parole board, in essence. If the parole board makes a decision to put more people out on parole, the community corrections numbers go up, because those parole orders will have conditions attached to them, such as they have to do drug tests or they have to do urine tests, or there might be some education programs that they have to engage in and so on. If the level of parolees reduces—that is, the PRB keeps people in prison—those numbers do not go up. I think that is an interesting number to look at to see why that is the case and where the government makes adjustments around the whole-of-government enforcement policy.

The other thing we are doing in Corrective Services is ensuring that if a person has a particular order that they have to comply with, they do comply; and, if they do not, they are in breach, and they go back into prison. We have upped the ante on that enforcement policy. I cannot think of a good example, but someone may have as a condition of their parole that they need to go in weekly for a urine test to ensure that they do not have any drugs or alcohol in their system. In the past, the person might have been able to give a good excuse that someone accepted, and therefore it was not considered serious, or whatever. We are ensuring that we have a level of enforcement at that point and that if people breach their parole conditions, they go back to jail. That has happened in our term in government—namely, that there is a higher level of enforcement—and one of the consequences is that more people are finishing up in jail.

**Mr I.M. BRITZA:** Thank you, minister.

**Mr F.M. LOGAN:** I take the minister halfway down page 782 to the three items under “Service Summary”. I want some clarification, because the minister made a comment earlier and I am struggling to work out exactly how that applies. This is about the contribution to financial management, which is the efficiency dividend. I just want to walk through the way the budget papers work. The 2.5 per cent efficiency dividend —

**Mr D.T. REDMAN:** It is two per cent in 2012–13.

**Mr F.M. LOGAN:** — applies, and therefore the department will have to find \$12.7 million worth of savings. Is that correct?

**Mr D.T. REDMAN:** Yes, in the 2012–13 budget, off the appropriation.

**Mr F.M. LOGAN:** In the 2013–14 period, that efficiency dividend goes to what?

**Mr D.T. REDMAN:** It is one per cent in 2013–14 off the appropriation, but what is shown there is the cumulative effect of that.

**Mr F.M. LOGAN:** Okay. The minister is right. So that one per cent relates to, as it says here, \$6.7 million, and that, added to the \$12 million, comes to \$19 million. Is that correct?

**Mr D.T. REDMAN:** That is right.

**Mr F.M. LOGAN:** So then in the following years, it is one per cent?

**Mr D.T. REDMAN:** It is one per cent in 2013–14.

**Mr F.M. LOGAN:** There are different rates for different organisations—government trading enterprises and departments.

**Mr D.T. REDMAN:** No. Across government, it is two per cent for 2012–13, and then one per cent, one per cent and one per cent. That is the total impact of the efficiency dividend. The member can see that in the out year 2015–16, the cumulative impact of that is \$34.7 million, against a cumulative appropriation of over \$2.5 billion.

**Mr F.M. LOGAN:** Yes, I see that now. Given that is the case—maybe the commissioner can provide some enlightenment, through the minister—how is the department going to find that first two per cent, the \$12 million? That is still a substantial amount of money for a department that normally, as the minister knows—

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

this is no reflection on the department, because the department struggles to do what it tries to do—goes over budget.

**Mr D.T. REDMAN:** One of the challenges in meeting the annual budget is around the assessment of the daily average prison population and getting an appropriation from Treasury for that number, because there is almost a lag time there. We are presently reviewing that to get what might be a better system for tracking financial appropriation to prison population and the complexities around that, because it is not just a case of saying these are the prison numbers and therefore the department should get this; it depends on the profile of those prisoners as to what it costs, such as how many of those are dangerous sex offenders versus juveniles versus community corrections. There is a complexity there that needs to be taken into account in any formula for driving that change. Up until this point, and now, the daily average prison population has been assessed to be what we anticipate it to be; therefore, we get an appropriation according to that. As I have said, as the prison population tracks up, then so too should the appropriation for the Department of Corrective Services in response to a formula, and rightly so. The present formula I think is a very blunt instrument. I think we need to refine that, and that is what we are looking at.

**Mr F.M. LOGAN:** That having been said, where will the \$12 million come from?

**Mr D.T. REDMAN:** On the first question that the member asked me, we have made no decisions about what will be cut to reach that target of \$12.72 million. The Department of Corrective Services, through the commissioner, will be providing me with advice around that. We are working through that now. Of course the endeavour is to ensure that we make savings where it is an efficiency; we certainly do not want to cut those areas that impact upon community safety, for example. So of course we will make our decisions around that in time, member.

**Mr F.M. LOGAN:** I thank the minister for that. I again just seek an explanation of a simple thing. I refer to page 782, the same page, significant issues impacting the agency, the third dot point, the offender services business model. Can the minister explain what that is?

**Mr D.T. REDMAN:** I will pass the member for Cockburn to the deputy commissioner of offender management and professional development, if the member is happy to listen to the response.

**Mr F.M. LOGAN:** Sure.

**Mr S. Robins:** Initially, programs were delivered separately both in custody—in prisons—and in the community. The offender services model was about looking at how we can get better efficiencies and better outcomes in program delivery, and it was about establishing program delivery hubs, effectively. In the metropolitan area, program delivery hubs have been established in four locations, and the intent is to continue to roll that out across the regional areas as well. As a consequence of doing that, we have been able to deliver significantly more programs to offenders both in prisons and in the community, with an increase of some 26 per cent of program places being available to offenders in the community. In prisons, basically we have established a target of a 27 per cent increase in program delivery, with more than 2 500 prison programs being delivered in the full year. The whole intent was to ensure that there is a broader range of programs and an increase in program delivery both in the community and in custody, rather than just in prisons, and effectively as that is rolling out what we are seeing is a significant increase across the board in terms of program delivery.

**Mr D.T. REDMAN:** I will just add some comments to that. This is really a good news story. We have put a strong focus—I have answered questions in Parliament on this, member for Cockburn —

**Mr F.M. LOGAN:** They were not mine, minister; they were your questions.

**Mr D.T. REDMAN:** — both in prisons and out of prisons, on increasing the number of programs substantially, to the point at which the unmet demand, for example, for prison programs across all offence types has continued to decline. Demand pools for programs for sex offending, addictions and violent offending are at the lowest they have been since 2009–10. That is a very good story and an absolute testament to the efforts of the Department of Corrective Services in ensuring that the programs get rolled out.

[12.30 pm]

**Mr F.M. LOGAN:** They are waiting to get out under your electronic bracelet system; that is why.

**Mr I.C. BLAYNEY:** I refer to the last dot point on page 782 relating to regional youth justice services. The opposition has previously called for justice reinvestment as a way of reducing prison numbers through community-based programs directed at social disadvantage. What is the government's view on justice reinvestment and what is it doing to address these issues?

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr D.T. REDMAN:** I thank the member for the question. That is a good point. It is interesting that the previous shadow Minister for Corrective Services was very strong on this issue yet I do not think I have heard the member for Cockburn mention it once.

**Mr F.M. LOGAN:** I have mentioned it a number of times; you just were not listening.

**Mr D.T. REDMAN:** The principle of justice reinvestment is taking the resources that would normally be allocated to normal prison expenditure and reallocating it for community-based initiatives to address social disadvantage and the like to reduce the number of people going to prison. In my view, this does not work in Western Australia for a range of geographic, demographic and other reasons. We are ensuring that we are getting a significant investment in our prison system so that we remain contemporary. Interestingly, that point is supported by the Western Australian Prison Officers' Union, which has made a number of calls at different times about investment. We are making those investments but it takes time to roll them out.

We are also investing in regional youth justice services, which I talked about earlier. There is \$440 million over the forward estimates to target youth, and Indigenous youth in particular, with diversionary strategies to ensure they have alternatives to going into detention and that the minute they have contact with the justice system they have an appropriate level of engagement with someone who can help with a range of services. Last week I announced with Hon Donna Faragher that the government would use Outcare, from the non-government sector, to deliver the Live Works program for Indigenous young men in the city, notably in the Swan, Armadale and Kwinana areas. The member for Geraldton will remember a response I gave to a question last week about the fact that Live Works has been engaging tremendously to support skilling, mentoring, social support and all those types of wraparound support services that are important for Indigenous youth. Live Works is engaging with the youth, who are doing some very good work with the Department of Housing by upgrading social housing. I saw the program in operation when a number of young men were paving outside a Homeswest house. The Department of Housing pays for the materials and these young people go in with the support of mentors and specifically skilled staff to build up the skill sets the young men need to hopefully get an apprenticeship. The work they have done so far has been absolutely outstanding. The principal we are making on the investment is twofold. Firstly, we are not neglecting our prisons, which is what the prison officers' union has been calling for, and, secondly, we are making some very strategic investments in community corrections, youth and targeting the shift away from detention. None of that is easy. It does not matter who is in government and what programs it puts in place; there will always be a proportion of the community that is disengaged and challenging. We can never drop the ball and we must continually review how we do business. When a royalties for regions program comes up for review, we must assess what changes have been made during the period of the program's operation and whether it has been effective. If it has not been effective, we need to consider where those resources might be better redirected or whether another program should be set up that will hopefully make a change.

Some very good work is happening. I do not accept that the principle of justice reinvestment, as described by Mr Paul Papalia when he was the shadow Minister for Corrective Services, works in Western Australia. The range of investments that we have made in our prison facilities, the prison system and community corrections shows that we are on the ball.

**Mr F.M. LOGAN:** I draw the minister's attention to a complex matter—I literally cannot understand this—on page 781 under "Major Spending Changes". Just let me finish my question before trying to answer it, minister, because I want to get it all out. The second line item is "Court Security and Custodial Services — New Contractual Arrangements". Under "Financial Statements" on page 787 is an explanatory note that says growth in income forecasts is generally related to the increasing prisoner muster. The rest of the paragraph reads —

The specific reduction between 2011–12 and the forward estimate years relates to the permanent transfer of appropriation from the Department of the Attorney General for Court Security. This results in a reduction to revenue and offsetting increase to appropriation for the Department of Corrective Services and reciprocal adjustments within the Department of the Attorney General.

I sort of understood that in the line item but I could not work out how that statement and that line item then related to the expenditure of \$11 million in the next financial year on court security and custodial services referred to on page 781. On the one hand, there is that expenditure under "Major Spending Changes", and on the other hand on page 787 under "Income" it effectively says there is a reduction in revenue and that there are reciprocal adjustments within the Department of the Attorney General. Both those issues relate to court security arrangements. I cannot work out what the budget papers are driving at.

**Mr D.T. REDMAN:** Let me attempt to walk the member through it. If he needs more clarification, no doubt he will ask. The figures the member refers to on the bottom of page 781 are major spending changes. They are the new contractual arrangements with the CS and CS contract by Serco.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr F.M. LOGAN:** Is this the prisoner transfer contract?

**Mr D.T. REDMAN:** It is court security and custodial services. There are two areas: there is the CS and CS for the Department of the Attorney General, which is largely the courts throughout the state, and also the transport services that Serco provides. The contract value for 2012–13, for example, is \$45.56 million. That includes \$21.4 million for the Department of the Attorney General and \$24.09 million for the transport services of the Department of Corrective Services. They are the contracted services provided under the CS and CS contract. The CS and CS contract appropriation has been approved for the transfer from DOTAG to DCS for a section-25 application. Do not ask me what that is, but I have advice that says that is what it is. The contract allows for an indexation adjustment for each pricing table on 1 July each year. An indexation adjustment of 3.5 per cent has been included in the contract value for 2012–13.

**Mr F.M. LOGAN:** How long is that contract for?

**Mr D.T. REDMAN:** The initial term of the contract is to 30 June 2016, with extension options for up to five years. I am sure that the member remembers it from when he signed up to it when he was last in government.

**Mr F.M. LOGAN:** No, it was a different company. I was not involved in it, but it was a different company anyway.

**Mr D.T. REDMAN:** And a different era too, by the sound of it.

**Mr F.M. LOGAN:** It was; that is correct.

**Mr D.T. REDMAN:** And it does not count.

[12.40 pm]

**Mr F.M. LOGAN:** No. I ask that because the minister talks about the total contract. How does that relate to the amount allocated per annum? I presume that is broken down. The figure for the following financial year in line item “Court Security and Custodial Services—New Contractual Arrangements” is \$11.5 million. Of course that is broken down between DCS and court security. I presume that is right.

**Mr D.T. REDMAN:** My understanding is that these major spending changes define the significant changes; they do not define the total.

**Mr F.M. LOGAN:** That is what I thought, because they are pretty low.

**Mr D.T. REDMAN:** Yes. The second point is that in the 2011–12 estimated actual to 2012–13 there have been some transitional contracted costs within the agreement for the CS and CS contract. There is an allowance in the tender for transitional arrangements, part of which will be accounted for in these figures.

**Mr F.M. LOGAN:** So that \$11.5 million for the 2012–13 coming financial year is an additional cost to the contract. I have a couple of questions, because I literally cannot understand this.

**The CHAIRMAN:** Is this a new question?

**Mr F.M. LOGAN:** It is a supplementary question. This may well be explainable by the running-out of the previous contract; I do not know. Halfway down page 791 under “Net Appropriation Determination” is the figure \$15.796 million for the current financial year in line item “Custodial Services Contracts Costs from Department of the Attorney General”. Is that a completely separate item?

**Mr D.T. REDMAN:** I understand it is covering the same service but it is where the funds go through. Point (a) at the bottom of the page states —

The specific reduction between 2011–12 and the forward estimate years relates to the permanent transfer of appropriation from the Department of the Attorney General for Court Security.

**Mr F.M. LOGAN:** Yes, I understand that. However, I would assume that because DCS now runs the whole contract, there would be a net transfer of money to DCS, not from DCS, because the Department of the Attorney General has stopped paying.

**Mr D.T. REDMAN:** It states under “Net Appropriation Determination” that it “provides for the retention of the following cash receipts by the Department”. I will pass the question to Mr George Kessar, acting director of finance, to get an accounting response to that.

**Mr G. Kessar:** Basically, in the arrangements we had previously with the Department of the Attorney General, accounting entries reflected the exchange of funds as resources free of charge, so there was a change in the income statement through the appropriation from 2012–13. In our income statement there is an increase in appropriation to reflect the increase in cash.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

**Mr F.M. LOGAN:** Yes, I see that.

**Mr D.T. REDMAN:** I just make the additional point that the Commissioner of Corrective Services is the contract principal. Under the act it can be only one person.

**Mr F.M. LOGAN:** By way of further information, I am trying to get to the bottom of this, because the minister can see why —

**Mr D.T. REDMAN:** When the member says he is getting to the bottom of it, it sounds like there is some skulduggery going on here, but there is none.

**Mr F.M. LOGAN:** No, no.

**Mr D.A. TEMPLEMAN:** I would not be surprised!

**The CHAIRMAN:** Member for Mandurah!

**Mr D.T. REDMAN:** “Clarification” might be a better word.

**Mr F.M. LOGAN:** It is because it is not clear in here. It is clearly not clear to the minister and it is not clear to me.

**Mr D.T. REDMAN:** This is a Treasury document, member! These are high-level aggregates.

**Mr F.M. LOGAN:** I am not putting words in the minister’s mouth. I understand about the transfer of income for the purposes of accounting and I can see that in the controlled statement of cash flows, but I can say that is just one issue. The other separate issue in the major spending change is \$11.5 million, which is accounted for in the spending change. Is it correct that it is a separate issue and basically a cost increase for moving to the Serco contract? It is a separate issue.

**Mr D.T. REDMAN:** That is the cost increase in the amount that was appropriated before. This is a major spending change. Every time the budget papers are written, there is a box here, and that is what the member is looking right at.

**Mr F.M. LOGAN:** Yes.

**Mr D.T. REDMAN:** If there is any significant shift from what has happened before to now, the figure that goes in there is what that shift is—in other words, the net position—what it relates to and how it behaves over the forward estimates.

**Mr F.M. LOGAN:** Yes. By way of further information, minister, I have a further question. There are three references to court security and custodial services in the budget papers. I want to clarify what I think the minister just said. There are basically two issues we are dealing with here. The major spending change deals with a cost increase in the Serco contract. The other issue is simply what seems to be the accounting transfer between AG and DCS.

**Mr D.T. REDMAN:** I am assuming that there has been an appropriation for these contractual services before that is in there.

**Mr F.M. LOGAN:** Yes.

**Mr D.T. REDMAN:** There are changes to that with the new contractual arrangements, of which we have put in much more rigorous contractual conditions and so on; also the scope of the service has changed. It is therefore not just the same service that has shifted, it is also a scope-of-service change, plus there is this accounting change that the member talked about on how the funds are arranged between Corrective Services and the Department of the Attorney General.

**Mr F.M. LOGAN:** By way of supplementary information—I understand the second part about the transfer deeper in the budget papers—in reference to the first point on new contractual arrangements under “Major Spending Changes” on page 781, can the minister give us a written explanation of the cost increase of \$11.5 million for the Serco contract?

**Mr D.T. REDMAN:** The reason for that is an increase.

**Mr F.M. LOGAN:** By way of supplementary information. I do not need it now, as I will go on to the Inspector of Custodial Services.

**Mr D.T. REDMAN:** We will take that question on notice. By way of clarification, I undertake to provide additional information that clarifies on page 781 the increased figures for court and custodial services over the forward estimates, which will clarify why it is a major spending change.

**Mr F.M. LOGAN:** Yes, that is right.

Chairman; Mr Fran Logan; Mr Terry Redman; Mr Martin Whitely; Mr Vincent Catania; Mr Ian Britza; Mr Ian Blayney; Mr David Templeman

---

[*Supplementary Information No B9.*]

**Mr I.M. BRITZA:** On page 781 under “Major Spending Changes” is an item called “Riverbank Including Live Work”. The minister referred to the Live Works program a little while ago, but could the minister give us more information on exactly what that program is?

**Mr D.T. REDMAN:** Thanks, member, for the question. I thought the member was going to ask about what is happening at Riverbank, which would have been a good question too, but I am sure I can encompass that in my response.

**Mr I.M. BRITZA:** Yes. I give the minister the liberty!

**Mr D.T. REDMAN:** Going back about 12 months ago, I saw a reference in some of the briefing notes I was getting about the works of Outcare, a not-for-profit group that provides a range of services at a community level for disaffected people. I sought to meet with the Outcare group, which was funded for some specific work. In the present funding arrangements, Outcare was funded by the federal government until the end of this financial year. I was most impressed with two things: firstly, with the people who presented to me in terms of their capacity, interest and drive to seek and support change for those in our community who are disaffected and who are likely to engage with our justice system. That impressed me. Secondly, I took the chance following that meeting to visit one of the projects in which young offenders were doing some work on a Homeswest house. More importantly, I was impressed with the skills I saw people developing and learning. These are people whose rap sheets are not pretty, but when I looked at what they were engaged in and the pride they had in the project on the day I saw them, I was impressed. Thirdly, I think the nature of the engagement by the staff who were involved with it was such that these people were not challenged or threatened. It fitted their background circumstances; they understood their difficulties and what they were trying to achieve.

I thought the whole package deserved our support, particularly given that the federal government funds finished this year. I took up the issue with cabinet and the ERC to get support. We put \$7.5 million to that Live Works program. I announced it last week and I talked to one of the people who plays a key role in it. I think I saw him on site when I was out there looking at that project. He was rapt that they are able to now keep going with what has been a very successful program. Outcare advise that of the 49 participants who successfully completed four of the Perth-based programs last year, 30 achieved employment placements—61 per cent—23 being apprenticeships. That is not perfect because there is also a sustainability issue there inasmuch as how long do they hold that position? I know that some have dropped out. But when we take even that into account, I was impressed with what they are trying to achieve. The objectives of the program were, firstly, to facilitate a positive change in behaviour, attitudes and lifestyles and to support them into sustainable training and employment placement. The second was to divert the target group from imprisonment to alternative sanctions in the community. The third was to reduce the overrepresentation of Aboriginal people in the justice system—a very worthy target. The fourth was to contribute to the integration of the Indigenous population into the economic aspects of the community. I was very impressed that we were able to support that program. Additional to that, \$920 000 has gone into upgrading the Riverbank facility, which is an old juvenile custodial facility in Caversham. It is quite confronting to go through and see where we used to put kids. That has been converted to a number of workshops where they deliver programs and basically manage the community corrections from there, largely across the state or the metropolitan area. They coordinate across the state and metro, so we are putting work into that to help them upgrade their facilities.

[12.50 pm]

**The CHAIRMAN:** Are you going to be brief?

**Mr D.T. REDMAN:** I have a little bit more to go.

I was taken by what that group is doing to the point where I think the next step is to discuss how it might enhance its industry-type work on that site. The member might recall what a school manual arts centre looked like. There is a lot of that type of equipment there, but further development of that will also help with that training. That is another discussion for another day but I think worthy of discussion.

**The appropriation was recommended.**