

STANDING COMMITTEE ON PUBLIC ADMINISTRATION

DEPARTMENT OF CORRECTIVE SERVICES

**TRANSCRIPT OF EVIDENCE
TAKEN AT PERTH
WEDNESDAY, 9 APRIL 2014**

Members

Hon Liz Behjat (Chairman)
Hon Darren West (Deputy Chairman)
Hon Nigel Hallett
Hon Jacqui Boydell
Hon Amber-Jade Sanderson

Hearing commenced at 9.34 am

Mr JAMES McMAHON

Commissioner for Corrective Services, sworn and examined:

Ms SUSAN AUDREY HOLT

Manager, Court Security and Custodial Services Contract, Department of Corrective Services, sworn and examined:

Mr CRAIG ANDREW KNOX

Director, Contracted Services, Department of Corrective Services, sworn and examined:

The DEPUTY CHAIRMAN: Good morning. Thanks for coming back in today. I am Darren West, the deputy chair. I will be chairing today's proceedings in Hon Liz Behjat's absence, which is due to a school function. On behalf of the committee, I welcome you to the meeting. Before we begin, I ask you to take either the oath or the affirmation.

[Witnesses took the oath.]

The DEPUTY CHAIRMAN: Thank you. You will have signed a document entitled "Information for Witnesses". Have you read and understood that document?

The Witnesses: Yes.

The DEPUTY CHAIRMAN: These proceedings are being recorded by Hansard. A transcript of your evidence will be provided to you. To assist the committee and Hansard, please quote the full title of any document you refer to during the course of the hearing for the record. Please be aware of the microphones and try to talk into them. Ensure that you do not cover them with papers or make noise near them. I remind you that the transcript will become a matter for the public record. If for some reason you wish to make a confidential statement during today's proceedings, you should request that the evidence be taken in closed session. If the committee grants your request, any public and media in attendance will be excluded from the hearing. Please note that until such time as the transcript of your public evidence is finalised, it should not be made public. I advise that publication or disclosure of the uncorrected transcript of evidence may constitute contempt of Parliament and may mean that the material published or disclosed is not subject to parliamentary privilege. Would you like to make an opening statement?

Mr McMahon: I am fine given what I said last time. I assumed you would have been briefed on that.

The DEPUTY CHAIRMAN: I have the transcript, so I am across what happened last time. It was just an invitation that we extend to everyone. I think we will throw over to some further questions from the committee. Who wishes to lead the charge?

Mr McMahon: Just on the releasing of the report, I am still waiting for State Solicitor's advice. Again, it is an operational security issue for me. This is not me stalling. Rather, I am going through the right process and waiting for advice.

The DEPUTY CHAIRMAN: That is understood, and given that you are relatively new to the position, we will err on that side. That is not an issue for us.

Mr McMahon: Last time I was very conscious of the ability to do it confidentially. I am getting the right advice, but it has not come through yet.

The DEPUTY CHAIRMAN: Certainly.

Hon AMBER-JADE SANDERSON: Commissioner, thank you for coming back again. I refer to a report in today's paper about fly in, fly out court security and to some of the contract issues we talked about last week. I am looking for a bit of clarification. According to the report, the contractor, Serco, is having to hire fly in, fly out workers to fill those roles because it is struggling to find local people to do those jobs. Under the current contract, does the government pick up the tab for the fly in, fly out workers or does the contract state that the contractor picks up the tab for those extra costs?

Mr Knox: I will take the lead on this, because I dealt with this yesterday evening with our media people. I will explain some of this, because there is a lot of confusion about this issue. It seems to be a view that this is a variation to the contract for fly in, fly out workers. However, it is not a variation; the total contract price bid by Serco includes staffing mix for this site. There are sites, as you would be well aware, around Western Australia where it is very difficult to recruit local people. The whole concept of fly in, fly out has been in the contract since its inception. It was with the previous contractor G4S. It is the nature of employment of the resources sector with the competition for staff. There has been no variation to the contract. The contract has a fixed price—I do not want to get too technical—for the whole state. It is often very difficult to then drill down to find out how much it costs precisely for Bunbury, for example. It is an estimate based on FTEs at those sites with overheads. In respect of the recruitment of staff, I received further evidence from Serco yesterday about its recruitment. I will share the Serco information with the committee.

[9.40 am]

The information refers to dates and advertising in the local newspaper. On 1 September 2011—remember the contract started in August 2011—there were two vacancies. There were two applications and one person was retained. On 1 February 2012, there were two vacancies but with zero applications, zero was the number of persons retained. On 1 July 2012, there were two vacancies, two applications were received and two people were retained. That was a good outcome. On 1 December 2012, there were two vacancies, two applications and one person was retained. On 1 March 2013, under the same local jobs, there was one vacancy, with zero applications and zero retainment. Of nine vacancies during that period, six applications were received and four were retained, which is about 44 per cent local employment. Hopefully, that reassures the committee. We stress with Serco at all times that we want local employment.

Hon AMBER-JADE SANDERSON: That does not answer my question, which is: if it is a fixed price contract, is the department having to pick up the tab for the cost of the extra workers?

Mr Knox: Those costs were always included in the fixed price. When Serco or any other company undertakes the due diligence, it was already aware that it is difficult to recruit local staff. It factored in those contingencies in the bid price. It was always in the fixed price of the contract. If next month it has difficulty recruiting staff at Kalgoorlie, we would not have to pay additional moneys.

The DEPUTY CHAIRMAN: There are two things there. The March 2013 was the end date of the figures. Do you have any information from March 2013 to now?

Mr Knox: Not at this point. I can check to see whether it has advertised since that time. That is the advice I received yesterday.

The DEPUTY CHAIRMAN: It would be useful if you could provide that information.

Mr Knox: I am happy to do that.

Mr McMahon: I will give a bit of context to other things that are worthy of note. In terms of security in courts, during my five months there have been a number of times in which verdicts have

been given and the security of courts is pretty essential when people leave court. There have been cases in Geraldton and Perth courts, et cetera. I want to make a point about the quality of person we get with level 3 and level 4 certificates. I do not want to downplay what security people do. It involves training and is a whole profession in its own right. I want to make sure that you understand that it is not about getting someone off the street and saying to them, "You'll do" and then putting that person at the front of a court. I think it has been downplayed a little. That is an important point. I did a number of years in the mining industry and security people do fly in, fly out for remote areas for the same reason—it is about getting the right people. I am giving context to the public value thing. The first we have to ensure is that we have effective people on the ground, otherwise with the escape rates, the safe community gets hit. The second thing that is important—I am only reiterating what I said last week—with my fresh set of eyes, I decided to bring in the Department of Finance. It will not do the midyear review; rather, it is a review of the contract. The midyear review for 2016 will happen later in the year. I want to make sure that we are as good as we can be in terms of public value. The answer, as I said last week, is that we did not have many escapes, but all of a sudden there were some. Relative to the contract overall, that has been going okay. The issue for me is to make sure that we are getting the best value for money out of that contract. There is the ability to modify the contract with the independent review going on. I have been told that the person who will do it is a very senior and established person—Mr Rod Alderton from Department of Finance. I have been told that the report will be received by 30 April. I am keen to get that. That goes through the issues of banding. A fresh set of eyes and a fresh look gives me a certain amount of confidence that we can make it as good as it can be.

The DEPUTY CHAIRMAN: As a committee dominated by regional members, we are certainly quite aware of the gaps in skill sets in communities and understand the issues around that. For the record, item A1 is the provision of employment information from March 2013 to the present.

[Supplementary Information No A1.]

Hon AMBER-JADE SANDERSON: While we are talking about regional transport issues, I will follow up on evidence that you gave in the annual report sessions of the estimates committee at the end of last year, which referred to processes and costs for prisoner travel and transport in remote and regional areas. Can you detail in broad terms the processes for prisoner travel and transport and whether there have been any significant increases?

Mr McMahon: I will do the first part. I will let Mr Knox handle the significant increases, because he knows the figures in detail. First of all, when a request comes in for what we are doing, it obviously goes through the operations cell, which is adult justice or youth justice. That is a sign-off that that movement needs to occur. I will elaborate a bit here. Some of the decisions about who goes where and why now come to me. I am giving you context in relation to Graham and Fraser, which was Greenough Regional Prison. It is maximum security and temporary travel, which that was, I now take ownership of that decision.

The DEPUTY CHAIRMAN: Is that a result of that escape?

Mr McMahon: Correct. Also non-essential travel for maximum or high-security escort prisoners now comes to me. In the classification system there is "maximum" and "high-security escort". I released an administrative notice shortly after that incident that said that I want those decisions to come to me. Temporary travel is for everything from the grieving process to getting people—it is part of the rehabilitative process as well. I did that because, at the end of the day, they are our highest security-risk prisoners. They are rated "maximum" or "high-security escort" for a reason. It is up to me whether those prisoners are moved. There are different categories within the department depending on their security ratings. That gives context to why people move.

The DEPUTY CHAIRMAN: Can you run us through how that new process works? I presume a recommendation would go to you and that you would have the final say on who moves where.

Mr McMahon: For certain levels, if I may say—not everyone.

The DEPUTY CHAIRMAN: Sorry, I understand that. As a result of the new process, do you expect a change in arrangements? Is there likely to be fewer movements as a result of the need for input from someone such as you?

Mr McMahon: In my five months, I think it is fair to say—I cannot relate it to the five months I had previously. My intuitive understanding as a new commissioner coming in, I think I have reduced some of the movements because from a public value perspective—so balancing risk management with rehabilitation—I have not been comfortable that that move is warranted. I will give you an understanding of some of the things I look at. Risk to the community is the major one. Time served is another one. Behaviour in prison is another one. Rehabilitative purpose is another one. There is also “compassionate grounds”, which also relates to rehabilitative service as well. What I am setting up in the department—I am not there yet, but down the track—is a system of matrix decision making, meaning that people at this level of the organisation, lower down, make a recommendation and another level approves it. In some areas we have had one person doing both. In my view to risk manage appropriately, two people making a decision is far better than one. It is a very simple concept. In some areas we just had one. For some of the more high-risk areas, we needed to improve on that. They had those systems in before. I have made that clear and open in a range of areas.

[9.50 am]

Again, I look at time served when looking at funerals. The big one for me with funerals is safety of the community—that is the number one priority—but I also have to consider the safety of the prison officer guarding the person. If there is erratic and irrational behaviour and there is no sign of rehabilitation in prison—and there is a slight link to the person going—if you weigh all that up on a risk framework, you say it is not worth going. I do not want to be longwinded. We have done this in the past, but it is my view that if we cannot do that for a funeral, we do a church service in prison or we try to beam things in if we allowed to do so. We might get approval to do a Skype setup. We try to do things rather than just saying no. We try to facilitate what needs to be done.

Hon JACQUI BOYDELL: Commissioner, you described the considerations taken into account when approving a movement. Is one of those considerations the person’s actual sentence?

Mr McMahon: Absolutely.

Hon JACQUI BOYDELL: Or do you deem that if you are dealing with maximum security prisoners, you are not necessarily taking into account their individual sentence?

Mr McMahon: Time served is a consideration. I will give an example, but I will not mention names. The other consideration is a history of escaping, which is pretty relevant! One particular fellow—or lady—was recently caught by police but then escaped police custody before coming to us. There was an aspect of systems that we have in our ability to gather information and decipher into intelligence that supported indications of that person’s escape. I then had a number of data points that say he or she has done it before, he or she has indicated along the way that he is preparing to do it and the funeral is very close. I then looked at issues such as whether there has been any remorse or slight rehabilitation? If someone has been in prison for a long time, if you have been there a while and you are being rehabilitated, some people are downgraded because you can see their steps of rehabilitation in what they do. But if there is no sign of that, what ability do I have to say that that person’s behaviour will change on the day of the funeral?

Hon JACQUI BOYDELL: Your biggest challenge and our biggest challenge is the public perception of how a maximum security prisoner, who might have been a rapist, had the advantage of travelling to see his family as opposed to another maximum security prisoner who might have been in prison for aggravated burglary. The biggest challenge from a community perspective is the emotive crimes. Do you take that into account when you justify your decision?

Mr McMahon: Absolutely. As you are know, we are learning. The matrix system will be put in place so approving and recommending will get a lot around that. I have not changed the policy from the directive I released. I believe it was on 6 January. The Graham/Fraser incident was on 3 January and on 6 January I put the ACCO out. The ACCO is the directive. I still hold that ability with maximum and high-security escort prisoners for non-essential travel. Non-essential travel is everything outside of a court appearance, which is the judicial system, and/or specific medical reasons. A person has to go otherwise we will potentially have a death in custody. We have to take in kinship, the connection to family and the grieving process. Another thing we take into account, which is very clearly documented, is the risk of a person suiciding. I balance easily 10 variables every time I make a decision about a funeral.

The DEPUTY CHAIRMAN: They are difficult decisions. There were two cases in Geraldton. One involved an escape, so there was criticism from the community that the prisoners were allowed to travel. Only weeks later, there was the case of a mother who was unable to attend the funeral of her son. The community was critical because it felt compassion for the lady. I do not envy the position you find yourself in.

Mr McMahon: The operational will make the decision about whether we do that with Serco, and then it goes to the contractors. Two separate processes are involved—there is the operational's decision that a person must be moved and there is the contracting team that asks whether it is value for money. Sue Holt and her team literally look at each request for value for money. Are we going to do it? Yes or no. Do we need to do it? Is it value for money?

Hon AMBER-JADE SANDERSON: While we are talking about value for money, I refer to regional prisoner transport, particularly to those who have defaulted on a fine or for other minor activities. Last November at an estimates and financial operations committee hearing with Ms Heather Harker, Hon Alanna Clohesy asked what number of prisoners had been transported that way in the past 12 months. The question was taken on notice. The response that came back from the commission was that while all prisoner transports conducted in the state are recorded, the offence for which the offender has been charged is not recorded in connection with the transport. The answer also stated that to provide that level of detail, the department would need to manually scrutinise each individual transport record from the past 12 months, which would require complex and highly resource intensive work. Finally, the answer stated that options for obtaining the data cost effectively were being considered. Obviously there is an issue with the data kept by the department. Hon Sue Ellery asked a follow-up question in the Legislative Council in February this year. She asked whether an escort record system had been introduced by Serco; and, if so, whether the Minister for Corrective Services would list all the details. If an escort record system was not introduced, why not? The answer was yes, Serco's escorting and recording system was introduced in March 2012. Is it a bit cute to say that the department does not have access to that information, but Serco does?

Mr Knox: I can respond to the second question about the Serco escort system. That system is not a statistical data base of prisoner classification and background that the department would retain. It is very much a movement system from the point of receipt of the person in custody. It would outline what sort of checks were done on the person, whether the person was at risk and needed risk management or whether the person had any medical alerts. It is a system that ensures that the escorting officers are taking appropriate duty of care when transporting a person.

Hon AMBER-JADE SANDERSON: With respect, the answer states that the Serco escort recording system details the movements of the person in custody, as well as offence details and welfare observations.

Mr Knox: Yes, but not to the extent—We have a total offender management system in the department, which has far more detailed information than what that SERS system has.

Hon AMBER-JADE SANDERSON: So it is not matching the offence with the travel—is that what you are saying?

Mr Knox: Who is not matching the offence with the travel?

Hon AMBER-JADE SANDERSON: The department or whoever is approving. That follows on from Hon Jacqui Boyde's question.

Mr Knox: If we go back to where the commissioner was coming from, it is not inherent within the CS and CS's contract. As a procurement contract, we are not involved with that decision-making. The decision is made operationally within the department and then Serco staff undertake the escort. What the SERS system says is that if the prisoner is at risk of self-harm or suicide or needs special attention, the SERS system provides alerts to the escorting officers.

[10.00 am]

Mr McMahon: To be fair and to give it more context, in the restructure that we are doing, we are creating—I think I have said this previously—an operations centre for the department. We are looking at it running 24/7. We are a bit siloed at the moment. That will mean that if you cannot get the information on the ground when you are transporting someone, you can ring a hotline to find out the person's rating. The thing with operational management and focus is the attention to detail. I know about the Serco system. I have been having discussions with Serco about this. I want to bolster that area. We make the operational decisions when people move, but I need drivers—no matter who they are; public or private—to understand exactly who they are carrying. Just before you leave an establishment, information can become relevant to what you are doing. That is another level of sophistication, but that is where we want to go with the new operations centre. It is an important initiative. We are working on the operations centre now. I am in discussions with Serco to make that more effective. Craig would not be aware of that. It is something that I am pursuing with Andy Beck. Craig knows that we are building the operation centre. It is well documented. We put that out about two months ago. Coming back to fine defaults, I am not sure of the data. We have done quite a bit of detailed work. It does take time, because you have to go back into a system and sometimes fine defaults are linked to other things. We are working on the system. We are creating a new knowledge management area that links in with our IT. When we asked questions, and rightly so, that will give us the ability to drill down and pull out the information we need. A whole knowledge management area is another part of the new structure. This details from 7 to 13 the fine defaulters who have gone in. The last piece of information I received was that the average is around eight days. That is all relative to the fact that we have to move people. Our contract has been designed at a macro level and it involves the economy of scale. They trade off some of the metro travel with what is done regionally. It is in business to make money. It is a trade-off for public value. If we have to move someone from Kununurra to Broome because we have to clear the lockup in a 24-hour period, in that movement we might only move one person. That is when you get the inflated figure that we are moving someone for \$13 000.

Hon AMBER-JADE SANDERSON: And if you charter a plane —

Mr McMahon: We know we can get six and 15 in a plane—21 people. If it is filled, obviously the average cost goes down markedly. Broadly, that is where some of the distortion comes with some of the figures. When the quote comes in, if it is for one person, obviously one person is there, but per unit the more people we have, if there are 10 people in the lockup, it goes down. I am saying the obvious now. The reality is that if we have to clear the lockup within 24 hours, it is hard to manage the input for that.

Hon AMBER-JADE SANDERSON: Absolutely. The question from a public administration point of view is: if you knew that that was always going to be the case and we have those processes in place so that people are not in lockups for long periods, why did you enter into a contract that would

impose greater costs on the taxpayer for the potential of moving one individual for a fine default, for example?

Mr McMahon: Sure. With due respect, it goes back to the macro setting up the contract. The overall contract is where you create the value. In the metropolitan area, they move many, many times a year and you are trading it off versus the one time up there. I do not know this factually, but in contract management we are trading off our metro movements. Recently there have been a lot because the prison population is going up quite markedly; therefore, we get the value here, but we trade it off with that. When the contract was let—I have seen the documents relating to the other bids that were put in—there was a cheaper bid and a more expensive bid from a public perspective, but the effectiveness of the service was key in the decision. There was the public bid, the Serco bid and another private company bid. Serco was down the bottom end, but it was in the middle, if you know what I mean. I read that the decision was about the effectiveness of the service, because the other contractors' services was, in the opinion, not as good as the Serco service. That was part of the reason for that decision. The independent report that was done said it was cheaper than the public service.

Mr Knox: Yes, that is true. Just going back to lockup clearances, it is also the community's view—it was reflected by the government of the day at the time of doing the contract—to increase frontline policing. This contract is not only a corrective services contract; in fact, it is our client. The police are our client, as is the Department of the Attorney General. The police argued very strongly for a 24-hour lockup clearance, which was an improvement on the previous contract. The importance of frontline policing was reflected and echoed by the government of the day and releasing those officers for police duties rather than following prisoners in lockups

Mr McMahon: It is not my place in this committee to talk policy, so I will not do that, but I can give an indication that it is a key area that we are looking at. For public value reasons, it is a key area of mine. I get the justice model as we fit together, as we want more police out there, because that is about law and order and making the community safer. Some of the mechanisms that fall out of that, we have to make sure the contracting backs that up. Maybe regionally things are done differently in different areas with lockup clearances. There is another level we can go to. We have asked the Department of Finance to look at aspect—that is, is there a better way to do that?

Hon AMBER-JADE SANDERSON: Are you able to provide the information that you pulled together?

Mr McMahon: I do not see why not. I have my scribbled notes on it. I am sure we could get you a proper copy.

The DEPUTY CHAIRMAN: We will call the fine default information A2.

[Supplementary Information No A2.]

Hon AMBER-JADE SANDERSON: I want to go back a little way to get a sense from you and the department how the CCTV in prison transport vehicles has been operating. Have they been operating as anticipated in light of the coroner's recommendations from the Ward inquiry?

Mr McMahon: Have they been operating as anticipated? Well, they obviously were not operating that well in the Graham and Fraser cases, so the short answer is no. To give that context, part of the Ward recommendation was about the monitoring of prisoners in an overall sense. That is everything. Monitoring includes when a person gets into the van, along the way and at the end. The Ward inquiry referred to monitoring in a broad sense. The CCTV and getting down to where we need to go, as you know Fleetcare monitor it or is subcontracted to us and then it subcontracts Ashleys. If we look at the Fraser and Graham incidents, the monitoring was working, from my understanding of the reports I have read, but the recording device, due to the batteries, was not. The reality is that the checks on the batteries were not as routine and regular and the maintenance schedule left something to be desired. That is my understanding. That system of routine and regular

checking—I am very conscious about my comment about kicking doors last week—but the reality is that it is the same thing. It is the same context as that routine and regular checking.

[10.10 am]

We as a department need to learn from that, but we also need to drive our contractors and subcontractors to learn from that and to come up with routine and regular schedules. It is as simple as that. We have a monitoring department whereby people who go out and check. There is the normal routine and auditing checks that are done on a systematic basis. Based on risk, it is the one-offs that you do. For example, I refer to a hospital sit that Serco might be doing. I will go back to the op cell. The op cell will also be designed to categorise where, based on risk of a prisoner in hospital—as I said last week, I cannot wait for Fiona Stanley Hospital to start, because having inspected the downstairs section, it is a very good facility for us. From a public safety perspective it is a good thing. If we deem that a person has to go to hospital, we do not have a choice with that because Casuarina can only do so much. We are really strict on our assessments. If someone has a history and we can see the escapes and the indicators and less rehabilitation, we are putting in a system where we are directing a contract monitor, even if it is on a weekend, to do a visit. That adds another level for us. The op cell will be responsible for that also.

Hon AMBER-JADE SANDERSON: I refer to the report by the Standing Committee on Environment and Public Affairs. It is my understanding that the government is not required to respond to a coroner's report, but is required to respond to a parliamentary report. It held an inquiry into the recommendations made by the coroner. One of the committee recommendations was that the Department of Corrective Services continues to engage an independent consultant to review the CSCS contractor's training on an annual basis. We all remember the training of those guards was lacking and in some way contributed to those events. Has the department done that? Has it got the most recent review of contractors' training?

Mr Knox: Just for the record, when you say the training of those guards, the escort officers with Mr Ward were with the previous contractor.

Hon AMBER-JADE SANDERSON: Absolutely, they were with the previous contractor; they were not with Serco.

Mr Knox: When we undertook the retendering process, we changed the contract and insisted that it was mandatory that officers have certificate III in correctional practice and that supervisors have certificate IV. Yes, we do annual training. I will let Sue Holt, the contract manager, respond to that. It is current as we speak.

Ms Holt: The audits or reviews have been undertaken and continue to be undertaken. A recent audit has just been commissioned as part of the annual requirement. We are using the same independent consultant. One of the various things that I have requested it do is to ensure that the recommendations from the previous audit have been completed to the level that she had anticipated. That is another aspect rather than just looking at the current situation. I want to get a level of satisfaction for the department that the previous recommendations have progressed and are well embedded and giving that continuous improvement.

Hon AMBER-JADE SANDERSON: When do you expect the audit to be complete?

Ms Holt: She has confirmed that she will be able to complete and finalise the report by the end of June.

Hon AMBER-JADE SANDERSON: Would it be possible for the committee to have a copy of that?

Ms Holt: Yes, sure.

[*Supplementary Information No A3.*]

The DEPUTY CHAIRMAN: A couple of positives have arisen today. For instance, you talked about the monitoring of CCTV systems and reference was made earlier to a more “live” prisoner data system for the latest information. Is there provision in your budget to fund such improvements? How will you go about working those within your existing budget? Are they a real possibility given the constraints on government departments?

Mr McMahon: As commissioner that is my number one issue. We need to resource a whole range of initiatives. To put it in context, we are trying to work the restructure within the current budget and work through our structure—those sitting beside me are very involved in this. We are trying to get down to the things we need to do from a risk perspective. The Prisons Act—for which I have the responsibility of administering on behalf of the Western Australian government and people—refers to risk management, which is all about security, and then rehabilitation. Both are equally important. I can make internal moves to restructure and build the op cell. There are internal things I think I can do. I have to be careful to not take people away from the rehabilitation side. It is a dynamic tension, but at the end of the day if we cannot secure people, we cannot rehabilitate them. There are two parts to the safety of the public. First of all, we have to secure them, which is really important. The priority of effort—and for public value—we have to secure people, because it is about safety on a daily basis. But long term, we need to change the recidivism rates. Recidivism rates in the state of WA have not been going well over the last 15 years. The reality is that we need to make sure that we do not take money to bolster the operational side at the risk of this. In my view, we need to look for new and innovative ways—again, that is bigger policy that I will not discuss here—to get rehabilitation and diversion going really well. I have some thoughts that I am discussing with the minister. Internally the security side is about refocusing the department. The op cell is about moving people. The dynamic tension is to not move too many people from the rehabilitative and policy side because long term that will affect us. At the moment, it is about making sure that the contractors are held to account and that we hold ourselves to account for the security of people that we have to secure people.

The DEPUTY CHAIRMAN: That puts you in an even more difficult position when it comes to things like the expensive movement of prisoners. We heard that you now have the final say on those. If other factors are at play, that will make your judgement somewhat more difficult by having things that you want to do and need to do within budgetary constraints and the lineball prisoner transport comes before you and you may find yourself compromised. There are all these reasons for and against, but ultimately it will come down to funds.

Mr McMahon: Funding is part of it long term. That is the rehabilitative side of things, and we need to search for new ways of doing that. Some of our engagement with the for-purpose sector, like non-profit; we need to look at innovative ways of doing that. We have to look at new and innovative ways of dealing with our operating costs. We cannot compromise public safety—the people we have to secure. We have to do that. For what it is worth—I am conscious of your time—I have four clear priorities that I have issued across the department. If you are interested to hear them, I am happy to share them with you. They are in priority order. Our mission is clearly a safer community. That is what we work for. A safe community is also about securing the people we have to secure and rehabilitation.

[10.20 am]

Priority number one—and this is number one—is securing the people we have to secure. That is from a custodial perspective. That goes to detention for youth, to court services and extends to what is happening in Acacia and Casuarina. Security in the community centre also means—do not forget we have 6 000 people on orders—is the speed and response and how we react to breaches in the community. Task number two is the safety of our people. I say that in two contexts. There are approximately 5 000 people behind bars and approximately 6 000 that we manage on a daily basis on community orders, and then we manage DSOs et cetera. The second priority is the safety of our

people. That is a tough decision for me, because I am saying that priority one comes first. I say that in the context of things that were in the paper yesterday. The jobs of an absolute majority of people in corrective services are vocational. As an outsider's perspective coming in, I was very, very impressed looking at the work that is done on a daily basis from a prisoner officer to someone in the community. Do not forget that some of our community officers have to visit a house get the right report. After walking into a house, they could find that the door locks all of a sudden. Priority three is the safety of the people we have to look after—the prisoners. That involves suicide watch, mental health, transgender people et cetera. We cater for a wide range of people, including people with religious beliefs. The last one is rehabilitation. People say, "But James, you are very big into rehabilitation as a commissioner." I am, but if we do not do the top three, we cannot do the last one. That is why when we allocate money, the contractors' allocation is based on those four priorities.

Hon AMBER-JADE SANDERSON: I have a question about budgetary issues. It goes back a bit to the finance and estimates hearing last year. I refer to Wandoo. A document that was tabled at the hearing states that it is filling only 51 of 80 potential places. It was quite a costly redevelopment for the department and it is obviously not fulfilling its intention. What is the plan for that? How much did it cost to redevelop for its current purposes? Why has it not been filled to capacity?

Mr McMahon: I cannot answer the first question. We could break the costs down in a range of ways. If you want the contracting costs, I am sure we can get them to you.

Mr Knox: They are on public record.

Mr McMahon: The second part of the question refers to the number of people there. It is something that the department and I are very conscious of. Again, a policy-related issue relates to this. I will not discuss it, but I am in discussions with the minister. We have to start thinking about the development of the male brain because of the world in which we live. The brains of the different genders develop at a different rate. That has been well documented and evidenced. We must ask the question: is 18 years to 24 years the right age, or is it 18 years to 26 years or 18 years to 28 years? I will not go into too much policy detail, because I am in discussions with the minister about this. That is very much on my radar.

Hon AMBER-JADE SANDERSON: Why are people not getting access to that facility? Fifty-one places have been filled even though there is space for a maximum of 80 people.

Mr McMahon: It is a bit like Boronia in the women's. We call Boronia "Boronia Minimum". We know that the rehabilitative ability exists for a type of prisoner. If we compromise that, we reduce the effectiveness of what Boronia does. It is the same analogy for Wandoo. We have to get the right type of prisoner there. We are doing that. There is a policy issue about the age.

The DEPUTY CHAIRMAN: What has changed—the assessment or the people? It was obviously developed with a number of people in mind. Clearly, data was projected forward and 80 was the figure. Something has changed. Have the offenders changed or has the assessment process been modified in recent times?

Mr McMahon: I know that the assessment process is specifically true to the way it has been set up. It is very stringent about that process. That is in line with the comments I just made about the purity of what it is trying to do. We are trying to rehabilitate to the point at which people do not come back into the system. The statistics for 18-year-old Aboriginal men is literally 75 per cent who come back. If you go back through some Auditor General reports, the cost from a justice model perspective—this was three or four years ago—was just under \$1 million by the time they keep going around. The purity of the system is right. I can answer the second part of the question. It is something that I am looking at the moment. I believe that one major factor in the risk of those in the age category of 16 years through to their mid-20s has changed. This is my view. I am getting some data on this. Synthetic drugs have had a huge impact on our risk model. I know that. The erratic and risk-taking behaviour of prisoners—I have anecdotal evidence from having talked to prison

officers—has increased. Synthetic drugs and methamphetamine takes away the risk analysis. We know it gives them a sense of confidence and clear thinking. There are aspects of risk. Some of the reports that I have seen show how, because of synthetic drugs, what starts as an aggravated burglary becomes a murder. I am gathering some evidence on that. We have to be careful about putting those with erratic and risk-taking behaviour in a minimum security facility. That is a public safety issue for me. It will always come back to priority number one. I cannot comment on the analysis, but I know through the discussions I have had that they are sticking to the system.

Hon JACQUI BOYDELL: It is my perspective that when talking about filling what you deem to be an 80-bed or 50-bed facility at Wandoo or Boronia, it is not about filling a quota; rather, it is about the individual needs of the people and protecting their right to rehabilitation. Would you say that that is a fair assumption?

Mr McMahon: I agree with that.

Hon JACQUI BOYDELL: I am very confident that you are managing that process exceptionally well. If you do not protect the right of those there to be rehabilitated, you will have them back. I think that is a good statement. Obviously, that needs to be managed on a daily basis and you have to deal with complex issues. It is not about quota, it is about providing a quality environment.

[10.30 am]

Mr McMahon: Yes. I am just being really open here. My minister will ask me about it, I reckon, every month at least.

Hon AMBER-JADE SANDERSON: So it is a problem?

Mr McMahon: The numbers are the issue and we —

Hon AMBER-JADE SANDERSON: Because it is expensive to run a facility like that, and if you are not getting the people through —

Mr McMahon: It is.

Hon AMBER-JADE SANDERSON: — you are not getting the value for money.

Mr McMahon: But if I could give you the financial side; the first thing is the rehabilitation because that is about a safer community. Underneath that, it is about literally giving a life back, because if I go to the McIntosh case—I think I explained it last week—he had been in detention many times and in prison many times. I will not go to the specifics because there is a privilege there, but that is not a life. That is just going on a merry-go-round, and the only thing you know is in or out, literally, and every time you are out, you potentially hurt someone in the community.

Hon AMBER-JADE SANDERSON: Yes, I think the point is value for money with this facility. There is no question that it is needed.

Mr McMahon: Could I give you the value for money —

Hon AMBER-JADE SANDERSON: Rehabilitation is expensive to run and people are not getting access to it.

Mr McMahon: Yes. The value-for-money equation is this: we have got the 40 or 50 or so in there, and we are—I am in discussions on a policy issue with the minister. So I will put that one there. It has been identified, there is no doubt about it and it gets raised regularly. But if you go back to the justice model and the cost from someone here to here, we are talking just under \$1 million. The value of Wandoo is ex-contract. To keep someone, for example, depending on the jail system, is at one end about 120, but it can, depending on their severities and what they need, go up to 220, 230. So you are spending that there. But if you rehabilitate someone properly over the right period, which is back to the purity of the process, you are saving the justice system far more than it is costing us for that there. The thing is we want more in there because we want to save more for the justice system; that is the point. I am just saying, if we do not do it properly, we potentially reduce

that ability to save the justice system. Do we want more people? Absolutely. It is a safer community, giving someone their life back and then public value. The question, I think, relates back to something that I would like to work on: if we get that system going right, maybe there is more in the budget for diversion and for rehabilitation and for the other things that we spoke about.

The DEPUTY CHAIRMAN: The committee focuses on public administration, and clearly the best value for the community from dollars spent. Given that money is tight, everybody understands that, it all comes back from good decision-making. It seems to me that perhaps there may now be some question about the decision to build this facility and to operate this facility in the manner it is if it is not meeting the expectations that clearly somebody had. Would you think that would be a fair assessment?

Mr McMahon: The good thing about what we are doing right now is we are actually holding a facility to account for its results and our assessment facility and for decisions made. What we need to do now is learn, and we need to test and adjust to get it operating in accordance with the philosophy of why it was set up. So I agree with that; I agree with what you are saying. But there is also, like anything, if I can go to my defence background, how many defence projects I could give you that did not go well at the start. But I have noticed a few reports on a few pieces of equipment recently, major equipment, that have actually turned out world class. Not an excuse, I think I am just giving you my professional opinion. I think we need to test and adjust and learn and get the numbers where they need to go. That is the point you are making—there is no question about that, and that benefits everyone.

Hon JACQUI BOYDELL: Commissioner, as a member of the committee, it is not the committee's view that we do not believe there is value in that rehabilitation process. I agree that it needs to be continually reviewed and streamlined to get a better outcome. So I certainly do not think we are stating that there is no value in rehabilitation at all.

Mr McMahon: Okay, thank you.

The DEPUTY CHAIRMAN: That wraps up the questions. Is there anything else that you would like to add on what we have talked about today? Is there anything else that you feel might be useful to the committee?

Mr McMahon: Only a view. In my view, from our perspective, we are on a two-year reform. That is not about things having not been done well in the past, but we are bringing in another level of operational focus. Hopefully, I have been able to put that across. We are reviewing and testing our contracts. I think the thing that we are really aiming to do is make sure that we learn from things that happen and set up systems so they do not happen again, as much as we can. Thank you.

Hon NIGEL HALLETT: Just one question that popped up, Commissioner. When you get a situation when you feel there is absolutely nothing more you can do for a prisoner, what is your plan there? What sort of percentage would it be within the system?

Mr McMahon: The first thing is I do not know the percentage. I know it is low because I think our systems have shown that we can actually rehabilitate people. On a philosophical level, the quality of a society is determined on how we treat everyone in society. So we put as much effort into those people that are—I know this for a fact, we have got some prisoners that are remaining at a maximum level. That in any other stats should be lower than that, because for some reason, whether it is substance abuse and their brain—they have a mental illness or problem now, we are not getting the right rehabilitation to them. There are some people who have committed serious crimes that are so remorseful. I go into some of the cells and talk to the prisoners, they are so remorseful but you know their sentence is extremely long, and that is the system. I do not make any—that is the way society is set up.

I do not know the actual percentage because it is tough to define that, but what I do now is 80 per cent of our population have the education of an 11-year-old or younger—80 per cent. I know this is

a question outside the committee, but all that preventative work—whereas, the space correctives is in—we are in the diversion and rehabilitation work; we are the backstop in a lot of ways. But it is a question, I go along in my mind: how; who are those people; and are we doing enough for them? You have got to trade off, and that was a question: this is the balance, it is the balance of where do you spend your resources, and what is effective, and issues of greater good. Morally, I sit with that every day: what is the greater good question? I go home every day and think “greater good”. In my previous life, I used to do the same about committing people to conflict. They are greater good questions, and so I am fighting with the job. It is back in that seat of, “You’ve got to define greater good”, but we do that on behalf of the government and the people of WA. Sorry, I hope that answers it. I could not get the specifics, because I do not know.

Hon NIGEL HALLETT: No, it was a very broad question: what do you do when you get that different person?

Mr McMahon: Yes, and in the paper recently, you would notice all the issues with sexual offenders and the effort and resources that go into those. These are big questions and they need to be solved, but they are all about us as a productive society; I think that is what the question is.

The DEPUTY CHAIRMAN: Excellent, thank you. There being no further questions, the committee will now go into private session. Could I ask everyone to clear the room and for the witnesses to please remain in the building in case of the committee may needing to call you back at some point.

Proceedings suspended from 10.38 to 10.45 am
[The committee took evidence in private session]